

Dear NeSPE Members:

First, I would like to extend a thank you to all of you who sent correspondence or contacted senators expressing opposition to Legislative Bill 547.

The hearing went very well and I am fairly confident the bill will be indefinitely postponed (killed) in committee. This however does not mean that the bill will go away. It could always reappear as an amendment – so we should remain watchful. For a complete summary of the legislative hearing, please see the attached LB 547 report provided by Kissel E&S Associates. Again, thank you very much for calling, writing, and e-mailing the members of the HHS committee and additional senators. It was a strong coordinated effort and one that I believe will have a good outcome. The following is a legislative update for your review.

Legislative process update:

Governor Heineman appointed Rick Sheehy as Lt. Governor.

Governor Heineman delivered his State of the State address and declared that his priorities would include:

education, economic development, efficiency in government, and fiscal restraint. Expect lengthy floor debate on school district reorganization, natural gas territory wars, public power role in telecommunications, business tax incentives and many more.

Legislative bill update:

LB 252 (Baker) *Held in Revenue Committee* - increases the permanent motor fuel tax from 10 1/2 cents to 12 1/2 cents per gallon. Prohibits a village, city or city council from levying an occupation tax relating to motor fuel. Restricts how the money can be used.

Professional Engineers Coalition testified in support.

LB 253 (Baker) *Indefinitely postponed 7 voted yes, 1 present not voting*. Prohibit municipalities from levying an occupation tax related to motor fuel. Increases the gas tax and compressed fuel tax that is deposited into the Highway Allocation Fund from 2 cents per gallon to 4 cents. This fund is split evenly between cities and counties.

Professional Engineers Coalition testified in support.

Legislative Bill 359 (Kremer) *Held in Natural Resources Committee* - changes the qualifications for the Director of Natural Resources. Current law requires that the Director of Natural Resources be a professional engineer. LB 359 allows either the director, deputy director or the director of the water administration division be a professional engineer.

Professional Engineers Coalition testified in opposition.

Legislative Bill 456 (Hudkins) *Indefinitely postponed 7 voted yes, 1 present not voting*. Increase the excise, use, and compressed fuel tax levied for cities and counties from two cents to four cents. Restricted the use of the money distributed from the Highway Allocation Fund to road and street construction purposes. The distribution formula for the two cents currently levied would not have changed. The proceeds from the proposed 2 cent increase would have been distributed equally to cities and counties per capita for street construction purposes.

Professional Engineers Coalition testified in support.

Legislative Bill 547 (Johnson) *Held in Health & Human Services Committee*. Adds (5) five special interest members to the existing eight (8) member Board of Engineers and Architects. The five added members include: (a) local code enforcement official, (b) building contractor, (c) home builder, (d) municipal official (other than a local code enforcement official), and (e) a real estate broker or salesperson.

Professional Engineers Coalition testified in support.

Legislative Bill 555 (Beutler) *Indefinitely postponed* 7 voted yes, 1 present not voting. Amended the excise and use taxes and the compressed fuel tax that are deposited into the Highway Allocation Fund for distribution to cities and counties to impose an additional 2 cent motor fuel tax. Creates a new fund called the Highway Supplemental Allocation Fund to provide that the proceeds from the new tax were to be deposited into the new fund. Also amended the formula for the Highway Supplemental Allocation Fund. Divided equally between cities and counties that receive less than 35 percent of the amount credited to the Highway Trust Fund from the city or county. The amount of fuel taxes received from each city and county was to be calculated by the Department of Roads for 2004. Professional Engineers Coalition testified in support.

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