

Nebraska is a step ahead recovering from the pandemic. We are getting people back to work and employers are trying to hire staff. As I have heard from many of you, small Nebraska businesses cannot hire staff, and they are struggling to stay open or to re-open. We should remove any incentives that would slow reopening, regrowth, re-employment, and reconnecting. Whether intended or not, LB 108 discourages Nebraskans from returning to work.

For these reasons, I respectfully urge you to sustain my vetoes of LB 108e and 108Ae.

Sincerely,  
(Signed) Pete Ricketts  
Governor

May 25, 2021

Mr. President, Mr. Speaker, and  
Members of the Legislature  
State Capitol  
Lincoln, NE 68509

Dear Mr. President and Members of the Legislature:

I am returning LB 147e and LB 147Ae without my signature and with my objections. The legislation entangles the State of Nebraska in the administration and management of the Omaha Public Schools (OPS) pension plan and sets a course for Nebraska taxpayers to bailout the OPS plan.

LB 147 takes a pivotal step in a series of incremental changes pushed by OPS to shift the burden to the State of Nebraska to fix the school district's long-term pension disaster. This crisis was created by the gross incompetence of the prior Omaha School Employees Retirement Systems (OSERS) Board. I objected early and have continued to repeat my objections to the State taking over management of the OPS plan for that reason.

Despite misleading statements to the contrary made by the bill's sponsor, I objected to taking over management of the OPS plan even when I signed LB 31 in 2019. LB 31 looked at the costs of assuming management of the OPS pension plan, but the report shows no benefit to the State and minimal benefits to OPS. The benefits touted in LB 147 are tenuous at best and could be achieved through better local management.

Despite representations that LB 147 protects the State, nothing in the language of LB 147 prevents OPS from seeking additional state funding to meet the district's obligations short of outright assuming the full liability. Additionally, State management erodes the distinction between the State's existing school retirement plan and the OPS pension plan. Without clear distinctions, future legislators will likely assume responsibility over both plans, which has always been OPS's intention.

The bill cannot bind future legislative actions. Should the State take over the OPS pension plan liability, it would cost Nebraskans property tax relief. The \$848 million of unfunded liabilities in the OPS plan exceeds the significant and generous amount of nearly \$790 million of property tax relief we all worked exceptionally hard to ensure will be provided for taxpayers next year. Funding the cost of taking over liability will come at the expense of increasing future property tax relief.

LB 147 is poor public policy and continues the slippery slope of the state taxpayer bailout of the OPS pension plan.

For these reasons, I respectfully urge you to sustain my vetoes of LB 147e and LB 147Ae.

Sincerely,  
(Signed) Pete Ricketts  
Governor

May 25, 2021

Mr. President, Mr. Speaker, and  
Members of the Legislature  
State Capitol  
Lincoln, NE 68509

Dear Mr. President and Members of the Legislature:

I am returning LB 306e and LB 306Ae without my signature and with my objections.

LB 306 permanently increases the income eligibility for the Low-Income Energy Assistance Program (LIHEAP) from 130% of the Federal Poverty Level (FPL) to 150% FPL. The bill also requires that a minimum of 10% of available LIHEAP funds be allocated for weatherization assistance.

Apart from the temporary LIHEAP funding increase, the regular federal allotment does not fully fund the heating, cooling, and weatherization costs for Nebraskans who are at or below the existing 130% federal poverty level. Permanently expanding program participants who have higher incomes by what the fiscal office estimates to be another 22,555 individuals. This would be a permanent benefit expansion funded with one-time federal dollars. When those one-time federal dollars run out, the most in need will be disadvantaged by receiving a smaller share of the regular LIHEAP program funds.

Instead of jeopardizing the ongoing funding integrity of the program, I will commit to using the temporary LIHEAP funding increase that Nebraska is slated to receive under the American Rescue Plan Act to serve those whose incomes fall between 130 % - 150% of the Federal Poverty Level and to provide additional weatherization assistance as is proposed in the bill. When the enhanced LIHEAP funding is no longer available, then the program eligibility would return to their current levels to serve individuals whose incomes are at or below 130% of the Federal Poverty Level.