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[LB46 LB57 LB69 LB73 LB157 LB162 LB188 LB277 LB296 LB386 LB395 LB456 LB467A LB515 LB535 LB597 LB667 LB681 LR40 LR41 LR47 LR48 LR49 LR50 LR51]

SPEAKER FLOOD PRESIDING []

SPEAKER FLOOD: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the forty-first day of the One Hundredth Legislature, First Session. Our chaplain for today is Senator Nelson. Please rise. []

SENATOR NELSON: (Prayer offered.) []

SPEAKER FLOOD: Thank you, Senator Nelson. I call to order the forty-first day of the One Hundredth Legislature, First Session. Senators, please record your presence. Record please, Mr. Clerk. []

CLERK: I have a quorum present, Mr. President. []

SPEAKER FLOOD: Thank you, Mr. Clerk. Are there any corrections for the Journal? []

CLERK: (Read corrections, Legislative Journal page 763.) That's all that I have. []

SPEAKER FLOOD: Thank you. Are there any messages, reports, or announcements? []

CLERK: Mr. President, your Committee on Enrollment and Review reports LB395 to Select File with Enrollment and Review amendments attached. Priority bill designations: Senator Cornett has selected LB456 as her priority bill; and Senator Stuthman selected LB157 as his personal priority bill. Amendments to be printed to LB296. And Senator Chambers, a new A bill. (Read LB467A by title for the first time.) And that's all that I have at this time, Mr. President. (Legislative Journal pages 763-764) [LB395 LB456 LB157 LB296 LB467A]

SPEAKER FLOOD: Thank you, Mr. Clerk. We will now proceed to the first item on the agenda. []

CLERK: Mr. President, the Government, Military and Veterans Affairs Committee reports on the appointment of the director of the Department of Administrative Services. (Legislative Journal page 732.) []

SPEAKER FLOOD: Senator Aguilar, as Chairman of the Government, Military and Veterans Affairs Committee, you're recognized to open on the first legislative confirmation report. []

SENATOR AGUILAR: Thank you, Mr. President and members. We had a hearing to

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approve Carlos Castillo, the new director of the Department of Administrative Services. Carlos is...I've known for about five years now. He's very experienced, great managerial skills, just really has the complete package. And the committee approved of him with no negative votes, and I would recommend to the body to confirm this approval. Thank you. []

SPEAKER FLOOD: You've heard the opening on the Government, Military and Veterans Affairs legislative confirmation report. Seeing no other lights on, Senator Aguilar, you are recognized to close. Senator Aguilar waived closing. The question before the body is, should Carlos Castillo be confirmed? All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record please, Mr. Clerk. []

CLERK: (Record vote, Legislative Journal pages 764-765.) 25 ayes, 1 nay, Mr. President, on the adoption of the confirmation report. []

SPEAKER FLOOD: Mr. Castillo is confirmed. Next item, Mr. Clerk. []

CLERK: Mr. President, the second report this morning is from the Natural Resources Committee, involves the appointment of Ronald Stave to the Game and Parks Commission. (Legislative Journal page 733.) []

SPEAKER FLOOD: Senator Louden, as Chairman of the Natural Resources Committee, you are recognized to open. []

SENATOR LOUDEN: Thank you, Mr. President and members of the body. The confirmation report on Ronald Stave: Mr. Stave appeared before the Natural Resources Committee on February 28, 2007, for his confirmation hearing. He is from Waterloo, and he is a new appointee to the eight-member Game and Parks Commission, representing District 2. Ron received a bachelor of science degree from the University of Nebraska at Omaha, and his law degree from Creighton Law School. He is an attorney in Omaha. Ron is a former board member of the UNO Maverick Club, King of Kings Lutheran Church, and the Curtis Acres Homeowner Association. The committee recommended approval of Ronald Stave's appointment to the Game and Parks Commission with a vote of 6 ayes and 2 absents. With that, I would ask for your...for approval of your confirmation. Thank you, Mr. President. []

SPEAKER FLOOD: Thank you, Senator Louden. Senator Chambers, you're recognized.

SENATOR CHAMBERS: Thank you, Mr. President, members of the Legislature. I'd like to ask the distinguished Chairperson of the Natural Resources Committee a question or two about this nominee, if he will yield. []

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SPEAKER FLOOD: Senator Louden, will you yield to a question from Senator Chambers? []

SENATOR LOUDEN: Yes, I would. []

SENATOR CHAMBERS: Senator Louden, if I understood correctly, his name is pronounced...would you pronounce it again for me? Stave? []

SENATOR LOUDEN: Stave. []

SENATOR CHAMBERS: Stave? Okay. Did you or anybody ask Mr. Stave his position on prairie dogs? []

SENATOR LOUDEN: No, he was more interested in fishing and hunting, on that part of it. We asked him...I asked him what his position was on acquiring Game and Parks lands, and also on reducing fuel load in some of the Game and Parks properties that they own, and the Forestry Service. And he said he didn't have that much experience with it. []

SENATOR CHAMBERS: My second question. Did anybody raise with this gentleman the question of whether or not there should be a mule deer appointed to the commission so that they would have representation on the commission? []

SENATOR LOUDEN: I don't think the thought entered anybody's mind, Senator. []

SENATOR CHAMBERS: Thank you, Senator Louden. That's all I will have. And I will support his confirmation. []

SENATOR LOUDEN: Thank you. []

SPEAKER FLOOD: Thank you, Senator Chambers. There are no other lights on. Senator Louden, you're recognized to close. Senator Louden waives closing. The question before the body is, should Ronald Stave be confirmed, pursuant to the legislative confirmation report from the Natural Resources Committee? All those in favor vote aye; all those opposed vote nay. Record please, Mr. Clerk. []

CLERK: (Record vote, Legislative Journal page 765.) 32 ayes, 0 nays, Mr. President, on the adoption of the confirmation report. []

SPEAKER FLOOD: Ronald Stave has been confirmed. Next item, Mr. Clerk. []

CLERK: Mr. President, the Natural Resources Committee reports on the appointment of Mark Graham to the Nebraska Power Review Board. (Legislative Journal page 733.) []

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SPEAKER FLOOD: Senator Louden, you're recognized to open on the legislative confirmation report. []

SENATOR LOUDEN: Thank you, Mr. President and members of the body. This was the confirmation report on Mark Graham to the Power Review Board. Mr. Graham appeared before the Natural Resources Committee on February 28, 2007, for his confirmation hearing. Mark is from Lincoln and is a new appointee to the five-member Power Review Board. He is the lay member. He received a degree in mathematics from Delta State University in Cleveland, Mississippi, and a master's degree from Louisiana State University. Mark is employed as an executive with a database marketing firm, and is a small business owner. Mark served as vice chairman of the state of Nebraska's broadband task force, and past president of the board for the People's City Mission, the city of Lincoln board for City Impact, and the Lincoln Salvation Army board. The committee recommended approval of Mark Graham's appointment to the Power Review Board with a vote of 6 ayes and 2 absents. With that, I would ask that his confirmation be approved. Thank you, Mr. President. []

SPEAKER FLOOD: Thank you, Senator Louden. There are no other lights on. Senator Louden, we recognize you to close. Senator Louden waives closing. The question before the body is, should Mark Graham be confirmed, pursuant to legislative confirmation report from the Natural Resources Committee? All those in favor vote aye; all those opposed vote nay. Record please, Mr. Clerk. []

CLERK: (Record vote, Legislative Journal pages 765-766.) 33 ayes, 0 nays, Mr. President, on the adoption of the confirmation report. []

SPEAKER FLOOD: The confirmation report has been adopted. Next item, Mr. Clerk. []

CLERK: Mr. President, if I may, Banking Committee will have an Executive Session at 9:30 under the south balcony; Banking Committee, 9:30. Mr. President, LB57, the first bill for consideration this morning, a bill introduced by Senator Preister. (Read title.) The bill was discussed yesterday, Mr. President. Senator Preister opened on the bill. When the Legislature left the issue, Senator Erdman had pending FA35. (Legislative Journal page 760.) [LB57]

SPEAKER FLOOD: Senator Preister, would you like to refresh the body's memory as to what the LB57 contains? If you would do that briefly, we'll continue on with discussion. Actually, Senator Preister, your light is the first on, so we'll just recognize you for your full five minutes. [LB57]

SENATOR PREISTER: Thank you, Honorable President, friends all. I will update you and also add some additional information on my time. Essentially, this bill would allow a

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collective bargaining unit that is identified as the collective bargaining unit in a union business...and this only applies if there's already a union business, and if in that business the employer and the collective bargaining unit agree. And remember, they have to agree, so this is a choice that the owner of the business makes. It's their choice if they enter into an agreement to do this. So it's not being forced on anyone, despite some of the misinformation that you may be receiving in e-mails and letters that are coming to you. It only applies where there's a union and a union negotiating a contract for wages. Doesn't affect or deal at all when there are other types of litigation, when there's representation. This is for contract negotiations solely. And in those cases where there's a union, where they're negotiating a contract, where the employer, the business. and the bargaining unit agree to do this, then in those instances the cost of negotiating that collective bargaining agreement proportionately is figured based on only the charges that go into negotiating that contract. In other words, there are no charges for any political activity can be put into that formula, there are no charges for education, no organizing or union activities. There can be no education or actual donations to charities. None of that can be factored in or charged to the nonunion employee who would pay a proportionate share of the cost of that negotiated contract. And those contracts are often for multiyear periods. So frequently they're two, three, or even four, and sometimes longer periods of time. That proportionate share, based on the number of people in the total collective bargaining unit, not just the union members, but the union members plus the members who are not in the union, that total number of people who will benefit from the negotiated contract is factored into the total cost. So you divide the total cost by the number of people benefiting from that negotiated contract, and that's a proportionate share. And that proportionate share can never be more than the union dues themselves. So if the contract is for several years and the proportionate share is less than the union dues, the actual cost to the nonunion employee could be perhaps a fourth or even less of those union dues. So they're still not paying a truly fair share, but they are paying a share for benefits that they will be deriving from a contract that the National Labor Relations Act requires that the union benefit and negotiate on behalf of... [LB57]

SPEAKER FLOOD: One minute. [LB57]

SENATOR PREISTER: ...the nonunion employee. When the nonunion employee is receiving that direct benefit, when the union is required to negotiate also on their behalf, when this is voluntary and the employer does not have to agree to it, and when only 8 percent of our employers in the state of Nebraska even have a union in their business, we're talking a small percentage of our work force. We're talking less than 10 percent, obviously, when it's only 8 percent, of our employers. It is not going to be a burden. It is, again, negotiated so that the burden is not on the employer for collecting, unless they choose to make it so. This is made as business-friendly as it could be, while at the same time trying to provide... [LB57]

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SPEAKER FLOOD: Time. [LB57]

SENATOR PREISTER: ...some equity and fairness. Thank you, Mr. President. [LB57]

SPEAKER FLOOD: Thank you, Senator Preister. Senator Kruse, you are recognized.

[LB57]

SENATOR KRUSE: Thank you, Mr. President and colleagues. I affirm Senator Erdman's intent, as he stated, that this is a good time to debate the subject. I welcome that opportunity to debate it, and I appreciate that he's given it to us. I favor the bill. And I've got a wonderful announcement for all of you. You've been looking for exhibit A. Who is it that we're talking about? Well, I am he. I have been a nonunion employee of the railroad, Nebraska. The union negotiated my contract, the union determined my benefits, my pension, my health insurance. They did it all; didn't cost me a nickel. I got off free, and I liked that. I never offered them, the union, any money, and there wasn't this kind of a bill, so I didn't have to pay anything. But I sure benefited, and I was grateful for that kind of a help. There's suggestions around. We're hearing a lot of stuff that's really not true, that this makes us...takes away our right to work status, not legally, in somebody's mind, not if that mind is thinking clearly, it can't be done that way. The nonunion person, we've been told, or the group, can negotiate on their own so they might negotiate a better contract that the union has done. If you're listening carefully to what Senator Preister has pointed out, this is not true. This is not the way it can work. There's no way. And if somebody wants to challenge that, name one. Name some business which has negotiated with the nonunion members as they're negotiating with the rest of the group. There are other exhibit A's around. Some of them are pretty close to you. I wonder if anybody on the floor has a staff in the house. That staff is nonunion. Their wages, their benefits, their experience with us is negotiated by a union for state employees that does not represent them. Because of the idiosyncrasies of our employment and because you and I are the real hire and fire, they don't come under this particular thing. But at the same time, when we decide what the budgets are, when we decide what salaries are, we first find out what this union negotiation was, and how that came out, and then we go with that. I don't know of any time in the Legislature when we gave a choice to our staff as to the benefits that they got, or anybody else asked them about it. And we've been contacted by persons by e-mail and phone who are opposing this bill. I kind of enjoyed one last night. He telephoned, identified himself, we're good friends, and we talked about it a bit, and he said he was against LB57. After we visited for a while, he said, Lowen, what's this bill about? I said, how did you find out about it? Well, he said, I got instructions from a business group to call you and tell you that I was opposed to it, but I...they didn't tell me what the bill is. We talked about it a bit, and he decided that he really wasn't... [LB57]

SPEAKER FLOOD: One minute. [LB57]

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SENATOR KRUSE: ...involved. Only 8 percent of the businesses of Nebraska would be affected by this, and he's not one of them. So again, there's an awful lot of smoke and fuss and feathers floating in the air. I urge my colleagues to think about it carefully, because it's a very tightly drawn bill. Thank you. [LB57]

SPEAKER FLOOD: Thank you, Senator Kruse. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR40 and LR41. (Visitors and doctor of the day introduced.) Continuing with discussion on LB57, Senator Friend, you're recognized. [LB57 LR40 LR41]

SENATOR FRIEND: Thank you, Mr. President, members of the Legislature. I would almost like to preface this by saying, anybody holding an Executive Session right now, you might want to hold on to your seats, because you might not be able to hear yourselves think in a second. What to do on this bill? I could think of plenty of ideological reasons for me to oppose it. I don't know that I'm going to help you. By the time I'm done, five minutes from now, you might be more confused than you were to begin with. But I'm not happy. What to do on this bill? What is fair? Is this bill the answer? I'm not sure it is. Is this bill the answer to accomplishing fairness for public and, I guess for lack of a better term, private unions in the state that try to accomplish something for its membership and for the people that it represents externally or peripherally? I'm not sure it is. I think this bill is pretty broad. And I've talked to Senator Preister about it, and I've talked to others about it. I'm not even positive that it's constitutional, but let's set that aside for a second. There's two things that I am positive about. There are plenty of viable reasons to vote for this bill, to vote for it, plenty of viable reasons. One is what we just talked about--fairness. You could have nine people in a shop. Let's take a police union, let's take a fire union. You could have nine people in that shop on each side that benefit from all the things that those public entities, more or less, provide for its membership and provide for the periphery, provide for its...the citizens of this state. And they're getting a free ride, and they laugh about it at times. Why should I join your union? I don't need to. I'm going to get the same benefits. We've all heard that argument. That's a good reason to move stuff like this forward. I can give plenty more. I don't have time. I can give you plenty of viable reasons to find this bill less than palatable, to find it, unfortunately, something that's way too broad, to flat out vote against it. One reason is simply the fact that there's a history here, more or less dating back to 1993, where this thing has just went belly-up. Other Legislatures have found it unpalatable. This isn't a new issue. It's been here before. We've seen old issues before go belly-up; this one could, too, again, go belly-up. I don't really know. It's not necessarily a great reason to do it, just because everybody else has done it. But there's a paper trail here. There's a history. Another reason is just because, like I said, of the broad, far-reaching nature of language like this: An employee shall pay his or her fair share representation contribution to a labor organization if the labor organization has been established as the collective bargaining and contract enforcement representation (sic) for the bargaining unit representing the employees. Look, nobody has a choice

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here. Once that collective bargaining agreement has come into place, game over. But here is what bothers me. I've distributed something from the National Right to Work Committee. I've been working, or talking--I shouldn't say "working"--with these folks for the last four years of my life. The first time they walked into my office, I said, do you know the people that live in my district? You know a guy...I've got a guy right across the street, he's an IBEW member. [LB57]

SPEAKER FLOOD: One minute. [LB57]

SENATOR FRIEND: Can you speak for him? He said, well, I'm not here to speak for him. I said, yeah, well, I am. The National Right to Work--and I don't know who did it, but I almost have a half a mind to call...I don't even know if I want to talk to them. A picture of what's clearly a firefighter, holding up a sign in front of some type of burning complex, and he's on strike; what kind of misinformation and stupid garbage is that? Show that to the New York Fire Department, to the people who sprinted up those infernal buildings and tried to save lives. Show this garbage to them. I should stop now. This inflames me, no pun intended. Where do they get off with that? [LB57]

SPEAKER FLOOD: Time. [LB57]

SENATOR FRIEND: This is not a reason to vote against this bill. [LB57]

SPEAKER FLOOD: Time. [LB57]

SENATOR FRIEND: Their information. [LB57]

SPEAKER FLOOD: Thank you, Senator Friend. Senator Gay, you are recognized.

[LB57]

SENATOR GAY: Thank you, Mr. President. I just wanted to say on this, I've been looking into the bill, and Senator Friend is very passionate on it, but this is a very important argument and discussion we're going to have. And I've listened to both sides of this, and trying to forge an opinion, and my opinion and the things we want to discuss down the road is the economic opportunities this could, what I think, hinder. We call this fair share, but I wonder how fair. And I will commend...they pointed out some...it's employers' right to choose. But do we really want to be putting the employers in the middle of a union and nonunion fight when they don't want to? Years ago, the unions asked for the right to have exclusive bargaining power. Years ago, it was fine. Now, today, we come back and say, well, we want to kind of just tweak that a little bit. Well, how fair is it, we either...I don't care who it is, but if that employer says, well, that's fine, go make these people pay for something they didn't want to join, they didn't want to be a member, obviously. Senator Kruse just stated in his situation, I had the choice and I didn't want to do it. Many times, this is happening. I don't know what other service or

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product that you have to pay for--and maybe I'll be enlightened--but that you have to pay for that you didn't choose. Now, they have the right to throw these scoundrels out who aren't paying their dues. They have that right, right now, the way I understand it. Why don't they just do that, and we could solve this situation? But in order to make someone pay, I just have a hard time with that. I have a hard time that we're going to maybe diminish Nebraska as a right-to-work state. That is one of our key economic assets when we're doing recruiting in this state. We struggle and we spend money to get new businesses. We constantly, constantly talk about economic development, yet, our best tool, probably our best tool for that, we're...we might be ready to throw away. Because in all intents and purposes, if we do this I think we're getting rid of our right-to-work status. Call it what you want, but I don't think we have a right-to-work state anymore if we do this, because the penalties incurred, that you're going to have to join. I just don't think we're going in the right direction. So I'm looking forward to the debate. And I know on both sides there are passionate causes one way or another, and I hope we don't get out of line, you know; we stick to some of the facts. And I'm looking forward to discussing that with people and hearing other people's views. But right now, I just want to stand up, I'm opposed to this in the current form that it is in, and I'm looking forward to the debate. Thank you, Mr. President. [LB57]

SPEAKER FLOOD: Thank you, Senator Gay. The Chair recognizes Senator Fulton. [LB57]

SENATOR FULTON: Thank you, Mr. President, members of the body. Yesterday, I was trying to determine whether or not this bill indeed would usurp Nebraska's right-to-work status, and I don't see any other logical explanation other than it will. Were this legislation to move forward, it would usurp Nebraska's right-to-work status. Now, I purposefully tried to argue both sides of an issue. I think it's informative and it's a good thing to do. Take both sides of an issue, whatever side you're on, and argue it against yourself. You might be accused of being a schizophrenic, but that's all right. It will help you debate a little bit better. And so I went to the other side of this argument. I'm opposed to this bill. But if I go to the other side of the argument, I recognize that there is some injustice here. Someone is getting something for nothing, and I don't necessarily like that. But in doing my research on the other side of the bill--I brought this up yesterday--I went to the web site of the AFL-CIO, and it seems to me that they would be against right-to-work laws. Right-to-work laws...this is from the web site: Right-to-work laws say unions must represent all eligible employees, whether they pay dues or not. My question is, does that appear in a good light or a bad light? It appears it's being presented to us in a bad light. In fact, the web site doesn't call them right-to-work laws. It calls them right to work for less laws. So that being said, those who are advocating for this bill clearly don't like right-to-work laws. And so my question is, are right-to-work laws good, or are they bad? Would Senator Preister yield to a question? [LB57]

SPEAKER FLOOD: Senator Preister, will you yield to a guestion from Senator Fulton?

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[LB57]

SENATOR PREISTER: Yes, I will. [LB57]

SENATOR FULTON: Senator Preister, yesterday I was trying to glean if that would...if what I've just elucidated, if that's your position. And so I'll ask the question again. We kind of got cut off for time. Would you say that right-to-work laws...just to simplify for everyone, are right-to-work laws good, or are they bad? Or Nebraska's right-to-work law, is it good or is it bad, in your opinion? [LB57]

SENATOR PREISTER: In my opinion, it does both. And I'm not being evasive, but you're trying to pin me down to, I take a certain position; therefore, you're making a case against the bill. I'm not going to aid you in making your case. So, I support unions, if that answers your question. I support collective bargaining. I support people's rights to have a better standard of living, to get away from some of the problems that we've had with labor in the past where people were crammed into small quarters, where fires were set and exit doors were blocked. I believe in all those things. But this is your time and you may not want me to keep going, even though I could. [LB57]

SENATOR FULTON: Okay, I appreciate that. Thank you, Senator Preister. I...ostensibly, it appears to me that the advocates for LB57 do not like right-to-work laws. Perhaps I'm wrong, and so I...if I am, then I'd appreciate the debate. I like the debate. So that being said, it seems to me that at least an implied intention here is that right to work...that we should usurp the right-to-work status of Nebraska. And if I...this particular sentence is what jumped out to me, from the web site: Right-to-work laws say unions must represent all eligible employees, whether they pay dues or not. And so if you present a bill that statutorily requires one to pay fees, to be affiliated with the union by paying fees, then that stands contrary to the sentence I just read, that right-to-work laws...unions must represent all eligible employees, whether they pay dues or not. [LB57]

SPEAKER FLOOD: One minute. [LB57]

SENATOR FULTON: We're eliminating the second part of that sentence, "or not." Logically, we are usurping Nebraska's right-to-work laws. So again, I throw that out there. If someone can persuade me otherwise, I would appreciate it. There's another issue here that was brought to my attention. As I understand, this law...this has been introduced several times. It was LB354 last session, and Senator Preister, I believe, introduced it then. This was...there was a ruling by our Attorney General in 1993 that this would be unconstitutional. That's another problem that I have with this bill moving forward, whether or not it would stand constitutional muster. So that...I would hope to hear in debate whether or not this is indeed constitutional. It's my understanding that there's an 1993 ruling by the Attorney General that said that this would not stand

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constitutional muster in Nebraska. So there are two... [LB57]

SPEAKER FLOOD: Time. [LB57]

SENATOR FULTON: ...issues that I take. Thank you, Mr. President. [LB57]

SPEAKER FLOOD: Thank you, Senator Fulton. The order for speaking this morning on LB57 is Carlson, Burling, Howard, Wallman, White, Friend, Erdman, Lathrop, Gay, and Kruse; Senator Carlson, and others. Senator Carlson, you're recognized. [LB57]

SENATOR CARLSON: Mr. President, members of the body, I appreciate the testimony this morning from Senators Friend and Gay and Fulton. Yesterday, I talked in opposition to LB57, and I rise again in opposition, with a different example. I'm a member, by choice, of my professional association. We believe that we stand for legislation that is in and for the public good. We want to be heard, and we represent all licensed insurance and financial advisors. I believe that all insurance and financial advisors should support our association. I think they should join our association. I think they all have a responsibility to support us, and I don't think that it's fair for them to reap the benefits of our representation. They haven't paid their fair share. But I don't support mandatory fees or taxes called fair share. If we as an association can't convince nonmembers to voluntarily join by presenting the results of what we do for them, we don't deserve their dollars and we don't deserve their support. So I remain opposed to LB57. Thank you. [LB57]

SPEAKER FLOOD: Thank you, Senator Carlson. Senator Burling. [LB57]

SENATOR BURLING: Thank you, Mr. President and members of the body. I appreciate the discussion that we're having, and I think it's very important. I support workers' rights to join unions. I support unions' right to organize. But I believe if I want the right to join a union or to join a professional organization that represents my occupation, I need to give that right not to join those organizations to my fellow human beings. Supporters of this bill say that, well, this is different, this is a fee; this is not joining any organization, it's just a fee. Well, call it what you want. It looks to me like it's forcing, coercing money out of a person--in this case, a nonmember's pocket--into the union treasury. It also says, I believe, that the employer and the employee must agree before this goes into effect, and that makes it even worse, because then you have two people ganging up on one and saying, you pay this fee or we'll take you to court; not only that, you'll have to pay the attorney fees. I'm sorry, but the thought that comes to my mind when I read that is, this is not a fee, it's a fine, a fine for not joining a union. It's already been mentioned this morning that the unions knew up front and they asked for the opportunity to represent all employees. They wanted that. And then after they do it, then they come back and say, now we want some money for the benefits that you got from what we did. And it's virtually impossible for any union to prove that they've benefited the

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nonmember. We talk a great deal on the floor here about economic development in the state of Nebraska. I believe this is an antieconomic development bill. This bill says that nonunion member workers don't have the same rights as member workers have. The way this bill looks to me is, I took an oath here in this room in January of '05 to support the Constitution of the State of Nebraska, and if I supported this bill I think I'd be violating that oath. Thank you, Mr. President. [LB57]

SPEAKER FLOOD: Thank you, Senator Burling. Senator Howard, you are recognized. [LB57]

SENATOR HOWARD: Thank you, Mr. President, members of the body. I think back to when the state employees were not represented by a union. I began work for them in those days, and it was actually a county system managed by the state. It was a merit system. Employees could be fired by their supervisor. You could be called in to your supervisor's office and you could be told, or maybe not even told, the reason why you were going to be let go then. You had no recourse. You could have invested years within that system, and be fired the next day. Along the course of time, the employees decided they needed to have a voice, not only in their employment, but also in their families' livelihoods, in their futures. And the union was voted in, and the union was represented, but it wasn't without a fight. It was a difficult, difficult struggle, and it went to court. Reflecting on that, I would say, stop and think long and hard. This is a state that believes in paying fairly for what you receive. Many people carry the burden for many other people. I truly believe that they have the right to request that people pay a fair share. Thank you for giving me your time. I'll offer the remainder of my time to Senator Ashford. [LB57]

SPEAKER FLOOD: Senator Ashford, Senator Howard has yielded you the balance of her time. She has 3 minutes and 20 seconds. [LB57]

SENATOR ASHFORD: Thanks, Mr. Speaker. And I appreciate, Senator Fulton was asking me some good questions on this bill. Let me just go back a bit. I think that we...in this...it's been a good discussion. I think we might be losing a few points as we've been discussing this. And I'll say at the outset that there are a few amendments to this that I would like to see go on the bill, possibly, at Select File. But generally, I support it, and let me tell you why. I spent a number of years in the labor law field, a few years as a judge on the Commission of Industrial Relations. And a couple of things I think are important to bring out. First of all, in the public employee arena, employees, public employees in the state of Nebraska do not have the right to strike. That right was basically taken away by a constitutional amendment that was passed in the state of Nebraska in 1919. So since that time, public employees have been prohibited from striking or engaging in any kind of a general strike. Therefore, the collective bargaining process as it relates to public employees is critical. And it has worked. It has worked in Nebraska. And I recall sitting as a judge on a number of cases where the parties were

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unable to resolve their differences and they came into the commission. Now the commissioners--we were judges; now we're commissioners, thanks to Senator Chambers--but...and we would bring the parties together and we would make decisions, and it worked very, very well. I think what is very, very key...I would not support this bill if it did not have the language in it which requires that the parties collectively bargain this fee. It is essential, in order for this matter to go forward, or for this bill to go forward, or for this fee to be charged, that the employer and the employee negotiate it out in the collective bargaining process, whether in the public or private arena. This is the...a fundamental avenue of employer-employee relations in this country, and certainly in public employment in Nebraska, where there is not a right to strike,... [LB57]

SPEAKER FLOOD: One minute. [LB57]

SENATOR ASHFORD: ...is this ability of the parties to negotiate it. There is no requirement that the parties agree. There simply is a requirement that they collectively bargain the fee. I just can't imagine...this has nothing whatsoever to do with the right to work. It has to do with the fundamental collective bargaining processes in place in this state, which have worked since 1919. We have, for the most part, been a state that has been free of labor strife, and the reason for that is the collective bargaining system works. Employees are represented. Employers have an opportunity to have their voice heard in the collective bargaining process, as do employees through that process. It is a good system. It keeps the economy moving. It prevents strikes, especially in the area of public employment, so that we don't have... [LB57]

SPEAKER FLOOD: Time. [LB57]

SENATOR ASHFORD: ...disruptions of services... [LB57]

SPEAKER FLOOD: Time. [LB57]

SENATOR ASHFORD: ...that other states experience. Thank you, Mr. Speaker. [LB57]

SPEAKER FLOOD: Thank you very much, Senator Ashford. Senator Wallman, you're recognized. [LB57]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. I think if you really look down deep in your heart, about fair share, what you pay...my wife was a union member for many years; some of the teachers weren't. They supported the teachers through false accusations by parents. The unions represented them. Those teachers didn't want to pay their fair share. I am a former union member myself, and years back, out of high school, I got a lot more money than my compatriots did that weren't in the union. But we didn't have, back then, a union members...union shops didn't hire nonunion members very easy, because you realized what they did for you. I

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hate mandates as much as anybody. You know you heard me preach against mandates. Senator Wightman over here thinks I'm way across the board on here, and maybe I am. I hate mandates. But this is about fair share. It's not a big mandate. A right-to-work person was in my office the other day and I says, what have you got against this? I says, it's negotiated, it's plain and simple. Would you be willing to give your dues to charity? No. I said, you know what they call people like that in my district? I better not use the word--freeloaders. And come on, give the unions a break. They've helped people for years. They got rid of child labor. They've done a lot of good things for this country and this is about treating them right. They represent you in various ways, even though you're not a union member. For goodness sakes, insurance companies won't do that, I don't think. Banking industry won't do that. The teachers' union will. The workers' people will. So if you're an operator and get killed and you've got a union working for you, they'll help your widow out, they'll do benefits, firefighters, police departments, right on down the line. I'm proud to know a lot of union people, and nonunion also. I'm a farmer. Most farmers are antiunion. Chamber of commerce person, they're antiunion. Why? Don't ask me why. They better ask themselves why, when they hire a person come over here to testify from way out east and try to make a point for me. Come on, let's vote for this bill just the way it is, LB57. And I thank Senator Preister for introducing it. Thank you, Mr. President. [LB57]

SPEAKER FLOOD: Thank you, Senator Wallman. Senator White, you're recognized. [LB57]

SENATOR WHITE: Thank you, Mr. President. Is Senator Gay available for a question, and would he please yield, sir? [LB57]

SPEAKER FLOOD: Senator Gay, will you yield to a question from Senator White? [LB57]

SENATOR GAY: Yes. [LB57]

SENATOR WHITE: Senator Gay, we are deeply interested in developing the state. What say you to, let's eradicate minimum wage and child labor laws? We can really bring them in. Are you there? Will it really help us develop the state economically, Senator Gay? [LB57]

SENATOR GAY: Well, that's a ridiculous question, I think. But I would never do that. [LB57]

SENATOR WHITE: Why not? We can prosper, some of us can, you know? Guys like me can play golf while little children work their nimble little fingers on the assembly line. [LB57]

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SENATOR GAY: I think there... [LB57]

SENATOR WHITE: That's how it was before unions, Senator Gay. [LB57]

SENATOR GAY: Definitely. I think we've come a long way. There are many, many laws for worker protection, safety. Let me just say one thing, if we're...if I could. [LB57]

SENATOR WHITE: Well,... [LB57]

SENATOR GAY: Go ahead. [LB57]

SENATOR WHITE: ...they were all fought for by unions. [LB57]

SENATOR GAY: Go ahead. And they're commendable. I think society has changed along the way from those days, and thank goodness. [LB57]

SENATOR WHITE: Senator Gay, I would recommend to you then that you visit some of the packing plants and see the treatment they are giving to illegal aliens, who often cannot avail themselves of the law because they will be deported. We haven't developed that far. Have you visited a packing plant in the last ten years? [LB57]

SENATOR GAY: No, I have not. But when we get to the immigration issue, I'll be happy to discuss that, though. I'd look forward to that discussion. [LB57]

SENATOR WHITE: What we are talking about is the ability to defend and protect workers. And to do that, do you agree it takes money? [LB57]

SENATOR GAY: In what respect? I mean,... [LB57]

SENATOR WHITE: Well, for anything from bringing in experts in safety, bringing in scaffolding experts in construction situations, bringing in economists to talk, in the case of a firefighter, what is a fair wage given the prevailing wages in states around us. [LB57]

SENATOR GAY: I assume it does. Senator, I've negotiated with unions for the last 12 years. I do have some experience in this. And I think I've been a fair advocate on both sides. Now, have I got into their business on their finances and...no, I haven't. But I'm sure it probably costs quite a bit of money. And those union members that are paying their dues, I feel they wouldn't be paying those dues if they didn't appreciate the benefits they were getting. So I'm sure that coerced them to...well, I wouldn't say "coerce," that's a bad word, but I'm sure they're paying their dues because they believe they're getting a benefit for those dues. [LB57]

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SENATOR WHITE: Thank you, Senator. [LB57]

SENATOR GAY: Thank you. [LB57]

SENATOR WHITE: Not only are they getting a benefit for those dues, but the people who decide to take that benefit but refuse to pay for it are getting their benefits. Senator Fulton raises questions of constitutionality. The United States Supreme Court has clearly stated that insofar as a union provides services related to the job, whether it is representing people charged with infractions, whether it is bringing safety engineers in, whether it is bringing in economists or experts to negotiate better wages, that does not infringe the federal constitution. I believe Senator Cornett will be able to address the state constitutional issue in detail, Senator Fulton, and you may be surprised to find that it does not in any way infringe on the state constitution. I do, however, have something that I wish to speak to, to bring and echo what Senator Friend had. I've enjoyed several calls from constituents who were clearly lied to, lied to by out-of-state national right-to-work people, claiming, among other things, that we will now require these little businesses to unionize. The opponents of this bill are lying, lying to our constituents, and lying about what it does, and I, for one, object to it. I join Senator Friend's outrage in the unfair depiction of people who actually... [LB57]

SPEAKER FLOOD: One minute. [LB57]

SENATOR WHITE: ...have struggled only to improve not only their lot, but the lots of those around us. Why the people of Nebraska say that others may take benefits and not pay for them, and call themselves defending property, defending conservative values, is beyond me. Conservative values, in my world, is you pay your own way. And this bill does nothing more than that. Since I don't have enough time to yield to Mr. Friend, at this time I thank the Speaker for the opportunity to talk. [LB57]

SPEAKER FLOOD: Thank you, Senator White. Senator Friend, you're recognized. [LB57]

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. I've had a chance to let some of the caffeine filter out of my eyeballs, and feel a little better now. I apologize for some of that outrage, but I'll tell you what, here's where it comes from: misinformation--a firefighter standing in front of a fire with a picket sign. My uncle Joe was a lifetime police officer. He worked the streets in Florence. He worked the streets in downtown Omaha. He worked the streets all over the city. My uncle Jack led him into the police department. My uncle Jack was...had almost the same amount of time that my uncle Joe had in. My cousins Dave, John, Tony, they're all cops. They've ran beats all over the city of Omaha. My uncles were firefighters. All of yours were, too. We all know these people. And my ire and my outrage comes from misinformation. You know, this is akin to organizations tossing picket signs up and protesting military funerals,

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which we took care of last year in this state, thanks to Senator Aguilar and all the senators that helped with that legislation. The fact of the matter is, I have pointed out...I pointed out in the five minutes that I spoke to this issue a little while ago, there are plenty of reasons to oppose this bill, plenty. And we're all going to do what we feel is right. There are plenty of reasons to support it. We're all going to feel we're going to do what is right. To the best of my knowledge, right now, the National Right to Work Committee should be totally discredited within this body. Information from them is worthless. And until they communicate with their editors to take outrageous photos like this off of a national web site, off of a nationally viewed web site, they're not going to march into my office again. They can send me faxes and they're going to go right into the circular wastebasket, or the square or rectangular, whatever I have in my office. I don't even remember. I won't even recycle that paper. I'll trash it. I don't have time for them. My uncle was a member of the IBEW, was one of the nicest men that I've ever known. He's a conservative. When he...before he makes decisions, he says, WWRRD: What would Ronald Reagan do? That's what he does. That's what I do. But let me tell you something. When I see things like this and when I see people try to come in and lay things like...nobody brought this into my office; I found it on the web site. But when they try to spread misinformation like this, I don't have to know what Ronald Reagan would have done. All I have to know is what Mike Friend would do. That's it. And I wish I could talk to my uncle Joe, and I wish I could talk to my uncle Jack, and I wish I could talk to my uncles that were on the fire department in Omaha to ask them about the things that happened that relate to this bill for them. But we do have resources in this state. We have folks that we can talk to, our constituents, people that are members of the union, people that are not members of the union, people that like this bill, people that hate it. Let's depend on that information. I can't be of much help to you... [LB57]

SENATOR McDONALD PRESIDING [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR FRIEND: ...with this, because I'm torn on it, as well. But I hope I've been some help from this standpoint: That group will not walk into my office again. They better not even ask. And if somebody calls me this afternoon and says, what's wrong, Mike, I'm not going to take the call. I don't have time for it. I've been an editor almost my whole adult life. I would never do anything like that, ever. Why don't we just have the National Enquirer piped in here, too, to give us information? I better go get rid of the caffeine in my body again. (Laugh) Madam President, that's all I have. Thank you. [LB57]

SENATOR McDONALD: Thank you, Senator Friend. Senator Erdman, followed by Senator Lathrop, Kruse,...Gay, Kruse, Nelson, Cornett, and others. [LB57]

SENATOR ERDMAN: Mr. President, members of the Legislature, I am actually

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speaking in my normal voice. It's just a little hard to hear following Senator Friend. So I'll try to speak up, in case you're used to a higher output. Senator Preister, would you yield to a question, please? [LB57]

SENATOR McDONALD: Senator Preister, would you yield to a question? [LB57]

SENATOR PREISTER: I would be glad to. [LB57]

SENATOR ERDMAN: Senator Preister, you and I had a...I had a question for you, and I want to make sure that at least it's on the record, as I understand it. And maybe you've had some more information. LB57 would only require the fees to be paid for the purposes of the collective bargaining, or the costs that were associated with that representation of all employees in a workplace, is that accurate, or a calculation? [LB57]

SENATOR PREISTER: Where...yes, Senator. Where the collective bargaining unit is the designated bargaining unit with the employer, and when the employer agrees to do it, then it's only that portion of the contract negotiation that goes to pay the cost of negotiating that contract, and that proportionate share only is what we're talking about. [LB57]

SENATOR ERDMAN: Okay. And the example that I gave you is, if I was an actual member, not an employee, but an actual member of a labor organization that was the exclusive collective bargaining agent for a business or an employer, if I as a member chose to not fund the additional duties of the union, such as the lobbying and the other things that are generally affiliated with some of their other activities, in addition to the collective bargaining and the safety standards and other issues that have been pointed out, as a member of the union, can I get the proportion of those fees or dues back so that I don't feel like I am compelled to support that effort if it's contrary to what I believe on issues outside of the workplace? [LB57]

SENATOR PREISTER: I would answer affirmatively that, yes, you can put a letter in to the union requesting that you be reimbursed or given back that portion of your dues. [LB57]

SENATOR ERDMAN: Okay. And as you've explained it to me, those fees or dues that are paid by the union members are line-item, to show what portion of their fees go to the different activities of the organization. Is that accurate? [LB57]

SENATOR PREISTER: There are federal reporting requirements, and those requirements are causing the unions to report every penny that they take in, every penny that they spend. And there are categories that have to be identified, so all of that is specifically recorded and is accessible information, yes. [LB57]

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SENATOR ERDMAN: Okay. Thank you, Senator Preister. Members of the Legislature, as I read LB57, I would make the observation, and maybe in error, but based on my understanding and my conversation with Senator Preister, I would make the observation that you probably don't need individuals to join your union if you can compel them to do what LB57 does. And here's why. LB57 only requires you as an employee to pay the share that's done for collective bargaining. If I'm a member of that organization, I can request that the only dues I pay are for that same purpose. The difference is, is that as a member of the union, I have a choice in some of the deliberations and some of the processes and organization. As a nonunion employee, I am now going to be compelled to do something, and have no choice about how it was organized or anything like that. And I'll bring it back to this. If you look at the language,...and this is my second amendment. And, Mr. President, I will alert the body, at the end of my speech here I will ask that this amendment be withdrawn, in respect to Senator Preister and our other conversation. We as a state can't indirectly force something that we can't directly require. We can't do it. It's unconstitutional. It's not allowed. I think that's some of the earlier concerns that have been pointed out. [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR ERDMAN: What we're trying to indirectly do is accomplish the same thing that unions currently require their members. And if we are a right-to-work state, and if we do believe that employees should have that decision, then I do think that LB57 is compelling us to do something indirectly, or compelling individuals by an indirect effort, that they shouldn't be allowed to do or required to do directly, under our constitution. So I do think some of that needs to be fleshed out in this discussion. I think that's where the rub is. I think if the rub is resolved that, no, this doesn't do that, and it's unequivocally so, then I think you can decide the process. But the problem that I see is that we're going to require somebody to do something indirectly that we can't require them to do directly. Not a lawyer. I've read all these...I've read 48-838 on collective bargaining and how representation happens, what rights the employee has if they're not a member of an exclusive collective bargaining organization. They can choose whichever representation they want. However, if they choose the union's representative, they... [LB57]

SENATOR McDONALD: Time. [LB57]

SENATOR ERDMAN: ...have to pay...did you say time? I would request that FA35 be withdrawn, as well. Thank you. [LB57]

SENATOR McDONALD: Amendment FA35 has been withdrawn. Mr. Clerk. [LB57]

CLERK: Madam President, to that end, if I may, right before that, some items. Mr. President...Madam President, excuse me, new resolution, LR47, is by Senator Flood.

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That will be laid over. Urban Affairs Committee reports LB597 to General File with amendments, that signed by Senator Friend. Education reports LB73 to General File, that signed by Senator Raikes. Confirmation hearing report from Senator Raikes, as Chair of Education. And notice of hearing from the Health Committee. (Legislative Journal pages 767-768.) [LB57 LR47 LB597 LB73]

Madam President, Senator Erdman would move to amend with FA36. (Legislative Journal page 768.) [LB57]

SENATOR McDONALD: Senator Erdman, you're to open on FA36. [LB57]

SENATOR ERDMAN: Madam President and members of the Legislature, FA36 would strike Section 6 from the bill. That language, or that mechanism that is being used, would simply reinstate the existing statute. It would remove it from this bill, and it would remain as it currently stands. Section 6, as I understand it, of LB57 is found in Nebraska Revised Statutes 48-217. Its intended purpose and application is to put in place the provisions of Section 13, 14, and 15 of Article XV of the constitution, which states that no person shall be denied employment because of membership in or affiliation with or resignation or expulsion from a labor organization, or because of refusal to join, affiliate with, or pay a fee either directly or indirectly to a labor organization, nor shall any individual or corporation or association of any kind enter into any contract, written or oral, to exclude persons from employment because of membership in or nonmembership in a labor organization. That is the statutory language. I don't know if that exactly coincides with the constitutional language, and I will further review that. But what is being struck from the statutory language that makes the right-to-work constitutional provisions applicable and enforceable, that is being struck in LB57, is the language "or pay a fee either directly or indirectly to a labor organization." And "labor organization" is not stricken. If this is not in violation of the intent of the Constitution of the State of Nebraska and our current right-to-work status, then this section doesn't need to be in the bill. In the event that it is in violation of the statute...or of the constitution, this language in the bill doesn't make it constitutional. So if the argument is, is that affiliation is generally referred to as a fee that is paid either directly or indirectly, and we're now going to compel somebody to pay a fee, it seems to me that we're directly requiring them to do something that the constitution would prohibit. As I ended on my last comment, I've gone through and tried to discern this process in which an individual organization can organize, and whether or not they're exclusive or nonexclusive. As I understand it, there's probably no value to being a nonexclusive bargaining agent, because the employer doesn't have to recognize you. So I can see the attractiveness to a majority of the employees to say, we would like the opportunity to negotiate on behalf of our members, and if we have to, and as we have argued for, all other members, to ensure that we get what we believe is right for our members, because otherwise, we have no stake in the game. The employer can ignore us. They don't have to take up that type of process. They can do something else. You have an

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option in Nebraska when you have a grievance on who chooses to represent you. I visited with Senator White. He has represented union members in other circumstances, outside of their union representation, on a grievance before their employer or in other circumstances, as I understand our conversation. So again, this comes back to this fundamental question: Is LB57 compelling nonunion members to do something indirectly or directly that the Constitution of the State of Nebraska prohibits? A plain reading of it, in my opinion, is that it does. And I know there are others that are more trained in the law, and maybe be able to provide some additional insight to me that it doesn't, and I welcome that discussion. But if I can go back to the example that I gave, if I'm a union member and I can only be required, or I can request that the only fees that I pay are for the purposes of collective bargaining, and the only fees we're going to require under LB57 are those same fees, I don't see the difference. You're going to compel anybody that works for an exclusive...an agency or an entity that has an exclusive collective bargaining agent as recognized under statute to expand the membership of that organization by de facto, by state statute. That's not what I'm hearing, at least the intent. Maybe it is. Maybe the accusations on one side should go to the other side, as well. If the argument was made that the union should represent all employees as a basis for their ability to obtain an exclusive negotiating position with the employer, and they knew full well going into it that they would have this obligation, I'm wondering why we're here today. Is it a fairness issue? It probably is. But wasn't it a fairness issue when they chose to organize? It was then, as well. But it was a means to an end. I don't believe it's fair to then say, well, it was right, you took that on yourself, ultimately, up front, and now we're going to reward you for that by forcing people who have voluntarily chosen not to organize with you to pay your services, regardless of whether they benefit or not. And this debate shouldn't be about whether or not unions are good or bad. I think they serve a valuable role in segments and in situations that are necessary. But if we're going to protect that right of individuals to choose on whether they organize or not and whether they're members or not, I think it should be in context with our existing prohibitions. And if it's not our intent to undermine the Constitution of the State of Nebraska, then I think we should make darn clear that that's not what we're doing, and the language should reflect that. And again, if that is not the intent, I'm openly skeptical as to why Section 6 needs to be included in the bill. And I know that the committee has discussed this. I see others are standing, I'm assuming ready to talk, and I welcome their further input to enlighten me on this topic. Thank you, Madam President. [LB57]

SENATOR McDONALD: Thank you, Senator Erdman. (Visitors introduced.) Senator Lathrop, followed by Senator Gay. [LB57]

SENATOR LATHROP: Thank you Madam President and members. We have been going at this for a couple of hours now, and what's clear to me after the debate that's come and transpired to this point in time, and what's clear to me from the e-mails, and what's clear to me from the phone calls is that we've lost sight of what the issue is

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being...that is being debated. We have confused the issue by talking about economic development. That is a sacred cow in this Chamber. Nobody wants to be the guy that hampers or hinders economic development. I certainly don't. But every time somebody tells us that economic development is involved doesn't make it so. What has happened, we have a bill before us today, and it involves two people. It involves the person Senator Wallman calls the freeloader, and I'll call him a freeloader instead of calling him the nonunion member who works at the union shop that won't pay his dues even though he's getting good money that's negotiated by the union, benefits, and insurance. We'll just shorten that up and call him the freeloader, okay? It's about the relationship between the freeloader and the union. Now, somebody can stand up after I sit down and tell me how making the freeloader pay his fair share is going to affect economic development, okay, because here's what's happened on this discussion. The Nebraska Chamber of Commerce and the NFIB have sent e-mails to people that don't understand the issue, and they've scared them. They've said, this is going to affect economic development, the sacred cow down in Lincoln, so get on your e-mails, here's the e-mail address of your senator, here's the phone number of your senator, get on the phone, get on your e-mail, and call them, let them know we don't want this, because it's going to affect economic development. It's not. That's foolishness. And then you got to wonder, why would the chamber of commerce and the NFIB involve themselves in what is essentially a dispute between the freeloader and his union? Do they just want to step on every time the union has an idea? You know, the one thing I've noticed about the union people, the people that represent labor that come down to Lincoln to advance the interests of working people in this state, is that they don't come over to the economic development bills and try to trash them. We don't hear the AFL-CIO and Change to Win come down and say the Governor's tax package, which is essentially the chamber of commerce's tax package, is nonsense. No, they don't go where they don't have a dog in the fight. But today, the Nebraska Chamber of Commerce and the NFIB have come into a place...have come to a fight, and they don't have a dog in the fight, and they have scared the people in here, because they're talking about the sacred cow. It is wrong. Understand, if you're going to stand up and talk again, I'd like you to tell me why the freeloader shouldn't have to pay, because I'm going to tell you, the freeloader has better wages because of the union, the freeloader has insurance because of the way...because of the union, and they have a retirement, and they have a package. They are the guy that sits next to you in church and doesn't contribute. [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR LATHROP: Thank you. They are around...this is between the union and the freeloader. It will not affect economic development. I have in my hands the e-mail that the chamber sent out, and they've suggested in the e-mail, employers recruited to Nebraska often point to the state's constitutional right-to-work provision as one of the reasons they relocate. If that were true, we wouldn't have to pass incentive packages. That is nonsense. The right to work and the relationship between the union members

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and their union has nothing to do with economic development. It has nothing to do with why people relocate in or out of the state of Nebraska. If we pass this bill, it will not affect one business. The businesses are not affected. They are not affected. They are not affected. It is simply asking the fellow whose income is improved by the union's efforts, whose benefits are improved by the union's efforts, and whose health insurance is available to... [LB57]

SENATOR McDONALD: Time. [LB57]

SENATOR LATHROP: ...him in his retirement,...thank you. [LB57]

SENATOR McDONALD: Senator Gay, followed by Senator Kruse. [LB57]

SENATOR GAY: Thank you, Madam President. I wanted to discuss a few things, just...and keep...again, here we go, here we go, throwing statements out there. But the question I had,...I agree with Senator Friend. I mean, this is nonsense, this Right to Work Committee thing that was sent out. It's trash, and that's right where we should throw it. Don't look at that. And I haven't. I just wanted to state a few things. I've had the ability to sit on the other side of the bargaining table, and I say that just so you know where I'm coming from here. I think I've been fair. I've dealt with tremendous employees. And we have seven unions in our county, and I had the pleasure to work with them. They're great employees. One of those was the Fraternal Order of Police number 3. And several contracts... I was very fair. We brought their wages up many times to be competitive with other people in our area. We did the national surveys. Of course it cost money. We spent money, they spent money. That's the way the process works. But in all that time, I think we were very fair, protecting the public's interest, the taxpayers' interest, yet respecting their ability to raise their family, have a good wage, and do their job. So this idea that if you're against this you're against all unions, I'm definitely not, and I'm going to say that. There are a lot of great employees out there in unions doing a great job. They, again, remember, chose to have exclusive bargaining power. But now, today, we're discussing this. I did want to talk, though, Senator Lathrop made a good comment on economic development. You know what, I'm getting all the information, as well, but I took the liberty...and I've been involved a little bit in economic development. I called Sarpy County Economic Development and I said, listen, how important is this issue, really, in the whole scope of things? It comes up on the first conversation with any company you're trying to recruit. So it's always early, when they're considering locating. Take statistics, whatever, we all have that in front of us. But it is a factor. I've read those things. I've been involved in negotiations to bring companies into this state, and it is an important process, and that's what they look at. So those are key questions. Nebraska, actually, it's such a key question that we're one of seven states that have the right-to-work clause in our constitution, and when we go out trying to recruit, we do tout that, and it is a benefit, I think, that we need to tout. As far as freeloaders go, we did a little looking, and this is just from the Department of

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Administrative Services. There's 9,560 freeloaders right now would be required to pay to the state of Nebraska. And one may be your LA who's an at-will employee. I don't know. But anyway, at \$20 a month, that's about \$2.2 million in fees that would be collected from those employees. So they're...if we're going to call them freeloaders...I remember just yesterday we were talking about individual rights when we were talking about smoking. What about the individual rights of these people who choose not to pay for this service? If you have a good service, people will pay for it. That's the way the economy works. So when we're talking about economic development, I don't think that's a bad thing. I think it's a very good thing. I represent a lot of families with young children, and if we're going to go out and have jobs for these kids, yeah, it's very important we have economic development. So I will never back down from defending that. I think that's one of the major reasons I wanted to come to the Legislature. We're talking about the constitutionality of this. That's also important. Are we going to go ahead and pass something we don't know the constitutional realities, and... [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR GAY: ...we can argue about this for a couple of...the next couple of years while we fight this out? I'm not willing to take that risk. So these are factors when we look at this. It's nothing against those individual members. I respect them. And we will agree at times, we will disagree at times. But I think all these keys...economic development would be a huge key that we need to look at and pay attention to as we discuss this measure. Thank you, Madam President. [LB57]

SENATOR McDONALD: Thank you, Senator Gay. Senator Kruse, followed by Senator Nelson, Cornett, Aguilar, and others. [LB57]

SENATOR KRUSE: Thank you, Madam President and colleagues. I stand again to support the bill and to respond to some questions by some of the senators. First, Senator Fulton asked some questions about the loyalties that some of us have on the floor that would support the bill. I certainly support Nebraska's right-to-work law. I think it's worked well. I wouldn't consider changing it. So therefore, I do not see this as a right-to-work issue. And I've listened for some reason why that might be considered that. I really am unconvinced. The question has been raised by Senator Gay as to whether it's constitutional. That was brought up by a bill from a long time ago, and it certainly wasn't this bill. Senator Fulton quotes a national union as opposed to right to work. Well, surprise. The law says that the union must represent the nonunion person, and it doesn't add on there, for free. That's the only question that we have coming up right now. I don't see how it compromises any way that they do that. I support...also, the question is whether or not...Senator Gay raised the question about our own staff. Our staff is represented by the union. This is...in a sense, this is a down side. That means that they cannot negotiate for themselves. It keeps them out of it. I would add, lest any confusion come from our comments here, that this bill does not affect our staff. There

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are not several thousand persons who would start paying because of this bill, because of the hiring structure that we have. I support the present law, with one proviso, provided that we can have closed-shop unions. I indicated earlier that I was the freeloader working for the railroad. I am also a member of a closed-shop union, have been for 50 years. I like it. It's a good deal for the employer. If I were a major employer, I would insist that all employees form a union. I hope that right to work wouldn't prohibit me from requiring that in my plant. And the reason for it would be that there would be a contract up front with the union--doesn't have to be a national union, just that they all join together for a union--that they run the HR department, it comes from their treasury, not mine as the employer. This is a fine system. The union and the employer should not be adversaries; should be working together. And that's what we have done within the union that I'm a part of. The employer does not hire and fire. The union determines credentials. The union determines discipline. If somebody is lazy and incompetent, all the employer has to do is point it out, and the union is required to take care of it. They can do more as colleagues, as peers, than an employer can ever do. And then you keep the relationship stronger with those who are in your employ. I strongly believe that we need to keep the union open within the state. I do believe that if persons are provided a service, they should be expected to pay it. I'm grateful, and would hope that there would be the amendment that this be negotiated in a proper forum, and not just laid on by somebody. The union certainly would not have the right to set that fee. [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR KRUSE: I thank you. I hope that we can talk about this until we clear up some of the smoke. Thank you. [LB57]

SENATOR McDONALD: Thank you, Senator Kruse. Senator Nelson, followed by Senator Cornett. [LB57]

SENATOR NELSON: Madam President, thank you, members of the body. Some questions have been raised about the constitutionality, or the bill that is before us here, LB57. And the fact that there was an Attorney General's Opinion back in 1993, I have a copy of that in front of me. It's pretty long, but I'd just like to summarize it a little bit, because I think it will be instructive to the body. At that time, back in 1993, LB255 was before this body. It was practically an identical bill, and an Opinion was requested by Senator Curt Bromm. Article XV, Section 13 of the Nebraska Constitution provides that no person shall be denied employment because of membership in or affiliation with or resignation or expulsion from a labor organization, or because of refusal to join or affiliate. And I won't read the rest of that. But we all know that this constitutional provision is Nebraska's right-to-work law, and provides that an individual's right to enter employment or continue employment cannot lawfully be made dependent upon membership or nonmembership in a labor union. In response to these right-to-work laws, some states...or some labor organizations have occasionally entered into agency

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shop agreements with employers. And an agency shop agreement is a device designed to ensure that a labor organization receives payments from nonmembers, equivalent to union dues, for the benefits obtained by the labor organization through collective bargaining. Under such agreements, a nonmember's refusal to pay those dues would require the employer, and I say, that would require the employer to terminate the employee from employment. Now, agency shops are permissible under the Nebraska...or the federal National Labor Relations. But yet, they can be preempted by states' right-to-work provisions. And some states that have enacted right-to-work provisions, in those states agency shop agreements have been held to violate the state law or the state constitution. And there's a case cited here from North Dakota which struck down a typical agency shop arrangement as being violative of their right-to-work laws. And in that case, they stated that an agency shop arrangement requiring employees to pay union fees as a condition to employment is the practical equivalent of an agreement requiring membership in the union as a condition of employment. The court concluded that that policy was violative of the right-to-work law. Similarly, our Attorney General said they have previously indicated here in Nebraska that a typical agency shop agreement violates Article XV, Section 13 of our constitution. Now, LB255 back then, and LB57 today, is somewhat different from the traditional agency shop arrangement, in that employees would pay a proportionate fair share of the costs of union representation. However, courts have rejected such fair share arrangements, as well, and there's a case cited here in Florida. I'm just going to skip. In light of the authorities cited above, our Attorney General believed that the fair share provisions of LB255, which is identical with what we have today, are also constitutionally suspect. On its face, the bill purports to not condition employment or continued employment upon the making of fair share payments. And the sanctions for refusal on the part of the nonunion member... [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR NELSON: ...would be enforced. Nevertheless, and this is important, the practical effect of the bill would be the same as the typical agency shop agreement, because in order to avoid making payments to a labor organization, a nonunion employee would have to discontinue his or her employment. The Legislature cannot circumvent express provisions of Nebraska Constitution by doing indirectly what it cannot do directly. So it boils down to this. If you're a nonunion member and we require, under fairness, them to pay dues, they really have no recourse or alternative, if they don't want to pay their fair share, but to resign from employment. And I submit that's in violation of our right-to-work law and in violation of our constitution. I think it's very important for us to be aware of that. [LB57]

SENATOR McDONALD: Thank you, Senator Nelson. [LB57]

SENATOR NELSON: Thank you, Madam President. [LB57]

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SENATOR McDONALD: (Visitors introduced.) Senator Cornett, followed by Aguilar, Carlson, Harms, and others. [LB57]

SENATOR CORNETT: Thank you, Madam President and members of the Legislature. This morning we have heard a number of times that the bill, as written, violates the Nebraska State Constitution. If you read the bill as it is currently written with the stricken language and the Nebraska Constitution Section 13: No person shall be denied employment because of membership in or affiliation with, or resignation or expulsion from a labor organization or because of refusal to join, affiliation (sic) with a labor organization; nor shall any individual, corporation or association of any kind enter into any contract, written or oral, to exclude persons from employment because membership in or nonmembership in a labor organization. The bill currently mirrors the state constitution with the stricken language. I have also heard of cases in other states cited where this type of bill has been found to be unconstitutional. I had a Supreme Court decision which I cannot find at the moment. Senator White, would you be willing to yield to a question? [LB57]

SENATOR McDONALD: Senator White, would you yield? [LB57]

SENATOR WHITE: Yes, Madam Chair. [LB57]

SENATOR CORNETT: Senator White, I shared the Supreme Court decision that I found earlier with you today. [LB57]

SENATOR WHITE: Yes. [LB57]

SENATOR CORNETT: Do you believe that the Supreme Court allows for this type of legislation? [LB57]

SENATOR WHITE: There is no question the United States Supreme Court allows for this type of legislation, as long as the union is not taking money for political speech or freedom of speech. To the extent that the money that is being assessed against the nonmember is devoted towards managing or improving the workplace as a fee for those services, there is no question it's constitutional, both at a federal level and at the state level. The only obstacle on the state level at all to this is the language in the statute which the bill, as drafted prior Senator Erdman's amendment, repeals. It clearly is constitutional and these types of laws are in effect and working in a number of states and they have successfully withstood challenges. [LB57]

SENATOR CORNETT: Thank you, Senator White. And I apologize for my confusion. I have so many stacks of paper here, I had put the Supreme Court decision in the wrong spot. It is Naomi Marquez, Petitioner v. Screen Actors Guild. And I'll just summarize the

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one line: allows unions to collect and expend funds over the objection of nonmembers only to the extent they are used for collective bargaining, contract administration, and grievance adjustment activities. The other thing that I have heard is referenced to the Attorney General's Opinion in 1993, and I believe Senator Nelson commented that the only way that a person would not be required to pay these fees would be to quit. If you look at the language of the bill, on page 3, line 7, "the fair share representation contribution of a nonmember employee shall be paid by the employer to the labor organization through a monthly deduction from the employee's wages. No such deduction shall be made without the written consent of the employee. If the contribution payment is not deducted from the employee's wages, the employee shall pay the contribution directly to the labor organization." A nonmember of the union would not have to quit. They have to give their written consent for the employer to withdraw this money. If they choose not to pay the labor organization, then that would become a court action. It would not require the employee to lose their employment at all. Thank you very much. [LB57]

SENATOR McDONALD: Thank you, Senator Cornett. Senator Aguilar, followed by Carlson, and Harms, and others. [LB57]

SENATOR AGUILAR: Thank you, Madam President and members. I just thought maybe I'd weigh in on this although I'm a lot like Senator Friend. I'm not sure where I'm at and that's certainly not going to help anybody in their deliberations. But I see both sides of this issue; I really do. I think it's unfair that the unions have to legally represent nonunion members in a court battle. I think that is exactly where the argument is. I think the legislation should look like that; should be directed specifically to that. To me, that's a smarter approach and a lot easier accomplishment. I will share a conversation I had last night with one of the top executives of a national firm, national corporation here, who incidentally has some union members and some nonunion members all throughout the country. And he heard part of the debate yesterday when this was going on, and so I ask him, you know, what's your opinion on this? And he said, honestly, he said, we don't have a dog in that fight. And I said, well, you know what? Here's one of the questions that I've had. I said, when I was first approached by this, I supported it simply because they came to me and said there would be a minimal fee, a minimal fee for fair share representation. And now I'm hearing kind of a different representation. I'm kind of hearing that it's a negotiated fee or what that is. And I shared this concern with this gentleman, and he said, well, I can tell you what that will be. And I said, really? And he said, yeah, I can tell you because this has happened in other states and we're pretty sure that it's...pretty traditionally it runs about 85 percent of what union dues are. Now, that's problematic for me. You know, to me, that's not the fair share. But I go back to the issue, you know, is this the right legislation? Is this what we should be doing? And I've kind of given up on going back and forth in the lobby because everybody out there has kind of a weighted opinion of what it is, no matter which side they're on, and I've heard from both. And, you know, quite frankly, the discussion here in this room is much more

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enlightening because, like I said, many of you don't have a dog in the fight; you just want to do what's right and what's fair. So that's what I'm struggling with, trying to make up my mind; that it's not an invitation to send any more notes in from the lobby because, you know, I've pretty well heard enough of that information. I'll continue to listen to the debate and encourage senators to share their opinion because, you know, like Senator Erdman has been very enlightening, Senator White has been very enlightening and I appreciate all the debate today. Thank you, ma'am, Madam President. [LB57]

SENATOR McDONALD: Thank you, Senator Aguilar. Senator Carlson, followed by Harms. [LB57]

SENATOR CARLSON: Madam President, members of the body, first of all, Senator Nelson, your testimony I appreciated in terms of whether something is legal or illegal. I'm not arguing legality of this bill. I'm talking philosophically. Senator Ashford said earlier that public employees and unions are receiving the benefits of collective bargaining, and it's working well. And I guess I say to myself, well, if it's working well, why are we trying to fix it? Senator White, I've developed a lot of admiration for you in our brief time here, and if I heard you right you said that opponents of LB57 are lying. I hope I didn't hear you right. Senator White, I oppose this bill, but I'm not lying. I'm not against unions. I've said that before. I said that yesterday. They serve a good purpose. I'm going to address Senator Chambers for a minute. There is a union that you said hates you, and I understand that they are in support of this bill. This union doesn't much care for me either and they spent a lot of time and money trying to see that I didn't get elected. They're for a fee or tax on nonmembers in paying what they call fair sure, for representing them in salary negotiations. And I think that they favor a fee or a tax on a mandatory basis because their performance doesn't earn voluntary enrollment into their group. They represent one of the most important group of people in Nebraska. And through their performance this group ranks 38th of 39th in the nation in salary. This is embarrassing and doesn't deserve mandatory fees or tax to fund incompetency. I'd like to help this group move up the salary rankings but not by mandatory fees. Unions have the freedom of ideas to persuade people to voluntarily join them. If they can't legitimately persuade, they don't deserve mandatory compliance. Senator Lathrop, to address your challenge, LB57 will, in my opinion, reverse the freeloader situation. When unions are legislated to collect mandatory fees from nonmembers, where's the incentive to perform a valuable service? And who decides what the actual fee should be? Why worry about delivered services when they're mandated to pay anyway? I oppose LB57. Thank you. [LB57]

SENATOR McDONALD: Thank you, Senator Carlson. Senator Harms, followed by Senator Fulton, Hudkins, White, Wallman, and others. [LB57]

SENATOR HARMS: Madam president and colleagues, Senator White, would you yield? [LB57]

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SENATOR McDONALD: Senator White, will you yield to a question? [LB57]

SENATOR WHITE: Yes, Madam Chair. [LB57]

SENATOR HARMS: Thank you very much. Senator White, I want to talk to you about

the heart of this bill, okay? [LB57]

SENATOR WHITE: Yes, sir. [LB57]

SENATOR HARMS: And for me it's really in Section 1, item (5), line 15 through 20. I'm just going to read this, okay, and you know what it says. It says: Contribution or fair share representation contribution means the sum of money paid by the employee who is not a member of a labor organization representing the employee, which sum represents the employee's proportionate share of cost borne by the labor organization in representing the employee of the purchase (sic) of collective bargaining and contract enforcement. That's what this is all about. This has nothing to do with whether they are a freeloader. This has nothing to do in regard to whether it's constitutional. This has nothing to do about whether it's going to have an impact on economic development. What this is about is a choice. The people have chosen not to belong for a number of reasons: one, they don't like the union; two, they don't agree with the union; three, the union does not represent what they want to have represented; and four, they don't like who they're contributing to in the campaign. And they would just as soon bargain for themselves, but they can't. Now we're turning around and saying to the union, we're going to say it's okay as a state because these people do not want to be a part of your union, do not care about your union, do not even respect this union, we're going to force them then to pay the fee. That's what I object to. And I've talked to a lot of people. I've called people that I know that belong to the union, and that is the issue. It's the issue of choice. It's the issue of the right to have the choice of whether they want to belong or not belong. It doesn't have anything to do with all these other things we're arguing about. And I'd like to know where you are with this. [LB57]

SENATOR WHITE: Well, Senator, first of all, I disagree completely with your characterization of the bill. The bill specifically states that...you said, for example, they don't like what the union is doing politically. No money, no money, can go to a union for any monies expended for political activities, period. This bill does not force them to subsidize that, doesn't force them to agree with it, doesn't do anything like that. So it is not about forcing people to join unions or pay for their political activities. Second, what this bill is unequivocally and clearly about is exactly what we've said, which is freeloading. I will give you a specific example. The firefighters in Lincoln and Grand Island and Scottsbluff, I believe, thought that they were not being paid fairly, given the rules of the state of Nebraska. They paid \$600 per person for economic studies and to go through the Court of Industrial Relations. That cost the union members the

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equivalent of one year's dues. As a result, they were given substantial raises which were fair. But the people who didn't belong to the union didn't pay for the economic studies, did not pay for the cost of going through the Court of Industrial Relations, but put the money in their pocket and walked home. They are freeloaders, Senator. [LB57]

SENATOR HARMS: Oh, I just love that. Thank you very much. You know what? That's what democracy is about. It's about freedom. It's about a freedom of making a choice, and that's exactly what they were doing. They made the choice not to belong. They're not...I'm not talking about...I'm talking about the simple fact is that they don't want to belong to the union, period. [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR HARMS: And it's because they don't agree with that. Thank you, Madam. [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR HARMS: Oh, one minute. Oh, I've got another minute. Thank you very much. That's really what it's about. And I appreciate your views and your thoughts. I'm not against the union. I'm just trying to point out to you that there are other reasons why people don't want this and we can't ignore that. We have a responsibility here to represent everyone and I don't think we're doing it with this bill. I oppose it very strongly. And thank you very much, Senator. [LB57]

SENATOR McDONALD: Thank you, Senator Harms. Senator Fulton, followed by Hudkins, White, and others. [LB57]

SENATOR FULTON: Thank you, Madam President, members of the body. As we have debated this, rightfully so, it has occurred to me that there is a voice which is not being heard here, and it was conspicuous to me when reading through the committee statement that there was a voice that was not being heard. That is the voice of the nonunion worker. I want to say, my father worked in a beef packing plant, and I understand the good work that unions did and do. That a union does good work does not, therefore, mean that it has the right to compel, by statutory force, those who do not want to associate or affiliate with the union. And so I'd like to say that to posit the argument that unions do good work does not, therefore, mean you need to support LB57. Unions do do good work and I am opposed to LB57. I want to focus a little bit on the nonunion worker--he who in this debate is voiceless. I worked at a boiler plant here in town. We manufactured boilers. It's union representation. If an individual wants to come and work at this boiler plant without being a member of a union, could he do that if this bill passed? Would Senator White yield to a question? [LB57]

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SENATOR McDONALD: Senator White. [LB57]

SENATOR WHITE: Yes, Madam Chair. [LB57]

SENATOR FULTON: Senator White, we had this discussion off the mike and I recognize and respect your stature as a good debater and someone who understands this issue, and I want to get right to the meat of that nonunion worker, the meat of this, of my talk here. [LB57]

SENATOR WHITE: No tap-dancing, Senator. [LB57]

SENATOR FULTON: Okay. If an individual wants to come and work at this boiler plant, but he doesn't want to be affiliated with the union, could he do so if LB57 passed? [LB57]

SENATOR WHITE: Absolutely. [LB57]

SENATOR FULTON: Could you explain that? He doesn't want to be...what I'm saying here as a qualifier is that he doesn't want to be affiliated with the union. [LB57]

SENATOR WHITE: Yeah, I understand. [LB57]

SENATOR FULTON: Okay. Could you explain now? [LB57]

SENATOR WHITE: He is not a member of the union. He doesn't have to be. He comes... [LB57]

SENATOR FULTON: I'm not asking whether he'd be a member of the union. I'm asking whether he could work at this plant without being affiliated with the union. [LB57]

SENATOR WHITE: Well, it depends on what you mean by "affiliated," Senator. I mean, you have very different views than I. We're both members of the Unicameral. Are we affiliated with each other? [LB57]

SENATOR FULTON: That's a good point. There are statements...there are rulings, district court rulings, that would indicate that paying a fee is a form of affiliation, and I don't think that it would be a logical stretch, saying that one who pays a fee to the union would, therefore, be affiliated with it. [LB57]

SENATOR WHITE: All I can say is one Supreme Court case trumps any number of district court cases. The law of the land is absolutely clear: This is constitutional; it is permissible. This man doesn't have to be affiliated in any way, in a First Amendment way, with opinions or any other things expressed by the union, nor does that person

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have to support them. But to the extent they want to go to work there, they want to go work there because the situation is better, and that costs money and the union is paying for it. [LB57]

SENATOR FULTON: Senator White, that's... [LB57]

SENATOR WHITE: We all have the right to go restaurants and order food, but we've got to pay the bill. [LB57]

SENATOR FULTON: Senator White, that's implied. Why he wants to work at this boiler shop, this boiler manufacturer, is not relevant. He has the ability to choose whether he works there or not, freely. We can't ascribe his intention. My question is, can he go and work there freely without being affiliated with the union? If this bill passes it seems to me that he can't. Would you say that he is affiliated in one way, shape, or form, whether he likes it or not? Is that your position? [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR WHITE: No. What I'm telling you is, he is responsible for paying the benefits he gets. He can stand up on a street corner and say, I hate unions, none of my money is going for unions. He can say whatever he wants. But if he is taking the benefit of the money they're expending to improve his lot, it's a simple deal. Nebraskans do not freeload. We pay our own way. [LB57]

SENATOR FULTON: Senator White, it's on my time. I'm going to try to get this through. Does he have a choice whether or not that union is collectively bargaining at that boiler manufacturer? [LB57]

SENATOR WHITE: Well, he doesn't have that choice under any law right now. [LB57]

SENATOR FULTON: Okay. [LB57]

SENATOR WHITE: If you have a place (inaudible) employer... [LB57]

SENATOR FULTON: I recognize that and I'm glad that we agree. He has no choice... [LB57]

SENATOR WHITE: Well, but right now, under existing law, if the employer has agreed... [LB57]

SENATOR McDONALD: Time. [LB57]

SENATOR FULTON: Thank you, Madam President. [LB57]

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SENATOR McDONALD: Thank you, Senator Fulton. Senator Hudkins, followed by White, Wallman, Engel, and others. [LB57]

SENATOR HUDKINS: Thank you, Madam President and members of the body. I have not spoken on this, but I have been listening quite intently and I find myself between a rock and hard place because I have been visiting with union representatives. They explained to me that this bill would have something to do with if you have a grievance and you're a nonmember of the union, you should pay for the representation. And I thought, well, that's fair, because if you hire an outside attorney to represent you, you would have to pay for them. And they let me believe that much. That's not what this bill does. This bill addresses the exclusive representation. There were several performances earlier today, and I think that the two senators involved, when they are term limited out, they should go right to Hollywood because they did a good job in encouraging us to vote for this or encouraging us not to vote for that, because they were lied to and you're not going to believe this paper that they get, and, well, businesses aren't going to do this. Well, you know what? We get opinions from all sides. I have been told that businesses do look at things like this. Other senators have been told, no, they don't. Well, who's right? We don't know. At this point, after Senator Preister explained this bill that said that it would be paying of a fair share, whatever that is, by a nonunion employee for contract negotiations, not for grievances, not for any of those other things, that's when I started saying, whoa, wait a minute. Now, I'm not saying that the union people lied to me. Absolutely they did not. They let me say something and then they agreed with me. This bill has a history. We have seen bills similar to this in 1999, in 2000, in 2001 and '02, 2003, 2005. I believe in unions. I believe in what they do. If it weren't for unions, we would still have pretty rotten conditions in the coal mines. We would still have child laboring, and we know that we don't want that. Is this bill fair? Well, you know, it depends upon your view. But when a union agrees to represent exclusively the people that work at that plant, that means that they have agreed to represent all of them, whether they are members or not. And that tells me that if you are forced, which this bill would do, to pay a, again in quotes, fair share, then that is a forced payment. I don't agree with that. We have heard that this bill would repeal our right-to-work laws. We have heard that this doesn't repeal our right-to-work laws. So it does either one or the other, and you know I really don't care at this point. But what I care about is a person has gone to work at a company, has chosen not to join the union... [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR HUDKINS: ...and they are still being...would still be forced to pay the fees for contract negotiations. If you want to call that freeloading, I guess you're entitled. I call that employment. You are not being forced to join the union. You don't have to be a member of the union to work there. I am still thinking that if you're not joining the union,

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you shouldn't have to pay the fees for contract negotiations if it is an exclusive bargaining group. Now, if the employee is entitled to seek his own representation, that's something different. But in this case, forgive me, union people, and there's some friends out there, after what I have heard and what I have learned, I don't think that I can support this bill. Thank you, Madam President. [LB57]

SENATOR McDONALD: Thank you, Senator Hudkins. Senator White, followed by Wallman, Engel, Nantkes, Stuthman, and others. [LB57]

SENATOR WHITE: Thank you, Madam President. Senator Hudkins, I would ask you to consider something. If, for example, the union, 20 years ago, organized the company and agreed to be an exclusive bargaining agent, and 98 percent of the employees belonged, now someone comes along and wishes to come to work at that plant because the wages are good, because the conditions are good, because the safety record is excellent, because the health benefits are excellent, they now come and say, but I don't want to pay union dues. You act as though the union, 20 years ago when they organized the plant on an exclusive basis, assumed that they would have people coming in 20 years later and saying, hey, I don't want to pay these dues. That's not how it happens, Senator Hudkins. What we have are opportunists who see benefits and then opt out of them. Senator Aguilar, with regard to the 85 percent, one should be proud, not ashamed, of that. What that tells you is the union can demonstrate that 85 cents out of every dollar is actively going into that plant to improve conditions, to protect the workers, to improve safety, to make sure the contracts are obeyed, to represent workers that are charged with infractions to save their jobs, to try to help them if they get injured. That 85 cents on the dollar means unions aren't spending large amounts of money on unnecessary things, large amount of money on politics, making contributions that you don't agree with. That is a number to be proud of. The higher that number goes means the more the unions are doing their job, their primary job, which is to protect the worker in that plant. I would submit that what we are dealing with here is not a matter of choice for the unions; it's a matter of opportunistic workers who will take advantage and not pay their fair share. Madam Chair, I would yield the remainder of my time to Senator Lathrop. [LB57]

SENATOR McDONALD: Senator Lathrop. [LB57]

SENATOR LATHROP: Thank you, Madam President. I would just like to take this opportunity to address some of the things that I've heard. And probably the one thing that strikes me the most from this conversation, at least we've got away from talking about it as an economic development issue, which it never was, and now we're talking about the...Senator White calls them an opportunistic person, Senator Wallman calls them a freeloader. But when we talk about this issue in terms of choice, understand something; that it isn't a choice the person is making. Because when they come into the workplace and they choose not to join, they have that right. We will not change that right

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with LB57. But they always know that they're going to get the benefit of the union's work. And that's the thing, when we talk about choice, just understand something: These people are making a choice not to participate, but none of them say to the union, hey, listen guys, don't negotiate my deal, okay; I know you're probably going to make \$21 an hour when this over; I'll go in and work my own deal out with the boss. They don't do that. What they do is they stand back and when they're signing people up for the union, they're looking down at their shoes and they're not paying attention and they're leaving work early and they're otherwise getting out of the conversation. But when it comes times to get the paycheck, they're there. They are taking full advantage of the deal that's been worked out. So when we talk about choice, understand they're not choosing to go do it themselves. Okay? [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR LATHROP: They're not choosing to go cut their own deal. They are taking advantage of the deal, the benefits that the union, the hourly rate, the retirement package. They're taking full advantage of everything the union does, and I've not heard one person call me up, not heard one person today talk about the guy who comes in and says, don't negotiate for me; I'll cut my own deal. That doesn't happen and it's a fallacy for us to stand here and pretend that we're going to give somebody a choice to join or not join, because the implication is that guy who doesn't join is going to go cut his own deal. He doesn't. He doesn't want to. In fact, what he does is, when he gets in a jam with the employer, he goes to the union and says, represent me now, represent me in this grievance; you'll spend thousands of dollars on an attorney; I've paid you no fees and now I want you to represent me. That is unfair and that's what this gets to. [LB57]

SENATOR McDONALD: Time. Time. [LB57]

SENATOR LATHROP: Thank you. [LB57]

SENATOR McDONALD: Thank you, Senator Lathrop. Senator Wallman. [LB57]

SENATOR WALLMAN: Thank you, Madam President and members of the body. We have some ag producers in here: Senator Stuthman, I think; Senator Hudkins; Senator Louden; some others. We belong into one of the...and you, Madam President, we belong into the largest union in the world. We're ag producers. Beef checkoffs, pork checkoffs, you know, corn checkoffs, we do...do we have a choice? No. Somebody voted that in. Am I for a checkoff on pork? Maybe not. I don't raise pork. But the pork producers have to pay. They take it off their check. It's a checkoff. I would call that a form of dues, wouldn't you? You sell your cattle at a sale barn or whatever and it gets...farmers pay a lot of taxes and we don't really complain about promoting our own product, so why shouldn't labor people promote themselves? The labor unions present the good people and they ought to get compensated for what they do for everybody. I'm

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kind of passionate on this. My wife was a union member. I'm prounion. I'll admit it. I'm not ashamed of it. And if I want to be a member of a chamber, I got to pay my dues. Do I agree with everything they do? No. Independent, you know, insurance agents, you should pay your dues. But that's a form...it's a form of a union. So with that I'll yield the rest of my time to Senator Schimek. [LB57]

SENATOR McDONALD: Senator Schimek. [LB57]

SENATOR SCHIMEK: Yes. Thank you, Madam President. Thank you, Senator Wallman. I appreciate it. I've been listening to this debate all morning and yesterday, too, and I haven't really said anything, but I just heard some misinformation, or some exaggerations, perhaps, going around and thought I needed to let you know that I have some concrete information, at least from the Fraternal Order of Police in Sarpy County. Steve Grabowski, many of you might know that name, but he said that their costs for negations are generally around \$5,000. Now, that could be for one year or it could be for two years, and that's probably more likely. It could be for five years, too, I suppose. But if you assume that it's two years, that would mean that it's \$2,500 a year for negotiation costs for that particular union. Now, because they have over 200 members, that would break down to about \$10-plus per member to pay their fair share; \$10, let's stretch it, maybe say \$11, but somewhere in that vicinity for a two-year period. It would be more like \$20-some for a one-year period. Now, compare that to what they pay in union dues. They pay 1 percent of their salary for union dues. Union salaries range from \$30,000 to \$80,000, so that means that members, union members, pay from about \$300 to about \$800 in union dues a year. Now, you take that against the \$10 for a two-year period or the \$20 for a two-year period that they would be asking their nonmembers to pay, and you can see that this is, in this case anyway, it's not very much of a payment. [LB57]

SENATOR McDONALD: One minute. [LB57]

SENATOR SCHIMEK: And it helps to balance out what some of the...what the members themselves are doing. I have no idea how many in that union or how many in that group are union members and how many are not. I suspect most of them are. But it seems to me that when we're talking about maybe these expenses run up to 85...or these fair share charges run to 85 percent of union dues. Well, that may be in a particular instance in a particular year, but I don't think you can take that as what it always is. In fact, I think that's very high, Senator Aguilar. I think 85 percent is very high. But that's not to say it couldn't ever run that high. But if those are the expenses, maybe that's the way it should be. At any rate, I thought you should have some in-Nebraska figures to put into this equation and maybe we... [LB57]

SENATOR LANGEMEIER PRESIDING [LB57]

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SENATOR LANGEMEIER: Time. [LB57]

SENATOR SCHIMEK: ...maybe before this debate is over we'll hear from some other groups, as well. Thank you. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Schimek, and thank you, Senator Wallman. Senator Engel, you're next, followed by Nantkes, Stuthman, and Synowiecki. Senator Engel, you're recognized. [LB57]

SENATOR ENGEL: Mr. President, it's been quite some time ago since Senator Lathrop brought this up, but I'd like to respond to my good, new, and hopefully lasting friend, Senator Lathrop, and of course, Senator White, on a couple of the issues and talking about the freeloaders. Again, I emphasized that the other day, as far as freeloaders are concerned. The thing is where they have this exclusive bargaining unit, they don't...I don't think they have a choice of ... as far as I'm concerned, the unions have a choice and they can opt out of that any time they want. So I would think it would behoove the unions to opt out of that exclusive bargaining contract and just represent the union members themselves. Then they could show how effective they are in getting those wages and benefits up to where they should be in certain industries, especially in the packing industry. If they could do that then I think you could go out and sell a product like any other good product; you could sell it to those nonunion members who are not reaping the benefits that the union people are, and I think you could bring them in by the droves. But right now, the way it's set up, they don't have that choice. And I am not antiunion; never have been. I grew up in a working family. Like I mentioned to you before, my father worked in a packing house, had a brother who worked in the packing house. We worked on construction and we learned the work ethic very early in life, and I certainly believe in the...and I'll do anything I can for the working man or woman. And the thing is, like I think Senator White mentioned something about in northeast Nebraska where they're taking advantage of the minority groups up there, well, the reason they're taking advantage of the minority groups up there is because the pay scale is so much less than it was 15 years ago. So I don't think they are being represented that well in that particular area. Other unions are doing a great job and I commend them for that, getting these good benefits. What Senator White mentioned, too, as far as the child labor laws back in the 1800s and so forth, it was terrible what was going on there. But at that point in time the unions were not fighting to represent people; they were fighting the employers themselves to get the unions in to improve the working conditions, and I applaud them for that. They did a great job. So that is not the point here. The point here is, you've got exclusive contracting rights and the bargaining rights with the employer, and these people that do not want to belong, they do not have to. And you, as far as you representing them, you made that choice. You made that choice when you asked for this exclusive bargaining contract. So, therefore, I do not believe that...and I don't believe in freeloaders either, but the way to get rid of a freeloader is offer them something better than what they've got and do your job well,

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and I think you will get all the recruits, all the people that you want, and your membership will grow. And until that point in time, I don't think it will and, therefore, I do not support this particular bill. And I do commend everybody for their input this morning. Return the rest of my time to the Chair. Thank you. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Engel. Senator Nantkes, you are next. You are recognized. [LB57]

SENATOR NANTKES: Thank you, Mr. President. Good morning, colleagues. I rise this morning to extend the debate on an important point in the dialogue, which is economic development issues. I truly, truly believe at the end of the day that the common ground that unites many of us within this body are a keen focus and a strong support of economic development issues. As many of you know, in my work on poverty issues over the years I've come to the conclusion that the best antipoverty tool that we have available to us is a good job. And partnering with the business community, with chambers of commerce, and with economic development professionals we can ensure less reliance on our public benefit system and a better course to self-sufficiency for many of our residents. That being said, there's been a lot of misinformation on how fair share would impact our economic development efforts in a negative way. And I was just doing some research and came across a list of top ten factors that businesses look at when making site selections. Nowhere on this list, from...let's see, this is...is there a factor about right-to-work state or about fair share issues. Instead, it focuses on community characteristics, work ethic and retention rates, transportation infrastructure, operational costs, environmental factors, telecommunications infrastructure, quality of life issues, the strength of the educational system, and overall tax incentives, which many of us have worked very diligently on to promote and modernize our state's economic development tax incentive packages, and I continue to be supportive of those issues. Then when you look to a source like Forbes magazine, and determining where are the best places to do business, of their top 25 rankings, 10 of those 25 best places to do business in the country are in states that are not right-to-work states. When you look at the top ten metro areas for places to do business, also as compiled by Forbes magazine, six out of the ten top metropolitan areas to do business are in states that are not right-to-work states. That's 60 percent. I think that's a very telling and objective number that we need to consider. Let's see here. Is Senator Nelson available to yield for a question? [LB57]

SENATOR LANGEMEIER: Senator Nelson, would you yield to a question? [LB57]

SENATOR NANTKES: He may not be available. [LB57]

SENATOR LANGEMEIER: I'm not seeing him on the floor. [LB57]

SENATOR NANTKES: Would Senator Wightman yield for a question? [LB57]

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SENATOR LANGEMEIER: He did come in the back door. [LB57]

SENATOR NANTKES: Oh, there's Senator Nelson. Okay. [LB57]

SENATOR LANGEMEIER: Would you like Senator White or Senator Nelson? [LB57]

SENATOR NANTKES: Senator Nelson would be great. [LB57]

SENATOR LANGEMEIER: Senator Nelson, will you yield to a guestion? [LB57]

SENATOR NELSON: Thank you. I was in the Rotunda and thought I heard my name, so I have no idea what the debate has been for the last ten minutes, but I will yield. [LB57]

SENATOR NANTKES: Thank you, Senator Nelson. Just to give you some context, I wanted to visit with you, as a fellow member of the bar association, and try and draw out some parallels in other areas of our economy that I feel do relate to this issue about fair share. Senator Nelson, are you a member of the Nebraska Bar Association? [LB57]

SENATOR NELSON: Yes, I am. [LB57]

SENATOR NANTKES: And could you be a lawyer and practice without belonging to the Nebraska Bar Association? [LB57]

SENATOR NELSON: Not in Nebraska. I would have to be a member of the Nebraska Bar. Yes. [LB57]

SENATOR NANTKES: And do you fully support all the activities of the Nebraska Bar Association... [LB57]

SENATOR LANGEMEIER: One minute. [LB57]

SENATOR NANTKES: ...and what they do with the fees that you provide them? [LB57]

SENATOR NELSON: I'll have to be frank and say that I do not. [LB57]

SENATOR NANTKES: But nonetheless you do pony up those membership dues each year, and why do you do that? [LB57]

SENATOR NELSON: I pony them up reluctantly, not only because of the amount, but because of some of the activities that the bar carries on which I don't necessarily agree with. They do a lot of good, but there are some things I don't agree with. [LB57]

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SENATOR NANTKES: Have you ever attempted to recover a portion of your bar dues for activities the bar has engaged in that you maybe do not agree with? [LB57]

SENATOR NELSON: No, I have not, but I have opted out on some things where I've been permitted to do so. [LB57]

SENATOR NANTKES: Thank you, Senator Nelson. I appreciate your time this morning. [LB57]

SENATOR NELSON: You're welcome. [LB57]

SENATOR NANTKES: Again, just in closing I wanted to try and draw out some parallels in other areas of businesses wherein we, as lawyers, pay mandatory dues each year to engage in our practice. We've heard from Senator Wallman about how farmers... [LB57]

SENATOR LANGEMEIER: Time. [LB57]

SENATOR NANTKES: Thank you, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Nantkes. Senator Stuthman, you are recognized. [LB57]

SENATOR STUTHMAN: Question. [LB57]

SENATOR LANGEMEIER: The question has been called. Do I see five hands? I do see five hands. The question is, shall debate cease? All those in favor vote yea; all those opposed vote nay. Senator Stuthman, for what purpose do you rise? [LB57]

SENATOR STUTHMAN: I request a call of the house. [LB57]

SENATOR LANGEMEIER: There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote yea; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk. [LB57]

CLERK: 26 ayes, 8 nays to place the house under call, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Mr. Clerk. The house is under call. Senators, please record your presence. All those senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Senators Ashford, Louden, and Raikes, the house is under call. Please return to the Chamber. All the senators are accounted for, or present or accounted for. Senator Stuthman, how do you wish to proceed? [LB57]

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SENATOR STUTHMAN: I would ask for call-in votes. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Stuthman. The request is for call-in votes. The question is, shall this debate cease? Mr. Clerk. [LB57]

CLERK: Senator Chambers voting no. Senator Louden voting yes. Senator Kruse voting yes. Senator Flood voting yes. Senator Kopplin voting no. Senator Pankonin voting yes. Senator Hudkins voting yes. Senator Gay voting yes. Senator Karpisek voting no. [LB57]

SENATOR LANGEMEIER: Have all those voted that wish to? [LB57]

CLERK: Senator Wightman, did you want to vote? Senator Wightman voting yes. Senator Cornett voting no. Senator Nelson changing from no to yes. Senator Raikes voting yes. Senator McDonald voting yes. [LB57]

SENATOR LANGEMEIER: Record, Mr. Clerk. [LB57]

CLERK: 25 ayes, 15 nays, Mr. President, to cease debate. [LB57]

SENATOR LANGEMEIER: Debate does cease. Senator Erdman, you are recognized to close on FA36. [LB57]

SENATOR ERDMAN: Thank you, Mr. President. If we had held that vote over any longer we would probably have had lunch. I will explain what FA36 is and the body can choose to proceed how you will. If it is the true intent and observation of the proponents of LB57 that it is not an unconstitutional act, then this language is unnecessary in the bill. There may be other arguments in favor of keeping this language in the bill, but as I would understand it, the existing constitutional language deals with employment. As the remedy sought in LB57 is not termination of employment, it seems odd to me that we would need to have the statutory language that applies the constitutional law in statute in this bill. And so FA36 would simply restore the operative language in the statute that is as it currently exists. It's not designed to undermine the bill, and as I hear the proponents of the bill's comments, none of them spoke in opposition to the bill. It was simply an observation. In fact, I've had it confirmed from committee staff that they believe that it doesn't affect the bill either. It again comes down to the fundamental decision about whether or not this bill is a violation of Section 13, 14, and 15 of Article XV in the constitution. The proponents would say no. And therefore, if it doesn't, this language again does not need to be in LB57. I would encourage your support of FA36. I understand that there are other amendments from the proponents that are forthcoming and we will proceed. This will be the last amendment that I'll have, and hold your applause. I had no intention to delay the bill longer than this morning. I understand that

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there is another amendment that will be offered, but I'm willing to see where the body is at. My intentions with my two amendments were to ensure that there was a healthy amount of debate and I think there has been, and now I'm interested in the will of the body on this bill at this stage and would hope that this morning we can find out. So I would encourage your adoption of FA36. Thank you, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Erdman. You have heard the closing on the amendment. The question is, shall FA36 be adopted to LB57? All those in favor vote yea; all those opposed vote nay. Senator Erdman, for what purpose do you rise? [LB57]

SENATOR ERDMAN: Record vote, please, Mr. President. [LB57]

SENATOR LANGEMEIER: Mr. Clerk. Record, Mr. Clerk. [LB57]

CLERK: (Record vote read, Legislative Journal page 769.) 25 ayes, 14 nays, Mr. President, on the amendment. [LB57]

SENATOR LANGEMEIER: Thank you, Mr. Clerk. FA36 is adopted. With that, I raise the call. Mr. Clerk. [LB57]

CLERK: Mr. President, the next amendment I have is by Senator White, FA37. (Legislative Journal page 769.) [LB57]

SENATOR LANGEMEIER: Senator White, you are recognized to open on FA37. [LB57]

SENATOR WHITE: Thank you, Mr. President. This amendment would change the effective date of this act, but it actually is again designed to help us educate because, given the lights I can see, we have a big job ahead of us. But, you know, like those laboring in the wilderness, we keep our faith and keep moving forward. I rise to tell the membership again that...and I wanted to respond to one thing in particular. Senator Carlson, you stated you hoped that I said that people weren't lying about this. Unfortunately, I did say that and, unfortunately, I did mean it, and unfortunately, they are lying. I have had calls from people in my constituency, in my districts, last night, being called by National Right to Work people, saying that if this bill passed I would force their small businesses to be union only. That is flat-out not true and they are flat-out scaring people and they're telling us things and they're telling, more importantly, my constituents things that are not true. Now, is that members of this body? No. But I said supporters of this...opponents of this bill, the National Right to Work people, are telling falsehoods. I said that and I stand by it. And I think if ask Senator Friend and he shows you the picture of the firefighters, they are not only doing that, they are slandering good working people, too. Now, we may agree or disagree on this bill, and I respect that, but you do not have the right, I believe, to call in and scare small business owners and tell them things that aren't true about what's happening here. I resent that, especially when it

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comes from well-funded organizations who don't live in this state, don't have a stake in this state, in fact don't give a rip about this state other than it's a notch on the belt in the bigger political game. So, no, I did say that; I did mean it and I still mean it. But I was speaking specifically of the same thing Senator Friend was speaking of, that there are people telling things that just aren't true about what this bill would and would not do. Now this bill will accomplish certain things, and one of those is it will strengthen unions. It will help us get a better standard of living for working people. And it's ironic, to me, to all of the rural senators, it is ironic to me that the standard of living in the rural areas have not kept up. We have not been able to get high-dollar jobs in the rural areas, with the sole exception potentially of the meat packing industry. And one of the reasons the rural areas in this state are not keeping up, we are losing population, is they broke those unions. They broke those unions and they're not paying livable wages. They are working them in inhuman conditions and they are taking advantage of those workers and they're doing it, I believe, in methods that are illegal, whether it is hiring and exploiting people who are not here legally, or whether it is other activities. If the senators from the rural districts in Nebraska are serious, truly serious about economic improvements in their districts, I would tell you, you better start supporting the unions. Senator Hansen, you represent North Platte, one of the true bright spots in rural areas of western Nebraska economically. I submit to you it is a bright spot for two primary reasons, both of them are clearly associated with union labor. One is the rail system, and two is the electrical power system--both union positions. Those are union employers. Your constituents live a better life because of the presence of working men and women who organize and who are unionized. And I would tell each and every member of the rural districts, if you come to me and say, we can't get decent wages out in our area; work that pays much better in Omaha pays much less where I live...and it's true. And any of you who have talked to me about economic development in rural Nebraska knows I really do care about it and do want to help it, but until the people of the rural districts and their elective representatives start picking up and helping themselves and finding for the rights of their citizens to a decent life, a life with healthcare, a life that allows them to take vacations, a life that if a family chose to have only one spouse work they could still live in dignity, until you start watching out for yourself and working with unions instead of reflexively opposing them, you will not see economic development. I don't care how many new jobs we bring in, they will be low-wage jobs; they will be jobs without dignity; they will be jobs without payment. This is a bill to help you more than Omaha. My district, we have good jobs. We have union jobs. My people live on an economic level far higher than most others, and it's a working class district. And the reason is simple--they work in organized workplaces. With that, I would yield, Mr. Chair, the rest of my time to Senator Lathrop. [LB57]

SENATOR LANGEMEIER: Senator Lathrop, four minutes. [LB57]

SENATOR LATHROP: Thank you very much, Mr. President and colleagues. I want to take this opportunity to visit about a couple of things that I've heard in the debate this

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morning and maybe to make a distinction which fair share recognizes. We have...vou have a right to join your church, you have a right to join your professional organization as Senator Carlson talked about, the insurance salesmen that promote insurance or whatever they do, and I'm sure that they are helpful to that organization. You have many things that you have a right to join, and they have many different facets to them. You choose to join or to not join, depending upon whether you agree with what they're doing, the cause they advance, and the interests that people have in common. But when we're talking about unions, the unions are different and the fair share bill recognizes that distinction. First, the unions do a number of things. They'll engage in political activities. And you say, well, I (inaudible) have to join because I don't...I don't agree with those guys. They've given money to Bill Clinton or to George Bush or to whoever it is that you don't like. But the fair share bill here today recognizes the difference between those facets of union life which are elective, the things that you can choose to do or not to do, or you can agree with or disagree with. But this bill, this bill asks not that you contribute to the activities you disagree with, but only that you contribute to the cost of the things that benefit you, and that's an important distinction. It is, for that reason, more like the corn checkoff. And I wondered, when Senator Wallman was talking earlier, if we would be in favor of repealing the law that requires corn checkoff. I don't see anybody in a hurry to do that. And probably that brings us as close to the principle that's involved in LB57 as anything I can think of. The idea that we are going to require...you know, they started the checkoff programs as a volunteer thing. They said to the corn producers and to the livestock producers, let's contribute money to a pot and then we'll use it to advance the interests of and open markets for our products. Guess what? Some people wanted to enjoy the benefits of higher corn prices, enjoy the benefits of higher beef, pork and so forth, but they didn't want to pay the dues. So they had to come down here and have us tell them that you're going to participate in the checkoff. And that's all we're doing today. You know, you don't have to agree with everything that the corn producers say. You don't have to agree with everybody that's a member of that organization. But you know something? You have a checkoff program because...you have a checkoff program because they are promoting the common good. And it's only right that we say to those who are opportunistic--I think that's a nicer way of describing them than freeloaders, it's the same thing, though--it is a way to say to those who are opportunistic, you're getting a benefit from this; step up, you're going to pay. And it's the very same argument, and I wonder if the very same people who just threw a red light up on the last amendment or a green light... [LB57]

SENATOR LANGEMEIER: One minute. [LB57]

SENATOR LATHROP: ...a green light up on the last amendment, where they were when we were talking about corn checkoff. Their idea of fundamental fairness was probably expressed in a different manner when we were talking about corn checkoff or the beef checkoff, but it's the same principle. It's the same principle. And I think that my friends from greater Nebraska can appreciate that. They benefit from the checkoff

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program. It's opening markets. It's increasing the price of their commodity. And it's important that the people who benefit from that, pay. And I'd be the last person to stand up and say we ought to repeal that, but at the same time that's the very principle that we're talking about today. I appreciate Senator Wallman's observation because it's the same thing. It's the same thing, guys, and it's only fair. It is only fair that we ask those people who benefit from the contract to participate in the cost. I did hear... [LB57]

SENATOR LANGEMEIER: Time. [LB57]

SENATOR LATHROP: Thank you, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Lathrop and Senator White. You've heard the opening on FA37. The floor is now open for discussion. We've had a number of lights on carry over and we'll continue with those, starting with Senator Synowiecki, Lathrop, Fulton, White, and others. Senator Synowiecki. [LB57]

SENATOR SYNOWIECKI: Thank you, Senator Langemeier, members of the Legislature. I support LB57. First of all, in response to Senator Gay, this does not involve the constitutional employees of the state of Nebraska. It does not involve, for example, our staff. They would not have to pay any kind of fair share. It does not involve the Supreme Court employees. You mentioned your negotiations with the Sarpy County FOP. I think it's because of that organization in Sarpy County, because of the representation by FOP that saves tax dollars for the Sarpy County residents, and I'll tell you why. Sarpy County Sheriff's Department has got a nice benefit package. They have somewhat attractive pay when you compare it to other people because of individuals like Senator Gay that worked on the county commissioner. At the same time you've got nonunion employees, the probation department, that have 89 percent turnover--89 percent turnover in that department in the Sarpy County Probation Office because they're not afforded the same rights and privileges that other state employees are in our system. With a lot of interest I've heard individuals that I have a lot of respect for on the floor of the Legislature get up and say that they are prounion or they support unions but they won't vote for LB57. I submit, you're not being philosophically or politically consistent. You can't get up here and say that you're for the rank and file union people in your district, and vote against LB57. It's philosophically and politically inconsistent to say that you support the union members and the union movement and what they've done in your community in terms of benefits and wages, and vote against LB57. You're being inconsistent. If you get up and say that you're for the unions and for the union movement, and if you get up and say that you were raised in a packing house family like I was--my dad was in the packing house--you cannot be consistent philosophically and say that you support unionization and you support your union rank and file members in your district, and you can't vote against LB57. You're not being consistent. Senator Ashford talked about how well the system works with collective bargaining for the public sector. I think Senator Howard mentioned some...you know, I was a public sector

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employee for 12 years and I did not enjoy the privileges of collective bargaining. And the state probation system, let me give you an example, has got a 450, 500 employees. We've got rampant turnover. You know how much that has cost us? Senator Gay knows, being from a county commissioner, what turnover does to a budget because you're constantly training and retraining. The state probation system in your district, Senator Gay, in Douglas County, has 89 percent turnover for the intensive supervision probation office, and I'll submit that's because they're not afforded a voice, they're not afforded the opportunity to collectively bargain for their contracts. As a result, we pay. We pay. Well, not us; our taxpayers in your district pay for that food service industry turnover, food service industry turnover. We pay because we're constantly, constantly and consistently retraining people. I submit that you can't get up here and be philosophically consistent and say you support union and rank and file union members in your district, and vote against LB57. You can't do it. What we're seeking here is the union incurs liability. They incur costs to negotiate for these contracts. The attorneys in here know, when you negotiate a contract, there's... [LB57]

SENATOR LANGEMEIER: One minute. [LB57]

SENATOR SYNOWIECKI: ...human resources involved. It takes time. It takes money to negotiate a contract. We're just asking that everyone participate in the costs of the negotiation of the contract only. You can't get up and say you support unions and be against LB57. Thank you. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Synowiecki. Senator Lathrop, you are recognized. [LB57]

SENATOR LATHROP: Thank you once again, Mr. President and colleagues. I do want to address some of the things I said. Senator Synowiecki is, first of all, right on the money. I mean, it's one thing to come in here...it's one thing to come into this body and say I support the labor movement. There is no more fundamental issue to the labor movement than this one, and you can't say you support them for the fellows back home that are union and then be against LB57. I don't think you can do it consistently and I appreciate Senator Synowiecki's remarks. I think they were right on the money. I'm struck by the way that labor is being treated in this body today. I am struck by the way labor is being treated in this body today. When we come in here with a bill that involves economic development, we have the full attention and the open mind of all 49 people. The people who work for labor in this body do not close their mind when we deal with economic development issues. Labor does not come in on economic development issues and resist because the Chamber is typically their natural enemy in the legislative process. They don't do it. And I respect the labor guys for not being against something they don't have a dog in the fight. They recognize the importance of allowing those people that have an interest in something to work those issues out on the floor. But today labor is being roughed up. It is being roughed up in the name of economic

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development. It is being roughed up in the name of choice. It is being roughed up by an argument that this is an unconstitutional piece of legislation and I'd like to respond to that. First, with respect to the constitution, if you hang your hat on putting a red light on LB57 because you think this is unconstitutional, let me disabuse you of that notion. Those who point to the constitutionality and suggest that this will violate the right-to-work provision of our constitution misunderstand. There is an old Opinion from 1993 that would suggest that's the case. There are distinctions that could be made. I won't take my time making them, only to suggest to you that there has been a more recent Opinion from the Attorney General's Office that suggests there is nothing unconstitutional about this approach. There is also an opinion by Attorney Bartle, who is a lawyer here in town and frequently called upon by our Attorney General to render opinions on the constitutionality of various pieces of legislation or issues that come before the Attorney General, and his conclusion is that LB57 is not unconstitutional. Why? Because we're not stopping someone from coming into the workplace. They do not have to associate with, participate in, do anything with union activities. They don't even have to like them. If we made them join the union, it would violate the constitution. If we made them paid a fee that included the political and the charitable and the other endeavors of a union, it would be unconstitutional. But it is not unconstitutional as presented in this case. We also heard, someone asked, and I can now...it's been...I put my light on and I wait ten people before I get a chance to respond, but we did hear somebody say, well, where is the incentive to perform? If everybody is paying... [LB57]

SENATOR LANGEMEIER: One minute. [LB57]

SENATOR LATHROP: Pardon me? [LB57]

SENATOR LANGEMEIER: One minute. [LB57]

SENATOR LATHROP: If everybody is paying, where is the incentive for the union to perform? Let me tell you, they will be decertified if they don't perform. That argument misses the idea that those the union represents can vote them out. If they're not doing a good job, they're gone. The other...the last point I'll make is that it is my instinct as a trial lawyer to appreciate the importance of a cross-examination, and the closest thing this body gets to a cross-examination is a committee hearing. That's where we have a chance to test people's assertions. And when we had a hearing on this bill in Business and Labor, we didn't hear from business, and business didn't come in and say this is going to be bad for economic development. Had they done that, I would have asked why, how come, what is it. But instead, we have no argument until we get into this body, and we can't drag those people in here who are advancing that argument and ask them what's the logic behind that. [LB57]

SENATOR LANGEMEIER: Time. [LB57]

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SENATOR LATHROP: Thank you, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Lathrop. (Visitors introduced.) Thank you. Returning to discussion, Senator Fulton. [LB57]

SENATOR FULTON: Thank you, Mr. President, members of the body. A comment maybe to lighten the, what seems to be, heavy nature of this debate: I'm enjoying this. I like this debate and I mentioned to Senator Lathrop earlier that, you know, you guys, you trial attorneys, you actually get paid for this type of stuff. It's great fun, but it's very important that we have these debates. There have been a couple points that have been brought up that are very interesting in the corn checkoff and bar association, the money that's paid to those elements that's required, utilizing that as an argument as to why LB57 should move forward. I'll ask this question: Shall we force everyone to pay because they benefit from the advocacy of a group to which they do not belong? The chambers of commerce advocate for the cause of business. Would we vote if the chamber of commerce were to bring a bill here to force all businesses, all registered S corporations and LLCs and what have you in the state of Nebraska, to require all of them to pay because they do benefit from the advocacy of the chamber of commerce? I don't think we'd have the votes to move that forward. It would be improper to require that payment of businesses just because they benefit from the advocacy of this group. That would be the same argument that I would posit. It's a matter of prudential judgment with the corn checkoff and the bar association examples that were given before. So I would submit to you that those arguments are not proper to the context of this bill. This has been...there has been a...the debate...within the debate there's a struggle to coin this debate as union, prounion, antiunion, and I don't think that's appropriate. This is as much about the nonunion employee who, as I mentioned earlier, is voiceless. We are going to require him or her to affiliate with a union that he may choose or she may choose not to affiliate with. Statutorily we are going to force that upon him. That is what this debate is about. It's in the bill. Mr. President, I'd like to yield the remainder of my time to Senator Erdman. [LB57]

SENATOR LANGEMEIER: Senator Erdman, 2 minutes, 30 seconds. [LB57]

SENATOR ERDMAN: Mr. President and members of the Legislature, I thank Senator Fulton for yielding me his time. I'd like to believe some of the testimony that I've heard recently that bill is not unconstitutional. If it's not then why did they vote against my amendment? I'm willing to give them that argument. There is language in this bill that goes beyond what they intend to accomplish in LB57. My amendment that was adopted by the body, and I appreciate, makes it clear, at least I would hope so, that people understand that this is a different remedy than what's allowed in the constitution and it should be treated as such. And yet the proponents of LB57 largely voted against my amendment. In response to the other issues, call it a corn checkoff, call it what you want, it's an excise tax. I wasn't here in 1955 when we offered the wheat excise tax. I

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wasn't here in 1978 when they amended the pledge or mortgage for corn used as security and the excise tax provision for collateral. I wasn't here in 1995 when that provision was offered under the ethanol production and incentive credit. If you would like to repeal that, a bunch of us in western and rural Nebraska would appreciate that because we're paying for half of the ethanol production in the state directly out of the corn excise tax that some call the checkoff. I wasn't here in 1995 when it was added to grain sorghum. I wasn't here in 1995 when it added a different provision to grain sorghum either. Are you serious? [LB57]

SENATOR LANGEMEIER: One minute. [LB57]

SENATOR ERDMAN: Let's talk about the bill. This bill allows for a mandatory payment of fees. Under each of those provisions you have a refund option. Show me the refund option in LB57. If you're going to link these to logical extensions, prove that they match. They don't. We can fundamentally disagree on the value of LB57, we can disagree on the interpretation of law, but let's not let the facts get in the way of our arguments, right? There are refund provisions in each one of those excise taxes regardless of how you're using it. And in fact, those are a viable option for individuals who grow those crops in the state of Nebraska and have different purposes in which they are used than the normal trend of commerce. Thank you, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Erdman and Senator Fulton. Senator White, you are recognized. [LB57]

SENATOR WHITE: Thank you, Mr. President. I'd like to continue the discussion with various senators who would like and who come to us regularly for tax incentives to help their area. Senator Carlson, would you please yield to a question? [LB57]

SENATOR LANGEMEIER: Senator Carlson, will you yield to a question? [LB57]

SENATOR CARLSON: Yes. Yes, I will. [LB57]

SENATOR WHITE: Senator Carlson, is there meat packing in Holdrege or that area? [LB57]

SENATOR CARLSON: I'm sorry? [LB57]

SENATOR WHITE: Is there meat packing in your area? [LB57]

SENATOR CARLSON: Not in the immediate area of Holdrege. [LB57]

SENATOR WHITE: Is there meat packing in your district? [LB57]

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SENATOR CARLSON: No. [LB57]

SENATOR WHITE: Okay. Do you know what meat packing paid in 1974 and '75 when the unions were broken in Schuyler, Nebraska, near my home? [LB57]

SENATOR CARLSON: No, I don't. [LB57]

SENATOR WHITE: More than we're paying today in the same dollars. That occurred because the unions were weakened and were broken. Is it your desire, sir, to bring in good paying jobs or just any kind of jobs? [LB57]

SENATOR CARLSON: Good paying jobs, Senator White. [LB57]

SENATOR WHITE: Right now, in the rural areas of the state, is a meat packing plant considered a desirable source of jobs or not, in your experience? [LB57]

SENATOR CARLSON: I would say that it's considered a desirable source of jobs. [LB57]

SENATOR WHITE: Really? Thank you, Senator. May I speak...Senator Wightman, will you yield for a question? [LB57]

SENATOR LANGEMEIER: Senator Wightman, would you yield to a question? [LB57]

SENATOR WIGHTMAN: I will. [LB57]

SENATOR WHITE: How do the good folks of Lexington feel about the employment of the meat packing industry there? [LB57]

SENATOR WIGHTMAN Oh, an awful lot of them are very happy to have jobs. [LB57]

SENATOR WHITE: And are a number of them very unhappy with all the changes in the community and the amounts that are being paid for those jobs? [LB57]

SENATOR WIGHTMAN: Well, I think on any social issue that depends on who you talk to. Certainly there are some people that do not think that formerly IBP and now Tyson is a plus for the community, and there are some that think it's been great for economic development. [LB57]

SENATOR WHITE: How about the people that work there? Are they satisfied with the wages that are being paid? [LB57]

SENATOR WIGHTMAN: I think most of them are, as I say, happy to have a job, and I

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think they are satisfied. [LB57]

SENATOR WHITE: What's the average wage for a laborer in the Lexington plant right now, do you know? [LB57]

SENATOR WIGHTMAN: The average pay? [LB57]

SENATOR WHITE: Yeah. [LB57]

SENATOR WIGHTMAN: It depends on whether you're talking about line workers or whether you're talking about office workers. I assume they are both laborers. But I think the starting wage is about \$11; and after a probationary period, about \$13 to \$14 for the line workers. [LB57]

SENATOR WHITE: And is that position currently unionized, is your plant? [LB57]

SENATOR WIGHTMAN: That is not unionized. [LB57]

SENATOR WHITE: And do you know what the wages are for a union plant, in comparison? [LB57]

SENATOR WIGHTMAN: I do not. [LB57]

SENATOR WHITE: Senator, if you could get wages in the area of \$20 to \$21 an hour for that same labor, with benefits, would that be a benefit to your community? [LB57]

SENATOR WIGHTMAN: Well, first of all, after a probationary period these laborers do have benefits. They have health insurance, the dental insurance, I believe. [LB57]

SENATOR WHITE: And would an increase of those wages from, let's say, the \$11 to \$13 range to the \$18 to \$20 range assist your community in rebuilding economically? [LB57]

SENATOR WIGHTMAN: Well, it may. I think it depends upon whether the industry stays with those wages. Right now, I don't know that the meat industry could continue. I think that it would probably be greatly hurt. [LB57]

SENATOR WHITE: Where will they go for meat if they don't stay in the area where the cattle are? [LB57]

SENATOR WIGHTMAN: Well, I think that the history has been that the meat production and the meat utilization drops off when the price goes up. [LB57]

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SENATOR WHITE: I think the history has been on the industry is they increasingly move closer and closer to the source of the cattle, is it not? They started in Chicago, moved to Omaha, and now have relocated to the small towns closest to the feedlots. [LB57]

SENATOR WIGHTMAN: I think that has a lot to do with the location of plants. At the present time they've found that by boxing... [LB57]

SENATOR LANGEMEIER: One minute. [LB57]

SENATOR WIGHTMAN: ...the beef, that it's easier to ship the beef than it is the cattle. Cheaper to ship the beef. [LB57]

SENATOR WHITE: Thank you, Senator Wightman. All I would point out to my fellows in this body is that in Omaha, when those were union jobs, they helped generations of Poles, Irish, German, Italians, and others out of poverty because they were good, organized labor jobs. They were that way at first when they moved to Schuyler, near my hometown, until the union was broken. The wages then deteriorated and the small towns failed to realize the same economic benefit that was given to Omaha, Chicago, and other cities. And if you look today at where people live better lives, you will find that overwhelmingly that is an area where unions are strong and predominant. Why the members of this body would vote against the economic interests of their own constituents is beyond me. Thank you, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Senator White. Senator Gay, you are recognized. [LB57]

SENATOR GAY: Thank you, Mr. President. I'd like to address a few things that were brought up regarding Sarpy County because I think I can speak on that. I'm probably a bad negotiator because I did negotiate some of these contracts with the Sarpy County FOP 3. And if they only had \$5,000 in negotiation fees, I must have been a little too lenient or the board must have been because that's not a lot of money. But I would say they are a strong union, do a fine job. And along that time we're talking about, is there any relationship between if you're against this or you're against the unions? I understand it's something they want, but along that time there were...we increased their benefits, their pay. It was a very fair process and I think along the way treated very fairly. Another thing I wanted to address, Senator Synowiecki had that turnover. I would agree, turnover is not a very good thing for a government business, whatever, and we all pay for that and we have to do the best we can. But I would just say for the record, probation officers actually are state employees in the county. They're not county employees so we don't pay along that line. But they do a heck of a job and it's a tough job and you're going to get some turnover. But just for the record, those were state employees. I wanted to thank Senator Harms when he discussed it. I think he cut to the

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issue here. This is about are we going to ask somebody to pay something that they don't want to pay for? And as we go through these numbers, I've got more numbers, I could go on and on, but the day is getting late. The idea is we don't know what is in their head to not pay these dues. We're throwing around terms that probably we shouldn't as we get more emotional on this issue. But the fact is, can we really say exactly why these people are not paying the dues? We'll discuss it some more probably tomorrow or as we move on, but I think the individual rights of those people to decide to pay or not to pay should outweigh a lot of these other issues as we debate this issue. With that, I'd yield my time. Thank you, Mr. President. [LB57]

SENATOR LANGEMEIER: Thank you, Senator Gay. Mr. Clerk, items for the record. [LB57]

CLERK: Mr. President, your Committee on Agriculture, chaired by Senator Erdman, reports LB46, LB69 to General File, LB515 indefinitely postponed. Transportation reports LB667, General File; LB162, General File with amendments; LB277, General File with amendments. Banking Committee reports LB188 to General File, LB386 to General File; all those reports signed by their respective Chairs. A confirmation report from the Transportation Committee.

New resolutions: LR48 and LR49 by Senator Dierks; LR50 and LB51 by Senator Cornett. Those will be laid over and considered at another time. And a priority bill designation: The Transportation Committee has selected LB681 as the second of its two committee priority bills. Revenue will meet in Executive Session at 1:00 in Room 1524; that's Revenue Committee, 1:00, Room 1524. Senator Dwite Pedersen would like to withdraw his name as cointroducer to LB535. (Legislative Journal pages 770-775.) [LB46 LB69 LB515 LB667 LB162 LB277 LB188 LB386 LR48 LR49 LR50 LR51 LB681 LB535]

And Senator Pahls would move to adjourn until Thursday morning, March 8, at 9:00 a.m., Mr. President. []

SENATOR LANGEMEIER: Thank you, Mr. Clerk. The motion before the body is to adjourn until Thursday, March 8, at 9:00 a.m. All those in favor say aye. All those opposed, same sign. We are adjourned. []