

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB400

Hearing Date: Friday March 04, 2011
Committee On: Revenue
Introducer: Janssen
One Liner: Eliminate the Long-Term Care Savings Plan Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 6 Senators Adams, Cornett, Fischer, Hadley, Pankonin, Utter
Nay:
Absent: 2 Senators Louden, Pirsch
Present Not Voting:

Proponents:
Sen. Charlie Janssen
Don Stenberg
Brian Jacobson

Representing:
Introducer
NE State Treasurer
Self

Opponents:
Brenden Polt
Theodore Frazier
Jan McKenzie
Mark Intermill
Korby Gilbertson

Representing:
NE Health Care Assoc.
Mutual of Omaha
NE Insurance Federation
AARP
NE Assoc. of Health Underwriters

Neutral:

Representing:

Summary of purpose and/or changes:

LB 400 eliminates the Long-term Care Savings Plan Act by outright repealing sections 77-6101, 77-6102, 77-6104, and 77-6105. [LB 400, section 4.]

LB 400 also makes related transitional changes, so that money contributed to long-term care savings plans by the plan's plan participants can be returned to them. Specifically, LB 400 eliminates the Nebraska long-term care savings plan and it requires the State Treasurer to liquidate the Nebraska long-term care savings plan and return all contributions and investment earnings to the plan's participants as soon as is practicable. LB 400 also provides that section 77-6103 will terminate after all of the plan's participants have received such contributions and investment earnings pursuant to the provisions of section 77-6103 as amended by LB 400. [LB 400, section 2, amending section 77-6103.]

LB 400 also eliminates the income tax deduction for making contributions to the long-term care savings plan and the related income add-back to federal adjusted gross income for plan participants who have made taken action that disqualifies them for the income tax deduction (e.g., contributions by a person who is not a "qualified individual"). [LB 400, section 1, amending Neb. Rev. Stat. section 77-2716 by striking subsections (11) (a) and (b).]

LB 400 would repeal the statutes that it amends. [LB 400, section 3.]

Finally, LB 400 contains the emergency clause. [LB 400, section 5.]

Explanation of amendments:

The Revenue Committee amendment (AM1446) to LB 400 strikes all of the bill's original provisions and replaces them with the provisions of LB 528, which the Revenue Committee advanced to General File on March 4, 2011.

AM 1446 would extend to FY2017-18 the sunset date (FY2011-12) under current law that allows a qualified natural resources district (NRD) to levy a property tax of up to three cents per \$100 of taxable value within the district for certain specified purposes, as explained below.

Section 1 of AM 1446 would extend to FY2017-18 the sunset date under current law (FY2011-12) set forth in Neb. Rev. Stat. sec. 2-3225(c), which grants a NRD located in a river basin, sub-basin, or reach that has been determined to be fully appropriated or designated over-appropriated by the Department of Natural Resources authority to levy an additional property tax of up to three cents per \$100 of taxable value for purposes of administering and implementing ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act.

Section 2 of AM 1446 would extend to FY2017-18 the sunset date under current law (FY2011-12) set forth in Neb. Rev. Stat. sec. 77-3442(4)(c), which grants a NRD located in a river basin, sub-basin, or reach that has been determined to be fully appropriated or designated over-appropriated by the Department of Natural Resources authority to exceed its property tax levy limit to accommodate an additional property tax of up to three cents per \$100 of taxable value for purposes of administering and implementing ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act.

Section 3 of AM 1446 would reenact statute sections amended by AM 1446.

Abbie Cornett, Chairperson