[LB5 LB88 LB195 LB199 LB226 LB236 LB236A LB256 LB305A LB305 LB317 LB318 LB319 LB320 LB321 LB322 LB323 LB324 LB334 LB339 LB343 LB367 LB367A LB368A LB388 LB396 LB398 LB399 LB426 LB463 LB482 LB516A LB540A LB540 LB588A LB588 LB603 LB608 LB641 LB658 LR98 LR99 LR100 LR101 LR102]

SENATOR LANGEMEIER PRESIDING []

SENATOR LANGEMEIER: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for this, the seventy-fourth day of the One Hundredth Legislature, First Session. Our chaplain for today is Father Paul Rutten, Madonna Rehabilitation Hospital, Lincoln, Nebraska, Senator Fulton's district. Would you all please rise. []

FATHER RUTTEN: (Prayer offered.) []

SENATOR LANGEMEIER: Thank you, Father. I call to order the seventy-fourth day of the One Hundredth Legislature, First Session. Senators, please record your presence. Mr. Clerk, please record. []

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

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

CLERK: I have no corrections, Mr. President. []

SENATOR LANGEMEIER: Thank you. Are there any messages, reports, or announcements? []

CLERK: I have but one item. Senator Howard would offer LR98, calling for an interim study. That will be referred to the Executive Board. That's all that I have, Mr. President. (Legislative Journal pages 1377-1378.) [LR98]

SENATOR LANGEMEIER: Thank you, Mr. Clerk. We will now proceed to the first item on the agenda, the confirmation report of the Education Committee. Mr. Clerk. []

CLERK: Mr. President, Senator Raikes, as Chair of the committee, would report on Ronald Hunter to the Coordinating Commission for Postsecondary Education. (Legislative Journal page 1345.) []

SENATOR LANGEMEIER: Thank you, Mr. Clerk. Senator Raikes, you are recognized to open on the Education Committee's confirmation report. []

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SENATOR RAIKES: Thank you, Mr. President, members of the Legislature. The Education Committee encourages the confirmation of the appointment of Ronald Hunter to the Coordinating Commission for Postsecondary Education. Dr. Hunter is a new appointment to the commission. If confirmed, his service on the commission would extend through January 1, 2010. Dr. Hunter is from Hay Springs, northwest Nebraska. He holds a doctorate degree in dental sciences from the University of Nebraska. Following graduation, he spent 22 years practicing dentistry in the U.S. Army, retiring with the rank of colonel in 1992. He then went on to farm and ranch on the Niobrara River south of Hay Springs. Dr. Hunter retired from farming in 2004 and currently spends his time doing volunteer work. I'll remind you that the Coordinating Commission is the constitutional entity charged with the responsibility of coordinating the state's higher education system. The three general duties of the commission are to: one, develop an ongoing comprehensive statewide plan for the operation of an educationally and economically sound system of postsecondary education; two, identify and enact policies to meet the educational research and public service needs of the state; and, three, effect the best use of available resources through the elimination of unnecessary duplication of programs and facilities among Nebraska's public institutions. The Coordinating Commission consists of 11 members. Six of the members are chosen from evenly populated districts across the state, with the other five members being selected from the state at large. Dr. Hunter would represent District 6, again in northwest Nebraska, and he replaces Jim O'Rourke, I believe, who resigned from that position. I'll encourage your support for the confirmation of this appointment. Thank you. []

SENATOR LANGEMEIER: Thank you, Senator Raikes. You have heard the opening on the confirmation report offered by the Education Committee. The floor is now open for discussion. Is there anyone wishing to speak to the confirmation report? Seeing no lights on, Senator Raikes, you are recognized to close. Senator Raikes waives closing. The question before the body is, shall the confirmation report offered by the Education Committee be adopted? All those in favor vote yea; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk. []

CLERK: (Record vote, Legislative Journal page 1378.) 35 ayes, 0 nays, Mr. President, on the adoption of the confirmation report. []

SENATOR LANGEMEIER: The confirmation report is adopted. Mr. Clerk, returning to General File, LB236A. [LB236A]

CLERK: LB236A, Mr. President, by Senator Johnson. (Read title.) [LB236A]

SENATOR LANGEMEIER: Thank you, Mr. Clerk. Senator Johnson, you are recognized to open on LB236A. [LB236A]

SENATOR JOHNSON: Mr. President, members of the Legislature, LB236A. What it is

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about is to provide requirements for in-home personal service workers, licensed perfusionists, require the Department of Health and Human Services to develop and maintain a registry, and for pharmacy technicians and makes the updates in the practice of optometry laws. What we have here is this, is first of all, should be noted that there are no General Funds being appropriated in LB236A. The funds to implement LB236 come from user fees. LB236A appropriates the cash funds necessary to implement LB236 and three other bills that were amended to LB236. The provisions of LB236 sets the requirements for certain in-home service providers. LB399 licenses perfusionists. LB426 will require the Department of Health and Human Services to develop and maintain a registry for pharmacy technicians. And finally, LB398 updates and makes technical changes in laws governing the practice of optometry. Again, I repeat, no General Funds are appropriated. The funds to implement LB236 come from user fees. Thank you, sir. [LB236A LB236 LB399 LB426 LB398]

SENATOR LANGEMEIER: Thank you, Senator Johnson. You have heard the opening on LB236A. The floor is now open for discussion. Seeing no lights on, Senator Johnson, you are recognized to close. Senator Johnson waives closing. The question is, shall LB236A advance to E&R Initial? All those in favor vote yea; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk. [LB236A]

CLERK: 35 ayes, 0 nays, Mr. President, on the advancement of LB236A. [LB236A]

SENATOR LANGEMEIER: LB236A does advance. Mr. Clerk, LB588A. [LB236A LB588A]

CLERK: LB588A, Mr. President, by Senator Cornett. (Read title.) [LB588A]

SENATOR LANGEMEIER: Thank you, Mr. Clerk. Senator Cornett, you are recognized to open on LB588A. [LB588A]

SENATOR CORNETT: Thank you, Mr. President and members of the body. LB588A contains three workers' compensation provisions. The first component is a new inpatient fee schedule for hospitals, which will create savings to employers and insurance companies. The second component is prompt pay language, which has no fiscal impact. The third component incorporates an increase of benefits to certain injured employees. The A bill would appropriate \$76,890 from the Compensation Court Cash Fund for fiscal year 2007-08 and \$71,300 from the Compensation Court Cash Fund for fiscal year 2008-09 to the Workers' Compensation Court for Program 530 to aid in carrying out the provisions of LB588. The primary cost reflected in the A bill is the cost to employ one additional full-time employee in the Compensation Court to aid in implementing and carrying out the new Medicare Plus fee schedule. The \$76,000 would allow the court to purchase the Medicare group software necessary to convert data into DRG format. With that, I would be happy to try and answer any questions that you might have and I urge

the body to advance LB588A. [LB588A LB588]

SENATOR LANGEMEIER: Thank you, Senator Cornett. You have heard the opening on LB588A. The floor is now open for discussion. Is there anyone wishing to speak to LB588A? Seeing no lights on, Senator Cornett, you are recognized to close. Senator Cornett waives closing. The question before the body is, shall LB588A advance to E&R Initial? All those in favor vote yea; all those opposed vote nay. Has everyone voted that wishes? Record, Mr. Clerk. [LB588A]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB588A. [LB588A]

SENATOR LANGEMEIER: LB588A does advance. Mr. Clerk, LB540. [LB588A LB540]

CLERK: LB540, a bill by Senator Synowiecki. (Read title.) The bill was introduced on January 17 of this year, at that time referred to the Judiciary Committee for public hearing, advanced to General File. I do have committee amendments pending, Mr. President. (AM737, Legislative Journal page 1061.) [LB540]

SENATOR LANGEMEIER: Thank you, Mr. Clerk. Senator Synowiecki, you are recognized to open on LB540. [LB540]

SENATOR SYNOWIECKI: Thank you, Senator Langemeier, members of the Legislature. I'm pleased to bring before you LB540. In my opening, indicate that Senator Pedersen, I don't know if he's here today or not, had a bill that dealt with the same subject matter as well before the Judiciary Committee. The bill was heard before the Judiciary Committee on March 15 and it was advanced with a vote of 7-0. Nebraska's probation and parole services function administratively under different branches of state government. Probation services are currently under the judicial branch while parole is a function of the Department of Correctional Services in the executive branch. Probation and parole offender-based services share many characteristics relative to community supervision of offenders; risk assessment, enforcement of probation and parole terms and conditions, offender accountability, the initiation of filings relating to probation and parole violations. Probation and parole officers provide offender assistance. They provide appropriate referral for community-based services, including substance abuse, mental health treatment, housing assistance, and workforce development. Having probation and parole under different branches of government and under two entirely different administrative frameworks, I believe, certainly serves as a barrier in providing a seamless continuum of offender services. It is not conducive to a seamless community corrections model. In 1971 under LB680, the Legislature elected to house the Probation Administration within the Supreme Court. LB680 was innovative in providing a limited form of crossjurisdictional authority for parole officers to supervise probationers. Crossjurisdictional authority was proposed by Senator Terry Carpenter and it related to his recognition that probation and parole officers have strikingly similar duties in our

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state. In 2003, the Legislature passed LB46, the community corrections reform legislation. The legislation provided for the establishment of community-based programs, services, and facilities for both probationers and parolees that are diverted from higher correctional cost settings. Access to and participation in programs, services, and facilities are shared by probationers and parolees. Probation officers and parole officers are assigned supervision of probationers and parolees that can currently access and participate in community-based programs and services. In order to promote enhanced opportunities for successful community corrections reform outcomes, I believe it is necessary for us to seriously examine the concept of unifying our probation and parole resources. Nationally, 33 states, the District of Columbia, and the Virgin Islands have probation and parole services located uniformly under the executive branch. Alabama, South Carolina, and Tennessee have merged probation and parole into an executive agency separate from their Department of Corrections. Today, only 13 states have probation located within the judicial branch and no states have probation and parole merged under the judicial branch. Since 1957, there have been six attempts to merge Nebraska's Probation Department into the executive branch of government. These occurred in 1971, 1977, 1995, 2000, 2004, and in 2005. Furthermore, an amendment to the Constitution of Nebraska was approved at the statewide general election on November 7, 2006. This constitutional amendment provided for a constitutional exemption to the separation of powers doctrine relative to the offender services conducted by probation and parole officers. Adoption of the constitutional amendment removes constitutional barriers to developing a uniform and consistent system of probation and parole service delivery. I want to thank you for your consideration of LB540. There is a committee amendment and I, as well, have an amendment to that committee amendment. I want to thank the members of the Judiciary Committee. And I might note at this time that the committee amendment for the bill indicates that Chief Justice Heavican testified in opposition to the bill. It's my recollection, and I'll let Senator Lathrop speak to it, that he indeed testified in a neutral capacity and not in opposition. Thank you. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Synowiecki. As the Clerk has stated, there are amendments from the Judiciary Committee. Senator Lathrop, as Vice Chair of that committee, you are recognized to open on the committee amendments. [LB540]

SENATOR LATHROP: Thank you very much, Mr. President and colleagues. Senator Synowiecki has introduced the bill and given you an overview of the purpose of the bill and what it intends to do. Some amendments were done in committee; that's AM737. And since then, Senator Synowiecki has developed some additional amendments to that which I'll let him explain. And in the course of that, he can also explain the Judiciary Committee amendments as well, to the extent he hasn't covered them in his introduction on LB540. I will tell you that we are lucky on this subject to have Senator Synowiecki, who has a great deal of background in this subject, and it was very clear from his presentation to the Judiciary Committee that this study is important and that Senator

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Synowiecki has a great deal of knowledge in that regard. So with that, I will allow Senator Synowiecki to introduce his amendment to our amendments and then he can kind of bring it all together for you that way. Thank you. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Lathrop. Mr. Clerk, for a motion. [LB540]

CLERK: Senator Synowiecki would move to amend the committee amendments, Mr. President, AM1143. (Legislative Journal page 1371.) [LB540]

SENATOR LANGEMEIER: Senator Synowiecki, you are recognized to open on AM1143. [LB540]

SENATOR SYNOWIECKI: Thank you. Thank you, Senator Langemeier. Thank you, Senator Lathrop. The committee amendment...I need a, I've been informed that the Chief did testify in opposition to the green copy of the bill. The committee amendment was an endeavor between myself and the Chief Justice and a compromise measure so that we can obtain a neutral objective-based study of our probation and parole administrative landscape, so that we can have a consultant or a study look at what might be in the best interest of the taxpayers, best interest of offenders, and the best interest in terms of public safety for our citizens. And the Chief is in agreement with the Legislature undertaking to study this issue. What the committee amendment did essentially, and the committee amendment is essentially an amendment I provided the Judiciary Committee that I worked on with the Chief Justice. Subsequent to that, however, and what the committee amendment did was impanel, I think, what we're calling a multibranch task force to look at the matter. But in reality, there is no deliberative purpose for having a tax force after me and the Chief continued our deliberations and dialogue. And we felt that it might be best to have this study completed without the involvement of the task force, given that there would not be no deliberative function for that tax force. It would just be to obtain a study of our probation and parole landscape and where we should go from here. So that brings us to the amendment, AM1143. And given that the underlying intent is to achieve a truly neutral objective-based analysis of our probation and parole service delivery, it is felt that the creation of the Probation and Parole Service Delivery Commission was unnecessary, as I indicated. The Community Corrections Council, which was created by LB46, is uniquely capable to serve as the agent to acquire such neutral and objective study. The council already has an established working relationship with the highly reputable Vera Institute of Justice, which is a criminal justice resource organization located in New York that works closely with local and state governments to improve the services that people rely on for safety and justice. The institute provides practical advice and assistance to government officials throughout the United States. Given that the Vera Institute already has a degree of familiarity with the Community Corrections Council, given that they serve as a resource for us, and given that the Vera Institute is familiar with the

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landscape of our criminal justice system here in our state of Nebraska. I believe this group is best positioned to conduct the study and offer informed recommendations relative to improvements in our probation and parole service delivery system. Under AM1143, all funds for the study will be appropriated to the Community Corrections Council by the Legislature for purposes of conducting the study. It's my understanding that the General Fund appropriation to conduct the study will be \$25,000. And it's further my understanding in talking with community corrections staff that the Vera Institute of Justice themselves will contribute the additional \$25,000. And it was felt that to conduct the study would require \$50,000 to conduct the study and that they themselves will contribute half of that portion to come into our state, to examine the landscape of our probation and parole service delivery system, and offer recommendations again as to what would be in the best interest of our community, what would be in the best interest of public safety, what would be in the best interest of offenders and services and providing a continuum, and what would be in the best interest of taxpayers. With that, and the outline of what will be studied is in the amendment, AM1143. The actual principles that are to be studied do not change from my amendment from the Judiciary Committee amendment. What does change is that the Community Corrections Council is assigned as the agent to go get the study, bring it back, report it back to the Chief Justice, to the Governor, and to the Legislature. With that, I would answer any questions. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Synowiecki. You have heard the opening now on AM1143 to the Judiciary amendments, AM737, to LB540. The floor is now open for discussion on AM1143. Senator Chambers, you are recognized. [LB540]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, and particularly to Senator Synowiecki, this bill calls for a study. The Speaker knew that when this bill came up, that there would be other issues distinct from those associated with this study that I would discuss. So I mentioned Senator Synowiecki particularly because I don't want him to think that I'm trying to, in any way, derail his bill or delay its enactment. One of the subjects I was going to discuss has been rendered practically moot by what the Nebraska Supreme Court did late yesterday, and that is to grant a stay of execution in the case of Carey Dean Moore. I had done everything I could and everything that I could think of to reach that result. And I wrote the court a letter. I explained to people, even the media and one reporter covered it, that I am not functioning as a lawyer. I'm not even a lawyer. I'm trained in the law but because I won't take the bar exam and join the bar association, under Nebraska law I am not a lawyer. I pointed out that therefore I have to operate outside the lines. And in my letter to the court, I said extraordinary circumstances require extraordinary measures and my letter constituted such a measure. As I read the court's opinion for the first time this morning, much of the argument that I gave they accepted. The idea is, and I wanted to emphasize it for those of my colleagues who may not have read the letter that I presented. By the way, if a person did not have a lot of ego, he or she could not function

in the way that I do. Ego. when I use it, doesn't mean an inflated or unjustified attitude of personal aggrandizement not based on facts but rather something which is delusional. It means that you have confidence in yourself, you respect your ability, your knowledge, and you're willing to put forth the effort to bring about results that you think are warranted. That's what I mean when I say ego. I wanted to give the court what I felt was necessary from a legal and constitutional standpoint to act in this case, even though the man condemned and sentenced to die would not make a move in his favor and had even asked the court to kill him. The fact that his lawyer could not file any paper in his client's defense because the client had prohibited or forbidden him to do so and a lawyer must abide by the wishes of his client. So I had been told by some people with whom I discussed what I was going to do that it might not be wise to write a letter to the Supreme Court. And I said, well, I'm going to do it because I think that's the right thing for me to do. Had I not written that letter, this matter would never have been on the court's docket. It had no other way of coming before the court. And the dissenters were right in that respect. But the four who were in the majority were not going to elevate a false form over genuine substance. There are many procedures that attend judicial proceedings, which are there to facilitate the movement... [LB540]

SENATOR LANGEMEIER: One minute. [LB540]

SENATOR CHAMBERS: ...of cases through the judicial system. But they should not be given the status of artificial barriers that can defeat the basic fundamental justice, which is the reason for the existence of the court system. So the majority looked at what it was confronted with. If, as they pointed out and as I suggested, an execution occurred which itself violated the law, there could be no respect for the courts. Their integrity would have been damaged. Public confidence could be lost. Why am I saying that this morning? Because much of what has been going on in the last few days could have been avoided had the Attorney General properly assumed his duties and discharged them, had the Governor assumed his duty as the one who, under the constitution, is given the responsibility to see that the laws are faithfully executed. He could have ordered the Department of Corrections to have their protocol for execution subjected to the requirements of the Administrative Procedure Act. The Attorney General reading the law would have known that is what is required and he could have directed the Department of Corrections the same way. [LB540]

SENATOR LANGEMEIER: Time. [LB540]

SENATOR CHAMBERS: Thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Chambers. Senator Schimek, followed by Burling and then Senator Chambers again. [LB540]

SENATOR SCHIMEK: Yes, thank you, Mr. President and members. Before I address

the amendment. I would like to congratulate Senator Chambers and thank him for working so hard. Senator Chambers, I have read every memo that you've put out on this issue and I read the brief. And even a nonattorney like me could understand the issue that you were addressing and I think it's a very important issue. For those of you who are unfamiliar yet with the Administrative Procedures Act, it's something that we require of all of our agencies and it is a good way for the public to have input, for expert testimony to be taken, and for legislators to be involved in this rule-making process. So thank you, Senator Chambers. I stand in support of AM1143. I am a new member of the Judiciary Committee this year and I noticed from the committee statement that I was absent when the vote was taken on the original bill, Senator Synowiecki, which may be why I had to ask you a few questions earlier before you introduced the bill. But I think this is a really good approach. My main question with the committee amendment and the bill, I guess, as advanced was I didn't know what the fiscal note was going to be on this. And you explained that very clearly. I thank you for all your hard work in this arena. I do think that Senator Synowiecki has a lot of expertise in this area and I agree with you. I think this will get the job done. So as a member of the Judiciary Committee, I just wanted to rise in support. Thank you. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Schimek. Senator Burling, you are recognized. [LB540]

SENATOR BURLING: Thank you, Mr. President and members of the body. Senator Synowiecki spoke about how often this subject has been up in the last few years and I remember it coming up before. And it creates a lot of interest and a lot of opinions on both sides. Over the years, I've had many contacts from probation officers around the state opposing such a move but I'm not opposing what's being done here this morning. I'd like to ask Senator Synowiecki a question, if he would. [LB540]

SENATOR LANGEMEIER: Senator Synowiecki, would you answer a question? [LB540]

SENATOR SYNOWIECKI: Yes. [LB540]

SENATOR BURLING: Senator Synowiecki, thank you for bringing this to our attention again. Hopefully we can get something resolved on this. Did I understand you right to say that Chief Justice Heavican supported AM737? [LB540]

SENATOR SYNOWIECKI: Yes. [LB540]

SENATOR BURLING: Okay. [LB540]

SENATOR SYNOWIECKI: He supported the amendment, AM737, and subsequent to that we've been in an ongoing dialogue with my amendment. Quite frankly, I haven't...he endorses the concepts embodied in my amendment. I have not had an opportunity

though to talk with him particularly. I can relay that on Select File. I don't mean to take your time, Senator Burling, but what the objective here is have someone come in and look at our situation. As you indicated, this has been around for a long time, long before I came down here. We've had overtures in the Legislature to do something in this area since as far back as the 70s. And I think it's about time now, particularly with the passage of the constitutional amendment on the division of powers doctrine last November. I think it's the opportune time now to conduct an objective third party disinterested study of the landscape. [LB540]

SENATOR BURLING: Yeah, I would agree. That constitutional amendment, did enhance something to take place in this area. My next question, I guess, was did the Supreme Court Justice also indicate that the Vera Institute was a better option than the task force? [LB540]

SENATOR SYNOWIECKI: I believe so, Senator Burling. I'm kind of hesitant to speak for the Chief. Perhaps he can convey in some way to you to assure you. We've had a longstanding relationship with the Vera Institute in our community corrections endeavors. They've been a marvelous resource for us and help directed that effort. They're familiar with the landscape of probation and parole in the state of Nebraska. They're familiar with the criminal justice system in the state of Nebraska. And I think it's only logical and fitting that we align ourselves with that. It's kind of a criminal justice think tank, is what it is, and they have all kinds of professionals and researchers involved with that organization. And I think it's just a logical step to have them do it. Notwithstanding also the fact that they will, on their own behalf, contribute one half of the study costs to undertake the study. [LB540]

SENATOR BURLING: Thank you, Senator Synowiecki, and thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Burling. Senator Chambers, you are recognized. [LB540]

SENATOR CHAMBERS: Mr. President, I'm going to continue because I found out that the Attorney General or people in his office pay attention to what is said here and the Governor's Office does, too. And a lot of times, Larry Bare is outside the chamber. And I want to explain the relationship between me and Mr. Bare. I know that he is the chief executive officer of the Governor. That's what I call him, other people call him the chief of staff, but it goes beyond that in my opinion. I have told Larry that the rules of engagement as far as he and I are concerned is that he is like a diplomat or an envoy of the Governor, that if the Governor and I are at loggerheads, as long as Larry is going to talk to me, I will talk to him. Even when nations who are combatants are in a shooting war, their representatives continue to talk. For one reason, they're not always going to be at war. For a second reason, they may be able to reach an accord. So Larry Bare

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and I will always talk. But I never forget for whom he works, the hand that feeds is the hand that controls. But I will always be talking to somebody in the Governor's Office, although maybe not the way the person I talk to would like me to talk to him and not according to the time frame that person would suggest. But I want the Governor and Attorney General to know that by them adopting a hands-off policy on this whole issue of electrocution, the fact that a quack directed the department over which the Governor has control--mainly the Department of Corrections--said you adopt a policy that can set a man afire and you keep a fire extinguisher there. And the Governor saw no need to take action, no need to say we need to stop and look at what this man is telling us. This man was kicked out of a position in Florida by his own governor and now he's going to be the chief architect of the execution protocol in Nebraska? And three of the worst botched electrocutions occurred in Florida where this man lives. Now let's say that the Governor was going to adopt, appoint somebody to head the Tax Commission. And he's having somebody presented to him who was a thief but didn't get charged due to a plea agreement. And that person is going to be appointed by the Governor? The Governor would say, you must think that I'm crazy. If money is involved, he wouldn't go for it. But where the taking of a life is involved, he showed something which is worse, in my mind, than mere irresponsibility. He was willing to allow this state to be held up to scorn throughout the world for allowing a method of execution, which the one who recommended it warned them that the person may catch fire. There may be excessive smoke. The person may not be dead. And with all of that on the record in writing, the Governor accepted this method of execution. And I'm supposed to respect the Governor? I have absolutely no respect for him whatsoever. And then the Attorney General is so busy running for the U.S. Senate against Chuck Hagel, which is a long way down the line, that he cannot run his office and function as the Attorney General. What I'm saying the Governor knew, the Attorney General's Office knew also. And the Attorney General's man who handles death penalty cases sat in on a deposition given by the former warden whose job it was to carry out executions who could not explain issues about that execution protocol. And I distributed copies of that deposition but I know most people on this floor don't read what I hand out. [LB540]

#### SENATOR LANGEMEIER: One minute. [LB540]

SENATOR CHAMBERS: I know they don't pay attention to much of what I say. And they thought it was an idle boast when I mentioned a few days ago or a couple of weeks ago you don't recognize what you have walking among you, living among, in your midst and working in this Legislature and you could learn something if you'd pay attention. Do you think I think you'll pay attention? Absolutely not. That doesn't apply to everybody. So I have to go outside the Legislature and address people who can think, who will think, who understand the majesty and dignity of the law, who realize that without the law as the glue holding this society together, there is chaos, there is anarchy, there is nothing in which the citizens can repose trust and confidence even if they don't always like the way judges operate. If they know that by and large the law is going to be

followed, then they can hope that what these individual judges do... [LB540]

SENATOR LANGEMEIER: Time. [LB540]

SENATOR CHAMBERS: ...will not corrupt the whole system. Thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Chambers. (Doctor of the day introduced.) Continuing with discussion to AM1143, wishing to speak we have Harms, Gay, Carlson, and Chambers. Senator Harms, you are recognized. [LB540]

SENATOR HARMS: Thank you, Mr. President, colleagues. I rise to support AM1143. I've had the fortunate opportunity to work with Senator Synowiecki in the Appropriations Committee. And we are really very fortunate to have a man of his expertise in this field in this body. I learned a lot in the debates and the discussions, and we had a lot of them in the Appropriations Committee, about how important it is for early intervention, how important it is for community-based programs, how important it is for us to understand that community corrections is changing rapidly in America. And he's trying to bring us into the forefront with what other places and states are doing. And now to do the study that he's asking is absolutely appropriate way to do this. The raw research will give us the opportunity to make the appropriate public policy decision because you have the raw data and the research to address this issue. It also addresses our critics and the people who will want to dismantle this process and not want to make the changes. So Senator Synowiecki, I thank you very much for what you've done and the role you're playing in trying to move us into the new decade with this particular issue. So thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Harms. Senator Gay, you're recognized. [LB540]

SENATOR GAY: Thank you, Mr. President. I rise in support of the bill and the amendments. I do have a question for Senator Synowiecki, if he would yield to a question. [LB540]

SENATOR LANGEMEIER: Senator Synowiecki, would you yield to a question from Senator Gay? [LB540]

SENATOR SYNOWIECKI: Yes. [LB540]

SENATOR GAY: Senator, I commend you on bringing this bill to the floor. After yesterday's discussion, we talked about efficiencies, trying to find savings, etcetera, etcetera. This is a good start, I think. The question I have as you look, this is going to identify areas of overlap in offender services, assess potential for coordination of

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state-sponsored services and resources. When we talk about, are we talking about community-based rehabilitation and those kind of things? Is that in here, too? I'm kind of looking through here. Is that going to be probation and...it looks at salary, caseloads, and some of these other things. But would this also look at community-based services for rehabilitation and things like that? [LB540]

SENATOR SYNOWIECKI: Yeah, you hit on...I was going to eventually read into the record the parameters of the study and you kind of hit on them. And you speak of efficiencies and some overlap. And I might, if you...I will give you some of my time if you'd... [LB540]

SENATOR GAY: No, go ahead. We'll... [LB540]

SENATOR SYNOWIECKI: ...indulge me to give you...I think the best way I can answer it... [LB540]

SENATOR GAY: You bet. [LB540]

SENATOR SYNOWIECKI: ... is with an example that I often use. If you have an offender that was paroled to Falls City, Nebraska--and I use this as an example--which is in the very southeast corner of our state. If they're paroled to Falls City, Nebraska, the parole officer that will supervise that offender is located in Lincoln, Nebraska. So the parole officer will get in his or her state car, drive down to Falls City, Nebraska, meet with that offender, probably get a UA, probably do some referral to substance abuse, mental health counseling, some workforce development issues, work on with the offender. And then they'll get in their state car and they'll drive back to Lincoln. This all goes on, this all happens while we have a probation officer that offices in Falls City, has office resources. And guess what they do with their caseload? They do substance abuse, mental health referrals, they do workforce development issues with their offenders, they collect UAs. So when you talk about overlap and inefficiencies, that's what's going on right now. And I think it's in our best interest to study this issue to look at if we can arrive at, if we have parole and probation under one administrative authority, could that probation officer in Falls City supervise the parolee? And I think there's a collateral impact to that, Senator Gay. The collateral impact is, if I'm on the Parole Board and I've got a guy in front of me that I don't know, I'm a little shaky about paroling, and I know he's going to Falls City and that parole officer is not going to live in the same community, that's not going to see him coming and going as you would in a small town environment in Nebraska, I'd be very hesitant to parole him. But if I was on the Parole Board and I was assured that there would be a parole officer or probation officer right there in that community where that offender works and that would have very close geographic proximity to him and could see him probably more regularly, I might be more apt to parole. [LB540]

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SENATOR GAY: Okay, which I agree with. That just makes common sense. And I think sometimes if we're not talking or communicating, which it sounds that example you used, I assume it's an example going on probably in other areas. But back to the point of, we did a community-based drug abuse--I don't know the correct word for it now--but basically it was people who are on probation who had a drug problem and we have them in out treatment... [LB540]

SENATOR LANGEMEIER: One minute. [LB540]

SENATOR GAY: ...going on. And it just started up and I think it's a nice model. Those are tough to get in your community but it's done. Would they look at those kind of treatment facilities and things like that as alternatives to incarceration in this? [LB540]

SENATOR SYNOWIECKI: That particular, that's a day and evening reporting center and it's part of our community corrections initiative. And I might also, to be fair, the collaboration has increased enormously. I was a probation officer for 12 years and literally had no contact with the parole office which, you know, when you talk about overlap and so forth. But it has improved, it has improved. The question is, you know, how far do we go? Let's have someone guide us. Let's have someone come in and take a look, a disinterested neutral third party that has expertise in this area, to see if we could maximize the efficiencies but yet not interrupt or diminish the degree of the service. [LB540]

SENATOR LANGEMEIER: Time. [LB540]

SENATOR GAY: Thank you. [LB540]

SENATOR LANGEMEIER: Thank you. Thank you, Senator Gay. Senator Carlson, you are recognized. [LB540]

SENATOR CARLSON: Mr. President and members of the Legislature, I have a question I would like to address in a moment to Senator Synowiecki, although I agree with what Senator Harms has said and Senator Gay's question answered part of mine. But I have the time so I'd like to ask him. [LB540]

SENATOR LANGEMEIER: Senator Synowiecki, would you yield to a question? [LB540]

SENATOR SYNOWIECKI: Yes. [LB540]

SENATOR CARLSON: Senator Synowiecki, looking at the reason for your bill, I want to drive a little bit at what you think the ultimate result might be. Now a short-term result, and you talk about an example with Senator Gay, that's like a no-brainer, I think. But I think there's several possibilities and I don't know if any of these would fit. I'd be

interested in your opinion. When you combine the duties, merge departments, there's a possibility of expanding a power base. That's one ultimate result. I think a second one is to expand services, which probably means more money. I think a third possibility is to strive for efficiency, and perhaps that saves money. And a fourth might be a better, to better serve the needs of the offenders with present resources, which might be financially neutral. And in terms of a ultimate result, how would you say the objective is? [LB540]

SENATOR SYNOWIECKI: Well, I think the objective is, number one, public safety. You know, we're dealing with an offender-based population. The number one objective is, how can we deliver and maintain our public safety? How can we maintain the level of services or even increase the level of services without additional state funds? And how can we arrive at the administrative efficiencies that I think that are out there? We have the parole system, the Parole Administration, we have Probation Administration; two distinct, two different administrations. There might be some savings there. We have parole and probation officers in communities, in Omaha and Lincoln and Lexington and Scottsbluff, where you have...they're probably crossing each other at the crosswalks and there could probably be some efficiencies there. I think this is one of those unique areas, Senator Carlson. I think this is one of these unique areas where we can arrive at legitimate, genuine efficiencies but yet not have it negatively impact the level of service. [LB540]

SENATOR CARLSON: Okay, thank you for your answer and I stand in support of the bill. [LB540]

SENATOR SYNOWIECKI: Thank you. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Carlson. Senator Chambers, you are recognized. [LB540]

SENATOR CHAMBERS: Mr. President, members of the Legislature, what's happening this morning is something like what they would call a parallel universe if you were watching "The Twilight Zone," "One Step Beyond," or "Dark Gallery," those science fiction type programs where, in the real world where people ordinarily dwell certain things are occurring, but at the same time in a world that they are unaware of things are going along also, moving parallel to those things and almost in sync with them. But the people in the real world are not consciously aware of this other shadow world. Well, I'm dealing with this other world and I'm going to continue because I'm going to support Senator Synowiecki's amendment, I'm going to support the bill, and all we're doing is setting up a study. And when you set up a study and it's formulated in such a way and funded so that it can do something of substance, it's the kind of study that I'm not opposed to, especially when the issues merit some serious consideration and development. Back to this other parallel universe that I'm functioning in this morning. I

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had mentioned the Governor and the Attorney General not doing their job. The Attorney General or people in his office can read the law just like I read it. They understand the law just as I understand it. But having a political agenda as they have, they cannot apply the law which their training, their intelligence, and their experience will show them ought to be applied a certain way. So they sacrifice substance for form. Several of my colleagues gave me the only statement made by the Governor. Governor Heineman said, quote, this unprecedented judicial activism leaves me speechless. The statement itself is a contradiction. He had to speak to make the statement. Those are the kind of people I'm dealing with. They don't think about what they're saying. He used one sentence and got it wrong. So you know when it comes to substantive issues he's not going to get them right. This man is such a political creature, that knowing a person literally could be cooked alive, could be still experiencing a heartbeat and breathing after being roasted in the electric chair, the Governor thinks that ought to go forward because he's looking at it as a politician. No matter what issue I'm dealing with on this floor, no matter who supports it or who's opposing it, I will never forget my basic humanity even if other people are forgetting theirs and do not want to accord to me a recognition of the humanity that is possessed by all of us. I'm never going to agree that something such as what would happen with an electrocution, I will never agree that that should go forward just because judges mistakenly said it shall. I tell young people, and it's good when older people can do this, and I've had to do it, you're proceeding down a path which you may or may not think is the right one. You have an epiphany and realize that where you're going is not where you ought to be going. You should be able to stop, turn around, retrace your steps, and go the right direction. It is never too late as long as we're breathing to acknowledge an error, to stop, correct it, and do the right thing. We in public office certainly ought to be able to do that, whether we like it or not. [LB540]

SENATOR LANGEMEIER: One minute. [LB540]

SENATOR CHAMBERS: Our job is to inform the public, be an example of what it is we say should happen. The Governor said this action by the Supreme Court is unprecedented. He does not pay attention. By unprecedented, he means it hadn't happened before. But the court has, pursuant to action on my part, done something in the past which, before I persuaded them to do it, was also unprecedented. I realize this is my third time on this amendment so I will continue when the bill is before us or some other opportunity presents itself. Thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Chambers. (Visitors introduced.) Continuing with discussion on AM1143, Senator Wightman, you are recognized. [LB540]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the Legislature. I too want to thank Senator Synowiecki for bringing this particular bill to us. I think we are fortunate, as Senator Harms has said, to have Senator Synowiecki with his knowledge

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of corrections, his knowledge of many of the areas of Health and Human Services, serving on the Appropriations Committee. I think this is in keeping with the bill that he presented to us earlier with regard to enlarging the use being made of the work camp at McCook in which we combined that with both the parole and allowed the parolees to go there, as well as probationers. So I think the two are very much in sync. But in many areas, with regard to both Health and Human Services and Corrections, Senator Synowiecki is a great asset to the Appropriations Committee and a great asset, I think, to the taxpayers and citizens of the state of Nebraska. So I do want to stand in support of his bill. I think it's a unique opportunity to take a different look at where we are right now with regard to combining these two areas that both deal with corrections. So thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Wightman. Senator Gay, you are recognized. [LB540]

SENATOR GAY: Thank you, Mr. President. Senator Synowiecki yield to a question? [LB540]

SENATOR LANGEMEIER: Senator Synowiecki, would you yield to a question? [LB540]

SENATOR SYNOWIECKI: Yes. [LB540]

SENATOR GAY: Thank you, Senator. Back to our discussion, the one thing...again, I'm going to support this. I'm very supportive. I think these are things we need to do. I'm not a huge fan of studies but sometimes you got to do them, obviously. This one though will be done before December 31, 2007. The reality is this, you've got, by term limits, just next year to get this done if we don't get it done. Is there anyone else helping you with this particular situation that could follow up? [LB540]

SENATOR SYNOWIECKI: Senator Pedersen has been most helpful and he's term limited out, too. But you know, I think there's members of this body that, once we get this study out, I'll have perhaps next year to maybe enact what the recommendations are. But I think there is a fundamental realization in the Legislature that things like this, we need some streamlining, we need to have this make sense. The voters, by the way, in the last election voted affirmatively for this amendment. And essentially what it says is, is exempted the doctrine of separation of powers for purposes of delivering services to those that are on parole and those that are on probation. You can almost argue that the voters gave consent to some level of administrative merging of the probation and parole systems. So I think one could argue that the constitutional amendment that was on the ballot kind of gave a signal for the Legislature to follow up with something. And I think that LB540 or the underlying amendments are exactly what the voters were indicating, that yes, we want some action done in this area, we want some administrative streamlining, we want this system to make sense. Yes, we want a

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continuum of services, a seamless continuum for offenders that upholds public safety. And so I think this is the first step in that. [LB540]

SENATOR GAY: Okay. So once we get the study done...the only reason I ask that is because when you ask for change, obviously, I watched the, you know, district courts and these things have happened before. And there becomes a resistance. There wasn't a lot I looked at on this particular bill now. But if we get closer and next year and then resistance comes in--well, we don't want to change--I just want somebody out there and, you know, recruit somebody for your cause that will continue this if we don't get it done in 2008, that will keep up the good fight, I guess. And I know that Judiciary Committee is very supportive of this so maybe it's somewhere on there, somebody on there. But I just, I've been reading some of these studies that are out there and I always wondered on the follow-up, if anything never is done with it. But I just, I would just, you know, I'll try to help you on that a little bit but you need somebody to help you probably afterwards. And if you could... [LB540]

SENATOR SYNOWIECKI: I appreciate that. And Senator Gay, whenever, you'll learn, whenever you bring bills that attempts to arrive at a level of efficiency, the delivery of government services, you always get in these kind of turf battles, they're often called. And yeah, there's reluctance. Yes, there's individuals that don't want change, quite frankly, they don't want to change. And I think by conducting the study and having a disinterested third party make recommendations as to where we can go kind of gives a state senator--whether it be Senator Gay, Senator Synowiecki--that brings such legislation... [LB540]

SENATOR LANGEMEIER: One minute. [LB540]

SENATOR SYNOWIECKI: ...gives you something to hang your hat on in terms of, here's someone that came into our state, studied the landscape, and here's their recommendations, let's enact them. So it may diminish to a degree that kind of knee-jerk turf battle type of mentality that you find in bureaucracies everywhere, not just in our state. [LB540]

SENATOR GAY: Yeah, all right. Thank you, Senator. Thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Gay. Senator Hansen, you are recognized. [LB540]

SENATOR HANSEN: Thank you, Mr. President. Woops, I lost my thing. (Microphone rustling) (Laughter) Sorry about that, Mr. President, members of the body. (Laugh) I thank Senator Synowiecki for bringing this amendment especially. I didn't especially like the bill but the amendment that they came up with, I think, is a great idea. Like Senator Gay said, that I'm not real excited about studies either but the fiscal note on this is not

all that great. I've only heard one side of the debate and I've heard it from the probation officers. And in the area, during the campaign last year I made, another one of my misstatements I made was about either building more prisons or letting prisoners out of prison to make room for more. And then Community Corrections Council came up and through those discussions I learned quite a bit. I think that the community-based Community Corrections Council is the way to go and I think the study on this topic is really good because I've only heard one side of it and I think that it's a good idea. The study is good and I thank Senator Synowiecki for bringing this. Thank you, Mr. President. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Hansen. Senator Howard, you're recognized. [LB540]

SENATOR HOWARD: Thank you, Mr. President and members of the body. I would like to give my time to Senator Chambers. [LB540]

SENATOR LANGEMEIER: Senator Chambers, 4 minutes and 50 seconds from Senator Howard. [LB540]

SENATOR CHAMBERS: Oh, thank you, Mr. President. Thank you, Senator Howard. Members of the Legislature, continuing with what I was getting across, I had mentioned something else unprecedented. There was a judge in Omaha named Richard Jones and he was one of the vilest persons who ever sat the bench. He used profanity in the halls of the courthouse. Citizens, employees, others heard him. He referred to females with that C word that ends with a T. One of the worst words that can be applied and he used it in referring to court employees. He had threatened people. Sometimes he'd go on the bench with a pistol under his robe. Everybody was afraid of him, except me. And I contacted court employees and they said they were afraid of him but they wouldn't talk to anybody other than me because if anybody would get him off the bench it would be me, so they were willing to undergo the risk. So they gave me factual information. What I did was filed a complaint with the Judicial Qualifications Commission. They agreed that a complaint should be filed against the judge. I then wrote a brief to the court and said this man has behaved in such a way that he should not be on the bench, so you should suspend him right now. Experts, including former Senator Brashear, said that a judge, even with a complaint pending, had never been suspended prior to a hearing. Other judges said this is not going to happen--I mean, other lawyers--because before a hearing, no judge is suspended. When I make a request such as that, I cite the law. I give what I feel is logical, cogent argument. And lo and behold, the court, the Supreme Court did that which had never been done before. They suspended Judge Jones prior to a hearing. I pointed out in my brief that this is not a determination of the merits. This is not saying deprive him of his salary. It's saying that in order to maintain the integrity of the court and the judicial bench, he should be suspended. And they accepted the argument and they suspended him. Everything is unprecedented until it's done the first

time. Nothing would ever be done the first time if everybody said it hasn't been done before so it'll never be done so no attempt is made. When this Legislature impeached a regent, it's the first time, not only in the history of Nebraska but the history of the country, where a public official was impeached and convicted for violating campaign laws. But I read the law and I knew he was wrong and I knew we should impeach him. And I knew that if we impeached him, the Supreme Court would convict him. We just got 25 votes for that. And people were on the floor saying that I was wrong. The Judiciary Committee hired a lawyer, whose last name is Mock, who wrote a report and said the Legislature shouldn't even be looking at this issue, we had more important things to do and he should not be impeached and the court would not convict. And I called the report a mockery. So there are three examples. This is the third one today that I'm talking about, where the court did something that it hadn't done before. That doesn't mean it... [LB540]

SENATOR LANGEMEIER: One minute. [LB540]

SENATOR CHAMBERS: ...exceeded its authority. These judges show courage and the foresight that judges, having a judicial temperament, should manifest. They looked at the totality of the issue and they made a decision based on what's in the best interest of the court system and the demands of justice. The court frankly admitted that they acted prematurely in issuing a death warrant and they should not have done that prior to resolving the issue of whether or not the electric chair itself is unconstitutional. If the court can acknowledge error and correct it, anybody should be able to do so. Thank you, Mr. President. And thank you, Senator Howard. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Chambers and Senator Howard. There are no other lights on. Senator Synowiecki, you're recognized to close on AM1143. [LB540]

SENATOR SYNOWIECKI: Thank you, Senator Langemeier, members of the Legislature. I appreciate the encouraging words relative to what we're trying to undertake here. I think it's important that we do this. I think it's particularly important as a follow-up to the constitutional amendment that was passed last November that kind of speaks to these issues of judicial branch and executive branch service delivery of services to offender-based services. I might read into the record actually what is going to be studied that does not change from the committee amendment. It's going, the probation parole services study will study, identify areas of overlap in offender services provided by probation parole administration and assess the potential for coordination of state-sponsored services and resources which assist in offender rehabilitation. It secondly would assess the optimum methods for delivery of a seamless continuum of offender services within the current probation and parole systems and analyze whether a single system would be to the advantage of state government and offenders. Thirdly, it would undertake a comparative analysis of other states' probation and parole

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administrative systems to include, but not be limited to, issues related to personnel salary and benefit structures, hiring standards, officer caseloads, and officer training curriculum. And fourth, it would assess service needs of juveniles on probation, their access to services, and the appropriate minimum array of services to be available for juveniles on probation throughout the state. The contents of the study does not change. What my amendment does is backs off having a multibranch task force which, in essence, would have...their charge would have been to obtain a study of our system anyway. It was felt we have a system in place now. We have a reservoir, if you will, of the Community Corrections Council that's already worked with the Vera Institute of Justice. It was felt that it would be logical, efficient for the Community Corrections Council to serve as the agent, if you will, to retrieve the study, deliver it to the Governor, to the Legislature, and to the Supreme Court. And hopefully they'll have recommendations and findings that can be acted upon next legislative session. I'd appreciate your support of AM1143. Thank you. [LB540]

SENATOR LANGEMEIER: Thank you, Senator Synowiecki. You have heard the closing on AM1143. The question is, shall AM1143 be adopted to AM737? All those in favor vote yea; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk. [LB540]

ASSISTANT CLERK: 34 ayes, 0 nays on the adoption of the amendment to the amendment, Mr. President. [LB540]

SENATOR LANGEMEIER: AM1143 is adopted. We return now to discussion on AM737, the bill itself. Senator Chambers, you are recognized. [LB540]

SENATOR CHAMBERS: Mr. President, members of the Legislature, continuing. When I talk to young people in my community, talk to anybody--and I hope I haven't said this this morning, but if I did, it will bear repeating--I tell them that a loaded brain beats a loaded gun. But when they look, I say, except in a gunfight, so they know that I'm not crazy. I say, but I have a point that I'm trying to make with you. And then I give an example. If I got five guns on me but somebody is standing with a pistol on my nose, I can't use my guns, I can't reach them. The only thing I have going for me is what's in my head, my ability to talk, and maybe I can reason my way out of this situation. So rather than have a lot of guns with a lot of bullets, try to equip yourself so that if you have nothing other than what you carry in your brain, use that and develop it so that you can make your way through a world which often is going to be hostile. So in doing what I've tried to do in this situation with the court and to derail this execution, I couldn't go to those judges and put a gun on them and say do what I want you to do. There is no threat I could make against them, and I wouldn't make one. I had to appeal to their intelligence, to their sense of duty and responsibility. I had to use the constitution in which they're trained, the law which directs their daily activities, and provide logical argument to tie it all together to bring them to the conclusion that I thought was valid.

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They agreed. But agreement doesn't always lead to the action that's required. They could very easily have taken the coward's way out as the Attorney General and the Governor did. They didn't even have to acknowledge my letter, although the Chief Justice acknowledged that it had been received, his aide did. But I meant beyond that. They didn't have to acknowledge they read it. They could have read it and totally disregarded it. But that letter put this issue on their agenda. And these judges, in my opinion--not just because their decision agreed with what I think it should have been--in a state like Nebraska where you have a Governor of the kind you have sitting in the northern guadrant of this building, an Attorney General who is political through and through, the court could have just done nothing. The court could have said nothing. Then you would have me standing up here paraphrasing that famous comment, that all that's needed for evil to triumph is that good people do nothing and the court has done nothing and joined that infamous brigade. But instead, these judges did what the law, what the constitution, what human decency demanded. And they will be criticized. The Governor has started it. But they did it anyway. They, by what they did, upheld that predominating standard that governs the judiciary: judges must be independent, they must not be swayed by the hue and cry of the public. Their decisions should not be based on a poll or a popularity contest, but on the constitution, the law, and the requirements of justice. And that's what these judges did. Much can be learned from this. This case... [LB540]

SENATOR LANGEMEIER: One minute. [LB540]

SENATOR CHAMBERS: ...would be the perfect one for a law school course. It covers everything that is involved in studying the law, becoming expert in the law, then practicing the law to let you know that there are duties and responsibilities you have that will show why being a judge distinguishes you from every other person in this society. You're given powers that nobody else has, namely to pronounce a death sentence, to sign a death warrant, or to stay that sentence when an error has been made. So the judges are due a lot of respect and consideration and I want to put some of it on the record. Thank you, Mr. President. [LB540]

SENATOR ERDMAN PRESIDING []

SENATOR ERDMAN: Thank you, Senator Chambers. (Visitors introduced.) On with discussion on AM737, Senator Nelson, you're recognized to speak, followed by Senator Chambers. [LB540]

SENATOR NELSON: Thank you, Mr. President, colleagues. I would like to ask a question or two of Senator Synowiecki, if he will yield. [LB540]

SENATOR ERDMAN: Senator Synowiecki, would you yield to questions from Senator Nelson? [LB540]

#### SENATOR SYNOWIECKI: Yes. [LB540]

SENATOR NELSON: Senator, as you know, we serve on the Appropriations Committee together and I echo what the other members have said about your contributions and your expertise and we really appreciate that. I think I...I don't see an updated fiscal note here in the file and I think I understood you to say that it was going to cost about \$50,000. Is that going to be, is that money going to be contributed? Are we taking any money out of the General Fund for this study or could you just run over that again for me, please? [LB540]

SENATOR SYNOWIECKI: I appreciate the opportunity to do that, Senator Nelson. Here's what I'm understanding, and this has been conveyed to me by Community Corrections Council staff members, not committee members but staff members. Vera Institute of Justice has agreed to undertake to do the study. They've looked at what is the contents of what's going to be studied, the scope of the study, Senator Nelson. And they have said that it will cost about \$50,000 to conduct such a study. The Vera Institute of Justice themselves is contributing \$25,000 and then what you'll receive then is a renewed A bill for the balance, which is \$25,000. So it will be a \$50,000 study, which will be made up with a \$25,000 grant from the Vera Institute of Justice and a \$25,000 General Fund appropriation. [LB540]

SENATOR NELSON: So we will see an A bill a little later on here. [LB540]

SENATOR SYNOWIECKI: Yes. [LB540]

SENATOR NELSON: All right. Could you tell us a little bit about the Vera Institute, I'm interested in that, what you know about that and why they're contributing money of their own? [LB540]

SENATOR SYNOWIECKI: Well, they have some wherewithal and some resources. We've worked with the Vera Institute of Justice. Senator Kermit Brashear speaks very highly of them as an organization. Senator Nelson, when LB46 passed, I think it was 2003, one of the first organizations that came in and helped direct where we're going and what our community corrections programs will look like was the Vera Institute of Justice. For example, they brought in from North Carolina their Department of Correctional...North Carolina had previously gone through a community corrections revamp, both statutorily and they did things with their probation and parole that we're looking to do. And for example, the Vera Institute of Justice brought the North Carolina officials in. They brought officials from Oklahoma and discussed with, early on with the Community Corrections Council, gave us some ideas on how we might embark in what we set up in terms of giving the judiciary viable alternatives to the penitentiary. So that's how I became aware of the Vera Institute of Justice. We were under contract with them.

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I don't know if we still do, but we had a contract with them for them to deliver professional services to us. And that's how I got acquainted with them. I could only attest to their professionalism, the way they handled the matters, the way they delivered on the goods that was in the contract. And when I begun discussions with the Community Corrections Council staff in this idea of having Vera Institute of Justice do the study, I was very encouraged by that. And then doubly encouraged by it when I found out that they will contribute \$25,000 of their own resources to conduct the study. [LB540]

SENATOR NELSON: Thank you. And they're going to study this, they'll make the recommendations, and then that will be done by the end of the year. And then on the basis of that, certain members of the Legislature could proceed perhaps with a bill that might follow. Will they make recommendations... [LB540]

SENATOR ERDMAN: One minute. [LB540]

SENATOR NELSON: ...or just present facts? [LB540]

SENATOR SYNOWIECKI: They'll present findings... [LB540]

SENATOR NELSON: Findings. [LB540]

SENATOR SYNOWIECKI: ...perhaps including recommendations. It will be presented to the Governor, the Legislature, and the Supreme Court. I don't know the date right in front of me, but it's December something of '07. [LB540]

SENATOR NELSON: All right. [LB540]

SENATOR SYNOWIECKI: So that gives members of the Legislature, if they want to take those findings from the study and they feel that it's worthwhile to perhaps look at statutory changes to incorporate the findings, a member of the Legislature could do that. [LB540]

SENATOR NELSON: All right. Thank you very much, Senator. Thank you, Mr. President. [LB540]

SENATOR SYNOWIECKI: Thank you. [LB540]

SENATOR ERDMAN: Thank you, Senator Nelson and Senator Synowiecki. Senator Chambers, you're recognized to speak. [LB540]

SENATOR CHAMBERS: Thank you, Mr. President, members of the Legislature. Because many people will never read an actual opinion written by a court, I'm going to

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read a few things into the record from the court's opinion that I think are very important. The majority wrote, "our constitutional responsibility to decide whether electrocution is lawful requires us to consider whether any convicted person should be electrocuted before that question is answered." This is a hard thing for anybody to do, which I'm going to read. "We conclude that we acted prematurely in ordering a death warrant before resolving that constitutional question in State v. Mata." Incidentally, I had mentioned that case in my letter. "For the following reasons, we stay Moore's execution and withdraw the order of our clerk directing the warden of the Nebraska State Penitentiary to electrocute him." Continuing, "Had we properly considered those responsibilities at the time, we would not have ordered the issuance of a death warrant." Then speaking of this case pending before them, "That case is scheduled for submission to this court in September...While we have previously concluded that electrocution is constitutional, we have also noted a changing legal landscape that raises a question regarding the continuing vitality of that conclusion. Were we to conclude that electrocution is no longer constitutional, then we would have undeniably permitted a cruel and unusual punishment only a few months earlier. The damage to Moore, and to the integrity of the judicial process, would be irreparable. It would be premature to permit this electrocution to proceed without the benefit of deciding, on a developed record, whether electrocution is a lawful punishment. And if we were to conclude that electrocution was cruel and unusual after Moore had been electrocuted, 'our citizens' confidence in this court and the rest of the judicial branch as a bastion of civil rights might suffer irreparable harm.'...Although we respect the defendant's autonomy, the solemn business of executing a human being cannot be subordinated to the caprice of the accused. We must adhere to our heightened obligation to ensure the lawful and constitutional administration of the death penalty, regardless of the wishes of the defendant in any one case. Concerns for finality to a state's judgments do not outweigh the absolute need to protect against the deprivation of an individual's constitutional rights which might invalidate his capital sentence...For the foregoing reasons, we order, adjudge, and decree that the execution of" the defendant "be, and hereby is, stayed and that the warrant of our clerk dated March 21, 2007, directing the warden of the Nebraska State Penitentiary to execute" the defendant "be, and the same hereby is, withdrawn." I think the court, as I've stated, showed fortitude, respect for its duties, and gave guidance to the rest of society how very serious public policies ought to be handled. The fact that a person makes an observation today does not mean a different observation cannot be made tomorrow if facts warrant that difference in the observation. [LB540]

SENATOR ERDMAN: One minute. [LB540]

SENATOR CHAMBERS: This might be the last comment I'll make today on this matter. I have one more chance to speak so I will wrap it up then, but I'll stop now. Thank you, Mr. President. [LB540]

SENATOR ERDMAN: Thank you, Senator Chambers. You are recognized to continue. [LB540]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I'm going to support, I say again, Senator Synowiecki's bill. But I'm aware, keenly aware of the kind of statements unwisely and unjustifiably which may be made against what these judges did. But even people who might support a death penalty should be able to understand why judges would not want to allow an execution to occur when there's a very real possibility that they themselves will rule that such an execution is unconstitutional. Who would ask them to do that? Look on the floor of this Legislature. When we're dealing with a piece of legislation, some bills we will trust a person on and say even though we haven't got everything we want, we'll let it move from General File to Select File. But we've all seen other instances where people said, before we let this bill go, we want some things straightened out right here and I've done that on occasion. So if in these smaller things we will say that prior to allowing a final judgment to be entered there are other facts we need to have resolved to our satisfaction. If we do that in the smallest of things, certainly in the greatest action that can be undertaken by a court, which is to authorize the judicial execution of a citizen, the court has a responsibility to say that because serious questions attend an execution and we, as a court, have pending before us a case in the proper posture to resolve these issues, there will be no executions until the court is satisfied that if an execution is carried out it is justified under the constitution and the laws, both of the country and of the state. A court would be unreasonable to do anything other than that. If the speechless Governor, who nevertheless spoke while saying he was speechless, had to make a negative statement for his political protection, he could have made the statement, say this unprecedented judicial action leaves me speechless. That word "activism" is a loaded word. It is a code word for all the loonies, for the ultraright-wingers, for those who are constantly saying the courts ought to do what the racists, what the haters think the court ought to do, and the Governor is aligning himself with those people by the use of that word "activism." Anytime the court takes an action you can say that's activism if you just mean that they took some kind of action. The Governor is using what is a term of art in the realm of dirty politics. And I say that he took a cheap shot and it was unworthy, not only of him as Governor, but of any Governor. He is miffed because his irresponsible failure to act in this case as he should have has been spotlighted by what the top court in the state has said. The Governor is standing there with cookie crumbs all over his face, residue of cookies on all of his little stubby fingers, cookie crumbs running down the front of his vestments and lying on the floor are the shattered remains of a cookie jar. [LB540]

SENATOR ERDMAN: One minute. [LB540]

SENATOR CHAMBERS: And he's standing there now putting his little chubby hands behind his back and they say, David, were you in the cookie jar? He raises his eyes to

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the sky and says, no, ma'am. She said, well, David, the facts say otherwise. It's bad enough that you went into the cookie jar, but it's worse that you lied about it. And I could catch you because all of the circumstantial evidence is there. That's the Governor's position. He was caught robbing the cookie jar and he's miffed. Thank you, Mr. President. [LB540]

SENATOR ERDMAN: Thank you, Senator Chambers. Continuing discussion on AM737. Are there any other senators wishing to speak? Seeing none, Senator Ashford is not here as the Chairman of the Judiciary Committee. Senator Lathrop, as the Vice Chair of the Judiciary Committee, would you care to close on the committee amendments? Senator Lathrop, as Vice Chair of the Judiciary Committee, waives that opportunity. Members, the question before you is the adoption of AM737. All those in favor vote aye; all those opposed vote nay. Record please, Mr. Clerk. [LB540]

ASSISTANT CLERK: 28 ayes, 0 nays on the adoption of committee amendments. [LB540]

SENATOR ERDMAN: The amendments are adopted. We are now in discussion on LB540 as amended. Any senators wishing to speak? Seeing none, Senator Synowiecki, as introducer of LB540, you are recognized to close. [LB540]

SENATOR SYNOWIECKI: Thank you, Senator Erdman, members of the Legislature, there's a lot of encouraging remarks. And while I deeply appreciate that, I do feel compelled to note that Senator Dwite Pedersen, who couldn't be here this morning, equally contributed to this bill. He had a very similar companion bill to this in the Judiciary Committee. And Senator Pedersen works daily with the parole and probation officers throughout our state and cares deeply about the system, cares enormously about the offenders that the system serves. And he certainly wants what's in the best interests of the citizens, the offenders, and the officers that serve us in the field. And I just felt compelled to note that. I would encourage your adoption or your advancement of LB540. Thank you. [LB540]

SENATOR ERDMAN: Thank you, Senator Synowiecki. Members, you've heard the closing on the advancement of LB540 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all senators voted who wish to? Please record, Mr. Clerk. [LB540]

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB540. [LB540]

SENATOR ERDMAN: LB540 is advanced. Mr. Clerk, items for the record. [LB540]

CLERK: Two items, Mr. President. An amendment, Senator Langemeier, to LB321 and to...actually two amendments to LB321. That's all that I have, Mr. President. (Legislative

Journal pages 1379-1380.) [LB321]

SENATOR ERDMAN: Thank you, Mr. Clerk. The next item on the agenda, we will proceed with LB367, 20 minutes early I might add. When we left, we had AM1196 before the body. Senator White, do you care to give us a minute update on what your amendment would do? (Legislative Journal page 1373.) [LB367]

SENATOR WHITE: Thank you, Mr. President, I appreciate it. My colleagues, this amendment again proposes a one-half cent sales tax cut from 5.5 to 5 percent. This, if enacted, would keep the promise made by the Legislature when we had to raise the sales tax in order to gain money during a time of fiscal crisis. This is an important consideration that we should carefully consider, not only because we made such a promise to the public, but if times, and they will be again not as prosperous as we're enjoying today, come then we're going to need to once again look at the sales tax cut. Thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you, Senator White. Those senators wishing to speak on AM1196 are as follows: Senator Chambers, Senator Friend, and Senator Pankonin. Senator Chambers, you're recognized to speak. [LB367]

SENATOR CHAMBERS: Thank you, Mr. President. Members of the Legislature, Senator Friend was mentioned as the one who will speak right after me so I want to ask him a question or two. [LB367]

SENATOR ERDMAN: Senator Friend, would you yield to questions from Senator Chambers? [LB367]

SENATOR FRIEND: Sure. [LB367]

SENATOR CHAMBERS: Senator Friend, we've had our differences on issues on the floor before, haven't we? [LB367]

SENATOR FRIEND: Yes. [LB367]

SENATOR CHAMBERS: And have there been times, just be frank, when I have really irritated and annoyed you with my positions and the way I express them? [LB367]

SENATOR FRIEND: Yes. [LB367]

SENATOR CHAMBERS: Now here's the next question. Would you... [LB367]

SENATOR FRIEND: Never angered though, just irritated and annoyed. [LB367]

SENATOR CHAMBERS: Right, and maybe exasperated, vexed, and so forth. [LB367]

SENATOR FRIEND: Yeah, absolutely. [LB367]

SENATOR CHAMBERS: If my hands were tied behind my back and if my legs were shackled and I was tied to a tree and you were given free reign to pummel me any way you chose from head to foot and all points in-between, would you take advantage of that opportunity presented to you? [LB367]

SENATOR FRIEND: Do you want me, honestly? [LB367]

SENATOR CHAMBERS: Yes, I do. [LB367]

SENATOR FRIEND: I would untie your hands. I would set you free. [LB367]

SENATOR CHAMBERS: Thank you. And this was not planned. That's all I have. Members of the Legislature, I didn't complete what I was talking about the last time. The lawyers know this. Judges are not free to respond to certain things publicly on matters that are pending. The Governor is a lawyer. He is bound by certain ethical principles. He knows that the judges cannot respond to what he said. And what he did is what Senator Friend said he would refuse to do to me. He knows that these judges are shackled. He knows they're like a punching bag, unable to strike back, so the Governor, the top person in this state, takes a cheap shot. And if other people won't speak up when the judges do the right thing, I will. And if others are afraid to take the Governor to task, I am not. He's just a man. And a man ain't nothing but a man. And these things need to be dealt with. So that's what I wanted to say to wrap up what I had been talking about prior to that. With reference to the amendment that Senator White is presenting, I have always supported any mitigation in the sales tax. The Declaration of Independence said, "We hold these truths to be self-evident that God created all men equal." Okay, just men and just white men at that and just white taxpaying men. Where is the only place that regardless of your gender, your race, your previous condition of servitude, your sexual orientation, your national origin, your religion or lack thereof, where is the only place in this society where all of those people are treated the same and equally? At the altar of the sales tax. Whether your are a small child impoverished, a rich old man who's the wealthiest person in the world, a gay man, a lesbian woman, a religious fundamentalist or a wild-eyed religious liberal, a big spender or a tightwad, you all are reduced to the same level when it comes to the sales tax. And there should be nothing in society which says one size fits all. [LB367]

SENATOR ERDMAN: One minute. [LB367]

SENATOR CHAMBERS: If you set up valid classifications, it is not inappropriate to say that everybody in that classification will be treated the same way. In fact, the constitution

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requires it. But it's inappropriate to say that you'll have a Procrustes bed type situation where if a person is too long to fit, you chop the person off. If the person is too short, you stretch the person. But you're going to make every person fit it. There are some people who are unduly burdened by the sales tax which is regressive. Senator White is trying to mitigate that harm and help us deliver on a promise so I support his amendment. Thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you, Senator Chambers. Members, we're discussing AM1196 as an amendment to LB367. Senator Friend, you're recognized to speak, followed by Senator Pankonin. [LB367]

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. Yesterday, of course, I went off on a diatribe on sales tax and it's interesting, now we're talking about it. So let's talk. The diatribe was related to how the system is broken. The sales tax code is broken. You can believe that or not. That's what I believe. I tried to make the argument. We'll see how that whole thing sits. The Revenue Committee has developed a package--here's where we sit. The Revenue Committee has developed a package with almost unanimously, not guite, after a lot of long, difficult discussion, negotiations--\$400 million in tax relief which, by the way, can't be functionally described simply as anything else. It is tax relief. We can bicker about what type of tax relief it is, but simply put that's what it is. Now we sit and listen to this idea of a sales tax cut for the second time approximately what, an extra... I think Senator Heidemann mentioned yesterday that the appropriations would have to come up with an extra \$178 million I believe. I would stand corrected if somebody were willing to correct me on that, but that's what I thought I heard Senator Heidemann say. So now here we sit believing that it would be appropriate or it would be good fundamentally to make that sales tax cut. I've never believed that. I told everybody yesterday on the record that I think an income tax cut would be more fundamental, would be more effective and, oh, by the way, the Revenue Committee thought the same thing because in the original package they had an income tax cut in there. No sales tax cut to be found. So this committee made deliberations earlier on that income tax cut. We decided as a body to get rid of it. So here I sit as this amendment is ready to go, but I also... I sit here with a small yellow piece of paper. It's real simple. I believe this tax cut is better. Do all of you? Maybe not. This is the one that I believe Nebraskans deserve. With all due respect to Senator White, and, hey, I'd love to go down this road. We decided as a body that we weren't going to already. I'd love to file this. Here's why I'm not. And here's why I think it's inappropriate for this amendment to be filed. This bill was killed in committee. This is very much like a bill that came through earlier and was killed. It's dead. They changed a few words. Two, income, I believe, would be better, so did the committee. Three, Senator White gave, after about probably 15 minutes yesterday, no clear indication about where the offset would be, either from revenue or from appropriations. Here's why that's significant. We have to balance the budget. This isn't the United States Congress. We can't hand out these things like candy and then go over to Appropriations and say,

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oh, don't worry about it. We'll just go ahead and deficit spend for a little while and then we'll make up for it two years from now in the next budget. Can't do it. We have to find an offset in revenue or appropriations, and I didn't hear the indicator yesterday. Maybe we can get some clarification on that today. And finally... [LB367]

SENATOR ERDMAN: One minute. [LB367]

SENATOR FRIEND: ...that the sales tax code is broken. Like I said, now I'm not going to belabor that one again. I can do it later. Most issues we debate on the floor deserve a vote up or down. The death penalty issue got two votes. At first I considered not even voting for this because to me this is the exception to the rule. I'm not even sure this does deserve a vote. Revenue Committee thought it didn't, and I'm not sure it's best for Nebraskans. I think the income tax cut would have been. Revenue Committee agreed. Here's where I sit. I'm going to vote no on this: big, clear, flat-out no. I'd rather fix the sales tax system instead of going in and saying, you know what? Let's set something up for future legislatures to try to tweak and tighten the bolt in the taxpayers' neck or loosen it appropriately. It's too easy. It's too effective for other legislatures to come in here and enhance the sales tax. That's why it's broken. That's why this is ineffective. And that's why, frankly... [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR FRIEND: ...with all due respect, this might be inappropriate. Thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you, Senator Friend. Senator Pankonin, you're recognized to speak, followed by Senator Wightman. [LB367]

SENATOR PANKONIN: Thank you, Mr. President and members of the body. Yesterday we spent time on this, and I could see that at the end of the afternoon people were tired and weary, but I did want to weigh in a little bit on LB367 and AM1196. First of all I want to say, as Senator Friend just mentioned, I think one of the things that hasn't been mentioned in this debate of how thankful we should be that we can offer tax relief to our state and our citizens in this session. I'm going to say it again. We should be thankful that we can offer significant tax relief to our citizens in some form. Senator Gay and I were at a health conference that was a national meeting in Chicago a couple of months ago. And I want you to realize that many states are not talking about tax relief. They're talking about tax increases with no chance of relief. So our state is fortunate that we can look at this and compared to states, especially in the northeast part of the country that are desperate for sources of revenue, we're able to talk about tax relief. And our neighboring state of lowa, I think, has had a difficult time in their session to balance the budget without being able to offer significant tax relief. So that's an important point that we call need to realize and be thankful for. Now we have to choose between competing

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plans and ideas. All have some merit, I wish we could do even more than what we're talking about, but we have to ask ourselves what helps sustain our economy and keep this situation going of surplus and what helps the most citizens. I think it is a trade-off between this sales tax amendment, AM1196, and the property tax credit that we talked about yesterday. Unfortunately, we cannot do both at the full extent that we talked about and I am torn. I think the pros on the sales tax is that even though it was a previous legislative promise and I wasn't here, we are now part of the body and those sort of promises need to be kept in account. And I know my predecessor, Senator Wehrbein, felt strongly about that. The other thing about the sales tax, as Senator Chambers mentioned this morning, it affects almost everyone and it can help all. And in the future, if we lower it now and the state needs to raise revenue, it's the fastest way to get the cash flow started and flowing. On the other hand, the pros on the property tax is that that is the issue we heard about during the campaign, not the sales tax or others necessarily. And the taxpayers would be encouraged, I think, to go to local boards, as we've talked about, and try to control local spending if we could help them with a property tax credit. And as Senator White had, I also had people mention to me how important it was that one more large property tax increase would force them out of their homes, and that was a tough situation to hear about. So as we go forward and discuss this, I would be open to some kind of a compromise plan that would lower the sales tax by a quarter percent and still leave significant dollars for property tax relief. I think that maybe there's still a plan there that we haven't guite tweaked and fine-tuned that can help the most Nebraskans possible with this bounty that we've been able to have. And with that, I conclude my remarks and thank you. [LB367]

SENATOR PREISTER PRESIDING [LB367]

SENATOR PREISTER: Thank you, Senator Pankonin. Next speaker, Senator Wightman, followed by Senator Kruse. [LB367]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the body. I think Senator Pankonin said about as well as I could say it the comparison of the various taxes and the merits and demerits of decreasing all of them. Before...I have some questions I'd ask Senator White, but first Senator Chambers is here but I don't know that he needed to respond to it, but he may know something that I do not know when he says that our Governor is a lawyer because I didn't believe that was the case, but it may be. That having been said, I do have some questions I would like to ask Senator White before I complete any further remarks. Maybe he's not here. [LB367]

SENATOR PREISTER: Senator White, would you respond to questions from Senator Wightman? [LB367]

SENATOR WIGHTMAN: I was just giving you your workout. [LB367]

SENATOR WHITE: I certainly would. [LB367]

SENATOR PREISTER: Senator White, thank you. [LB367]

SENATOR WIGHTMAN: Senator White, I agree and I know yesterday you ranked the various taxes, the property tax, the sales tax, and the income tax in their order of progressiveness or regressiveness. And I know you took the position that perhaps, particularly on homes, that the property tax was even more regressive than sales tax. Is that your opinion? I've always considered the sales tax to be the most regressive because it had the least to do with ability to pay. [LB367]

SENATOR WHITE: It certainly is in my neighborhood, Senator, in my district and let me explain why. I have a large number of elderly homeowners who bought their homes 40, 50 years ago. They're on fixed incomes, and they can't control the valuations. And for them the most regressive tax is, without question, property tax. And it threatens them with shelter, loss of their shelter, which is as important as food. So I would find it, as it applied to an aging population and homes that are increasing in value that they've owned a long time, much more regressive than sales tax. [LB367]

SENATOR WIGHTMAN: Isn't it true that the homestead exemption for those who really are lacking in ability to pay exempt a good deal of the value of that home? [LB367]

SENATOR WHITE: Not at all. I don't find that the homestead exemptions have, in fact, addressed the problem. While it might for some people who are of the right age, but for other older people who either don't qualify yet because of age or who have other problems, for example, in my district one of the things we took up in the Revenue Committee is blindness, blindness is not considered a disability that would help you with the homestead exemption. So I do not find the homestead exemptions to really solve the problem. And I also think they contribute to the problem in that, again, we take state money and we stuff it into the budgets of taxing and spending entities that we don't control. And we cannot say where that money is going. So I find it to have compounded the problem. Though generally I like homestead exemptions, I don't think they're the answer. If they were, we wouldn't have the crisis we have today. [LB367]

SENATOR WIGHTMAN: At any rate, when you talk about the property tax being regressive, you're pretty much limiting it, I'm assuming, to home value and not investment property, commercial property, and out in our area agricultural property. [LB367]

SENATOR WHITE: Well, not at all. And let me tell you why I believe that to be true. I think it's not progressive today with the price of corn. I think because of that, but there are many, many decades, unfortunately, when the ability to earn money from agricultural land has not kept pace with the inflation of the value of the land. And in

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those situations, Senator, I would disagree with you. I would say that when we have a market that is punishing people who produce commodities, grain commodities, not rewarding them but their land is still inflating, it is very regressive. [LB367]

SENATOR WIGHTMAN: Well, I would agree with you... [LB367]

SENATOR PREISTER: One minute. [LB367]

SENATOR WIGHTMAN: I would agree with you that both of them are more regressive than the income tax, which is probably the most progressive of all of the taxes. My problem is, and I may ask you more questions about this later, and I know this has been brought up by others, but just how are we going to afford a \$200 million cut on top of what we did on AM1187? We made that decision. I guess I agree with Senator Pankonin that maybe we could look at a middle ground, but we have already voted on AM1187 after consideration. So with that, I thank you, Mr. President. [LB367]

SENATOR PREISTER: Thank you, Senator Wightman and Senator White. We have other speakers, but I believe that there is a motion on the desk, Mr. Clerk. [LB367]

CLERK: Mr. President, a priority motion. Senator Erdman would move to bracket LB367 until May 4. [LB367]

SENATOR PREISTER: Thank you, Mr. Clerk. Senator Erdman, you are recognized to open on your bracket motion. [LB367]

SENATOR ERDMAN: Thank you, Mr. President. Members of the Legislature, take a deep breath. When LB367 came up on the agenda, I was presiding and missed the opportunity to get into the queue early and this is simply an opportunity that I have under the rules to take advantage of that. I was wondering if Senator White would be available to yield to some questions. [LB367]

SENATOR PREISTER: Senator White, would you please yield to questions from Senator Erdman. [LB367]

SENATOR WHITE: Oh, absolutely. I'd be delighted. It's always illuminating when Senator Erdman shines his intellect on all of us. [LB367]

SENATOR ERDMAN: Hopefully that's recording somewhere. Senator White, as a state, we have to have a balanced budget. Is that correct? [LB367]

SENATOR WHITE: We are constitutionally required to balance the budget. That is correct, Senator. [LB367]

SENATOR ERDMAN: And since we're constitutionally required to balance the budget, as LB367 sits today with AM1187 which you voted for... [LB367]

SENATOR WHITE: Um-hum. [LB367]

SENATOR ERDMAN: ...and the budget which sits on Select File, if they were both to pass today in their current forms, would the budget be balanced? [LB367]

SENATOR WHITE: Well, first of all, Senator, that assumes something like if I had wings could I fly to the moon. They are not passed. They will not pass today and nor will they pass today. This is a process. And... [LB367]

SENATOR ERDMAN: Senator White, you're on...Senator White. [LB367]

SENATOR WHITE: ...we speak...we speak as though, well, they've passed. They haven't passed. They had a first round debate. People got more familiar with the issues. One of the things that has never received full and fair debate is the sales tax break. That's what this amendment does. It gives that...it gives the body the opportunity to talk about sales tax and then as a body to determine where it should fit, if at all, in a scheme of tax breaks and spending. That is all this does, Senator. And so to say that we're not in balance today, well, of course not. We also have a constitutional requirement to pass a budget, Senator. We haven't passed a budget. Are we in violation of the constitution? Well, of course not. We're in the process of finding our way collectively to the balance that we need so we can serve the people of the state as we have sworn to do so. [LB367]

SENATOR ERDMAN: Mr. President, that's all the questions I have for Senator White. Members, as you can see from the response of Senator White, my accusations to him wasn't we are somehow doing something different, but simply trying to get a yes or no answer. The simple answer to the question would have been if LB367 as it's before us would pass and become law, again, a future action of this body, and the budget in the seven bills that were before us would pass in their current form, our budget would be balanced. That was a simple yes or no question. We didn't get that. So in light of the way that that was responded, I'll just proceed to elaborate on the realities instead of asking Senator White to help me point out the facts. We stand before us with LB367. It has approximately \$424.7 million in tax relief in a number of different vehicles and mechanisms. The budget that sits on Select File as well has \$408 million, \$408.7 million in new spending. And I think it's appropriate to point out that the amount of tax relief that's being proposed this session is more than the amount of new growth in the budget. And to the Appropriations Committee and their efforts in working with the Revenue Committee, I think they should be commended on that. But if you also know our process, if you understand that you have to have a balanced budget, you also recognize that the Revenue Committee and the Appropriations Committee have had to work

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together to come to that balance. They didn't do it in a vacuum. They didn't offer something on one side and not try to balance it on the other. There's a work in progress. And ultimately it's up to us to sort that out and to determine whether they drew the line was the right place or whether or not it should be further one way or another. But ultimately that scale has to balance. If this amendment is adopted, our budget would not be balanced. That's a fact. Does that mean that our budget would be in violation of the constitution? No, because now we have an obligation, no thanks to Senator White, to go and find the offsets to do it. And so I would offer to you that if you're going to vote for the White amendment you need to be willing to cut 52 percent of the budget, of the new money, to balance the budget. Or you need to be willing to raise taxes on married Nebraskans. Or you need to be willing to take away any property tax relief that this body would offer. The only amendment that's offered before us in LB367 on Select File that provides an offset or puts tax relief back into tax policy is the one that Senator Chambers has offered us and that's an amendment that would repeal the construction labor tax issue. That's \$15 million. Now I didn't go to law school and I'm not a Ph.D. in economics, but I know that \$15 million is not \$196 million. Even if you adopt the Chambers amendment, you're still \$181 million short from balancing the budget if you adopt this amendment. And the simple reason is, is that there's no offset. LB608 was heard before the Revenue Committee. LB608 was one of the many bills that was introduced this session to provide tax relief to Nebraskans. I would encourage you to look at the committee statement. You'll find that that bill, which would have lowered the sales tax rate half a percent, was indefinitely postponed unanimously by the committee. Not one member of the committee voted against that motion, not one. Senator White will tell you that he abstained and that is an accurate statement. But the vote was 6 to 0, 1 not voting to kill LB608, which is essentially the same proposal. Senator White was successful in persuading the body not to kill his first priority, which was debated on General File. But I have to wonder if Senator White was sincere about this being his second priority why he wasn't successful in getting them not to kill that bill because I understand this was Senator Raikes's first priority for tax relief. So I'm going through this process trying to understand. I would respectfully offer that it is not the intent that this amendment ever be adopted, but rather to make a statement, because we're not offered any alternatives as to how you'll make this balance. And I'm not saying that you should have to have the amendment in hand, but you should at least have some ideas. Senator Mines, would you yield to a question? [LB367 LB608]

SENATOR PREISTER: Senator Mines, would you yield to a question, please? [LB367]

SENATOR MINES: Yes, I will. [LB367]

SENATOR ERDMAN: Senator Mines, I think I heard you yesterday say that you would prefer the sales tax rate reduction over some of the other proposals that are before us. Is that accurate? [LB367]

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SENATOR MINES: What's accurate, Senator, is I would prefer a sales tax reduction as opposed to the property tax credit. [LB367]

SENATOR ERDMAN: Fair enough. Thank you, Senator Mines. Members, it's not hard. You look at what's in the package. You decide, well, I can cut 52 percent of the budget of the new money or I can look at the revenue package and say that this is a higher priority for me and delineate that in this bill. Senator Mines has done that. To date, he's the only person that has provided an offset that he believes is more palatable or more appropriate tax policy than what's in LB367. It would be great to hear other ideas because at this point, from what I understand from my conversation with Senator White, he doesn't have his own ideas. He's waiting for you to tell you what we should offset. So I appreciate Senator Mines's comment. I'm not opposed to AM1196 in principle. Practically speaking, if we adopt this, we are going to go and find the money to offset this. And I would offer to you, as Senator White offered yesterday, if you can find funds that are available in the budget to be reduced, we will go hand in hand to that battle on Select File. But if you're going to stand on this floor and say that 52.04 percent of the new money that's in our budget is frivolous, that's contrary to reality. So I'm interested in this discussion very much. And my position on this amendment is not simply because it's the sales tax reduction. It's simply a reflection of... [LB367]

SENATOR PREISTER: One minute. [LB367]

SENATOR ERDMAN: ...there is no practical policy to follow this that allows us to afford it. And maybe that's the alternative that Senator White wants us to have, is that we have to vote against things that don't balance the budget for other purposes. In the state of Nebraska, we have to balance our budget. Other states do as well. Our friends in Washington do not. When it comes to writing the budget in the state of Nebraska and determining how we balance this out, we should follow what we do and that's providing the offsets to make it balance and make it done in an appropriate way. Mr. President, I would ask that the bracket motion be withdrawn. [LB367]

SENATOR PREISTER: Thank you, Senator Erdman. The bracket motion is withdrawn. We now continue with the speaking order as it was. Senator Kruse followed by Senator Carlson, Pahls, Mines, McDonald, Friend, Wallman, Erdman, Fischer, White, and others. With that, Senator Kruse, you may proceed. [LB367]

SENATOR KRUSE: Thank you, Mr. President and colleagues. Senator Erdman has summarized very well the dilemma that we have if we pass this amendment. My judgment is that we would have to return to the property tax credit. I support the amendment for these reasons. One, it goes to everybody. Sales tax applies to everyone in the state, and it applies to businesses as well as to private persons. Number two, and this is important to me and it kind of gets past the box that we're in, it was promised. I was one of those who promised it. We even put a sunset on the original passage of this

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when it was installed. Then it will make a significant difference on this ridiculous car sales tax. It would reduce the tax 9 percent. That's quite a bit. That's quite a bit better to me than reducing my property tax by 3 percent or something like that. And I speak as one whose property tax on his house went up 80 percent last year. So I am all for property tax relief. I am sorry about the box that we're in. We have to continue to do work at that. We have some other ways that will do some things, but it's very hard to do something significant on property tax because it is so huge. And then sales tax goes into the economy. It's an instant help because it will be spent. I think it's the right thing to do. Mr. President, I would yield the rest of my time to Senator White. [LB367]

SENATOR PREISTER: Senator White, Senator Kruse would yield his time to you if you would so like to use it. [LB367]

SENATOR WHITE: Yes, thank you Mr. President. And, Senator Kruse, thank you for your courtesy and your support of this amendment. I would like a moment to respond to Senator Erdman's concerns about responsibility. I would submit to you that as a body, as the only body that can publicly debate to say that if we sit and speak openly of a sales tax cut and talk about it in the abstract we are being irresponsible is completely inappropriate. We are not being irresponsible. We are talking about one of many options available to us. And as Senator Pankonin so eloquently put it, an incredible blessing we are afforded. Our economy is moving along well enough that we, contrary to many states out east, as Senator Pankonin observed, who are actually selling bridges and other hard assets, we have the right and the ability to give a tax cut. To say that because at this point we are debating this in abstract, knowing what other options are, that we're being irresponsible is to put blinders on. Not every A bill must balance the budget. Not every tax cut must know in advance what we're going to do on the spending side. That's simply not how the process works, as Senator Erdman well knows. What we are doing, however, is keeping a promise to our constituents to fully and fairly, fully and fairly debate all possible tax cuts, including one that for reasons that aren't truly clear to me, and I was a member of the committee, was not included at all in the committee bill. Now I have a great deal of respect for the committees. They've worked hard. I've tried to be a good member, a hard-working member. But their decisions do not have the right to preempt our obligation to our constituents to talk about all issues. We have to do this, Senator Erdman, to keep faith with our oath of office. Now personally what I would prefer to do, I'd much prefer \$500 to every homeowner and getting rid of the estate tax. [LB367]

SENATOR PREISTER: One minute. [LB367]

SENATOR WHITE: I have said that repeatedly. I have told the body what my priorities are and what my first choice would be. My first choice would be direct \$500 back using the mechanism of the income tax to homeowners and then also get rid of the estate tax. That's what I would choose, Senator, first. If you want to know what my choices are

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among a series of hard choices, that's what they are. Those are not going to carry the day. I still have an obligation to help this body fully and fairly debate all possibilities. I am not, having not gotten what I believed rationally are the best choices to prevail here, I am not now going to presume on all of my colleagues and say this is the next best, I know better than you. I do not. But I do know that speaking of sales tax relief is responsible. Speaking of sales tax relief at this stage is exactly in the highest traditions of a deliberative body. [LB367]

SENATOR PREISTER: Time. [LB367]

SENATOR WHITE: Thank you, Mr. President. [LB367]

SENATOR PREISTER: Thank you, Senator White. Thank you, Senator Kruse. Next speaker is Senator Carlson and you're recognized, Senator. [LB367]

SENATOR CARLSON: Mr. President and members of the Legislature, I stand in opposition to AM1196. But before I get into that, I'm going to take a little detour and I ask the body to go with me. Although Senator Chambers has left the Chamber, I know that he's listening. And I would like to commend him for his efforts concerning the stay of execution. And regardless of whether or not I agree with Senator Chambers, I admire his tenacity, his competitive nature, his thoroughness in pursuing options, and his determination to see it through. Now, however, I want to address part of his testimony yesterday. Yesterday he talked about mythical Satan, and I need to correct him. Satan is not mythical. He was, he is, and he always will be real. Senator Chambers says that he keeps his word. And in that vein he is correct. Let me explain how and why. In plain words, the devil is a jerk. He's a liar, he's a cheat, he's a "deceptor," he's a killer, he's a condemner. And in that regard, he keeps his word because he can't change. He's always the same, always evil, always deceiving. So he's constant in keeping his word. Now the bible clearly says that we should be alert because he goes about as a roaring lion, not to help but seeking whomever he may devour. And unlike me as a believer, I am not constant. I have the propensity to do evil and I do it. I also sometimes do good. And because I do both, the term hypocrite fits. I'm thankful that my position as a believer isn't based on what I do or don't do. It's because of God's grace. And so, Senator Chambers, Senator Chambers, Senator Chambers. There is coming a day when there will be a fire and it will be the hottest fire you have ever seen or I have ever seen. I've made a decision not to be in that fire and I encourage you to do the same. But I thank you for providing me the opportunity to speak. Now another myth. Under the tax refund based on property taxes paid, Senator White twice has indicated that Union Pacific would receive \$850,000 rebate. When I first heard that, that alarmed me. That's a lot of money. Maybe they don't deserve all that back, but in order to get that credit, they had to pay in \$10,600,000 in taxes. That's a lot of money. But I think those who pay taxes should get a proportional refund or credit. Now under a one-half cent reduction in sales tax, would Union Pacific have a benefit? Absolutely. They would pay about \$5 million in

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sales tax, but they would save \$500,000. That's not a whole lot off of the \$850,000 that seems to be alarming. There's another aspect to reducing the sales tax. A one-half cent reduction in sales tax loses tax for our General Fund from every visitor,... [LB367]

SENATOR PREISTER: One minute. [LB367]

SENATOR CARLSON: ...every tourist, every non-Nebraska trucker passing through, every shopper that takes a day trip into some part of Nebraska to shop. That dwarfs the refund or the savings that somebody like Union Pacific would have. It's a serious matter. It's giving up a lot of revenue. And so I stand in opposition to AM1196. Thank you, Mr. President. [LB367]

SENATOR PREISTER: Thank you, Senator Carlson. (Visitors introduced.) Mr. Clerk, are there any motions on the desk? [LB367]

CLERK: Senator Chambers would move to bracket the bill till May 4, 2007, Mr. President. [LB367]

SENATOR PREISTER: Thank you, Mr. Clerk. Senator Chambers, you're recognized to open on your bracket motion. [LB367]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I'm going to withdraw this one also, but I thought Senator Erdman would leave his motion up there long enough for us to say other things that are not directly related to the amendment before us. I do support that amendment. But I had said earlier this morning that if a person has blundered, made an error, it's not ever too late to acknowledge it, correct your direction, and go the right way. Senator Wightman is absolutely correct as far as I know. Governor Heineman is not a lawyer. I had said he's a lawyer. He is not, as far as I know. I mixed him up with former Governor Johanns. Governor Johanns is a lawyer, and on other occasions I'd be speaking of one and I would give the name of the other one. So I want to correct the record insofar as I said that Governor Heineman is a lawyer, but everything else I said I mean. I had something I had to do in my office that was very important. But I'm not one to abandon a friend, to abandon a colleague, to abandon an associate. And as I was heading for my office, I heard somebody taking the name of the devil in vain. But really I had given his given name, which is Satan. But people take the two to mean the same thing. And I said, good gracious sakes alive. Somebody is up there attacking the devil so I better get back to the Chamber so that the devil's reputation is maintained intact, the aspect of it that I admire. Senator Carlson, whom I refer to as "the parson" came up with all of the unsupported allegations: he's a liar from the beginning. He is the father of lies. He goes around seeking whom he may devour. Now Senator Carlson doesn't know that to be true from his own experience. He's going by what he read. But I'm going to accept everything he said as true for the purpose of argument. Senator Nelson is aware of lawyers saying in courts, "for the sake

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of argument" then you allow that something may be accepted for the purpose of argument. But even if we accept it for that purpose, it's not valid. I don't know if I heard Senator Carlson say this and I don't know if he said it--that the devil doesn't keep his word. That's my point. The devil keeps his word. If he promises something, he will deliver. Now Senator Carlson mentioned something about a fire hotter than any fire that I had ever been aware of. Well, let me tell you this, brothers, sisters, friends, enemies, and neutrals. If a fire has a temperature of 500 degrees Fahrenheit and another fire over here has a temperature ten times that hot, 5,000 degrees Fahrenheit, would you really be able to tell the difference? Now maybe Senator Carlson would be able to, but I think I wouldn't. Somebody asked me, do I think that Senator Carlson is saying that I'm going to Hades. Well, maybe so and maybe not. But the best thing we can do is our best. And we should live according to what we consider to be our best lights. That's what I try to do. And if it's not good enough, then it's not good enough. I will never say that I believe something I don't believe. I will never say I disbelieve something that I do believe. There is nobody that I fear enough to lie to out of fear. But I'll tell you this, and I know it's going to scandalize all these "Chrishians" in here running around saying you should never tell a lie. If my telling the truth on some issue meant that some person that I think is innocent is going to suffer unjustly, I'd tell a lie in a New York minute or a New York second, whatever it is. I mean I'd tell that lie as guickly as I could get the words out of my mouth. But if it comes to telling a lie to deceive somebody to take an advantage, no, I won't. I don't fear anybody enough to tell that kind of a lie. And I think it was Jonathan Swift who said, A man who will tell a lie is a coward toward men and brave toward God, because you don't want the men to know you're lying, but God knows you're lying if you believe in such things. So I want the devil to stop being blamed for all these kind of things he doesn't do. Somebody will take a drink when they shouldn't and say the devil made me do it. And he has nobody to speak for him. He says, I don't even get involved in that petty stuff. Look, I got George W. Bush. I got Tony Blair. I got Mr. Putin to deal with. And some guy sitting in the tavern down there in Lincoln, Nebraska, taking a drink out of a glass thinks that I'm going to give up this work that I must do to go down there and make him drink. He does that on his own, or his wife or his boss or some disappointment is what made him do that, not the devil. So I'm telling you, hate the devil if you must, but give the devil his propers. The devil is not involved in everything that doesn't go the way you want it to go. As a matter of fact, and this will scandalize "the parson," wicked spirits come from God, Senator Carlson, not from the devil. If you read about King Saul, it talks about a wicked spirit, an evil spirit from God was upon Saul. And what did Saul do when that evil spirit came upon him? He summoned David who would play his harp and by playing that harp David calls the evil spirit from God to lift from Saul. So if you read that "Bibble" you're going to see that a lot of things you all were told are not like what you were told. And as Gershwin or whoever those people were wrote in their song, (singing) The things that you're liable to read in the bible, they ain't necessarily so. Now having punished you all adequately, I withdraw that motion, Mr. President. [LB367]

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SENATOR PREISTER: Thank you, Senator Chambers. At your request, the bracket motion is withdrawn. Thank you. We will now continue on with the order of speakers. Senator Pahls, Mines, McDonald, Friend, Wallman, Erdman, Fischer, White, and Chambers. Senator Pahls, you're recognized to speak. [LB367]

SENATOR PAHLS: Mr. President and members of the body, I do agree we do need some sales tax relief. And I'm wondering if I could get Senators Burling, Cornett, Dierks, Janssen, Raikes, and White to rethink their vote when they voted my bill, basically they killed my bill in committee when it dealt with sales tax holiday, the two-day sales tax holiday, and we figured that some families could save up to \$250 on that sales tax. The only group that came and talked against that was the lobbyist from the city of Omaha. And we tried to get the point across there are 14 states that do that, have that sales tax relief, holiday sales tax relief, which generates enthusiasm on a particular weekend. Fourteen states said this is a good deal. We contacted Iowa. We contacted Missouri and they said it was revenue neutral. They really made money. It balanced out. I couldn't get that concept past the committee. But I did want to say sales tax. And we also had another senator had a bill very similar to it, I'm going to give him a little bit of time to talk about it, maybe we're sort of setting this up for the future. I know this bill is dead in committee, but I'm trying to get a point across. There were a number of us who said, let's take a look at sales tax. But we found out in the committee this wasn't a possible solution. Well, thinking that this would have helped a number of people, especially around the starting of schools. Everybody, everyone in here, whether you had a child or not in school, would have been eligible for that. So the concept of sales tax is not a bad idea, tried to do that on January 18. I would like to turn the rest of my time over to Senator Avery if it's possible. [LB367]

SENATOR PREISTER: Senator Avery, would you like the remainder of Senator Pahls's time? [LB367]

SENATOR AVERY: I would. Thank you, Senator Pahls. Mr. President, Senator Pahls and I did introduce two separate bills, one each, to implement a sales tax holiday for back-to-school shopping. Now I did a lot of research on this; he did, too. It's wildly popular wherever it's been allowed, front-page news in North Carolina and Missouri and other states. It provides much needed tax relief for working families, many of whom are just struggling to get by. Iowa already has it, as Senator Pahls mentioned. Our sales tax holiday would have coincided with theirs so we would keep those tax dollars here and the spending here in the state. I believe it will be revenue neutral. In fact, in Missouri they did a study and they found that it actually increased a little revenue because people get in the stores and take advantage of the tax-free items and they buy other things and more people get out and shop at that time. In fact, in some stores in Pennsylvania and South Carolina, they run out of stock. They completely sell out. Now maybe there's an element here of psychological or desire on the part of a lot of the taxpayers just to stick it to the government because, you know, you're talking about 7.5

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percent. And most people say, well, I wouldn't walk across the street for a 7.5 percent sale. But if it's a sales tax that they're saving, they'll do it, and it happens all over the country in many places. Let me tell you something that both Senator Pahls and I agree on. Our bill was IPPed in committee. I have deep respect for the committee process. It is an important way to divide labor in a body that doesn't have a second chamber to share the labor with us. It is essential that we respect the committee process, and I have been doing that. Yes, I could introduce an amendment to... [LB367]

SENATOR PREISTER: One minute. [LB367]

SENATOR AVERY: ...LB367 that would try to pull that bill out of the committee. But I'm not going to do that. Senator Pahls and I agree that's not the way to go. We're coming back, however, next year and if we fail then, we're going to be coming back the next year. If we fail then, we'll be coming back another year. And eventually, the state of Nebraska is going to have a sales tax holiday for back-to-school shopping. Thank you, Mr. Chair. [LB367]

SENATOR PREISTER: Thank you, Senator Avery. Thank you, Senator Pahls. The next speaker is Senator Mines. Senator Mines, you're recognized. [LB367]

SENATOR MINES: Thank you, Mr. President and colleagues. As I've mentioned before, I do support a half-cent sales tax reduction over the other plans being proposed. And I think we all understand that practically we will either have a sales tax reduction or a credit on property taxes. But I've heard several folks characterize this tax cut as significant. It's \$105 million to \$115 million and in my world that's significant. But let's take it down to the bottom level of who's going to receive these significant tax cuts. If one looks at the medium home value of a Nebraska homeowner in Nebraska, actually it's 2004, that's the latest the Census Bureau had, the median home value in Nebraska is \$106,000. There are about 470,000 homes so we've got a median there of \$106,000. If we take our 8 cent property tax rebate, that's going to amount to about \$85 a year in a property tax rebate. Ladies and gentlemen, that's \$7 a day and I think that's about the cost of a hamburger, fries, and a Diet Coke at Dinker's Bar in south Omaha. My point is...not a day, \$7 a month; \$7 a month is what the average homeowner in Nebraska will be receiving. And that, in my world, isn't significant, I'm sorry. Now you know who makes out like bandits on this? Folks that are wealthy, land wealthy, property wealthy. Those that have hundreds and hundreds of acres, guess how much they'll get back? And I'll do the math next time I get up and we'll talk about that. That's where the property tax relief is coming, ladies and gentlemen. Fifty-three percent of the property taxes paid in Nebraska are by homeowners, the average home valued at \$106,000. Roughly 30 percent of the property taxpayers are ag land, and they will receive the vast majority of this money, the more significant majority. And I'm not chastising. In fact, I think landowners are in a position to do those things. But don't mistake the fact that the average person doesn't get very much money--seven bucks a month, a burger and

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fries. What we also haven't considered in this whole process, ladies and gentlemen, is valuation on your homes and your ag land goes up every year. Now we're talking \$85 on an average home. Last year, valuations increased about 7 percent. Now guess what happens to your burger and fries a month with a 7 percent increase in your value. All of a sudden your valuation is \$140 a year higher than it was year one. Yeah, it's \$140 higher than it was first year. You're at a net loss, ladies and gentlemen. The property tax correction doesn't fit. It's a loser. Folks don't see it. They don't see the burger and fries a month. And frankly in year two it's a net loss. [LB367]

SENATOR SCHIMEK PRESIDING [LB367]

SENATOR SCHIMEK: One minute. [LB367]

SENATOR MINES: Actually, they get 85 bucks, but their property value has increased to the point that they don't even realize it anymore. I think it's well-intentioned. It's absolutely not good for those folks that do not own property. They get nothing. For those folks that own inexpensive property, \$60,000 homeowners, they can't afford to go once a month and get a burger and fries. And those of us that have a median house value of \$106,000, we'll see \$7 a month. Thank you, Madam President. [LB367]

SENATOR SCHIMEK: Thank you, Senator Mines. Senator McDonald, you are recognized to speak. [LB367]

SENATOR McDONALD: Mr. President and members of the body, I'm not going to be able to support a decrease of a half-cent sales tax for the simple reason that it won't be long and we'll have to increase that half a cent. And let me tell you, no one remembers when you lower it. They only remember when you raise it. I think if we look in history, that half cent has come and gone many times. And if you ask the general public, did you ever lower my sales tax, they'll say, nope, they only raise it. So for a half a cent that's going to fluctuate when times are good and when times are bad, then we become the bad guys and say, well, you're raising my taxes again. I do like the idea of a sales tax holiday. I really think that's something that people will remember. They look forward to that day. Many states have done that. And because of that, that sticks in their mind. They think about that. Boy, we do get a break. That day is the day that we don't pay sales tax on various items. They remember that. A half a cent across the board won't remember at all. I guess that's all I have to say and I'll reserve my time for Senator Fischer. [LB367]

SENATOR SCHIMEK: Thank you, Senator McDonald. Senator Fischer, you're recognized. [LB367]

SENATOR FISCHER: How much time, Madam President? [LB367]

# SENATOR SCHIMEK: About 3.5 minutes. [LB367]

SENATOR FISCHER: Okay, thank you very much. Madam President, members of the body, I've kind of sat back on the discussion that we've had so far on the tax relief package that's been presented, both on General File and on Select File. It's been an interesting debate and one thing that I've gotten from it is practically every senator who has stood up to speak said when they campaigned and when they're in their district speaking to constituents, what they hear about is property tax relief. I agree with that. What I hear about in my district is property tax relief. I believe I heard Senator Mines just say that the sales tax decrease would not have an effect on property owners. I strongly disagree with that. This sales tax cut that we're looking at, this half cent, will have a direct effect on property owners. This sales tax decrease that we are looking at with Senator White's amendment will cause property tax increase and it will do so in the following ways. Last session the Legislature passed LB904. Under that bill, a half cent in sales tax goes directly to the Highway Allocation Fund, which in turn goes to cities and counties and it is earmarked for roads. It is earmarked for streets, it is earmarked for construction of streets and roads and bridges. It is earmarked for maintenance of streets and roads and bridges. Under Senator White's amendment, that half cent no longer goes to our cities and our counties. That is \$13.5 million that does not go to our cities and our counties for road construction and road maintenance. You may say, okay, that's fine. That's fine. It's more important that we have that total relief. Again, in my opinion if you vote for this amendment, you're going to vote for a property tax increase because it will be up to your county supervisors and commissioners and it will be up to your city councils to decide how they're going to make up that loss of revenue that they had received under LB904... [LB367]

SENATOR SCHIMEK: One minute. [LB367]

SENATOR FISCHER: ...or if they're going to make it up. Okay, how are they going to make it up? We're telling local county commissioners and city councils, okay, you increase property taxes. That's how you're going to make it up. Or you increase your wheel tax, that's how you're going to make it up. Or you take it out of your general fund. That's how you're going to make it up if you're going to continue with any kind of construction or even maintenance on your city streets. But if you don't want to see that increase in taxes on your local citizens in your cities and your counties, hey, then you let your infrastructure go to grass, as Senator Janssen told me. You don't need to maintain it and you certainly won't be able to build it. Thank you, Madam President. [LB367]

SENATOR SCHIMEK: Thank you, Senators Fischer and McDonald. Senator Friend is next, followed by Senators Wallman, Erdman, and others. [LB367]

SENATOR FRIEND: Thank you, Madam President and members of the Legislature. This is like the second time. It's like you watch a movie in a runaway trolley car in San

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Francisco going downhill with a bunch of people on it. except it's the second one. The first one was called "The Panderer." The second one is called "The Panderer Returns." Senator Tom White I think is a friend of mine now. I hope he is, so I hope he knows that debate, well, of course he knows that. I don't even have to say it. I don't want to qualify it, but that's what it is. Hey, voters, here I am. I didn't really get my way out of committee, but here I am, voters. Make sure you see me. Unlike Senator Kruse, I don't know if I was smart enough or dumb enough three years ago not to make that promise, those promises that Senator Kruse made. I didn't promise the voters that I would raise any taxes, raise these sales taxes, these abhorrent sales taxes. I didn't promise the voters that I would sunset them. Others in here didn't either. I didn't promise jack because I thought it was irresponsible at that time to raise that sales tax. And I think it's just as irresponsible to take a dysfunctional system and monkey with it right now as AM1196 does. Senator White has every right to do this. That's not the question. But make no mistake about it, and Senator White tried to contradict this, it is irresponsible, flat out. The bill was dead, same darn bill. We don't have a senate to sit there and go, oh, wait a minute. Let's go ahead and review what this first house did. We have a committee structure that I was able to analyze two years ago and say, you know, boy, I just get the feeling that the Landises and the Bromms and the Brashears and those guys of the world, they worked this out. Well, this time it just happened to be the Janssens and the Burlings and everybody else on that Revenue Committee, including Senator White, in a lot of different ways. But yet right now we are working on the trolley car, out of control, AM1196. And like I said, I could have brought my own--"The Panderer Strikes Again," number three, with my income tax cut. Heck, maybe I will. I'm ready to walk across the aisle over to Lavon's desk and bring all the Appropriations Committee members together and say, you know what? Lavon, we're attacking your budget. I love this sales tax cut, folks. I'm not going to vote for it. It's a big fat red. I love it, too, though. And I'm ready to go over there if you include for me an income tax cut that I liked originally and then we'll go over to Lavon's desk and say, let's start slicing. Let's start with HHS. We can go to K-12 because I'm okay with that. I've done it before. Herb Schimek will strangle me in my sleep. But I've done it before and I'll do it again. I'm ready to do that. Let's go across the aisle. It's not inappropriate to ask those questions of Senator White. They're not hypothetical. We are on Select File in the seventy-fourth day. These numbers have to add up either today or tomorrow or the next day or when Lavon and the Appropriations Committee get back on Select File to try to squeeze the numbers. Let's go remove that property tax relief. That's not in this amendment. That's not here. Show me. I don't live in Missouri, but show me. We can talk the talk, talk the talk. That's what I've done. I've done it out here. I can keep doing it and I can make myself look good... [LB367]

SENATOR SCHIMEK: One minute. [LB367]

SENATOR FRIEND: ...or we can do it. Show me that on this amendment. Let's walk over to Appropriations and let's start slicing. I'm ready to go. Let's save \$200 million.

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Can we afford it? How about \$300 million? Let's have everything. Let's go get it all because, frankly, I'll hold hands with Senator White and I will run across there and do it. No questions asked. And here's the funny thing. The lobby knows I'll do it. They know. Look at them. They know that I'll do it. Go ask them. It's not idle. It's real and this amendment is not. Thank you, Madam President. [LB367]

SENATOR SCHIMEK: Thank you, Senator. Senator Wallman, you are recognized to speak. [LB367]

SENATOR WALLMAN: Thank you, Madam President. This is a matter dear to my heart. Going around in my area in the tavern and the restaurants in the mornings, all we talked about was property taxes, property taxes, property taxes. And I agree with this sales tax amendment. It sounds good and I like Senator White. But we have to have offsets to make sure we can pay for things. And taxes is something that happens to a state or country to pay for services that people want. They want roads, they want schools, they want community services, they want hospitals. And it is tough to say we're going to cut taxes and still keep these things unless we cut wages, we cut personnel, and we're going down a dangerous road. And I think the sales tax thing on automobiles, as Senator Pankonin mentioned, that's probably out of line. I don't know how we can change that. There's a few issues with sales tax that we're not, you know, not in sync with bordering states. And that puts our dealers at a disadvantage especially in border states like Omaha with leased vehicles and that. You see the lowa plates and that's illegal, but they do it. And a dealer told me, lease your pickup from there and have a post office box, I can lease from lowa. But I'm not going to do that. I live in the state. So the tax issue is going to be a tough one for us to deal with, but we have to make sure that the Revenue and Appropriations Committee have enough to get it together and make this thing work. So I'm anxious to listen to more discussion on this issue and thank you, Madam President. [LB367]

SENATOR SCHIMEK: Thank you, Senator Wallman. Senator Erdman, you're next in line. [LB367]

SENATOR ERDMAN: Madam President, members of the Legislature, I think this is healthy. I think to the extent you can get the proponents of AM1196 to answer your questions, I think that's productive. And to those that have answered the questions, the Senator Kruses and Mineses and others that have said here's where we should go, I can see why they would vote green on this amendment. But let me back up and respond to a couple of things. I can offer you viable alternatives. That doesn't mean they're going to pass. I have a list of 106 bills that were introduced in front of the Revenue Committee this session to either lower taxes or adjust the tax rates or to do some modification, 106 of them. And if I heard earlier, the comment was that we should be discussing all of those viable options to determine what should be our public policy. We had a committee. I don't always agree with the committees. And if I don't agree with

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the committee here and believe that this is the right amendment, then before I vote ves I'm going to have an offset in mind. And maybe Senator Friend is right. Maybe the offset is the budget. But, of course, if you're going to do that, and I would expect this not to happen, but you would also then have to expect the people that vote yes on this to vote to cut those programs in those areas that Senator Friend pointed out--the university, Health and Human Services, K-12 education, public safety, you go down the list. Those are the areas that are growing in our state budget. We're not building castles with that money. We're providing direct services to the citizens of the state. Senator White said it's not irresponsible to discuss policy in abstract regarding taxes. Absolutely correct. This is not an abstract debate. It's abstract in his mind because he fully expects, as Senator Friend pointed out, that this will not be successful. And if it was, I don't believe that he has viable options to make it balance. I'm not opposed to it. But I have stood on this floor when we didn't have money, and I proposed viable alternatives to this body that would have done better in my humble opinion than the budget we passed. It wouldn't have raised taxes. It would have set priorities in our spending. And in line with the earlier comments, again, I wasn't one of those people that made that promise that this would be sunsetted and then took it away. Does that mean that I shouldn't help lower it? No. I didn't support raising it. But you guys see the game that's going on here? Let's play the game if that's how you want to do. But I believe what we're here for is good faith and good policy, not good gamesmanship. But maybe there's new rules and maybe I need to go back to training camp because we have 16 days left. I'm a pretty quick learner. The total cost in this budget or this proposal is \$120 million a year, not \$120 million total as Senator Mines said earlier. Senator Mines also said that everyone knows that the offset is property tax relief. Everyone knows. What Senator Mines forgot to tell you that in addition to the tax relief that's in the budget or in this bill now, there's going to be a bill to provide tax relief for community college funding. There's going to be a bill that currently sits on Select File to provide tax relief under ESU funding and that's property tax relief. There is an increase in state aid to schools, as Senator Raikes has argued, is a direct property tax relief to those districts. That's in this budget. [LB367]

#### SENATOR SCHIMEK: One minute. [LB367]

SENATOR ERDMAN: This debate is not in a vacuum. It's a piece of the puzzle. And if you put all of the pieces together, you see the big picture. But if you pull that one piece out, you can make any argument you want to about whether or not this is the right part of this process. This is a part of an overall package. Is it everything that I would have wanted? No. But you wouldn't vote for what I would propose. I know that for a fact. And I know the folks pressing their nose against the glass wouldn't like it either. Thank you, Madam President. [LB367]

SENATOR SCHIMEK: Thank you, Senator Erdman. Senator White, you're recognized to speak. [LB367]

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SENATOR WHITE: Thank you. Madam President, I have a couple of observations with regard to sales tax. We talk about how we promised, and I did promise as Senator McDonald noted, Senator Fischer noted. And the only thing worse, the only thing worse than not giving property tax is telling people we are giving them property tax and then having them not see it or believe that all we did is game them, we conned them, we lied to them. That is the only thing worse than not giving property tax. And what I fear is that is how the current bill as drafted will, in fact, be perceived. Senator Mines spoke at length about how little this will do for the average homeowner. And if they see that, especially if they're reassessed, I can tell you in my district without question they will think we were doing nothing more than playing a cruel, hypocritical game, taking credit for property tax when we were delivering none. I think that is worse than honestly saying we're not going to do it. Now I would like to point out that I'm very concerned the reason we're not doing it is because we're giving so much money to entities that don't deserve it, entities like Union Pacific, Ted Turner, all the fast food franchises that are out-of-state ownership and that money will flow out of the state. With that, Madam President, I'd like to yield the rest of my time, if he would like it, to Senator Louden. [LB367]

SENATOR SCHIMEK: Thank you, Senator White. Senator Louden, you have 3 minutes and 22 seconds. [LB367]

SENATOR LOUDEN: Thank you, Madam President, and thank you, Senator White. What I would like to address is what was done with AM1187 yesterday. I asked about the Bureau of Educational Lands and Funds if they would receive a tax break on that and at the time I was told no. But I've checked into it since then, and what they will receive is about \$600,000 over the next two years in a tax break from what we did yesterday. This is...the tax break is given to those who pay the taxes. This is true. And that's...the big part of it is the Bureau of Educational Lands and Funds has about 1,300,000 acres in Nebraska that they will receive a property tax break on. That's just the way it works. That's fine if that's what you want it to do. So I ask you, do you...was that who you really intended to give the tax breaks to are these large corporations? Some of your centrally assessed taxpayers such as your large corporations, Union Pacific, Burlington Northern, your telecommunications, your gas lines, all those, those will all receive huge tax breaks because they pay a huge amount of money. If you...those of you that campaign and talked about talking to people that had their houses that they were concerned that they wouldn't be able to live in anymore, and I visited with those people myself, elderly people moved into town, bought them a nice house, and as the valuation went up, the taxes went up and they are getting to where they are in trouble. And, of course, they'll have these houses valued at \$100,000 so they'll get 84 bucks back on your tax break. Is this going to do them any good? To me I think it's actually cruel because it isn't a tax break for a lot of those people that need it. There's other ways that we can give a tax break on people that need it. Your sales tax, which has been a discussion this morning, sure, that gives it on the people that are spending the money. Large corporations spend money. A lot of your large corporations

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don't pay sales tax. My understanding is the railroads that some of the interstate commerce corporations don't pay sales tax. So if you take the sales tax off of them, it wouldn't make any difference for those large corporations. So there's other ways... [LB367]

SENATOR SCHIMEK: One minute. [LB367]

SENATOR LOUDEN: ...that you can give your tax breaks. But I just wanted to point out to you that do you actually know what you did yesterday when you thought you were giving tax breaks to the common person up and down the street there and living in some of these homes? I don't think they are going to get a tax break. I think it's going to be something like we went through several years ago when Governor Johanns, I think we did a tax break and then the next year we took it all back. Thank you, Senator White. Thank you, Madam President. [LB367]

SENATOR SCHIMEK: Thank you, Senators White and Louden. Mr. Clerk, do you have items for the record? [LB367]

CLERK: I do, Madam President. Senator Schimek offers LR99 calling for an interim study; Senator Langemeier, LR100, also an interim study; both will be referred to the Executive Board. Senator Stuthman, amendment to LB321; Senator Hudkins to LB334 to be printed. Senator Synowiecki, new A bill. (Read LB540A by title for the first time.) An announcement, Education Committee will have an Executive Session at 1:45 in Room 2022; Education Committee 1:45. (Legislative Journal pages 1381-1386.) [LR99 LR100 LB321 LB334 LB540A]

And Senator Langemeier would move to recess, Madam President, until 1:30 p.m. []

SENATOR SCHIMEK: Thank you, Mr. Clerk. You've heard the motion to recess. All in favor say aye. All opposed. We are recessed. []

RECESS []

SENATOR LANGEMEIER PRESIDING []

SENATOR LANGEMEIER: Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the afternoon session is about to reconvene. Senators, please return to the Chamber and record your presence. Senator Stuthman, would you please check in? Mr. Clerk, please record. []

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

SENATOR LANGEMEIER: Thank you, Mr. Clerk. Do you have any items for the

record? []

CLERK: Just one item: Senator Synowiecki would like to print an amendment to LB324. That's all that I have, Mr. President. (Legislative Journal pages 1386-1387.) [LB324]

SENATOR LANGEMEIER: Thank you, Mr. President (sic). We'll proceed now to the first item on this afternoon's agenda. We're discussing AM1196, offered by Senator White to LB367. The floor is now open for discussion. Wishing to speak, we have Chambers, Rogert, Carlson, Stuthman, Louden, and others. Senator Chambers, you are recognized. [LB367]

SENATOR CHAMBERS: Thank you, Mr. President. And for my colleagues who might need a bit of improvement in their education this afternoon, I want to tell you that when I was in the Chamber I was informed by the presiding officer that I'm first in the queue. Not knowing what that meant, I thought that I was being dubbed John Q. Public because of the way I'm concerned about everybody. But I find out that it has something to do with a lineup and I was the first one in line. And I don't think I'd accept John Q. Public anyway, because I know some Johns who are not the ones who would be examples for me. This amendment that is before us is one with which I agree. I have heard opposition expressed to it. And I don't see Senator Janssen. Oh, I see Senator Janssen. I'd like to ask Senator Janssen a question or two. [LB367]

SENATOR LANGEMEIER: Senator Janssen, would you yield to a question? [LB367]

SENATOR JANSSEN: Yes. [LB367]

SENATOR CHAMBERS: Senator Janssen, are you opposed to this amendment that would reduce the sales tax by a half percent? [LB367]

SENATOR JANSSEN: Yes. [LB367]

SENATOR CHAMBERS: Senator Janssen, not basing your answer on what you do in your store, because we know that you are a kindhearted gentleman who is always interested in the common good and so forth and so on. These questions can be answered yes or no, I believe, because they're not tricky. I saw what you're doing. He had a Robin Hood mask over his face. But this is a "Hood Robbin'" bill because it robs from the poor and gives to those who are better off. Senator Janssen, is there anything in the current law which says that if a person is below a certain age but makes a purchase on which sales taxes are levied, that person will not have to pay the tax because of his or her age? [LB367]

SENATOR JANSSEN: No. [LB367]

SENATOR CHAMBERS: Okay. So no matter how young you are, if you're making a purchase, you pay the tax, correct? [LB367]

SENATOR JANSSEN: Correct. [LB367]

SENATOR CHAMBERS: Now when they get up the age where you and I are and we're on a fixed income, must we pay the tax also, Sonny? [LB367]

SENATOR JANSSEN: Yes. [LB367]

SENATOR CHAMBERS: All right. Now if we have somebody who is a beauty queen and is being offered a \$3 million contract to appear in one advertisement, and she makes a purchase and it's the same purchase that the young child who happened to be a female made, will that beauty queen with the \$3 million contract in the offing pay any more sales tax on the same purchase that our young child had made earlier? [LB367]

SENATOR JANSSEN: No. [LB367]

SENATOR CHAMBERS: Now I'm going to reverse the question. The beauty queen, having made the purchase first, when the young child comes in, will the young child pay as much in sales tax as the beauty queen paid for the same purchase? [LB367]

SENATOR JANSSEN: Yes. [LB367]

SENATOR CHAMBERS: So what I said earlier is true, would you agree, that regardless of your age, your sex, your national origin, you'd still pay the same tax rate when you make purchases that are subject to the sales tax? [LB367]

SENATOR JANSSEN: Percentage, percentage of the cost, absolutely, yes. [LB367]

SENATOR CHAMBERS: Thank you. [LB367]

SENATOR JANSSEN: There are some times, you know, there are senior citizen discounts, but the percentage still says the same on that purchase. [LB367]

SENATOR CHAMBERS: And that discount is not given by the state. It's given by the... [LB367]

SENATOR JANSSEN: Merchant. [LB367]

SENATOR CHAMBERS: ...particular enterprise, right? [LB367]

SENATOR JANSSEN: Yes. [LB367]

SENATOR CHAMBERS: Thank you. I'd like to ask "Parson" Carlson a question or two, if he will yield. [LB367]

SENATOR LANGEMEIER: Senator Carlson, would you yield to a question? [LB367]

SENATOR CARLSON: Will. [LB367]

SENATOR CHAMBERS: "Parson," suppose a person is highly religious and makes a purchase which is subject to the sales tax. Will he or she pay a lesser rate based on being highly religious? [LB367]

SENATOR CARLSON: Absolutely not. [LB367]

SENATOR CHAMBERS: Now I'm going to get even more specific. If a heathen makes such a purchase, will he pay less... [LB367]

SENATOR LANGEMEIER: One minute. [LB367]

SENATOR CHAMBERS: ...based on his being a heathen? [LB367]

SENATOR CARLSON: Unfortunately not. [LB367]

SENATOR CHAMBERS: If a "sheathen" makes the same purpose...purchase, would the "sheathen" pay as much as the heathen? [LB367]

SENATOR CARLSON: Yes. [LB367]

SENATOR CHAMBERS: So then everybody who makes a purchase is going to be subject to the same rate of the sales tax. [LB367]

SENATOR CARLSON: Correct. [LB367]

SENATOR CHAMBERS: Do you think that is a fair method of taxation? [LB367]

SENATOR CARLSON: Yes. [LB367]

SENATOR CHAMBERS: Thank you, Senator Carlson. (Laughter) Thank you, Mr. President. [LB367]

SENATOR LANGEMEIER: Thank you, Senator Chambers. Senator Rogert, you're recognized. [LB367]

#### SENATOR ROGERT: Question. [LB367]

SENATOR ROGERT: 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. Have all those voted that wish to? Have all those voted that wish to? Have all those voted that wish to? Record, Mr. Clerk. [LB367]

CLERK: 25 ayes, 8 nays to cease debate. [LB367]

SENATOR LANGEMEIER: Debate does cease. Senator White, you are recognized to close on AM1196. [LB367]

SENATOR WHITE: Thank you, Mr. President and my colleagues. I would thank you all for your attention to this. The idea of sales tax relief is one that's very important, whether you are like myself, where you would prefer meaningful property tax relief before it, or you are like others who have felt, like Senator Chambers, that sales tax relief is the only real tax relief that affects all citizens in Nebraska. The issue is one that's extremely important. I believe, I believed, and I still believe that it should have been fully and fairly debated even though the Revenue Committee chose not to include it in its array of potential tax cuts. While I also respect the committee system and especially respect Senator Janssen and all the other members of the committee, it also seems important to me that we respect our obligations to our fellow citizens. There was a solemn promise made by Senator Raikes and others in this body that when times improve they would remove the sales tax. At minimum, it seems to me, we owed to them the obligation of a clear and honest debate and a clear and honest vote on the issue. It has repeatedly been asked of me what would I prefer is this passed, and I can tell you I would prefer clean simple property tax relief that did not put money back into the accounts of other business entities and call it tax relief, but actually returned it to the voter. If that cannot be then I would tell you I would prefer sales tax relief because sales tax relief is not telling the voters we're giving them meaningful property tax relief when we all know we are not. It is not...sales tax is a tax cut, not a tax shift. It seems to me that that, coupled with the fact that our predecessors here, the previous Legislatures, made a promise that ought to be kept. Therefore, I recommend to you this amendment and urge you to vote for it. Thank you, Mr. President. [LB367]

SENATOR LANGEMEIER: Thank you, Senator White. You have heard the closing on AM...for what purpose do you rise? [LB367]

SENATOR WHITE: I'd like to call the house and have a roll call vote in reverse order, please, Mr. President. [LB367]

SENATOR LANGEMEIER: So ordered, Senator White. There has been a request to put the house under call. The question is, shall the house go under call? All those in favor

vote yea; all those opposed vote nay. Record, Mr. Clerk. [LB367]

CLERK: 34 ayes, 0 nays, Mr. President, to place the house under call. [LB367]

SENATOR LANGEMEIER: The house is under call. Senators, please record your presence. Those senators outside the Chamber please return to the Chamber and record your presence. All those personnel, unauthorized personnel, please leave the floor. The house is under call. Senators Johnson, Raikes, Ashford, please return to the Chamber and record your presence. All senators are present/accounted for. The request has been for a roll call vote in reverse order. Mr. Clerk, call the roll. [LB367]

CLERK: (Roll call vote taken, Legislative Journal page 1387.) 15 ayes, 24 nays, Mr. President, on the amendment. [LB367]

SENATOR LANGEMEIER: AM1196 is not adopted. Mr. Clerk, for a motion. With that, I raise the call. [LB367]

CLERK: Mr. President, I have other amendments. Senator Mines has a priority motion. He would move to reconsider the vote just taken on AM1196. [LB367]

SENATOR LANGEMEIER: Senator Mines, you are recognized to open on your motion to reconsider the last vote. [LB367]

SENATOR MINES: Thank you, Mr. President, colleagues. The reconsideration will...I will continue on this. We've had some good discussion on sales tax reduction. I think, with due respect to those that you...that voted against that, I think we do need more time and more discussion on reducing the sales tax. I have heard from several testifiers or several of you that I wasn't here when LB1085 was passed, I wasn't here, I'm not obligated to follow the promises that were made in that bill; it's a new time, it's a new day. My concern with that is if that word is no good, what good is your word today when a vote is taken on this subject in a year? I mean, how does this body have credibility if we as a joint body promised long-term to do something and then we don't do it because some of the faces have changed? I think that's part of a problem that we have in the public, is in fact lack of credibility. Let me, for some of you who voted against this and happened to be in the body when that vote was taken, let me read some of the...from the transcript of that debate, April 11, 2002. This was on LB1085, and I'm not picking on anyone in particular, just those that said that they agreed that this sales tax was temporary. Senator Janssen, you stated that we're asking them to belly up--"them," I assume, means taxpayers--we're asking them to belly up to the bar now and I don't...let's see, we're asking them to belly up to the bar now and bear a little bit of the burden for a year or two; I don't think that's asking too much. Speaker of the Legislature at the time, Senator Kristensen, said that the sales tax, that was the increase they were talking about from 5 cents to 5.5, sales tax is for a period of time, and I think that

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references a short period of time. Senator Janssen also said on April 11: But I'll go along with the one year because I'm sure we're going to have to come back and address it again the way the revenue situation is. The way it looks the last three months, and I have been...the money has been coming in. Senator Vrtiska, face that isn't here now, has been replaced, he said he would be willing to support Senator Pederson's amendment--that would be Senator Don Pederson, Chair of Appropriations--to raise sales tax a half cent for that period of time, that was two years, and he's indicated two years until hopefully at a time the economy will have reached a point where that bill would sunset and we'd no longer collect the half cent. That promise was made from Senator Heidemann's home district. Senator Engel, on April 11, said: I have felt myself this half-cent sales tax was the way to go for long before it came before the floor, and of course I mentioned the other day, as far as putting a two-year sunset on it, and a lot of people don't believe in sunsets because the sun so many times never sets. Senator Kremer from Aurora said at the time: I think it would be a good...a good approach, for temporary, to get our heads above water. Senator Kremer also said that, as Senator Bourne mentioned, it would be temporary for two years. I think Senator Bourne probably is the most eloquent and, again, he's only been gone a year. Senator Bourne said again: I think that we need to do a temporary tax increase with the commitment to Nebraskans that we'll come back and get ahold of these costs that are growing beyond or out of control. Senator Don Pederson said July 1 of 2002, with a sunset clause...excuse me, the operative date is July 1, 2002, with a sunset clause effective July 1, 2004. In clearer terms, the bill is effective from July 1 of this year until July 1 of '04, when the sales tax returns to its current rate of 5 percent. And then finally Senator Bourne was insistent on adopting some sort of a temporary tax increase because we can't make enough cuts to get to a balanced budget; I think we need to adopt some form of a temporary tax increase with a commitment to Nebraskans that we come back in a couple of years and get hold of these expenses again, so that I think we need to adopt a temporary measure. The reason I bring all of those up, colleagues, is that there is institutional history that I believe we should stand beside. I believe commitments were made; I believe the public was told that this is a temporary tax. Some of you in this body today made that commitment. Now going back on that commitment is something we can all do, but it's a commitment nonetheless. I believe that a sales tax reduction of a half a cent is the most equitable to the most people in our state. Those that don't own property also benefit. Those that own property that is of low value, \$30,000 homes are not uncommon in every single one of your districts, you tell me how much money those people are going to get back on their property tax refund. Not very much; much less than the burger and fries that I was talking about this morning. I think it's reasonable that we continue discussion and, unlike some other members, I don't believe we should be in a hurry. I don't believe that. As Senator Friend has said so many times in the past, issues deserve fair and full debate on the floor of this Legislature, and I believe this is one of the, if not one of the most, important issues that we'll talk about this year. We shouldn't be in a hurry. I think all debate on both sides is open and welcome, and I look forward to that debate. Thank you, Madam President. [LB367]

# SENATOR McDONALD PRESIDING [LB367]

SENATOR McDONALD: Thank you, Senator Mines. (Visitors introduced.) Senator Langemeier, you are next. [LB367]

SENATOR LANGEMEIER: Thank you, Madam President, members of the body. Earlier in this discussion, before we adjourned for lunch, there was a reference back to some of yesterday's discussion, and I want to thank the transcribers for printing me yesterday's discussion. Senator Louden asked me a question, and the question was: On this property tax relief like this, where does Educational Board of Lands and Funds fit into the property tax picture, and Game and Parks and their wildlife management areas? If they pay in lieu of taxes and stuff, would they be entitled to this tax break? And my response was: No, with in lieu of taxes. If they do have a tax statement and pay taxes on the assessed value, they would get money back. You would get a tax credit back based on your assessed value. In lieu of taxes is in lieu of taxes, set in another form other than the right on the property tax statement. So I just want to make sure that's clear. The information that was given to you was correct. This does not affect in lieu of taxes, however, if it's a property that Educational Lands and Funds pays taxes on because they rent it out, they would get money back to the tune of \$300,000 a year. That money would then be used in Educational Lands and Funds. It would be then dispersed across the state to our students based on a per student basis, and it would be support for education. I don't think there's a problem with that. Madam President, thank you. [LB367]

SENATOR McDONALD: Thank you, Senator Langemeier. Senator Louden, you are next. [LB367]

SENATOR LOUDEN: Thank you, Madam President and members of the body. As Senator Langemeier mentioned, as he was trying to clarify statements yesterday, I think the question I was asking was, would Game and Parks and would the Bureau of Educational Lands and Funds benefit from part of this \$100 million? And the gist of the deal was, well, they didn't think so because if they were paying in lieu of taxes. What nobody said was that in 2001 the Bureau of Educational Lands and Funds has been set up that they pay taxes, property taxes, like anybody else. That wasn't mentioned. So the Bureau of Educational Lands and Funds will receive a break on that taxes, and it's about \$600,000 for the two years; \$280,000 in '08 and \$310,000 in '09. True that that...whatever they have left they put that much more into state apportionment, but it doesn't necessarily mean that this money will end up in the state apportionment because that's how your Bureau of Educational Lands and Funds, those funds they have they divide on your state apportionment, for those of you that have been on school boards, and that's divided up on a per pupil basis across the state of Nebraska. There again, if you're having this type of a tax, property tax, break, your urban commercial

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counties will receive more, accordingly, than your small rural counties that don't have commercial property and that rely mostly on agricultural property, because the valuations are lower. And they also have more population for your school systems to draw on your state apportionment because that's divided up on a per pupil basis. So I think the question is moot on that. The Bureau of Educational Lands and Funds will receive money and they'll receive about \$600,000 or so, along with your Union Pacific, your Burlington Northerns. And you want to remember that your telecommunications or your pipelines, all of those kind of entities that go clear across the state of Nebraska that are centrally assessed, will also benefit on that. So when you talk about a tax break, if it was for you people that were campaigning and talking to these elderly folks that wanted something done about their property tax, this isn't the answer. The only salvation on this is probably if you could get Senator Chambers to take it to the Supreme Court and have it declared cruel and unusual punishment because this is about what it will be as far as any tax break for people in your lower income on fixed incomes, living in their own houses that cost anywheres from \$50,000 to \$120,000 that claim they can't live there. They will not get much of a tax break to make any difference. Those people that are buying houses, and it all goes through escrow, have no idea what their property tax is anyway because they...it's all considered in one payment and probably at the end of the year they'll get a spreadsheet to show that they paid so much property taxes and there could be a little line down there on there, \$160 or whatever it was. So that part is not guestionable as far as I'm concerned. That's just the way it is on that other...on that AM1187 yesterday. That's the way you want it, that's the way you voted, fine, I imagine we'll live with it. We'll probably be criticized for it, but it isn't the first time that the Legislature has been criticized on some of the things they've done. Now getting back to this sales tax deal, sure, they were supposed to lower the sales tax. This was before I got into politics, when that happened,... [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR LOUDEN: ...and if my memory serves me right, that sales tax increase did not get passed with the emergency clause, and so when that sales tax went into effect the summer was already over and you lost one whole summer of tourists, people going through, so I think at the time you dug yourself a \$55 million hole before it ever got into place. It was handled very poorly. If it had the emergency clause on it, they would have probably gotten more revenue early on. So if we're going to give a tax break then let's do it with a sales tax cut. We can't do them both. It's going to cost too much money. But on the other hand, when you raise this school lid, leave it at \$1.05, that's going to increase property tax. So what little you give them back with your property tax break, if you leave that at \$1.05 I question whether there's going to be any significant reduction in property tax. If you really want to do it, drop your... [LB367]

SENATOR McDONALD: Time. [LB367]

SENATOR LOUDEN: ... your school down to 95. Thank you, Madam President. [LB367]

SENATOR McDONALD: Time. Senator Mines, followed by Fischer, Erdman, Hudkins, Friend, Heidemann, Langemeier, and others. Senator Mines. Senator Mines waives. Senator Fischer. [LB367]

SENATOR FISCHER: Thank you, Madam President, members of the body. I'm sorry that Senator Mines is off the floor. I had some comments to make about his earlier statements. He talked about legislative intent. I've read transcripts and, in fact, I enjoy reading transcripts of previous sessions to learn about how laws came about. what the consensus was, how that was developed on different areas. But for Senator Mines to talk about legislative intent and to talk about commitment of previous bodies, it's kind of sad that we only pick and choose. We only pick and choose when we're going to honor a commitment made by a previous Legislature. I can remember on school issues, on LB806, when Senator Bohlke was Chair of the Education Committee. Senator Withem was Speaker. And when LB806 passed we heard in this body, by the senators that were here at that time that school reorganization was done; that everything was taken care of. And I can see some senators that were here smile at me because that is what was said. I'd like to ask Senator Mines how he voted on LB126 because, in my opinion, that would not be honoring the intention, nor the commitment, of a previous Legislature. So when we talk about intent and commitment, maybe we also need to think about why do we even come to work every day. Because if we're going to follow what every other Legislature has done, if we're never going to make a change, if we're never going to adjust to changes within our society, within our state, if we're never going to adjust to changes that our constituents and the people of the state are asking us for, if we're never going to adjust to any kind of changes in this state on what we ourselves believe to be right and true, then why do we even convene in January? Because there would be no need to change any laws. You know, that may not be a bad idea. I have a number of constituents who in the past have always thought every time the Legislature convenes they cause us more trouble than it's worth. We have an obligation to address current situations and we have an obligation to address needs that we see now. I do not support this amendment. With that, I would yield Senator Heidemann the rest of my time. Thank you. [LB367]

SENATOR McDONALD: Senator Heidemann. [LB367]

SENATOR HEIDEMANN: How much time? [LB367]

SENATOR McDONALD: Almost 2 minutes. [LB367]

SENATOR HEIDEMANN: Thank you, Madam President. I just want to put forth, we got before us an idea and actually I don't believe it's a bad idea, sales tax. It was something that was raised back when times were tough. It's probably the only tax that we haven't

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gone back and undone. But it's just an idea and I can't vote for an idea. I need to vote for a plan and right now we don't have a plan. And I wish Senator Mines or Senator White...okay, I see Senator White. I would like to know what the plan is, if Senator White would yield. [LB367]

SENATOR McDONALD: Senator White. Heidemann, you have 1 minute. [LB367]

SENATOR WHITE: Thank you, Madam President. I would yield. I would tell you the plan is going to be developed through the floor, but one that I like is modifying the property tax to limit it to residencies which will, for all Nebraskans, farmers or otherwise, make the number more realistic. If we did that, the estimate we're dealing with right now at the same \$100 million level would be about \$235 per homeowner. Then I think we still have enough cash left, given the new projections of economic activity, that we can realistically also add a quarter-cent sales tax. You want a plan. That's what I like. Right now people are working on it. It's not just being difficult. It's seriously looking at trying to make things meaningful. Is that perfect? No, but it's something we're working toward. [LB367]

SENATOR HEIDEMANN: And at least we're starting to talk about a plan, but the thing that I would want to point out is that plan had been brought to us before... [LB367]

SENATOR McDONALD: Time. [LB367]

SENATOR HEIDEMANN: ...and we decided that it wasn't a good plan. [LB367]

SENATOR McDONALD: Time. (Visitors introduced.) Senator Hudkins, you are next. [LB367]

SENATOR HUDKINS: Thank you, Madam President and members of the body. I will not be voting green to reconsider this particular amendment. First of all, this morning we heard about Ted Turner and how much money he was going to be getting back and how much the UP was getting back and it was just obscene, those numbers of money that these people were getting back. Well, who pays the property tax in the first place? It is the Ted Turners, it is the UP, it is the landowners. If you look at what Ted Turner buys on his ranch: wire--he raises buffalo, you know, and you don't do it with cheap wire; great big posts at, I'm guessing, \$20 apiece for a creosote 8, 10-foot post; the equipment; the stock wells. And how about the labor that he hires? All of that money stays in that community, so don't tell me that Ted Turner is getting too much money back. Don't tell me that Union Pacific shouldn't be getting that money back either. Look at the people that they hire. That money stays in the state. You know, five years ago this amendment would never have come up or it would have been soundly defeated immediately because this was a bill, LB608, from last year...or from this year, I'm sorry, and it was beat, it was IPPed, it was defeated. Always before, we let the committees do

their work, and if a committee killed a bill we said, well, that's why we have the committee process. If we're going to not let the committees do their work, why have committees? Why not just bring everything to the floor and hash it all out? Well, folks, that's why we do have the committees, because they have the expertise, they have the people come in and tell them why this is or is not a good bill. And it wasn't. They killed it. As Senator Fischer also said this morning, by decreasing the sales tax a half a cent, it's not going to be that big a deal for individuals. I like examples. I like stories. If you would take, oh, let's say that you have...you're really a fat cat. You have \$1,000 a month in mad money. You can just spend that for whatever you want, and of course you're going to pay sales tax. Well, if you do the math, it's going to be \$5 a month, 5 times 12 is \$60 whole dollars a year that you're going to save on this sales tax. If you only have \$200 of discretionary income, you're going to get back \$12 a month (sic). That's not enough to go out with your family for burgers and fries. If you're going to give tax relief, let's...and we're giving it proportionately, Senator Mines or Senator White says that this is a half a cent for everybody, that's true, but 8 cents decrease in your property tax is the same for everyone as well. So I will not be supporting this. I don't think that it's the right thing to do and I don't know if I'm repeating myself now or not, but Senator Fischer said that this would in fact be an increase to property taxes because the half a cent... [LB367 LB608]

#### SENATOR McDONALD: One minute. [LB367]

SENATOR HUDKINS: ...raised on new car and truck purchases goes to cities and counties for roads. We all want roads. And if we take away \$14 million, where are they going to make it up? So I would urge you to not do this. And also, just a little sidelight, since this was a bill and it was indefinitely postponed, it is going to take, according to the rules, 30 votes for it to be advanced. Thank you. [LB367]

SENATOR McDONALD: Thank you, Senator Hudkins. (Visitors introduced.) We will continue with discussion. Senator Friend. [LB367]

SENATOR FRIEND: Thank you, Mr. President, members of the Legislature. Excellent, let's continue the discussion on sales tax, a sales tax that I've already mentioned is totally dysfunctional. Here's some proof. We mentioned this yesterday. What are we removing from this revenue package? It's not a quiz. One of the pieces is a sales tax on construction labor. People freaking out three years ago when that was implemented. We have to ask ourselves a question: Why was it implemented? Because we have a sales tax system that allows for the appropriate manipulation by politicians to try to generate short-term or possibly it could be argued even long-term revenue. Our tax system functions, simply put, in this manner. The most effective tax that we have fundamentally is our income tax. We can forecast. We know what we're going to get. We can see it coming. It's just easy to predict. Our sales tax is extremely difficult to predict. Nebraska sales tax is imposed upon the gross receipts from all sales, leases, installation, application, repair, or maintenance of tangible personal property; the gross

receipts of every person providing or installing utility services; the gross receipts of retailer...of retailer, of intellectual or entertainment properties, and it goes on and on. The state sales tax rate is 5.5 percent. Senator Mines stood, made a pretty decent argument that it's a fair tax. I would submit to you that our sales tax system is messed up, it's not fair. It doesn't matter the fact that I can turn around and I know that the person next to me is going to pay the same amount. All you have to know is you can avoid it real easy, and all you have to know is that you better be careful if you're an architect or an attorney or anybody else because you're going to get hit next. All we have to do is say, hmm, 49 people thinking we don't have enough money to make our budget requirements this year, let's go out and let's go make sure we get...nail those trial attorneys. I didn't get a chance to count them all. I have here the Nebraska and local option sales tax and use tax, Section A--we can go out and look at it--the Nebraska tax expenditures report. There are over 100 exemptions. And we're talking just products, commodities, not services, over 100 products exempted that are exempt from our sales tax code. Oh yippee, that sounds fair to me. I said this the other day, and Senator Mines, like I said, he did a halfway decent job--this is the fairest tax we have. Senator Chambers came up here, promoted that the sale tax is fair, it's just too high. I think that's what I'm hearing. Not only is it too high, it's not fair and it's dysfunctional. It's as simple as that. I said this once, I'm going to say it again, and I'm going to go get Senator Redfield and talk to her about this. She had a proposal and, boy, you should have seen the lobby flip--2.5 percent across the board, that's what we're going to tax them. That's what the sales tax...that's what the sales tax code is going to read. Isn't going to read 5.5 percent anymore; it's going to read 2.5. [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR FRIEND: And everything that can be considered a product under this definition is taxed. That's a fair tax. And the rate would be halfway fair too. Look, we're stepping on mice and there's elephants stomping over our head. That's what AM1196 is. And now we're reconsidering it? We're jumping around this floor, stomping on the mice, and there are rhinos and elephants running over our head. That's what we're doing. My point from the very beginning, the very beginning of this, has been--and Senator Harms, he would join hands with me, I believe--if we're not going to fix it, why bother? We're not fixing this. All we're doing is setting up...all we're doing is setting up future Legislatures to step back and say, you know, we have an opportunity here, let's crank it back up to 5.5 because we need the money. Until we deal with this here, this stuff, we're not even going to get all the mice. [LB367]

SENATOR McDONALD: Time. [LB367]

SENATOR FRIEND: Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Friend. Senator Heidemann, followed by

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Langemeier, White, Gay, Chambers, Pirsch, and others. Senator Heidemann waives. Senator Langemeier waives. Senator White. [LB367]

SENATOR WHITE: Thank you, Madam President. One of the things that has occurred in the process of this, we asked the Revenue Department staff what would happen if we limited the tax break to just owner-occupied residences, and they said if you kept the money at the same amount--the \$100 million, roughly--and you did that on a home that is worth \$100,000, the tax credit now moves from \$80 to \$235, and that's a best estimate. That is an estimate. That, at that point, is really (inaudible) substantial. And Senator Heidemann said, well, that's your old bill. And I said, no, absolutely it's not. My old bill would have returned that directly to the taxpayer. One of the things I still would not like about this bill, but I would accept as a compromise, is that this money would go into the accounts of the counties, the cities, school districts, community colleges. It would not go right back to the taxpayer. But the \$235 may be sufficient to actually tell somebody we made a difference. It's ... now it's a steak a month, I think, and maybe a glass of beer, rather than a hamburger and a Coke, and that may be enough. And I think that's a substantial development. I think, as a matter of policy, that we need to do is look at whether or not that is a better compromise, a better package for our constituents than taking a lot of this money and shoving it out of the state. I am told that today the largest homeowner in the world is the McDonald's Company, the hamburger stands. The food franchise stands pay an enormous amount of taxes and, as Senator Louden so properly noted, this bill will disproportionately reward counties with high values. Corporations with big skyscrapers in my hometown, the big corporations that own the fast food chains that are across our state, the big gas companies that own gasoline stations, they will take far too much of this tax break. Now I do understand and appreciate those that say, well, they pay far too much of the property tax. I do appreciate that and understand that. But I also would note that the money that's coming for this relief is not coming from excess property tax. It's coming from an excess of sales and income tax. This is money that was contributed by the working men and women, the middle class men and women of the state of Nebraska, and it should go back to them. And when we have the opportunity, we should target it so it goes back to those who live here. It should also go back to those who, if they hope to live here and stay living here, will most feel the relief. And, yes, to the extent that I can be accused of being responsive to my constituents, I'd like it to go back to my constituents. If I have a choice and we only have so much money and I have an opportunity to return money to the citizens of Dundee and Benson as opposed to Ted Turner or the huge corporations of McDonald's and others that will take it out of the state, I can return it to my constituents with a very clear conscience. Now that has been described as pandering. I would call it listening to my constituents and responding to their wills. [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR WHITE: They did not elect me to be their super mommy or their super daddy

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or their nanny. They elected me to use my best judgment, but also expected me to be responsive to their legitimate concerns. I believe that this amendment improves the bill and is more closely in accord with their wishes. Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator White. We have Senator Gay, followed by Chambers, Erdman, Stuthman, Schimek, Mines, and Louden. Senator Gay. [LB367]

SENATOR GAY: Thank you, Madam President. As we discuss this sales tax, I agree some of it is fair, but as I looked on the Revenue Department's web site and counted up some of the exemptions that are on the sales and use tax...sales tax, 70...there's 77 right now, anything from aircraft fuel to storage, irrigation fees. How is that fair when we have these exemptions that were put in place over the past years? We removed one in the tax package, but there are many. I can't even count up the amount of dollars here. It's a lot. I would assume, if we're going to do this and we want to make a cut, let's find something in here on these exemptions and remove some of these to pay for it. I haven't heard that, but I think there's plenty here that we could look into and maybe get rid of to help pay for this. So earlier today I was discussing with some colleagues that, you know, there's a time and a place for some of these things. Right now we had, again, a compromise, a good package. We have it and we need to...we can discuss this, fine, but I still think we need the offsets. And I still haven't heard from anybody where those are coming from. So until we start talking, where we're going to make this up, I don't know why...I mean, we can discuss, discuss, discuss this situation and these taxes but where are we going to make it up? Right now this would be just making the cut, and we have to come back and reconsider what we just did. I still don't see the direction of where we're heading here and, like I say, being new, I want to see somebody come up with some ways that we can have some savings and efficiencies all along, or show me the offsets. But I guess it's easy to...we're going to go cut, cut, cut. I might bring an amendment to cut another \$100 million. Let's do it a cent and a half then. I mean if we're just throwing numbers out here. This is just... I mean, we keep discussing, but let's look into some of these exemptions then. And I don't...it's fair? How can this be fair? Fuel for use in aircraft, that's a \$6,520,000 exemption. I mean it just goes on and on. So if you go to Department of Revenue's web site, which I'd encourage you to do, and start looking at some of these things, I think this is something that we could probably look at in the coming years ahead or right now, if we want. But I'd just say if we're going to have cuts, let's be responsible on where we're going to make these up. Either we cut the budget, which maybe that's where we're leading to, but I still haven't heard. I haven't got an answer yet from anybody on that. When I ask, point blank, where are we cutting, what programs do you want to cut, I haven't heard anything. And if I start hearing some legitimate programs to cut then I'll...let's consider this. But I still don't hear that and we're going to discuss this, continue to discuss this. The compromise was reached, I thought, yesterday, and this had discussion. We just voted to...when we called the question; now we're going to continue to discuss. That's the rules and that's what we live by, of course, but there's a certain point where I think if we're going to do this, let's get more specific

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on where we're making this up or have a realistic expectation of the programs we're going to cut. And I haven't heard that and I'm waiting for somebody to tell me those things. We've asked several times. Senators have been asked, what do you propose to cut to make this up, and I still haven't heard that answer. So as we continue to discuss this, until I hear that answer, I'm not willing to support this. Thank you, Madam President. [LB367]

SENATOR GAY: Thank you, Senator Gay. Senator Chambers. [LB367]

SENATOR CHAMBERS: Madam President, members of the Legislature. I listened very carefully to what Senator Gay said and, Senator Gay, there was a song and this person who was being a character in the song was trying to find a remedy, so the question was put something like the way you've put it to the body, except it was answered this way, and I'm not going to sing it. He said, get rid of that hacking cough (coughs), that runny nose (sniffs), that sneeze, ahchoo, that wheeze (wheezes), and other miseries; take the wonder drug to cure all your ills; get Jeremiah Peabody's polyunsaturated, quick-dissolving, fast-acting, pleasant-tasting, green and purple pills. Well, you have the fever? I've got the cure. You said you want some setoffs. That's exactly what I'm going to offer, not at this point, because my amendment is not before us. But Senator Gav is fair in saying if money is to be added, and I use that word advisedly, if there's going to be a tax cut which will take a certain amount of money from the treasury, where is the offset or the money coming from that will restore what the tax cut is going to subtract? When my amendment comes up, and I'll do that, Senator Friend made me realize that something I said may have been misconstrued. When I talked about everybody being equal before the sales tax, what I meant was everybody has to pay the exact same rate regardless of ability or inability to pay, so what is called equality really imposes the greatest injustice. There can be a law, as I said the other day, which by the words it uses can be considered very fair. But because of the way it is applied it is patently unjust. That's the way it is with the sales tax. You can say everybody pays the same rate, and on its face that sounds not bad. But when you apply it to the people who are actually going to pay, you see that by charging the poorest person the same rate as the richest person that tax, which on its face sounds all right, it grossly unjust. So for the "Parson" today, I'm not going to try to blend with Friend, I'm not going to be crowding Louden, but I'm going to offer something to the "Parson" straight from the book so he won't think that I'm misstating or adding to it, as on occasion I might do in trying to fill in what the writers of the book left out but which I know should have been there: And Jesus sat over against the treasury and beheld how the people cast money into the treasury, and many that were rich cast in much, and there came a certain poor widow and she threw in two mites, which make a farthing. And he called unto him his disciples and saith unto them, Verily I say unto you that this poor widow hath cast more in than all they which have cast into the treasury for all they did cast in of their abundance, but she of her want did cast in all that she had, even all her living. Jesus was making a point, but I will apply it to what the sales tax does. It will take all that a person who is poor may

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have, even all of his or her living. The rich people always have plenty of money left to spend on whatever it is they choose,... [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR CHAMBERS: ...but the poor people will have every penny, every nickel they spend taxed at a rate of 5.5 percent, not adding what a local government may have put on by way of a sales tax. Rich people don't have all of their income taxed at 5.5 percent, everything. Somebody might say, yes, they do, but they know how to get breaks of every kind and variety. This sales tax is unfair and I'm going to continue to support a reduction in the sales tax in whatever form an amendment comes. If those particular amendments are rejected, we will eventually get to mine, which I'm having redrafted because there were changes in LB5...or 380, what are we on, LB367? There were changes, so as drafted it was not plugging in, in the matter that it should. [LB367]

SENATOR McDONALD: One...or, I'm sorry, Senator Chambers, time. [LB367]

SENATOR CHAMBERS: I'm sorry, too, but I forgive you. Thank you. (Laugh) [LB367]

SENATOR McDONALD: Senator Erdman. The question has been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye; all those opposed vote nay. Yes, Senator Erdman, why do you rise? [LB367]

SENATOR ERDMAN: Madam President, I'd request a call of the house, please. [LB367]

SENATOR McDONALD: The request is to place the house under call. All in favor vote yes; all those opposed vote no. Record, Mr. Clerk. [LB367]

CLERK: 26 ayes, 0 nays, Madam President, to place the house under call. [LB367]

SENATOR McDONALD: The house is under call. Senators, please record your presence. Those senators outside the Chamber return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Senator Fischer, Senator Nelson, would you please check in. Senator Fischer, the house is under call. Senator Fischer, the house is under call. Senator Fischer, would you check in, please. All members are accounted and present. Senator Erdman, how would you like to proceed? [LB367]

SENATOR ERDMAN: Madam President, I'd authorize call-in votes, please. [LB367]

CLERK: Senator Burling voting yes. Senator Fischer voting yes. Senator Mines voting no. Senator Avery voting yes. Senator Janssen voting yes. Senator Cornett voting yes. Senator Louden voting yes. Senator Karpisek voting yes. Senator Adams voting yes.

[LB367]

SENATOR McDONALD: Record, Mr. Clerk. [LB367]

CLERK: 26 ayes, 6 nays, Madam President, to cease debate. [LB367]

SENATOR McDONALD: Debate ceases. Senator Mines, to close. [LB367]

SENATOR MINES: Thank you, Madam President. Members, you see we're asking for reconsideration of the amendment. I appreciate your attention. I know that we're all getting a little anxious to move something, but there is a lot more to this story and I think we do...a lot of people want to move this along very quickly and, frankly, some of us don't. And we're not in a stalling pattern. We're...I think we're in a reasonable position to negotiate what some of us don't believe is fair to all Nebraskans. That's why I called for the reconsideration. That's why we've had great debate on it and I look forward to more discussion, more ideas. Madam President, I will withdraw my reconsideration motion. [LB367]

SENATOR McDONALD: There's been a unanimous consent request. Any objections? So ruled. We raise the call. Mr. Clerk, do you have a motion? [LB367]

CLERK: I do, Madam President. Senator Mines offers a priority motion. He would move to bracket the bill until May 10, 2007. [LB367]

SENATOR McDONALD: Senator Mines, you're to open on your bracket motion. [LB367]

SENATOR MINES: Thank you, Madam President, colleagues. Let me bring you up to speed on where I believe things are today or at this point. There is a majority of this body that believes that LB367 is probably in proper form to move forward, I also believe that there are, oh, 18 maybe of us that don't believe that. And it appears that there is no room for negotiation at this point. I hope that there is at some point. There's been discussion about limiting the property tax refund to homesteads only and I think Senator, oh what's his name, White (laugh) has discussed that and showed that those homeowners would receive substantially more than originally projected. We've also discussed some other provisions, but there is no movement at this point. I am fully prepared to take this to a cloture vote and, frankly, ladies and gentlemen, I don't think the votes are there to cloture. I look forward to more discussion, more ideas from the body. We all in this room are trying to do what's right for Nebraskans. Some of us have different ideas about what's right; some of us are willing to negotiate, and I look forward to the opportunity to those negotiations, look forward to any thoughts. This is a clumsy way to make Revenue Committee policies and procedures, but it is the only way available to us today. I appreciate your consideration, your patience, and look forward to your input and thoughts on what might be best for your constituents and mine. Thank

you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Mines, for opening on the bracket motion. Next with the debate is Senator Stuthman, followed by Mines, Lathrop, Erdman, and Chambers. Senator Stuthman. [LB367]

SENATOR STUTHMAN: Thank you, Madam President and members of the body. I haven't been engaged in the conversation discussion at all today on this, but I want to bring up some of the facts, and these facts have never been discussed, and it is the facts about if we lower the sales tax that half a percent that was put on several years ago, I believe in 2002, and I want to direct my comments to Senator White. If we lower that to my county of Platte County, that is a \$300,000 amount of money that our county of Platte County will not be receiving of that portion of that sales tax, of that half-cent sales tax. And that portion of that goes to the communities, the county highway department for road and infrastructure. So in my opinion, that \$280,000 to \$300,000 is a direct property tax increase. What did everybody hear on the campaign trail, and I think Senator White really expressed it--property tax relief. If his sales tax portion of it would have been passed, that would have been a direct property tax increase, and I think we need to be careful, you know. What are we doing and what are we asking for? I just have a real problem with that. And I'll agree with Senator Heidemann, we need to have a plan. We need to have a plan and have a plan in place. I think... I think the lowering of the sales tax perception, it sounds good, but in reality it's not the direction to go. The direction to go is for a property tax relief. The only way that the state can give a property tax relief, which I have expressed many times, property taxes are assessed locally, collected locally and spent locally, the only way that we as a state legislative body can give property tax relief is through assistance to communities and counties and to schools. Thank you. [LB367]

SENATOR McDONALD: Thank you, Senator Stuthman. Senator Mines. I don't see Senator Mines. Senator Lathrop. [LB367]

SENATOR LATHROP: Thank you very much, Madam President and colleagues. I've not yet spoken on the bill before us, nor the amendment that we had a few moments ago on sales tax, and I do want to be heard on it and I have to tell you that I'm surprised that we haven't started this discussion by making good on a promise that we made to the people years ago to give them back this sales tax increase that we took from the people when things were difficult. When the state was against...we had our back against the wall financially and we had to make an increase, people stood in this Legislature and said we will raise the tax, it will be a temporary measure, we'll bring it back down when times are better, and it strikes me that that should be the place where we start this discussion and not where we're trying to scratch and claw to bring other members around to make good on a promise we made to the people of the state. We are not pandering to people in the state of Nebraska by allowing them a sales tax break in this

package. That should be the first step. Senator Friend and Senator Gav have suggested that we should not make modifications to the sales tax because there are 70-some exemptions, and I got to tell you that strikes me as a ridiculous...a ridiculous argument. To say that we can't talk about a promise we made to the people of the state of Nebraska years ago, before many of us served here, because there are several exemptions to sales tax is silly. But my suggestion for Senator Friend or Senator Gay is, if they don't like those exemptions perhaps they could draw up an amendment now and we could talk about them. But my guess is the very same people who want the repeal of the estate tax are going to ring their phone off the wall when they try to take some of those exemptions away. Those exemptions are there for a reason. Maybe they should be; maybe they shouldn't be. But to suggest because they are there that we can't provide sales tax relief to the people of the state of Nebraska is absurd. The sales tax, Senator Hudkins gave an example earlier about the sales tax and what kind of relief people will get, and she suggested that someone who's a fat cat with \$1,000 a month in discretionary spending would receive X number of dollars in sales tax relief, and perhaps if you made...if you only had \$200 you'd have a lot less, \$200 of discretionary or mad money, that you would only have just a few bucks worth of sales tax relief. I have to tell you that you're missing the mark and you don't understand the people that this relief would benefit. These people, we're not talking about giving them sales tax relief off of expenditures on boats and golf trips. This is the things that they buy in the grocery stores, the things they buy in the market. About a year ago, when I was running for the Legislature in the primary, Ralston was considering whether it should have a sales tax or not. They had primarily run the city off of keno proceeds and that revenue source was starting to dry up. And I can tell you that the merchants in Ralston were very concerned about what a sales tax would do to purchases; that people buy less when there's a sales tax, so providing sales tax relief helps to make products more affordable, whether they're big ticket items like durable goods--washers, dryers, those kinds of things, automobiles--those are the kinds of things, the things not... [LB367]

# SENATOR McDONALD: One minute. [LB367]

SENATOR LATHROP: ...not discretionary expenditures but everyday living kind of expenses that people need help with, and they're going to be able to purchase more if we lower the sales tax. And so I would support a reduction in the sales tax as part of LB367. Thank you. [LB367]

SENATOR McDONALD: Thank you, Senator Lathrop. Senator Erdman. [LB367]

SENATOR ERDMAN: Madam President, members of the Legislature, I appreciate Senator Mines's attempt to keep us discussing it. I noticed there are nine additional amendments filed. I don't believe that there will be a lack of discussion to some of those alternatives that Senator Lathrop asked us to file. There are alternatives filed, but we're being precluded from discussing those, and that's fine because I don't know that we

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actually want to discuss those or, more appropriately put, I don't know that they're actually intended to be adopted, just like the last amendment that was before us. I think it's designed to take time and Senator Chambers would tell you time is on his side, and we'll be here till midnight or 11:59, whenever you guys decide to go home, because we have that schedule this evening. I went back and looked at the transcript of LB1085 that Senator Mines had and I think he did a fair job of reflecting the testimony that was here my second year in the Legislature, but what was ironic is that the quote that really popped out at me was the one that came from somebody who voted against LB1085, and if you listen to reason at the time you would have heard this, and it says: I don't have any faith that those are going to be temporary. That was from Senator Quandahl. So there was a reality at the time about what the perception was going to be, right or wrong, but there were people that said exactly what some people are saying today, that you give them a spoonful of sugar and they'll swallow the medicine. Well, the medicine was swallowed. A previous or a preceding bill came after LB1085 that actually made the sales tax increase permanent. LB1085 had a temporary component. The decision to make the taxes temporary or permanent was done at a convening legislative session. So if you were here and you voted for LB1085, I would still argue that you had that obligation, but I would also say that you've already violated that obligation at least once. But things change. We can have the discussion. We can bracket the bill. We can try to find a compromise. We can try to do only what one member wants at the expense of the committee. If a motion for cloture is offered and it fails, there will be no tax relief unless you can come up with a proposal that will get 33 votes, and maybe that's what some of you want. Is there a better way to do tax relief in the state of Nebraska? Sure. Send out a poll. Ask all 49 senators what they would want. Senator Chambers wants sales tax relief. He's nodding his head. He probably doesn't want much more than that. Maybe there's some areas that he would prefer. Senator Friend wants an income tax relief. I mean you can go down this list and do that. And the hard part about this process is, is that everybody has to feel like it's an appropriate mix, because one person isn't going to get their way. And the comments about why AM1196 was not adopted, it wasn't because people weren't keeping their word in previous Legislatures, I would argue; it wasn't because people don't understand the application of the sales tax. I voted against it because there was no viable alternative to make it work. And if you want to offer amendments so that you can run for some other office, or if you want to make amendments to make the Legislature look bad, go for it. But if you want them to be adopted and you want it to work, provide us the alternatives. I understand there's folks meeting right now to try to find an alternative. I think that's fantastic. If we need to talk all afternoon to get them to come up with something that gets the majority vote, fine. We've spent 14 hours on a bill that 42 of us would vote for to get a sign amendment,... [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR ERDMAN: ...14 hours so that we can say, here's your sign. We gave him his sign. If we need to get somebody a sign, metaphorically speaking and not Bill Engvall

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speaking, then let's work to find that solution. But the sincerity in which an amendment is offered has to be reflected in the reality that it applies to our budget. When I have offered amendments to the budget, if the amendment would have been adopted it would have balanced the budget. If I voted against tax increases in the past, I offered an alternative to cut to make it balance. If you're going to offer us an amendment on the floor that doesn't balance the budget, you've only done half the job. It's incomplete. It's inappropriate. If you have an appropriate alternative, I didn't even say I was opposed to lowering sales tax, I was opposed to not having it work. We await the arrival of that plan. Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Erdman. Senator Chambers. [LB367]

SENATOR CHAMBERS: Thank you, Madam President. Members of the Legislature, if I'm chafing over anything it's the rapidity with which that budget package flew through this Legislature. People weren't looking at the huge amounts of money in that budget, those bills taken as a whole, so we are stuck on this particular bill. People can grasp it, but that day I was not available. But what I was giving my time to did produce fruit in terms of what the Nebraska Supreme Court did vesterday. There are things in that budget that needed more analysis, more evaluation, more justification, and maybe we would have wound up with the same thing, but none of those responsible actions were taken. So here we are now and people are saying, where are we going to cut, what are the bills designated as where cuts can occur? The budget bills, where are they? Gone. Who sent them over there? You all did. And now you say, what are we going to cut? Well, that which can be cut is gone. You sent it away. Now you're upset because something is not here to cut. Senator Mines had given it as his opinion that there won't be enough votes to invoke cloture. Why should you even think about that? You want to rush off this bill to get something else? Then I will make you vote cloture for the rest of the bills we got on the agenda today. We may as well play hardball now, and some of you all think that I am too old, that I'm too tired, that I will guit. Once I decide to sink my teeth into something, I will not remove them. And you all will leave before I will. You are the ones who will be fleeing to your offices, running in there to be fed by the lobbyists, but I won't. I won't get a drink of water. I won't run down to my office. I won't be in there with my feet kicked up. I will not be taking a nap somewhere. I won't be dragging around here like somebody who superannuated. You all, when you got things your way, you feel good and strong, and the budget bills were basically what the Governor wanted, and he's running through this Legislature. And that's why he might tell people, if you don't give me what I want on that education bill, which is what the superintendents want, I will veto every school bill that comes through the Legislature. And you all start shaking and trembling and saying, Governor, what do you want? I will fight him. And if you vote for cloture on this bill, know what you're doing. Take me up on it. But remember, brothers and sisters, if I stay here till 11:59 you will be here too. And how many days running can you do it? I have demonstrated session after session after session that I am here. When they were having the Salem witch trials, false accusations were made

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against people and the one case that sticks out in everybody's mind who has read about those trials involved an elderly gentleman who is accused of being a witch, and he was not. And no matter how much they pressured him, they were not going to force him to plead guilty to something he was innocent of. So they stretched him spread-eagle in the way that Christians know how to inflict pain. So they started piling stones on him--do you confess? And not a word. Then they brought enough stones so his rib cage would probably collapse and they heard something being said, and great joy came upon the "Chrishians" because they were forcing him to say what they needed him to say. So this head demon,... [LB367]

### SENATOR McDONALD: One minute. [LB367]

SENATOR CHAMBERS: ...known as a preacher, put his ear down there and said, what did you say? And you all know what the old man said--more weight. In other words, do your worst, put more weight on me, test me, see if I'm blowing smoke, see if I'm shooting blanks, see if I'm bluffing. How much does every one of these bills mean to you? You'll vote cloture on every bill on the agenda? Fine. You put me to the test; I will put you to the test. (Singing) You got to know when to hold 'em, know when to fold 'em, know when to walk away and know when to run. So when are you going to run? You going to run now, or are you going to wait till 11:50 and decide you're going to run and then look back and say, I should have run at 5:00? This bill is important, the issues are grave and we should not run away from this bill. Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Chambers. Senator Stuthman, followed by Friend, Erdman, and Chambers. Senator Stuthman. [LB367]

SENATOR STUTHMAN: Thank you, Madam President and members of the body. Another thing that I want to discuss this afternoon is the sales tax on the remodel and reconstruction, the labor portion of that, that was put on the first year that I was here. It was first put on residential, and then when the residential portion of that was taken off last year it was placed on what was exempted out of the bill at that time and that was put on the commercial. And that's in a portion and I think there is an amendment filed on that portion of it, and I'll discuss that later at that time. The thing about it was, when we started on that, trying to raise money for the state of Nebraska when we were in some tough times. And the first attempt was to put a sales tax on services on attorneys, CPAs, contractors, and several other ones, and it was fought very hard by guite a number of those groups. And it appeared to me that the ones that ended up having to pay the sales tax was the weakest link, and the weakest link was the ones, the group that did not have the funds behind them to fight that portion off. So I think we did a good job last year of taking that off, and hopefully we can continue and get the other portion of that off. But I want to bring up another issue, another issue that hasn't been brought up. It probably should have been brought up on the budget portion of it but it's a responsibility of the state that was put in statute in 1998 and it was county jail

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reimbursement. Yes, this year, in the budget, in the appropriations part of it, they're appropriating money to the cap amount, which is \$3.9 million. But the real cost of county jail reimbursement, two counties is about \$17 million. Seventeen million dollars is the obligation of the state. The state has never given complete county jail reimbursement, and county jail reimbursement is direct property tax relief. I would like to read a little bit of the transcript of when that took place and that would have been on January 28 of 1998. It was Speaker Kristensen with Senator Wehrbein, and it says: And this was an amendment that was filed, so this is an attempt to do many things in this particular amendment in that it clears up what constitutes a valid request for reimbursement. It sets the standard in the statute at this case at \$35. And then I want to continue on in the debate, and Speaker Kristensen recognized Senator Chambers. Senator Chambers: Mr. Speaker and members of the Legislature, once again the defector from the "Culture" Corner" has stolen my thunder. He touched, in the last part of his presentation, almost as an...oh, by the way, observation, one of the main things that causes me to be against this bill. I have absolutely no confidence in the prosecutors. I believe that counties will do any and everything they can to put their hands into the public till and they will sacrifice individuals to do so. They will argue that if the individual hadn't committed the crime, then he or she would not be here... [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR STUTHMAN: ...so we don't care about them. And he continues on, Senator Kristensen and Senator Pederson. Senator Pederson, would you respond please? This is the debate between Senator Pederson and Senator Chambers. Senator Pederson: Yes. Senator Chambers: In order that I understand what you stated, you had indicated, if I got it correct, that if a person is convicted, then the reimbursement period goes back to the day of when the person was arrested. Senator Pederson: That's correct. Senator Chambers: Now, it would run from the day that the person is arrested until the person is transferred to the correctional facility? Senator Pederson: That's correct. It is outlined in the transcript, the duties, the commitment of the legislative body. The legislative body has not fulfilled its commitment to the counties as far as county jail reimbursement. [LB367]

SENATOR McDONALD: Time. [LB367]

SENATOR STUTHMAN: Yes. Thank you, Madam President. [LB367]

SENATOR McDONALD: Senator Mines. Senator Mines waives. Senator Friend. [LB367]

SENATOR FRIEND: Thank you, Madam President and members of the Legislature. If Senator Mines takes a vote...I don't remember what he said...or I do not...I shouldn't say I don't remember; I didn't hear what he said about potentially voting on this bracket

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motion. If we vote on it, I'm voting to bracket the bill, simple as that, Sounds good to me. Because the disarray and chaos can just come to an end and then these people that are making plans in here can plan on bringing that thing back up. But frankly, I don't think anybody has the guts to take that to a vote. If they do, they're going to get my green, and I'll do it smiling and laughing. We spent four or so hours on appropriations. Everybody is a little concerned that it went through too guickly. It isn't done. It's not done. And maybe this makes up for it. I'm not frustrated that we're still on this. We want to debate, let's debate. Let's start right now. Senator Lathrop asked Senator Gay and I about a possible amendment that would add those exempted products that we're so concerned about into the mix. Process and procedure, right? That idea isn't changing sales tax rates. What I talked about isn't simply a move to try to impress a bunch of people and say, look, we lowered sales tax rates. It's not what it's about. That's tax reform. Here are the requirements and guidelines that you need for real tax reform, if you will. Oh, it's a bill, so you probably need a public hearing. That's a requirement actually. It should probably, most of the time, have enough votes to get out of that committee after you're done with the hearing. And then, you know, it needs enough votes to see it on the floor. Pretty simple, right? This sales tax reform idea I have, none of the above. It hasn't met any of those requirements because there wasn't a bill. Who will be the first one to stand up and say, I object, that hasn't had a public hearing? So apples and oranges. Debate number one, I win. I win. That's not a debate. That's easy pickings. I can go home at the dinner table and have a better debate than that. Funny, the bill that we were talking about most of the day, that died in committee, missed one of the key requirements. Everybody says, oh, we need to debate this for hours, hours, hours. Fine, I'm okay with that. But if somebody wants to cease debate or if somebody wants to go to cloture or anything else because we're arguing about a bill that got killed in committee, I think that's almost appropriate. Hey, by the way, 90 percent of the time I'm for cloture. I love the smell of cloture in the afternoon, so don't tempt me. Show me a cloture motion. Jump all over that like a... I don't know what. [LB367]

## SENATOR FISCHER PRESIDING [LB367]

#### SENATOR FISCHER: One minute. [LB367]

SENATOR FRIEND: What we're talking about here is appropriate process and procedure; that's all. But make no mistake, and people look at me funny, if this bracket motion goes to a vote, I vote yes, because guess what happens? This revenue package comes back on the agenda, if not on 5-10-07, it comes back at some other time. Maybe that will give all of these people who think that they have control over the state's wishes time to do what they need to do, while I waste everybody's time, including the pages on the floor, talking common sense. How about that? I don't know what they're talking about and I'm not included. Do I sound bitter? I apologize; I'm not. I don't know that I want to be involved in those discussions. What I think I'll do instead, if this sales tax thing passes, I'll come at you with my income tax, because that's what I like. And I

represent 33,000 people and, guess what, I will drive it down all of these money-makers' throats with a cloture vote. [LB367]

SENATOR FISCHER: Time. [LB367]

SENATOR FRIEND: Thank you, Madam President. [LB367]

SENATOR FISCHER: And thank you, Senator Friend. Senator Erdman, you are recognized. [LB367]

SENATOR ERDMAN: Madam President and members of the Legislature, that Kenny Rogers had some great hair. He still does, I think, the last I checked, but that refers to the song that Senator Chambers sang earlier about knowing when to hold them and when to fold them. We didn't send the budget anywhere. It sits in the same spot that this one does. And if we're going to spend this much time on this bill, you know we're going to spend that much time on the budget when it comes back up. Those of you that voted to advance the budget voted for a gas tax increase. I did not. There are things in there that we do need to look at. You're right, and we will. But sometimes it's fun to see what the Legislature will do without the guidance of others, and people were high-fiving each other in the aisle, saying we passed the budget in four hours and away we go. As I have always said since I have been here, General File is not Final Reading, and we'll have the chance to come back and discuss that. I'm wondering, Senator Friend, if you would like more time to speak common sense to the body. I'd be happy to yield you some time as it's available to you. I would yield my time to Senator Friend, Madam President. [LB367]

SENATOR FISCHER: Senator Friend, you have 3 minutes and 50 seconds. [LB367]

SENATOR FRIEND: Thank you, Madam President; thank you, Senator Erdman. I guess the big debate has started. Not really; I'm still waiting for it. Look, we can discuss this until, what do they say, Senator Wallman? Till the cows come home? What's the new term? It doesn't really matter to me. We can all take our pet projects, bring them out here. Senator McGill has got them; Senator Gay has got them; Senator Hudkins, I know, I know what they are. And some of them I like. But we talked about process and procedure earlier. Senator Synowiecki and I were talking earlier today. He's got some things he really likes. Sometimes we take the path of least resistance. We don't like it. It irks people like us. It makes us think that we don't have either the power...first of all, we have a little bit of ego. I think I have a lot. But I think there's some in here that would raise their hand, most in here that would raise their hand and say ego plays a part. Right? We don't like to lose. I'm a pretty competitive person and let me tell you, I don't like the idea that my ideas are not good enough for this state. I don't think anybody does. But does that mean--and this has to be clear--does that mean because I have that attitude and I take that personal and I get emotional about it, that I bring

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amendments and I try to pound those for whatever gain that I believe that I'm going to get out of it or that the state is going to get out of it. I know an income tax cut would be good for Nebraska. I know it would be good from a political standpoint. I know it would be good from an economic development standpoint. I know it would be good from an investment standpoint. Macroeconomics. Go back, ask Milton Friedman if you could, the gentleman passed away. The bottom line is income tax cuts works, and I don't see any of that here. And instead we've spent four hours talking about a measly sales tax cut. This isn't going to do jack. You want to give people a sales tax cut? Let's have somebody throw up a 2.5 percent and you watch me vote yes. I think that's irresponsible... [LB367]

#### SENATOR McDONALD PRESIDING [LB367]

### SENATOR McDONALD: One minute. [LB367]

SENATOR FRIEND: ...but I'll do it. You know why? Because I want to hear the people come back in and tell us, from the outside, can't do it, or how are we going to pay for our State Patrol? How are we going to pay for Corrections? What about our Health and Human Services Department? What about this, this, this, this, and this? Anything that we try to do in regard to revenue and in regard to cuts is going to make anybody in here look better. So if somebody steps back and says, well, how does this make me look in my district? You get done with a \$400 million tax cut package and you're wondering whether, oh, how is that going to look in my district? It's a \$400 million tax cut package. It's that simple. But we're arguing about what? A little bit confused. A measly half a percent. And now we've got a bracket motion and I hope he takes it to a vote. Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Erdman; thank you, Senator Friend. Senator Chambers, followed by Langemeier and Pirsch. Senator Chambers. [LB367]

SENATOR CHAMBERS: Madam President and members of the Legislature, what we're doing here today is necessary to be done. If you have a committee and you cannot get a consensus on that committee and the committee comprises eight members, so each member gets some of or all of what he or she wants. You've got eight discordant items. Senator Hudkins, I'm not talking about an octet where people sing their particular part and there is a concord of sweet sounds known as harmony. But we've got discord everywhere. But when it comes out on the floor, the body is asked to accept this discordant package which wouldn't even work in the committee, and the only way you get enough votes in the committee to send something out here is to give everybody something, but nobody wants the rest of what's in the bill. Then they're going to get offended when we don't accept what they don't want to accept? If somebody runs for a chairmanship, that's a voluntary thing. Nobody put a gun to anybody's head. Brothers and sisters, we are adults. We are grown people. And you are going to talk about

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feeling sorry for somebody? I don't feel sorry for Senator Janssen. Nobody put a gun up to his head and said, Senator Janssen, be the Chairperson of the Revenue Committee. He sought that position. He wanted it and he knows it's not an easy job. So what we get out here is a mishmash, a hodgepodge. It's chaotic. And now they want a cloture vote from the rest of the body to send something that the committee didn't even think was good, and 33 of you all are going to go for it? Senator Friend is going to jump on it because he's tired? Well, do it. This is how I make you all be very irresponsible. Just wear you down, then you forget everything you're supposed to do and you make foolish decisions because you're angry at the moment. Then later on you say, I shouldn't have done that or what are we going to look like or this doesn't make sense. It didn't make sense when it came out here, it doesn't make sense now, and it won't make sense if you vote cloture. I can't control how you vote on this but I can control how much time you're going to spend on other things. How far do you want to get on with the rest of this agenda? You know how much time I can take on LB305 but that's one where Senator Fischer probably feels she has got the votes to get cloture, even though the state officials in the Roads Department put their influence behind a road and overpass that went nowhere. And when I was asking Senator Fischer and others on this floor to name the person in the Department of Roads who is in charge of quality control, they didn't know and I acknowledged that I don't know. And when you talk about the lack of quality control, those who drive between Omaha and Lincoln every day can see where that widening project which is hardly three years old is being torn up because they used poor-quality material and the state is going to pay again, and Senator Fischer is going to get you all to take \$10 million out of the treasury and give it to that irresponsible Department of Roads, and you all are going to do it. Talk about sheep. You know what a man said? If you had a flock of sheep led by a lion, that flock of sheep led by a lion would put to flight a pride of lions led by a sheep. [LB367 LB305]

SENATOR McDONALD: One minute. [LB367]

SENATOR CHAMBERS: You all are not only sheep, you're led by sheep. Afraid of your shadow. This that we're doing is not going to be on you forever. In a month, you'll be away from here. Do the right thing and you'll feel good about it, but you're afraid while you're under this little pressure here. And what kind of pressure can they put on you? They're not going to take your job. They're not going to take your children. They're not going to take your house. But you're afraid that they'll look at you and don't like you. They'll look angry; their feelings are hurt because you all didn't give them what they want. They're grown people. They ask for these positions. And if the rest of you are not going to call them to account, I will. And unlike Senator Friend, I don't care if nobody likes me. Your like or dislike means nothing to me. If you like me, am I going to get more at the grocery store for...well, I don't have anything but keys in my pocket. But if I had a nickel, am I going to get more at the store for a nickel if you all like me? Am I going to get less if you don't like me? [LB367]

## SENATOR McDONALD: Time. [LB367]

SENATOR CHAMBERS: Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Chambers. Senator Langemeier. [LB367]

SENATOR LANGEMEIER: Madam President and members of the body, I think we've all seen where we're at kind of a stalemate maybe. There is a lot of discussion going on. I just want to talk a little bit about the Revenue Committee package and how it was created. The Revenue Committee came out with the committee amendment. We discussed it on the floor on General File, and we were told by the body that you wanted estate tax repeal. You didn't like the \$1.05 to \$1, so we made that adjustment, among others. This package has been tailored to meet the needs of this body more than any other bill I've ever seen. Do we all like it? No. I had the bill. I introduced the bill to go from \$1.05 to \$1. And to compromise with this body, I brought the amendment to take that out to please the body and allow for the full repeal of the estate tax. So compromises have been ongoing from the day this bill came out of committee to try and meet the needs, and the diverse needs. As Senator Erdman said earlier, the number of bills that came before Revenue Committee this year were horrendous. You know, there were tough times in 2001 when there was no money. Had a lot of cuts had to be made. I would almost argue that these times, when there is some money out there, that we want to dilute it down to a point where it means nothing to no one. I think is odd. Let's talk about cloture for those that are new to this body. If the motion goes for cloture, and we don't get it, this bill is essentially dead and there is no tax package to the tune of \$423 million--none. So everybody that's in the compromise is taking this very seriously to try and come up with a plan. But if it doesn't happen and you go to cloture, it's up to the Speaker's discretion whether this comes on the agenda or not. But in past histories, if we keep to that, this bill is essentially dead. So I'm sure everyone needs to be reminded what the consequences are if there aren't 33 votes and cloture is sought. I think that's very, very, very important that we all realize what cloture means. We don't do it lightly and you don't just do it every day. If it doesn't happen, the bill is dead in all relevant terms. Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Langemeier. Senator Pirsch. [LB367]

SENATOR PIRSCH: Thank you, Madam President and members of the body. I just wanted to echo what Senator Langemeier had said, that this, with respect to what may happen should cloture fail if it is pursued. And I can't emphasize enough the importance of tax relief to the people of Nebraska at this time and what a blow it would be to the body should we not bring about tax relief as we all promised we would this session, and I know that that is what they are waiting for. So I urge you to keep that in mind as we debate that, as we continue on here today and make very critical decisions. And with that, Madam President, I'd yield the balance of my time to Senator Friend. [LB367]

SENATOR McDONALD: Thank you, Senator Pirsch. Senator Friend, and your light is next, too. [LB367]

SENATOR FRIEND: Oh, thank you, Madam President, and thank you, Senator Pirsch. Look, members of the Legislature, if we're going to hijack this bill or if select people are going to hijack it, I would like to be involved. Can I? Can I have your permission to be involved in the hijacking of this legislation? Well, I wasn't on the committee; sorry, Senator Friend, you weren't on the committee. But I don't care. Sorry, Senator Friend, vou really aren't involved in the discussions. I don't care. Sorry. Senator Friend, we don't like your idea of income tax cuts. The Revenue Committee couldn't have really liked it that much because they're the ones that got rid of them in order to make this compact. So they didn't really like your income tax either. Senator Friend's answer: I don't care. I can...you know, I've never tried...I can talk for hours, Senator Chambers. Senator Chambers says he thinks I was getting tired. No, no, no, no. No, I could stand up...as a matter of fact, I think we're supposed to go late tonight. I'm going to...you know, my second wind doesn't kick in until 7:00 or 8:00. Au contraire, mon frere. I've said that before; that's French. Tired I will not get. Loopy? Maybe. I've never tried to hijack a bill. I've been here almost five years now; never tried to do it. And Senator White has done a pretty good job. I pat him on the back. I admire the heck out of what he's done. That being said, there is probably a reason that I haven't done that, that I haven't hijacked a bill. Two reasons. One is because I maybe wasn't as smart as Senator White when I maybe had opportunities a couple of years ago or thought that it would be a good time to do it a couple years ago. I didn't have the savvy, I didn't have the planning, expertise, whatever, so it didn't happen. The second thing is I don't think I have the attitude to do something like that, and here's what I mean by that. If we accept sales tax cuts and we do all these things, frankly, folks, I've spent almost a day and a half saying that I think we're barking up the wrong tree. So why shouldn't I start hijacking stuff? And why should I care, as Senator Chambers points out, whether anybody likes me. Evidently it doesn't make any difference, right? I like the fact that I think you guys don't think I'm a total mean guy. But you know what? [LB367]

## SENATOR McDONALD: One minute. [LB367]

SENATOR FRIEND: Maybe I can be and maybe I can hijack this bill and maybe I have just enough time because if we're not going to cloture it, like I told you, I'm more than willing to bracket the thing so the powers that be, if you will, can get together and make a final determination on it, or...or just set the thing aside, which to me it would be, by putting a sales tax thing in there. And I'll come right behind it. I'll come right behind it like an I-back following a fullback through the hole with an income tax cut. I already told you that and I will, and I don't care what it looks like because that would force a bunch of Republicans and Democrats out here--oh, gosh, God forbid, should we say that. Yeah, it would force a bunch of Republicans and Democrats out here, and Independents, to

make a decision as to what kind of tax cut they really like. I like income tax cuts. [LB367]

SENATOR McDONALD: Time. [LB367]

SENATOR FRIEND: Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Friend. Senator Chambers, and this is your third time. I'm sorry, I'm sorry, I'm sorry. Senator Friend, now you're on your time. [LB367]

SENATOR FRIEND: Thank you, Madam President. I don't know if I'll use it all. If Senator Pirsch needs some of my time he's welcome to have it. But I'm not tired. Are you guys bored? I don't have any problem...we laughed about the appropriations: Oh, it slid through; everything went so guick. Maybe this is appropriate; maybe it is. And I have said before, this is the appropriate battleground. Have you ever tried to go into an appropriations budget and say, you know what, let's cut here, let's cut here, let's cut here, let's cut here. Those cuts bleed and people...and frankly, there are people that say those cuts hurt. You attack it from the revenue side. My only point all along has been that when you attack it from the revenue side and when you're going to attack, based on the Marquess of Queensberry rules or parliamentary procedure or whatever you would like to say that you are going to attack under, there's rules and guidelines associated with it, and we've already slid past a lot of those rules and guidelines. Maybe we don't care and that's fine. But I think we do and I think when we step back we don't want to look like a bunch of pirates. We don't want to look like a bunch of people who are taking things for reasons other than the very, very best reasons to do it. And if we think about it that way, we have to think about this thing dragging its feet along and we have to think that that's part of it. We can't help but think that. Madam President, how much time do I have left? [LB367]

SENATOR McDONALD: Three minutes. [LB367]

SENATOR FRIEND: I'd like to give the remaining time to Senator Dierks, please. [LB367]

SENATOR McDONALD: Senator Dierks? [LB367]

SENATOR DIERKS: Thank you, Madam President. Now, members of the Legislature, I happen to be a member of the Revenue Committee and I heard some adjectives that I find hard to believe. We were called...had hodgepodge legislation and it was chaotic and we were a committee is disarray. All the while I was there I don't recall seeing any of that. I do think we've tried to come up with legislation that was going to provide tax relief across about three or four areas and we did provide sales tax relief. We've provided some property tax relief and some income tax relief. Now, I should just remind

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you, all of us who were on the campaign trail, and I've heard it said many times in here, we were told about the property tax problems we have. Let me tell you something: You do a sales tax relief, you're going to cause a property tax increase. It's just as simple as that. Property taxes will increase with a decrease in sales tax. If you're going to have property tax relief, you've got to do it with sales tax or income tax. That's the only way it can happen, folks. So you've all heard about property tax relief. We don't really have a choice. I think this package that's before us is in excellent condition. We're doing everything we can to provide help to most of the citizens of our state. Property tax relief is there. Maybe there could be more but I think the tax package we have is very, very equitable to the entire state. With that I would like for you to consider accepting...not accepting the bracket but accepting the package that's presented to us and getting on with the debate on the rest of our legislation. Thank you. [LB367]

SENATOR McDONALD: Thank you, Senator Friend. Thank you, Senator Dierks. Senator Chambers, and this is your third time. [LB367]

SENATOR CHAMBERS: Thank you, Madam President and members of the Legislature. Senator Friend says he's not tired so what's the first thing he does? He gets so exhausted he has to hand off some of his time to somebody else to help him survive. He can't talk five minutes; how is he going to talk five hours? I've done it. I don't need help. In fact, I have people ceding time to me. Do you know what's going on, on the floor right now? Members of the Legislature, you all can see it. Those who are watching don't know. We have knees that at one point had some strength to them. These knees are getting weak. Knees are getting weak around the floor of the Legislature. If the cloture vote is taken and it's not successful, the bill is not dead. It comes off the agenda for today. If this bill is important, it will wind up on the agenda again. If you're tired of talking about it today, when Senator Janssen bails out and wants you all to cover for what the committee didn't do, don't vote for cloture and it will come off the agenda for today. That's all. It will still be here. It will be here. We're at the hardball time in the season, and feeling sorry for people is not going to wash at this point. And when you get one of your bills up here and it gets the same treatment, you see how many people feel sorry for you if in order to feel sorry for you they've got a bill behind yours that means something to them: Well, you know, I'd like to help you but I don't think I can. No. Cover-up is what you're interested in when you vote cloture. If a committee messed up, no matter how much dirt you heap on that mess, if it smelled like manure it's going to smell that way, I don't care how much dirt you put on top of it. And it will come up again on Final Reading. And it may be necessary to delay other bills to make it more difficult to get to that bad bill. There are some new people here who have been told how things work in this Legislature, and you're being lied to. They're telling you that I will guit, that I can't carry it through, and that every bill is not going to have to go to cloture, don't worry about it. So the new people swallow it and go along. Look at the track record I've established while you were here. You saw me stick up for what I said I would. You saw me do what I said I would do. You saw me attempt to do things that were virtually

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impossible, but I put forth the effort. I didn't just fold my tent and say they're outnumbering me so I'm not going to try it. You might be that way but I'm not. And maybe Senator Friend can talk you into cloturing every bill, but that's what you're going to do. How many days do we have left? Forty days left; 40 days left. It rained 40 days and 40 nights without stopping. People got worried, Senator Carlson, but the rain kept dropping. All these animals were drowned supposedly. What about the fish? What about the turtles? What about the frogs? You all didn't even think about that. They didn't drown. What about that big fish that swallowed Jonah supposedly? Do you know what that story was about, Senator Carlson? The fish was a minnow and Jonah was the name of a gnat. A minnow swallowed a gnat, and it is transmogrified into a whale swallowing a man. First of all, a whale is not a fish; a whale is a mammal. And the book doesn't say a whale; the book says a fish. But people who can't read well or who change what they read say a whale. Well, we're going to have a whale of a time here. Senator Carlson, there was a guy and he had worked hard all of his life, but he didn't have a chance to be in school very much, so when he put the plow aside and he was supposed to speak... [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR CHAMBERS: ...at this gathering where they were going to honor him for being a great farmer, a friend of his said, now, whatever you do, don't try to use big words because that's not your long suit or your strong suit; just talk like a man of the earth like you are. This guy wasn't even thinking about using big words but that put it on his mind. So when they introduced him to speak, he just had to use two big words, so he said, I'm whale glad to be here and I'm elephant glad to see you. (Laughter) That's my colleagues. Whale glad to be here and elephant glad to see somebody, and they use some big words. We're going to be here for awhile this evening, and if not on this bill then on other bills. Now that's a pledge that I'm making to you all, and if I give my word you want me to keep it, and I assure you that I shall, and we're going to watch Senator Friend stay right here with me. The rest of you can go to your offices and the lounge, but if there are only two people here, those two will be myself and... [LB367]

#### SENATOR McDONALD: Time. [LB367]

SENATOR CHAMBERS: ... Senator Mike Friend. Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Chambers. Senator Gay, followed by Langemeier, Pirsch, Friend, and Erdman. Senator Gay. [LB367]

SENATOR GAY: Thank you, Madam Chairman. I rise in...Senator Langemeier made a good point. This, again, come back to this, and I'm going to keep coming back to it. It's been a compromise. Hard work went into this. Somebody's idea didn't get adopted and here we are. The discussion of sales tax is fair, has merit. If we're going to do that, I just

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can't get over the last week we're on property taxes. It was the number one issue. Now we're on sales taxes. I don't understand how we're going to do both unless we're going to repeal everything else in this bill and keep the property tax which we do like. Maybe we don't like every bit of that property tax credit but that's what has been adopted. Now we don't call it real property tax relief. I heard one person say it's not real property tax relief, and, you know, if it's not this way it's not real property tax relief. This is real property tax relief. I looked at it for accounting, for our accounting in Sarpy County, and my constituents who I want to talk about. It's \$7.5 million is what would go back in property tax credits directly to those property taxpayers. It doesn't go to the subdivisions. It goes to there and then get a tax credit on their tax statement. I think that's a better way to deliver than the \$1.05 to a \$1 where it would go to subsidize the school districts and then we would expect them to hopefully lower their...or be offset with spending. We discussed that all day yesterday. Adopted the property tax credit portion of it. But now today we're on sales tax and Senator Dierks mentioned we can't do both. At some point we've got to be decisive and move on. And I guess we will be here all night and I don't doubt that one bit. But if we're looking for a compromise, Senator Friend, I'm going to be...let's bring back this tax as far as I'll work on you with that, on that income tax, because I have letters...what I'm hearing, it's property tax, income tax. I just went through constituent mail, three or four letters: I'm disappointed that the income tax was dropped. I am too, but you know what? I can come back again. We can come back and revisit this. There are up times and there are down times. If you look at the forecast, the projections are good. None of us know what's going to happen in two years. Do you not trust yourself that we can't revisit this issue in a year or two and we can't come back and say, let's look at this sales tax? I made that commitment to other colleagues at another time. This is not the time to do that. I would love to look at three or four more, and maybe we'll just write some amendments and put them on there, too. Let's discuss a flat tax. Maybe that's an idea. I mean, this is getting to be where...I guess we want to take time and discuss it and I'm fine with that, but patience is...you know, I have patience, too. We can sit here. But I just want to say that at this point I commend the Revenue Committee. I think they've had some hard work. Senator Langemeier hinted on that. He brought some of our people...when you were upset with the \$1.05 to \$1, they took care of it and we passed that yesterday. Now here we are today, just going on and on for whatever reasons we're doing this. I don't...Senator Chambers' sincerity and Senator Synowiecki and some of the others who made that commitment, I don't question that at all. They are doing it for the right reasons. They want that sales tax. I just think the rest of the body is comfortable with property taxes the way we have it. So thank you, Madam President. I would like to yield my time to Senator Carlson, if I may. [LB367]

SENATOR McDONALD: Thank you, Senator Gay. Senator Carlson, you have 1 minute and 20 seconds. [LB367]

SENATOR CARLSON: Madam President, thank you, and members of the body, I

simply wanted to say that, Senator Chambers, the book doesn't say whale but I believe the correct interpretation is the fish had a whale of a belly. Thank you. (Laughter) [LB367]

SENATOR McDONALD: Thank you, Senator Carlson. Senator Langemeier. [LB367]

SENATOR LANGEMEIER: Thank you, Madam President and members of the body. I think we're...as I said my first time we talked that there is negotiation going on and at least some discussion, and I think that's positive. And we've been part of that and I appreciate everybody's participation. So we're going to talk a little bit here until there either can or cannot be a resolution come to when this all said and done. I still go back as we've talked about sales tax and I was one that killed Senator Pahls's and Senator Avery's bill in the Revenue Committee because of one of multiple bills. We had to narrow it down to some. And I truly think if you want sales tax relief that people are going to know about, you do the sales tax holiday. Do I think it's good public policy? Probably not. But is it something...if you're wanting to do something, that seems to be the discussion out there is we've got to get credit for doing something. It's all about, we've got to get credit. The sales tax holiday reminds you once a year to the constituents of this state that you did something. They see it once a year when they're buying their school textbooks and things. So if it's all about credit, I think that's a good avenue to get credit because they do remember that on those two days. We had testimony before us in the Revenue Committee about people that drive from Scottsbluff to low to take advantage of their sales tax. Something about getting a little something from the government seems to make everybody happy. Although they won't drive across town if a particular store puts their products on sale for 7 percent; they won't do that. It's got to be 30, 40, 50 percent to get them to drive across town. But something about saving a little bit of sales tax on one day, all of it, not just a guarter or a half, but saving it all, they're willing to drive. As the ads on TV said, Nebraska is 500 miles wide. Driving that distance to save that sales tax, not for a guarter, not for a half. They won't drive across town for a hot sale at 7 percent. But to save that full sales tax, they've demonstrated that they will. And so I think that's an option if you really truly want to do something with sales tax that people will remember, they will remember the sales tax holiday. Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Langemeier. Senator Pirsch, followed by Friend, Erdman, and Fulton. [LB367]

SENATOR PIRSCH: Thank you, Madam President and members of the body. Look, we need to take care of business and fashion a bill here today for property...I'm sorry, tax relief in general. And, you know, this bill that we're considering now, it's a result of compromise. But that is the nature of this body. It is not a bill that if I were working alone that I would craft entirely as it is, but it is the nature of this body that it is what it is. And I think that it does address several key areas for the people of the state of Nebraska. This

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is addressing getting rid of the marriage penalty: a very important, when it comes to income tax, punishment for people who are married in my district and throughout the state of Nebraska. And so it is a great facet and it's something that probably should have happened a long while ago, and that's a part of this package and that's very, very exciting. The parts about this package terminating the estate tax altogether for economic development and also balancing that with an earned income tax credit for the working poor here in the state of Nebraska, very important facets and features, as well. And this is kind of the result, a product of the compromise that this body has come about. And so I think there are some very important things here for the citizens of the state of Nebraska. And we absolutely... I think it's an incorrect thought process to say, hey, we can go ahead and not take care of it here today and it will just come back up; it might be off the agenda but it will probably come back up. This is one of the, if the not the top, then one of the primary reasons that we were put here this year, to address this issue, and we ought not drop the ball on this one. We need to address this squarely. It is the people's money, and when we've met the obligations of government and yet we still have taken too much of the people's money so that we don't need it to meet those obligations, then it is our obligation to return that money to those to whom it rightfully belongs, which is the taxpayers. And so we do need to address that here today. It is imperative. It is not something we can put on the back burner and worry about tomorrow or the next day or whenever we get around to it. And so with that, colleagues, I would just impart upon you the urgency of the situation that we're addressing here today, and I certainly do appreciate the dialogue that's going on back and forth, and I do hope that we're able to reach a fair resolution of the matter because it is absolutely essential. And this is a critical day that the people of Nebraska are looking at the Legislature as an institution and want to see us be productive. So I can tell you that I am committed to that and I know that there are a lot of people here in the body, and so with that, Madam President, I would yield the balance of my time to Senator Friend if he would like to accept that. [LB367]

SENATOR McDONALD: Senator Friend, you have 1 minute. [LB367]

SENATOR FRIEND: Oh, thank you, Senator Pirsch. Is my light next? [LB367]

SENATOR McDONALD: And your light is next. [LB367]

SENATOR FRIEND: I can see you now. I can see you, Madam President, too. Maybe I'll wait...no, I will take the time. Thank you, Senator Pirsch, and thank you, Madam President and members of the Legislature. Let me further explain what irks me about what has happened the last couple of days, okay? This is not...I think anybody that's actually paid any attention remotely to what I really think is effective tax policy would equate it to supply-side economics. Now, nothing--and maybe Senator White would agree with this, I don't really know--nothing that we're doing in this tax package except arguably...except the estate tax repeal... [LB367]

### SENATOR McDONALD: Senator, you are on your time now. [LB367]

SENATOR FRIEND: Thank you, Madam President. Except the estate tax appeal, has anything remotely to do with what I would determine to be supply-side economics. Not even close. Now, I also realize there are different ways to approach tax relief. That, hey, here's a novel thought. Mike Friend might not have all the answers in regard to economic policy. Oh, you think? Think that might be true? Yeah, it is true. Now, if that's true, then maybe this tax package isn't so bad. We've got committee members who, as Senator Langemeier pointed out, went through a full plethora of information regarding economics policy, tax policy in this state. We've got a staff that works for Senator Janssen that has forgotten more about this type of thing, process, procedure, how our taxes function in this state, than anybody out here. It doesn't mean that we can't approach it in the manner that we've approached it. I just think it's really difficult to make that sales job and I think it would be awful arrogant of me to step up and say, oh, by the way, I can make this hijacking work; I'm going to make all you guys vote against an income tax cut because I know that from a supply-side economics standpoint it's what Reagan would have done, Barry Goldwater. Go back, it doesn't matter. John Kennedy. Go back and find one. They were all supply-siders. These weren't my ideas. Go back and step up and talk or step back and talk about what supply-side means. If none of it is in here, why in the world would I like this package at all? Why don't I get arrogant and just vote against it? I'm not worried about what voters are going to think; I'm termed. I have no political future, none. (Laugh) Not by choice. I would like to but it's because...it's who I am. It was The Outlaw Josey Wales. And in The Outlaw Josey Wales, and he steps back and the guy asks him a guestion, and he goes: Sometimes trouble just follows a man. I've said it before. Sometimes it does. Things like this, ideas like mine, attitudes like mine, people don't vote for that. Not for the big jobs, okay? But if know anything or if I feel in my gut that anything is right or that something is right and this would be the only thing that is, it's that we are bypassing, with this product, LB367, we are bypassing the only thing that does what I would really like, over all, put that estate tax up on the top. I like that, as you know. But the only thing I really like as far fundamental tax relief, it's taking it out. So I'm sitting there, a bump on a log, going, okay, I'll follow the Revenue Committee. Well, maybe I'm part of the problem and not part of the solution. Maybe I should be more like Senator White and that's what I talked about before. Senator White doesn't viciously hijack anything. He's a very calm and disarming individual. Not only will I viciously hijack it, everybody is going to know when I'm done because they're going to feel it,... [LB367]

## SENATOR McDONALD: One minute. [LB367]

SENATOR FRIEND: ...and they're going to go, wait a minute, that guy was supposed to be nice and he was acting...well, he was supposed to...but he was acting pretty vicious when he hijacked that bill. I don't care what Janssen says, I don't care what White says,

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I don't care what Chambers says, I don't care what Lathrop says, I don't care what the president says, I don't care what the Speaker says, I don't care what the Governor says, and I...and foremost, I don't care what Patrick O'Donnell says because he's in charge. That was a joke. But honestly and seriously, I don't care, because I will hijack this bill and nobody will vote against it. The Governor won't veto it. The Governor will sign it on the dotted line if I put income tax there. I haven't even talked to him about it. That is my prediction. Oh, he'll...he would sign that so fast all your heads would spin. [LB367]

SENATOR McDONALD: Time. [LB367]

SENATOR FRIEND: Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Friend, and that was your third time. Senator Erdman, and this will be your third time also [LB367]

SENATOR ERDMAN: Madam President, I would like to yield my time to Senator "Josey Wales," also known at Senator Friend. [LB367]

SENATOR McDONALD: Senator Friend, would you accept the time? [LB367]

SENATOR FRIEND: Yes, I will. Thank you, Senator Erdman. Had to put my glasses on so I could see Senator Fulton laughing. All right, I know, enough about the glasses. Members of the Legislature...thank you, Madam President and members of the Legislature, let's talk about what I think is so great an idea, okay, because I haven't had much of a chance to talk about that. We talk about sales tax. Senator Mines got up and said, a sales tax cut would be so great. Yeah, sure it would. Let's talk about what would help our economy, okay? Has anybody talked about that yet? Five years down the road, ten years down the road, let's talk about what's really going to help our economy. Three years ago we ripped into income tax rates, and I predicted it wouldn't be very good for our economy. Now, frankly, I think I was right and I could show you indicators that would prove that point from studies all over the nation about our tax climate and how we approach business in this state. And when they look at tax climate, one of the key things they look at is income tax. Do you really think for a second that we hand out all this candy to these corporations, do you really think we need any of that candy? If we had income tax rates lower than our competitors, the surrounding states, do you really think we need any of that? Companies salivate toward and migrate toward states with preferential and palatable income tax rates. That's what they love. Supply-side economics, you know, the big thing, when Bush Senior came out and started ripping Reagan, right? Some of us are old enough to remember that. Senator Erdman even...he's read about it. Supply-side economics isn't voodoo economics. Supply-side economics doesn't say...it doesn't contend that all of the tax cuts pay for themselves. That's not it. It was totally mischaracterized. What it says is, you're talking about flat-out economic growth--the potential for economic growth. And if anybody had any reason to

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step back and say LB367 doesn't provide any economic growth or the potential for economic growth in the future, I would follow them...push my button again, follow them, and say, you know what, that person is right. But sometimes, like we've said, life isn't fair. I didn't bring an income tax cut bill. I did last year; I did the year before. I didn't get laughed out of committee. They gave it serious consideration. We couldn't do it at those times, at least that's what the body thought. It was here this year. We had it in the package two days ago. We had this and we let it slip through our fingers. Potential economic growth and we took this option for what? Political gain because we thought it be the path of least resistance? I'm not a buccaneer but I'm coming closer by the minute. [LB367]

#### SENATOR McDONALD: One minute. [LB367]

SENATOR FRIEND: I can't...I don't get it. I really don't. Can somebody explain it? I haven't heard anybody do that. Nobody...yesterday I went through a plethora of information about the 2003 tax cuts. The quarters following those tax cuts, the economy boomed. Nobody can contest that. Those are the department of...those are federal Commerce numbers. Look, they don't talk about this enough. We don't talk about this enough. And we had an opportunity on this bill to do so. The ball is dropped and nobody is jumping on it. Well, I'm really seriously considering picking it up and running as fast as I possibly can, and then watch everybody...you know, if we want everybody to hang out there on their vote to vote against the tax increase, to challenge people...or our tax decrease, to challenge people, that's why we're doing it... [LB367]

SENATOR McDONALD: Time. [LB367]

SENATOR FRIEND: Did you say time? [LB367]

SENATOR McDONALD: I did, Senator Friend. [LB367]

SENATOR FRIEND: Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Friend. (Visitors introduced.) Thank you. Senator Fulton, followed by Langemeier, Aguilar, and Louden. Senator Fulton. [LB367]

SENATOR FULTON: Thank you, Madam President and members of the body. As a newbie, I consider myself now a part of history: I've been part of one of these great filibusters I used to read about. I'm having a hard time understanding though what the side opposing myself. I'm in favor of what we have already passed by way of amendment. I'm trying to determine what the other side is so that in order to meet reasonably where a compromise can be struck. Senator Langemeier, when he put out his amendment, gave us a piece of eye candy that had numbers on it, numbers that could be added, and that's comforting for those like me who like numbers, those of us

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on the Appropriations Committee, and those of us who are trying to send out what we are constitutionally required to do: a balanced budget. I guess my frustration here is that we are having the debate. We have had the debate about whether or not we ought to reduce sales tax. But with that debate philosophically comes numbers, and I can only assume that if we adopt a reduction of the sales tax, that that's going to negate other tax reductions we have done. And I've asked the question without receiving an answer and I'm left to guess that according to the numbers it's probably the property tax relief that we have proposed in the last amendment. Now there I'm really confused because originally Senator White introduced a bill to provide property tax relief, yet if we adopt this next bill, that property tax relief which was advocated for will be negated. So I'm left to wonder without having any eye candy in front of me. Having something to do with this debate, and I hope Senator Chambers is still here, I watched...he and Senator Friend are probably going to go at it until about midnight tonight. That being the case, I have some rehab to do on my leg. I'm wondering if Senator Chambers is going to let me use his weights. Oh, he says no. I might ask again later. Maybe after he is weakened a little he'll let me in. Is Senator Friend still available? [LB367]

SENATOR McDONALD: Senator Friend, would you yield to Senator Fulton? [LB367]

SENATOR FRIEND: Absolutely. Oh, for a question? Yes. [LB367]

SENATOR FULTON: I will...I'll just yield my time to Senator Friend. [LB367]

SENATOR McDONALD: Senator Friend. [LB367]

SENATOR FRIEND: I wasn't implying--thank you, Madam President and Senator Fulton--I wasn't implying that I wanted that. Do we know from an economic...macroeconomic theory over LB367, it's Keynesian economics. We've talked about that, Keynesian economics. Having the government grab the money and then kicking it back to the people, and saying here's a rebate, here's a tax credit, here's some sort of voucher that you can do whatever you want with. Assuming that this person takes that and sticks it under a mattress, I guess it worked. But it never happens. Keynesian economics is flawed, and this is going to sound really funny, which would indicate to me that LB367 is flawed, right? Right, as far as I'm concerned. Maybe the whole committee--some of them are over there right now--maybe the entire committee believes in Keynesian economics. [LB367]

SENATOR McDONALD: One minute. [LB367]

SENATOR FRIEND: Is that so farfetched? No, because it's a legitimate theory. I just think it's flawed. And I think, from a process and procedure standpoint and from the ability to maybe say next year that we can, if we do this, we can go get the proper income tax cut or the proper way to really provide the type of relief and economic

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development that we need. Maybe it's just a matter of timing because I can't control everything. But I'm flat out telling you here and now that LB367 does not have supply-side written all over it. The only thing it has is estate tax repeal. That's as close as we get, folks. So that would indicate to you that what I'm doing right now is promoting an income tax cut, right? Right. Ding. [LB367]

SENATOR McDONALD: Thank you, Senator Friend. Time. [LB367]

SENATOR FRIEND: Thank you, Madam President. [LB367]

SENATOR McDONALD: Thank you, Senator Fulton. Senator Langemeier. Senator Langemeier waives...oh. [LB367]

SENATOR LANGEMEIER: Madam President, I withdraw my waive. I wanted to make a little comment earlier about Senator Chambers...excuse me, Senator Chambers made the comment that he lives up to what he says and you should all just disregard because he won't do that. I can tell you in my three years he's lived up to everything he's told me to this point, and so I would encourage you to remember what he tells you. And with that, I would yield my time to Senator Chambers. [LB367]

SENATOR McDONALD: Senator Chambers. [LB367]

SENATOR CHAMBERS: Thank you, Madam President, and thank you, Senator Langemeier. And you all can see Senator Friend gulping air now. He's getting red. Look at his face: flushed. He takes more breaths and talks slower to try to regroup while he's in full stride, but his stride is slower and the steps are less long, and we haven't even gotten to 5:00 yet. But what he is counting on is having his fuel tank refilled when the lobbyists, whoever it is, feeds him over there. And you all are going to run over there and eat the lobbyists' food and you think you've got dignity? You're hunting all the time. Lunch hunters, that's what I call them; lunch hunters, spongers, moochers. Where is your pride? You've got to go have them feed you. If I gave you a meatloaf sandwich and a chicken dinner, would you go my way? They're running around here talking about a so-called sales tax holiday. You know, after talking in the clouds, the noble ideas about helping the people who need the sales tax help, and then here they come talking about a sales tax holiday where poor people can go into a store if you've got a little more money on that day and get two notebooks for your child, and that's what they're selling out for. And they call themselves helping somebody? They're not helping the people that I represent but they're not trying to help the people that I represent. They have a different agenda and they try to give the impression they're helping poor people. Then they walk around here as though they're the great compassionate people and have done so much for the poor, and it was an insult. If I'm hungry, don't give me a crumb; give me nothing and I'll have my dignity. Don't give me two notebooks, take my dignity, and say you did something to help me. It's worse than nothing. It is an insult. And for

Senator White, if he's one of them, and Senator Mines, if he's one of them, and whoever else is a part of it, you need to know that you are doing something that is insulting. That is worse than nothing. But since white people know what's best for everybody else, you're going to do it anyway. That's why you're not liked. You're not liked in this country. You're not liked anywhere in the world because you think you're better than everybody, and you and your paternalism. All this stuff of being the missionaries: Well, we're going to give you a crumb and you be happy. Let them vote cloture and leave it like it is. It's not going to help the people he represents. And here we are again. I don't care what happens with the rest of the session. And we're going to talk about something and I will be here talking with you. Thanks to what the Supreme Court did yesterday, I don't have a court hearing that I have to go to tomorrow morning because the need for it on an emergency basis no longer exists, but it's work that I'll have to do and I'll do it when the day comes to do it. But that gives me more time to be with my brothers and sisters on the floor of the Legislature, and I won't be gasping and running out of things to say if people give me time. [LB367]

SENATOR ERDMAN PRESIDING [LB367]

SENATOR ERDMAN: One minute. [LB367]

SENATOR CHAMBERS: No, I'll take that time. And the longer we go, the stronger I get. The less nutrients I take in, the stronger I get. That's the way it works with me, Senator Wallman. That's why when other people are running down, my energy level is rising. Don't ask me why it's like that. All I know is that's the way that it is. Then Senator Fulton, I don't know what all he said because I wasn't catching it all but he did ask could he come in my office and lift weights, and I say no. I don't let people do that in there. First of all, I don't have liability insurance. I don't want anybody to get hurt. But also there is a toy poodle who is very territorial and I wouldn't want her to bite him on his good leg. (Laughter) So he'll have to find someplace else to rehab. But if they are going to vote cloture, let them vote cloture. [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367]

SENATOR CHAMBERS: Thank you, Senator Chambers and Senator Langemeier. Senator Langemeier, that was your third time to speak on the bracket motion. Senator Aguilar, you're recognized to speak, followed by Senator Louden. [LB367]

SENATOR AGUILAR: Thank you, Mr. President, members of the body. I've watched Senator Chambers run his marathons for eight years now. It never ceases to amaze me, so I'm going to give him a couple more miles. My time to Senator Chambers. [LB367]

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SENATOR ERDMAN: Senator Chambers, Senator Aguilar has yielded you 4 minutes and 45 seconds. [LB367]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, and for the newbies, you know what they have to tell me when it gets to be about 11:30 p.m.? They say, Ernie, Ernie, tone your engine down a little bit. Some people eat sugar and they get hyper, and I guess that's the way I appear to them. But I assure you, you're not going to see me asking guarter or giving any. You all are in charge. I concede that. But I'll say, as I've said to people outside this Legislature, if I have 47 against me and sometimes it might rise to 48, that's closer to a fair fight and I'll feel less like a bully. Still feel like a bully but I feel less like a bully. So you think numbers against me will make me any difference because it frightens you all? And my friend, Senator Friend, all he does is get louder when he...as he goes on. And he's the one who said he might get loony but he won't get tired. He said that. (Laugh) Look at him. Does he look tired to you when he's talking and not trying to keep his guard up? I see his shoulders hunch. (Laughter) Somebody asked me how much older I am than Senator Friend. I say, well, about now he's about five years older than me. This reminds me of when Muhammad Ali was fighting George Foreman, this huge heavyweight fighter who threw what Muhammad Ali described as humongous punches. They got into a fight, a boxing match, and got around the eighth round, and George Foreman had been throwing a lot of punches at Ali. And at that time Ali did what was called the rope-a-dope; it had never been seen. And Foreman thought that he was hurting Ali, but he was hitting him on the arms. Ali was riding with the punches, that means when the punch is thrown he moves the same way with the punch and the force is absorbed and he doesn't take the full impact of it. So when Ali came in and was leaning on George on the ropes, George was sucking wind just like Senator Friend. And Ali said, George, this is the worst place in the world to get tired, and he straightway dispatched him. Wrong place to get tired. What are you going to vote for cloture for? So you can get out of discussing one of the most substantive bills that we're going to have? When you vote cloture, if you do, other amendments are not going to be considered, but I'll offer mine on Final Reading and I'll start drafting amendments for the bills that are coming up. But since I'm going to have to do it rapidly, I'll just draft motions, and you all will see the kind of motions that you can draft on the spur of the moment, and each one can be a priority motion. You can write a motion to return the bill to the committee from which it emerged. You can make a motion to kill it if you don't need a priority motion. You can make a straight motion to bracket it. If you want it to be a priority motion, bracket to a day certain. Then if the bill does come up, just start adding amendments: Drop this section; remove that section; strike this and add that. And if know what you're doing, it's not difficult to do, but you have to do more than just offer the motion and write the amendment. You have to be able to back it up. [LB367]

SENATOR ERDMAN: One minute. [LB367]

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SENATOR CHAMBERS: You have to be able to talk to open it for ten minutes, take two opportunities of five minutes each to discuss it, then a closing. That gives you 25 minutes for each motion for each amendment. And then if you're lazy, after they vote it down just move to reconsider, and that's 50 minutes on one motion or one amendment. And you all think I can't keep on this floor until 11:59? I don't even have to engage my mind. My brain is like the layers of an onion for the purposes of analogy. I don't have to even extend below the outer skin, and I can hold my own in here because all we're going to do is pass time. You all don't care about anything; you proved that the way you ran that budget across. And I heard Senator Erdman say the budget is not gone, that it's on Select File, which is true. But General File is where the heavy lifting ought to be done. [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you, Senator Chambers and Senator Aguilar. Senator Louden, you're recognized to speak, followed by Senator Fischer and Christensen. Senator Louden. [LB367]

SENATOR LOUDEN: Thank you, Mr. President and members of the body. As I look this situation over, and they were wanting tax relief, property tax relief and that sort of thing, it looks like to me in the original bill that came out from the committee, I think when they lowered that down to \$1 you had property tax relief. Somewhere along the line somebody understood that that isn't what you call property tax relief, but I thought it was. When you look the school situations over, the amount of schools in the state of Nebraska, there are about 48 school districts that probably don't get any state aid to education. Of course, in those areas there probably wouldn't be that much property tax relief. Kind of the same thing as what we have now. There will be some low-income people or people with housing that isn't expensive, that won't get much property tax relief either. But it's always amazing that when we did have a chance to kind of do something for some of the areas with your school funding, that it got pushed by the wayside. The same way it happens with your aid to community colleges; that got pushed by the wayside. That would be my concern now, is where that's going to fall out after you start playing around with the numbers on this thing. My understanding is that there was about \$60 million is what it costs to go from \$1.05 down to \$1. And, of course, the state would have had to put that in on the spending side in order to be for your TEEOSA or your state aid to education. I think you took that money then, is my observation then, and you put it over on the other hand, give it back to the people as property tax relief. Now, my question is, were the same people going to get it that would have gotten it when you went from a \$1.05 down to \$1? Or when you put it on the other hand and you handed it to somebody else on the other hand as property tax relief? I

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suppose in a way it would because property tax is property tax. But I would guestion what the thinking was on it and where you looked like you were gaining anything, and it was making it a lot more complicated to do and it was something that was probably not going to be sustained for a period of years anyway. It was probably going to be a short period of time whereas it's always guite noticeable when you do something about raising the property...or the school levy from \$1, \$1.05, and back again, which when we started here about five years ago that's where we started it. It was at \$1. I think it was even below that for awhile. And then when it got to where the state didn't have any money, they raised it up to \$1.05 mostly so the state didn't have as much money, and that pushed it back on the property taxpayers. Nobody has talked about doing anything about that. You talk about putting the sales tax back down where it was and finding other ways to give them a little bit of money. But I think there is a lot of consideration has to be going. I don't think...I think the plan was probably thought out a little bit better in its original state, but it's kind of like when I have had kids in the hay field get stuck with the mow tractor down in and along the lakes, usually when I get down there I always ask them if they were stuck that bad or if they worked at it awhile. And that's...looks like here we are with this thing. We weren't stuck too bad when we started, but after we worked at it awhile, why, it's looking pretty deep now. So with that I'll give the rest of my time to Senator Friend if he so desires. [LB367]

SENATOR ERDMAN: Senator Friend, you have 1 minute and 20 seconds. [LB367]

SENATOR FRIEND: Thank you, Senator Louden. Thank you, Mr. President and members of the Legislature. Senator Chambers...and here...this is...never ceases to amaze me, obviously. And I think...I probably share that with a lot of you because he's in this world where he believes he's the only one that can stand on his feet and talk for eight hours. Now, here's something I've learned. I can stand here and talk for eight hours and it doesn't have to make a bit of sense. [LB367]

SENATOR ERDMAN: One minute. [LB367]

SENATOR FRIEND: How hard is that? (Laughter) He laughs. I could be here at 11:59, with him, and I want to see his eyes. And then I want to see him again at 8:30 tomorrow morning. And then I want to do it again until 11:59, and then I want to do it the next day and the next day. And we'll stare each other down like we're sitting in two tanks, and we'll see who finally wins. In fact, frankly, there is a fear factor here, right? Oh, Ernie has got strength; he's been here for 38 years, whatever, and he's been here longer than any senator that's ever lived. What's the worst thing that he can do? He's not going to beat me up. I'm not going to walk home with a black eye and have to explain it to my wife. He's going to beat me up verbally and make me look bad. [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR FRIEND: Oh, thank you, Mr. President. (Laughter) [LB367]

SENATOR ERDMAN: Thank you, Senator Friend and Senator Louden. Senator Fischer, you are recognized to speak, followed by Senator Carlson. [LB367]

SENATOR FISCHER: Thank you, Mr. President and members of the body. Senator Chambers brought up earlier about negotiations that are going on and all of us who have stayed on the floor during this marathon, we've seen the discussions under the balconies here and what's going on. And he mentioned that it's going to be a sales tax holiday. I hate to say this but I agree with Senator Chambers: I will not support that. There were two bills on that; they were killed in the Revenue Committee. And here we're thinking, okay, let's give them \$3 million. We'll buy them off and then we can move on with this bill. Folks, that is not the way we should be doing business in here. Why are we even watching these discussions going on? The Revenue Committee came out with a bill. It was passed on General File. They added some amendments on. We dealt with those. And, boy, now all of sudden we feel like, oh, we're going to be held hostage and we need to move. I disagree with Senator Chambers when he said there is no reason to move. As most of you know, when I stand up I tend to address the issue. I'm not good at stories like Senator Chambers. I tend to address the issue. I think we've addressed the issue enough, most of us in here, and I'm ready to roll the dice. I'm ready to take a vote on this. I know Senator Chambers doesn't like cloture. I know he doesn't want to move this bill because I've got one coming up that he will have to have cloture on, and that's what we're headed for. Fun times are over. We're going into a late night and this is how it is on the floor. Senator Howard said, and she gets mean; I don't agree with that. But I think...oh, she said she loves it when I get mean. But I think we need to roll the dice on this one. We have other issues up there. Senator Friend just said, you know, Senator Chambers, yes, there is some threats going on, mild ones sometimes. We've heard about the Chair of the Transportation Committee. We've heard about Senator Fischer and those highways. LB305 is coming up; let's get to it and we'll discuss the Chair of the Transportation Committee; we'll discuss with you, Senator Chambers, LB305 and the highways. But you don't keep going on this bill and make deals, saying let's give them their \$3 million and let's move on. That is ridiculous. That is not good policy and I will not support it. And I'm kind of enjoying Senator Friend. He seems to be addressing this topic with vim and vigor and I would yield the rest of my time to him, Mr. President. [LB367 LB305]

SENATOR ERDMAN: Senator Friend, Senator Fischer would like to yield you 2 minutes and 10 seconds. [LB367]

SENATOR FRIEND: I will take it. Thank you, Senator Fischer, and thank you, Senator Erdman, because if I didn't take it I think I would get totally abused. (Laughter) Look, we can continue...I've tried to make the argument and some tongue-in-cheek, and we've been having a little bit of fun. But you know what? You talk so long or you feel like

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you're going through things for a certain period of time, and you have to step back and you have to lighten it up a little bit, okay? I don't mean to take a serious subject less than serious. I really honestly feel that I have a better answer. But sometimes you...it just doesn't work out that way. And I think the biggest difference, there was a lot of huge differences between me and Senator Chambers, but, you know, the funny thing is I think the biggest difference is he doesn't see it that way. I don't think he ever has. [LB367]

SENATOR ERDMAN: One minute. [LB367]

SENATOR FRIEND: Thank you, Mr. President. [LB367]

SENATOR ERDMAN: That was 1 minute, Senator Friend. I'm sorry. [LB367]

SENATOR FRIEND: Oh, I'm sorry. I'll continue. He doesn't see it that way and here's what I mean by that. I look at things around me and I look at things...I look at plans going on all around this room, and I feel like I have to be either in that or to deal with that after those plans or after those situations come to fruition. He doesn't have to do that. He's earned that luxury. He's earned it. Make no mistake about it, he's earned it. But he doesn't...that's the biggest difference is that he doesn't have to worry about that. I do. And it's not a worry that I sit there up at night, you know, lay up at night, at night, thinking about. [LB367]

SENATOR ERDMAN Time. [LB367]

SENATOR FRIEND Thank you, Mr. President. [LB367]

SENATOR ERDMAN Thank you, Senator Friend and Senator Fischer. Senator Christensen, you're recognized to speak, followed by Senator Karpisek. [LB367]

SENATOR CHRISTENSEN: Thank you, Mr. President. I'm going to help Senator Chambers out here a little bit and see if we can win Mr. Friend, so I'm going to yield him my time to see if we can wear him out. [LB367]

SENATOR ERDMAN: Senator Friend, you have 4 minutes and 45 seconds. [LB367]

SENATOR FRIEND: Thank you, Senator Christensen and Mr. President and members of the Legislature. This isn't a game. This isn't a game--oh, let's see who can wear Friend out. It's not going to happen, okay? The game is a big picture idea of what is economically sound for our state. Now frankly, what I was talking about earlier about Senator Chambers having the luxury and the biggest difference between a person like him and a person like me and me not having that luxury to be able to say, you know what, this world in here, go away, this is the way it's going to be. I don't have that power,

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I don't have that wherewithal. I haven't earned it. I don't deserve it. and frankly. I don't want it. But here's what I do want, and here's what I think that I deserve, and everyone of you out here does deserve, is the ability to come up and say, Ray Janssen and Revenue Committee, I have an idea for tax relief for Nebraskans. And the Revenue Committee sits at a little crescent moon table and they go, wow, that's a great idea. Or they say, get out of here and don't let the door hit you on the way out. (Laughter) By the way, do I hear a motion for IPP? We all have that. LB367 is a culmination of that committee's ability to make those decisions over a three-month span, and then come out to us and say, we think this is a halfway decent direction, it's got something virtually for everyone. Look, remember two days...or last two weeks...about a week and a half ago, I'm up on the floor being, as Senator Chambers would say, bombastic about the estate tax. I loathe it. It's almost gone. LB367 has that in there. It's almost gone. I hate it, and I've heard from people--friends, relatives, acquaintances--that say, you know what? That's really not that big a deal; it's not as big a deal as income tax or sales tax or everything else. It is to me. I hate it. It's a stupid tax. It's retaxation, and we're about to get rid of it, and it's in this package and I like that. So I'm stepping back and saying, you know what? Maybe this does have a little bit of something for everybody. I got to tell you, if it comes to the point where the people at that crescent moon table that said go away, we're not going to give you what you want on this particular instance, if we're going to ignore that, totally ignore it--because that's why we're still sitting here and standing and talking and laughing and...some of us--treating this with less respect than it should be treated, then we've got a huge problem. The hijack is on, as I've mentioned. And it's...I'm wondering, because like I said, I've never done it, I'm wondering how difficult that would be. [LB367]

SENATOR ERDMAN: One minute. [LB367]

SENATOR FRIEND: Because I'm going to make one more prediction. I don't think anybody in here...let me take that back. I think there's very few people in here that would look at an income tax cut, a real one...no, that's a bad idea, too, I'm not going to vote for that. So if we vote for a sales tax cut which...remember, like I said, that sounds like a great idea. I like that idea. The problem is, it's not feasible. Our sales tax system is broken; it doesn't make any sense to do this without addressing reform in front of that crescent moon table. Let's set that aside. We legitimately should be talking about income tax way before we should be talking about sales tax, and bogging down LB367, because... [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR FRIEND: ...eight or...thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you, Senator Friend and Senator Christensen. Senator Karpisek, you're recognized, followed by Senator McDonald. [LB367]

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SENATOR KARPISEK: Thank you, Mr. President, members of the body. I'm going to yield the remainder of my time to Senator Friend. I don't agree with Senator Friend, and maybe if he talks long enough, he'll get other people not to agree with him, either. (Laughter) I would have to say, though, property tax is still the number one thing that we have to deal with. We've been trying to work an agreement here all day. We thought we had one--now we don't. Senator Gay has had ideas, I've had ideas, a lot of us have had different ideas, but we kept them off the table and off the floor, to try to work something out. We thought we had it. Now we don't. I don't know where this is going, but Senator Friend, I would like to yield the rest of my time to you. [LB367]

#### SENATOR ERDMAN: Senator Friend, you have 4 minutes. [LB367]

SENATOR FRIEND: Thank you, Senator Karpisek. I very much appreciate it, and if I can swing your vote, one way or the other, that's why I'm here, baby. (Laughter) Thank you, Mr. President, members of the Legislature. Look, Senator Karpisek brought up a good point. You know, he's...and the odd thing about this, like I had brought this up before, we all know what people are complaining about. Of course it's property tax. But we've been down that road before, too. That's a piece in LB367 that I am not enamored with at all. I hope I made that clear from the very outset. Gosh, for my money in the long run, that wouldn't even be in here. We wouldn't even be dealing with it, because if I have to retread old ground and tell you how I feel about that, it would be this: that we don't have that much control over it, and we'd better inform our constituents that that's the case. Let's step back, take a breath and talk about process here. Cloture is a bad word, right? It's not a bad word. Cloture is a legitimate word. Cloture is a piece of our history, it's a piece of our process, and it's in our rules for a reason. Now, always mixed feelings about cloture--like I said, I like the smell of cloture in the morning, in the afternoon, whatever, but you have to put gualifications on that, obviously. If Senator Dierks had a bill that he really loved but he didn't have enough votes, he's going to step back and say, man, I need to work the body. I need to work through this. I need to drum up the votes for cloture, because whoever is out there stomping on it, you know, we need to...I think we need to move on. That's a senator's decision. Quite frankly, we're in a position where it's almost inappropriate for any of us to decide. I mean, it's Senator Janssen's bill. He makes that decision within the rules, within the boundaries that he...on the playing field that he's playing on, just like we are, within those boundaries. Somebody making the assumption or getting on this microphone and saying, how dare we try to go to cloture on LB367? We've only talked about it for four and a half, five hours. Hey, that's not your call. Your call is to push the button and decide whether we should do it or not. [LB367]

SENATOR ERDMAN: One minute. [LB367]

SENATOR FRIEND: It's not your call as to whether we should attempt it. Your call is to

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decide whether we've had full and fair debate when we go to that vote. Senator Janssen is within his rights and within the rules to decide whether or not he would like to go ahead and try to do that. Let's make that clear. There are things that I would not do in regard to cloture with bills that I have. There are other times when you might have three or four hours of debate, and you all know this by now, listening to people like me, I can't wait to cloture it, because we need to shut up, or we need to shut him up or her up, or whatever. (Laugh) I said this in the Executive Board: I love the legislative process and this is why. [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR FRIEND: Thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you, Senator Friend, Senator Karpisek. Mr. Clerk, items for the record, please. [LB367]

CLERK: Thank you, Mr. President. Your Committee on Enrollment and Review reports LB317, LB318, LB319, LB320, LB321, LB322, LB323, LB88, and LB339 to Select File. Amendments to be printed: Senator Preister to LB343; Senator Johnson, LB482 and LB463; Senator Raikes to LB603 and LB641. Education Committee, chaired by Senator Raikes, reports LB641 to General File, with amendments attached. New A bill, LB342A. (Read LB342A by title for the first time.) That's all that I have, Mr. President. Thank you. (Legislative Journal pages 1388-1396.) [LB88 LB317 LB318 LB319 LB320 LB321 LB322 LB323 LB339 LB342A LB343 LB367 LB463 LB482 LB603 LB641]

SENATOR ERDMAN: Thank you, Mr. Clerk. We will continue with discussion on the bracket motion until...excuse me. The motion is to bracket LB367 until May 10, 2007. Those senators in order of speaking: Senator McDonald, Senator Pirsch, Christensen, Fulton, and Howard. Senator McDonald, you're recognized to speak on the motion to bracket LB367. [LB367]

SENATOR McDONALD: Mr. President and members of the body, I think this has been a great afternoon. I love listening to Senator Flood, Senator Chambers, and all those that have given their time to them so that they can entertain us. And as far as Senator Friend, if you have no life in politics, you could be an entertainer, maybe in theater or something, so there is a future for you, somewhere out there. Someone will come looking for you because of all of the entertaining that you've given us this afternoon. I'm going to give a little time to Senator Chambers, because Senator Friend is having his day with us, so Senator Chambers, it's your turn. [LB367]

SENATOR ERDMAN: Senator Chambers, you have 4 minutes and 15 seconds. [LB367]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator McDonald.

Members of the Legislature. I also want to acknowledge the validity of what Senator Fischer said, which shows that although somebody is often wrong as she is on certain highway bills, she is right occasionally. And she was right when she talked about that miniscule sellout. I would rather they go ahead and cloture than give this thing like a sales tax holiday. There is conversation going on with something more substantive than a sales tax holiday. It will provide what I consider to be a groundwork for trying to do something more substantive next year, if it works. But it would take effect this year and next year, for sure. But it's in line with trying to make a change in the sales tax rate itself. Often I don't get what I want, contrary to what some people might think, other than the time that I want to use. But it takes a lot of discussion on these types of issues to arrive at a point where something of substance can be done. A so-called sales tax holiday was not of substance. It did not even affect the tax system itself. That's what needs to be done, at least as a start. I'm not totally unreasonable. You saw how Senator Lathrop got me off that recreational liability bill. He talked to me. He bludgeoned me. He bullied me, beat me into submission, and his bill has moved on across the floor. And even wrenched from me a promise not to bother the bill on Final Reading, and that is a bill that I had great opposition to, and I still don't like it. But all I'll do is vote against it, which is what most people do when they don't like a bill. On this one, where we're talking about setting a tax policy, these snake oil notions are not acceptable, and for my part, the threat of cloture holds no terror for me. Cloture this bill, cloture LB305, cloture every bill that's on the agenda, cloture every bill on Final Reading. At some point, you all going to run out of time. And you know what I'm going to enjoy? When your editors in your little newspapers in your little towns begin to see what you're doing, and what jackasses you're making out of yourselves. Yeah, that's what I said--jackasses. [LB367] LB305]

SENATOR ERDMAN: One minute. [LB367]

SENATOR CHAMBERS: And hinnies. That's what you'll be--jackasses and hinnies. If you don't know what a hinny is, look it up in the phone...I meant the dictionary. (Laughter) And so these editors are going to start making fun of you for legislating by cloture, and you know what they're going to be saying? Ernie made us do it. Ernie made us do it. And the editor is going to say, oh, so now they say, Senator Chambers makes them do this? He does, in fact, own them. He pushes the yes button on every cloture vote. That's the way they conduct their business. These are the new people who went down there with all of these great ideas, who were going to improve things so much, and that's the way they legislate? I don't care what you do. Senator Friend says it, but he doesn't mean it. He cares every minute of every hour of every day what you think and how you feel about him. [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR CHAMBERS: I will demonstrate that I don't care. [LB367]

SENATOR ERDMAN: Time, Senator Chambers. [LB367]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you. Senator Pirsch, you're recognized to speak, followed by Senator Christensen. [LB367]

SENATOR PIRSCH: Thank you, Mr. President, members of the body. I do appreciate the conversations going on into the...what is sure to be the late hours of the evening. I do appreciate keeping a high level of conversation here. I'm going to yield the balance of my time to Senator Friend. [LB367]

SENATOR ERDMAN: Senator Friend, Senator Pirsch would yield you 4 minutes and 30 seconds. [LB367]

SENATOR FRIEND: Thank you, Senator Pirsch, and Mr. President, and members of the Legislature. I, oddly enough, was actually included in a little bit of a caucus here about 20 seconds ago, and I don't know if it had any effect on me. I think the interesting part about what we...the pockets of discussions and the things that we do out here, is that you're never at the end of compromise, I don't think. That's okay with me. If there's a way to get through LB367 without cloture, then I think that you...we, as legislators, offer...we owe it to ourselves to offer up that opportunity, as much as possible. So from that standpoint, if you say, are you ready to cloture this bill because...forget the minority under these circumstances--forget the minority view under these circumstances; let's go ahead and drive the majority view down the throat--that's touchy ground. You have to make a decision as to whether that's appropriate or not, and that's all a matter of timing. Here's the way I look at this, timingwise. As I mentioned, I'm not the Chair of the Revenue Committee. I don't decide when we've had enough...or I don't decide, when I'd like to put a motion in, to drive the end of this debate or to try to rifle this through in the direction that I believe it should go in, and then try to get the majority of the votes to do so. I do have a vote, not quite as significant as that one, in regard to this subject matter. But what I would say is this: Here's where that cloture tool comes in handy. And I take offense, I take offense to the idea, if it's out there, that there's an estate tax piece on this now, and the only reason that there is, is because of questionable or unreasonable behavior. The body decided that. Nobody out here said it, but I'm just saying, I would take offense to that, if that were the case. And I'm going to repeat this again: Income tax relief was in this package, in the committee amendment. So we have discussions smattered all over the room, talking about, well, would we go for this? Would we go ahead and...how about... [LB367]

SENATOR ERDMAN: One minute. [LB367]

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SENATOR FRIEND: Thank you, Mr. President. What about this on a sales tax cut? What about this on a sales tax cut? Somebody comes over to me at one time. Somebody comes over to somebody else at another. Would we go for this? Would we go for this? Deal making, deal making, deal making. (Inaudible) But not one time, not one time, mostly because Erdman is sitting in the chair, has anybody come over and said, hey, how are we going to appease Friend? How are we going to make Friend feel good? Well, I got news for you! You aren't making me feel good right now, because nobody has come over to me and said, hey, let's make Friend feel better, let's give him that income tax cut back! I'm going to say this: I think we're rewarding unsavory behavior, and I can be unsavory, and I will be unsavory,... [LB367]

SENATOR ERDMAN: Time. [LB367]

SENATOR FRIEND: ...and then we'll go to the Appropriations Committee and we'll kick them out the door. [LB367]

SENATOR ERDMAN: Time, Senator Friend. [LB367]

SENATOR FRIEND: Thank you, Mr. President. [LB367]

SENATOR ERDMAN: Thank you, Senator Friend and Senator Pirsch. Senator Christensen, you're recognized to speak, followed by Senator Fulton. [LB367]

SENATOR CHRISTENSEN: Thank you. I'm going to yield my time to Senator Chambers. [LB367]

SENATOR ERDMAN: Senator Chambers, 4 minutes and 55 seconds. [LB367]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator Christensen. You know when I know that I've got Senator Friend in my clutches? When the volume increases, but the substance diminishes. And that's what it is. He says he doesn't care. Well, who is he shrieking at? He does care. He wants you to care. So care, care for Senator Friend. (Laugh) All those who care for Senator Friend, raise your hand. All the hands went up. Senator Friend, we care. Thank you, brothers and sisters. We are in the process now of trying to arrive at an accord. (Laughter) I can't get the full half percent reduction in the sales tax, but my amendment would have had an offset, by getting rid of a lot of these other inconsequential so-called tax cuts that had been offered. If I thought that what the caucus, as Senator Friend referred to it, was not talking about a change in the rate of the sales tax, I would have no interest in it. But that is something to build on. If they can get a quarter of a percent and it kicks in this year and carries next year, which will be my last year, then it is something on which to build. But if you don't change anything about the rate of the sales tax, you have not done anything. And I'm willing to listen to what they say, and I'm willing to help them achieve that, but the ones who say

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that that is what they support, they must understand that the support, once offered, has to remain firm. That's how deals are made, and there's nothing intrinsically evil about the term "deal." All it means is that there has been a meeting of the minds, people have agreed, and their word can be counted on. That's all that a deal means. You need a deal maker, somebody in whom people have confidence, somebody whom people who are a part of the negotiations can feel knows what he or she is doing, knows what he or she is talking about, have a clearly articulable goal, and then do the things that will work toward that goal, and rally enough support to bring it to fruition. That can be done. We are not in the late evening hours. It's not even 5:00. This is the early part of the evening. The posterior portion of the evening might be about 9:00. We haven't even begun to approach that. I don't know what time the lobbyists feed everybody, but you'll have the opportunity to get your second wind, and I think Senator Friend, contrary to what he said, is tired of people giving him all this time. What he feels like saying is, gee, fellows, you're supposed to be wearing out Ernie, and you're wearing me out. He's leaning against one desk in back of him and clutching the chair in front of him, and he talks about standing up. Well, he's on his feet, but he's not standing up. You take that desk from behind him and that chair from in front of him, and he'll fall on this floor like a limp dishrag. But Senator Friend is sincere and he's serious, and one of the funniest comments he made is that he said, you think I can't stand up here and talk for eight hours without making sense? [LB367]

#### SPEAKER FLOOD PRESIDING

#### SPEAKER FLOOD: One minute. [LB367]

SENATOR CHAMBERS: I just said, well, you do it all the time. (Laugh) So I know he can do it. It's par for the course. Senator Karpisek gave him time because Senator Karpisek doesn't agree with him, and if he gives Senator Friend time, more people won't agree with him either. But here's where Senator Friend operates somewhat as I do. He doesn't care why a person gives him the time. He wants the time. And I say again, and I'll say it as long as we're on this issue, this issue merits the time we're spending on it. We haven't spent a whole day on it. We're talking about tax policy. We haven't spent an inordinate amount of time. We haven't arrived at a conclusion yet, but we're working our way toward it, and I think we'll get there. Thank you, Mr. President. [LB367]

SPEAKER FLOOD: Thank you, Senator Chambers. Mr. Clerk, do you have a motion on the desk? [LB367]

CLERK: Mr. President, Senator Janssen would move to invoke cloture, pursuant to Rule 7, Section 10. [LB367]

SPEAKER FLOOD: Senator Janssen, for what purpose do you rise? [LB367]

SENATOR JANSSEN: Thank you, Mr. Speaker. It's been a long drawn-out affair. [LB367]

SPEAKER FLOOD: Oh, do you have a... [LB367]

SENATOR JANSSEN: And I would... [LB367]

SPEAKER FLOOD: Okay. [LB367]

SENATOR JANSSEN: ... I'm sorry. [LB367]

SPEAKER FLOOD: Do you have a...is there a purpose you're rising? [LB367]

SENATOR JANSSEN: Yes. I would like to invoke cloture, and I would ask for a call of the house. [LB367]

SPEAKER FLOOD: 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 aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367]

CLERK: 34 ayes, 0 nays, Mr. President, on the motion to place the house under call. [LB367]

SPEAKER FLOOD: The house is under call. Senators, please record your presence. 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. Senator Janssen. [LB367]

SENATOR JANSSEN: I would request a roll call vote in regular order, please. [LB367]

SPEAKER FLOOD: Thank you, Senator Janssen. The house is under call. Members, please check in. Senator Hansen, Senator Wightman, Senator Pankonin, Senator Kruse. Senator Heidemann, Senator Johnson. Senator Pankonin, would you please check in? Thank you. All senators are present and accounted for. It is the ruling of the Chair that a motion for cloture is appropriate, pursuant to the Legislature's rules at this time. Members, the first vote is the motion to invoke cloture. This requires 33 votes. Mr. Clerk, please call the roll in regular order. [LB367]

CLERK: (Roll call vote taken, Legislative Journal page 1397.) 38 ayes, 9 nays, Mr. President, on the motion to invoke cloture. [LB367]

SPEAKER FLOOD: The motion to invoke cloture is adopted. Mr. Clerk, at this time we shall dispense with all pending matters before the Legislature regarding LB367. The first

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vote is, shall the Legislature bracket LB367 until May 10, 2007? All those in favor vote yea; all those opposed vote nay. A roll call vote has been requested. Mr. Clerk, please call the roll in regular order. [LB367]

CLERK: (Roll call vote taken, Legislative Journal pages 1397-1398.) 5 ayes, 39 nays, Mr. President, on the motion to bracket. [LB367]

SPEAKER FLOOD: The bracket motion is not successful. We now move to disposition of LB367. The question is, shall LB367 advance to E&R for engrossing? A roll call vote has been requested in regular order. Mr. Clerk, please call the roll. [LB367]

CLERK: (Roll call vote taken, Legislative Journal page 1398.) 44 ayes, 3 nays, Mr. President, on the motion to advance LB367. [LB367]

SPEAKER FLOOD: LB367 advances to E&R for engrossing. Next bill, Mr. Clerk. I do raise the call. [LB367]

CLERK: Mr. President, LB367A. I have no amendments to the bill. [LB367A]

SPEAKER FLOOD: Thank you, Mr. Clerk. Senator Janssen, you are recognized to open on LB367A. Senator Chambers, I did not see your light. It is on. You are recognized. [LB367A]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, I do have a few comments that I want to make on this bill, as I did on the underlying bill, and I do have some amendments that I intend to propose. And since we're going to be here anyway, and I do believe this is an important issue that we're discussing, whether it's on the underlying bill or the A bill, the discussion should continue. And as I said before the cloture vote was taken, I do think that before we're through with this bill, there's going to be a change of some kind in the rate of the sales tax. Does my believing it make it so? Not by a long shot. So that means there will have to be intervening circumstances that will lead to a change in the approach that is going to be taken. I'd like to ask the Speaker a question, if he's here. [LB367A]

SENATOR ERDMAN PRESIDING

SENATOR ERDMAN: Senator Flood, would you yield to a question from Senator Chambers? [LB367A]

SPEAKER FLOOD: Yes, I will. [LB367A]

SENATOR CHAMBERS: Senator Flood, is it your intent that we will remain here another seven hours, more or less, give or take whatever minutes are necessary, to

keep us from going into the next legislative day? [LB367A]

SPEAKER FLOOD: Senator Chambers, it is my understanding that you intend to continue an extended discussion on LB367A, and every bill thereafter. I don't know that the Legislature has much choice but to go as long as we can this evening. [LB367A]

SENATOR CHAMBERS: And what is the limit that you intend to go? [LB367A]

SPEAKER FLOOD: The Legislature will not remain in session longer than 11:59:59 p.m. this evening. [LB367A]

SENATOR CHAMBERS: And would you like to explain for our colleagues why that is the case? [LB367A]

SPEAKER FLOOD: Because at 12:00 a.m., across the board, we are in a new legislative day, under our rules. [LB367A]

SENATOR CHAMBERS: And why can we not continue? [LB367A]

SPEAKER FLOOD: Well, I suppose we could convene the next day of the opening prayer at midnight and begin our work into the wee hours of the seventy-fifth legislative day, but I thought that some might want to rest. [LB367A]

SENATOR CHAMBERS: Or we could continue tomorrow until 11:59 tomorrow. [LB367A]

SPEAKER FLOOD: We could technically continue until 11:59 tomorrow, although it has been my practice, as Speaker, not to go to full time on the last day of any given week, notwithstanding any of the pending issues, to give people a chance to get back to their districts. [LB367A]

SENATOR CHAMBERS: I'm going to borrow something from Senator Friend, which he hasn't thought to use--oh, shoot! You mean tomorrow we're not going to stay until 11:59 p.m.? (Laughter) [LB367A]

SPEAKER FLOOD: We could. [LB367A]

SENATOR CHAMBERS: Is it... [LB367A]

SPEAKER FLOOD: I think we're well on our way to 11:59 p.m. tonight. [LB367A]

SENATOR CHAMBERS: Thank you, and you are prepared to keep us here to that...for that period of time, correct? Do I have your word on that? [LB367A]

SPEAKER FLOOD: I'd like to get to 10:00 and see how things are going. [LB367A]

SENATOR CHAMBERS: Well, how do you think I'll be going? [LB367A]

SPEAKER FLOOD: Strong. [LB367A]

SENATOR CHAMBERS: And where would you like to see me going? [LB367A]

SPEAKER FLOOD: Home. (Laughter) (Applause) [LB367A]

SENATOR CHAMBERS: That's all I have to ask of this smart aleck. (Laugh) Members of the Legislature, as Senator Fischer pointed out, we're...I said the hardball session. She in a kind of angry tone said, we're in the...we're past game playing; we're in the angry part of the session, or something like that. That may not have been her word, but that's true. And you can either be angry and have your juices jangling and disturb your rest, disturb (laugh) your digestion. You know why I laughed? I just saw Senator Carlson release a huge sigh. (Laugh) It cannot be a sigh of relief. Senator Friend talks about watching everything. [LB367A]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR CHAMBERS: Maybe he watches everything, but I actually see everything. I've been speaking nine minutes already, Mr. President? I've been speaking nine minutes already? [LB367A]

SENATOR ERDMAN: Senator Chambers, you're recognized to speak on LB367A. Your motion has not yet been taken up. [LB367A]

SENATOR CHAMBERS: Thank you. I just wanted to remind my colleagues that I have numerous opportunities to continue speaking, and usually, the person sitting in the Chair is hiccup-quick, but he paused for a second. So I feel now that I'm really on the road toward getting what I want this evening. Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator Chambers. Mr. Clerk, motion on the desk. [LB367A]

CLERK: Senator Chambers would move to amend, FA97. (Legislative Journal page 1398.) [LB367A]

SENATOR ERDMAN: Senator Chambers, you're recognized to open on FA97. [LB367A]

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SENATOR CHAMBERS: Thank you, Mr. President, members of the Legislature, if you want to look at this amendment, you can. And it's not difficult. It shows that I'm not totally opposed to what Senator Janssen is doing. Now there was one other question I meant to ask the Speaker, but I didn't. I was going to ask him did he expect that the senators would remain in the Chamber, or did it make him any difference if they scattered like a bunch of quail as I said they would do, and go some place else because they can't stick it out? I don't even see Senator Friend. Who was the one who told us he'd be here as long as I am? Where, oh where, has Senator Friend gone? Where, oh where, can he be? (Laughter) With his words so long, his endurance so short, ah, Senator Friend, I see. (Laughter) I hate to interfere with people's mealtime, but really I don't. But I'm going to make him stick to what he said he would do, as I said I will stick with what I'm going to do. Senator Friend, I had been talking about the importance of this bill, in case you missed it while you were over there doing whatever you were doing. And I know that you feel it's important, too, because you've expended guite a bit of energy. But you, of all people, I want to hear me say this, even more than Senator Janssen, who has forsaken the Chamber. See, they're a lot of talk. They talk the talk, but they don't walk the walk. Look around this Chamber. Where are they? They're gone. What I'm doing with this A bill is striking the figure \$100 million and inserting in its place \$99 million. All I'm doing is cutting \$1 million from this bill, and since this bill belongs to the Chairman of the Revenue Committee, I would like to ask him a question, as he makes his way to his desk. [LB367A]

SENATOR ERDMAN: Senator Janssen, would you yield to questions from Senator Chambers? [LB367A]

SENATOR CHAMBERS: And he is heading toward his desk, so I will give him time to arrive. [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, what is this \$100 million for? [LB367A]

SENATOR JANSSEN: Well, that is to fund the bill that was...that we just voted on, Senator Chambers. [LB367A]

SENATOR CHAMBERS: And where does this money come from? [LB367A]

SENATOR JANSSEN: Well, it comes out of the Property Tax Credit Cash Fund. [LB367A]

SENATOR CHAMBERS: And what is the Property Tax Credit Cash Fund? [LB367A]

SENATOR JANSSEN: That's what we're going to have when the bill is passed.

[LB367A]

SENATOR CHAMBERS: Does the Property Tax Credit Cash Fund exist right now? [LB367A]

SENATOR JANSSEN: No. [LB367A]

SENATOR CHAMBERS: What creates that fund? [LB367A]

SENATOR JANSSEN: This bill. [LB367A]

SENATOR CHAMBERS: The A bill? [LB367A]

SENATOR JANSSEN: No. The bill. [LB367A]

SENATOR CHAMBERS: Where in the bill does it create the Property Tax Credit Cash Fund? I don't mean you have to give a page and a number, but you're saying there's specific language in that bill that says, there is hereby created? [LB367A]

SENATOR JANSSEN: It says the Property Tax Credit Cash Fund is created in the bill. The fund shall only be used pursuant to the Property Tax Credit Act. [LB367A]

SENATOR CHAMBERS: And there is no money in that fund right now, because the fund really doesn't exist right now; true? [LB367A]

SENATOR JANSSEN: It will, with LB367, the amendment to that, yes. [LB367 LB367A]

SENATOR CHAMBERS: But right now it doesn't exist? [LB367A]

SENATOR JANSSEN: No, no. [LB367A]

SENATOR CHAMBERS: Okay. Does LB367 have the emergency clause? [LB367A LB367]

SENATOR JANSSEN: I don't believe so, Senator Chambers. [LB367A]

SENATOR CHAMBERS: I don't believe...we're not in church. I want some facts. We're legislating. We're dealing with legislation, not salvation. [LB367A]

SENATOR JANSSEN: Give me that question again. [LB367A]

SENATOR CHAMBERS: Okay. Does LB367 have the emergency clause? [LB367 LB367A]

### SENATOR JANSSEN: No. [LB367A]

SENATOR CHAMBERS: So it will take effect... [LB367A]

SENATOR JANSSEN: Oh, I'm sorry. It does. Yes, it does. Excuse me, excuse me, excuse me. Yes. [LB367A]

SENATOR CHAMBERS: All right. Now you don't think that was a trick question, do you, Senator Janssen? [LB367A]

SENATOR JANSSEN: Well, you know, Senator Chambers, I'm always on guard to think it may be a trick question. I always look for that rabbit to come out of the hat. [LB367A]

SENATOR CHAMBERS: Okay. Now does the A bill have the emergency clause? [LB367A]

SENATOR JANSSEN: I'm not sure of that. It...no, but the bill does. [LB367A]

SENATOR CHAMBERS: So the bill will take effect,... [LB367A]

SENATOR JANSSEN: And this follows the bill. [LB367A]

SENATOR CHAMBERS: ...and the A bill will take effect 90 days after we're out of session; is that correct? [LB367A]

SENATOR JANSSEN: That's correct. [LB367A]

SENATOR CHAMBERS: So it doesn't take any money for this bill to be implemented at the time it's passed; is that true? [LB367A]

SENATOR JANSSEN: At the time it's passed, no. [LB367A]

SENATOR CHAMBERS: Then this \$100 million, if the A bill passes and remains intact, will wind up in that fund as of when? [LB367A]

SENATOR JANSSEN: Within 90 days. [LB367A]

SENATOR CHAMBERS: Okay, and where is that \$100 million coming from? [LB367A]

SENATOR JANSSEN: Well, that money will come from the reserve...the General Fund. The General Fund, excuse me. [LB367A]

SENATOR CHAMBER: That money will come from the General Fund? [LB367A]

SENATOR JANSSEN: Yes, yes. [LB367A]

SENATOR CHAMBERS: Senator Heidemann, if you were doing in a classroom what you're doing now, you'd get expelled. You're cheating. You're not the one taking this examination, Senator Heidemann, and I'm not aware that you were requested to do so. However, I don't object, because I do want answers to the questions. So Senator Janssen, when this A bill takes effect, if it remains intact, 90 days after we're out of session \$100 million will go into this Property Tax Credit Cash Fund, correct? [LB367A]

SENATOR JANSSEN: Correct. [LB367A]

SENATOR CHAMBERS: Where is this cash fund residing, if you know? [LB367A]

SENATOR JANSSEN: I would imagine with the Department of Revenue, or in the state treasury. [LB367A]

SENATOR CHAMBERS: So this... [LB367A]

SENATOR JANSSEN: That's where it will be. [LB367A]

SENATOR CHAMBERS: So the Property Tax Credit Cash Fund is located in the Office of the Treasurer? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Are you sure? [LB367A]

SENATOR JANSSEN: No, I'm not sure. [LB367A]

SENATOR CHAMBERS: So where is it located? [LB367A]

SENATOR JANSSEN: (Laugh) Right now it's located on paper, Senator Chambers,... [LB367A]

SENATOR CHAMBERS: Okay. [LB367A]

SENATOR JANSSEN: ...and I'm sure that it will be transferred at the right time from the right department into the right area where it belongs. [LB367A]

SENATOR CHAMBERS: But we just don't know exactly what these things...what these departments and where these locations are right now, do we? [LB367A]

### SENATOR JANSSEN: No. [LB367A]

SENATOR CHAMBERS: But you're going to find out in a minute or so, right? [LB367A]

SENATOR JANSSEN: It is in the Department of Property Tax Assessment and Taxation. [LB367A]

SENATOR CHAMBERS: And that is found in line 4 on page 2 in the short bill that we're discussing? [LB367A]

SENATOR JANSSEN: That...yes. I was just handed this, and that's where it's at. [LB367A]

SENATOR CHAMBERS: Okay, you hadn't really read LB367A prior to this, is that correct? [LB367A]

SENATOR JANSSEN: If I did, I did not remember it. [LB367A]

SENATOR CHAMBERS: Okay. That sounds something like Alberto Gonzales, but I'll continue. [LB367A]

SENATOR JANSSEN: Please don't compare there. [LB367A]

SENATOR CHAMBERS: Now, there's also appropriated in this bill \$59 million from the General Fund to the Tax Equity and Education Opportunities Fund, correct? [LB367A]

SENATOR JANSSEN: That's what it says in Section 2. [LB367A]

SENATOR CHAMBERS: And what is that for? [LB367A]

SENATOR JANSSEN: It's for the...for Program 158 to aid in carrying out the provisions of LB367, One Hundredth Legislature, First Session. [LB367 LB367A]

SENATOR CHAMBERS: And what is Program 158, if you know? [LB367A]

SENATOR JANSSEN: That is a program within the... [LB367A]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR JANSSEN: ...Appropriations Committee, I believe, or within the department. [LB367A]

SENATOR CHAMBERS: Which department? [LB367A]

SENATOR JANSSEN: Department of treasury, I suppose. [LB367A]

SENATOR CHAMBERS: Well, this bill says the Department of Education. [LB367A]

SENATOR JANSSEN: Education. All right. All right, I didn't see that. [LB367A]

SENATOR CHAMBERS: Okay. Now if it's in the Department of Education, can we conclude that it's some kind of education program? [LB367A]

SENATOR JANSSEN: Senator, I don't know. [LB367A]

SENATOR CHAMBERS: Okay. Who is your Vice Chair? [LB367A]

SENATOR JANSSEN: I'm sorry? [LB367A]

SENATOR CHAMBERS: Who is the Vice Chair of the committee? [LB367A]

SENATOR JANSSEN: I think he's at a hockey game. (Laugh) [LB367A]

SENATOR CHAMBERS: Who is he? [LB367A]

SENATOR JANSSEN: Senator Dierks. [LB367A]

SENATOR CHAMBERS: Is he playing or spectating? [LB367A]

SENATOR JANSSEN: I think he's spectating. [LB367A]

SENATOR CHAMBERS: Thank you. That's all I'll ask you at this point, Senator Janssen. [LB367A]

SENATOR JANSSEN: Thank you. [LB367A]

SENATOR ERDMAN: Thank you, Senator Chambers and Senator Janssen. Senators wishing to speak on FA97: Senator Carlson, Friend, Chambers, and White. Senator Carlson, you're recognized to speak; again, followed by Senator Friend. [LB367A]

SENATOR CARLSON: Thank you, Mr. President, members of the Legislature. Again, I'd like to engage in a little conversation with Senator Chambers. [LB367A]

SENATOR ERDMAN: Senator Chambers, would you engage in conversation with Senator Carlson? [LB367A]

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SENATOR CHAMBERS: Yes, I will. [LB367A]

SENATOR CARLSON: Senator Chambers, what's the date today? [LB367A]

SENATOR CHAMBERS: The date? [LB367A]

SENATOR CARLSON: Yes. [LB367A]

SENATOR CHAMBERS: Today, according to the calendar of there, is May 3, 2007. [LB367A]

SENATOR CARLSON: Okay, I'm learning, see, where I can see that. [LB367A]

SENATOR CHAMBERS: Well, yeah, pay attention. (Laughter) [LB367A]

SENATOR CARLSON: Today I have been in the Legislature four months. [LB367A]

SENATOR CHAMBERS: More or less. [LB367A]

SENATOR CARLSON: I can button my coat. [LB367A]

SENATOR CHAMBERS: And I'm proud of you. (Laugh) [LB367A]

SENATOR CARLSON: I don't have an extra piece of material in the back of my pants. [LB367A]

SENATOR CHAMBERS: Okay. [LB367A]

SENATOR CARLSON: I'm hungry. [LB367A]

SENATOR CHAMBERS: I understand that. [LB367A]

SENATOR CARLSON: And when I get through with you, I'm going to go have a bite to eat. [LB367A]

SENATOR CHAMBERS: And I'm not surprised at that. [LB367A]

SENATOR CARLSON: Okay, I just thought I'd indicate that. Now on your amendment, that's a reduction in there from \$100 million to \$99 million. Is that a large or a small reduction? [LB367A]

SENATOR CHAMBERS: It depends on how you're looking at it. If you look at it

absolutely and you're talking about just \$1 million standing, freestanding, it could seem like a lot. But as 1/100 of this amount, it's a small amount. [LB367A]

SENATOR CARLSON: So that represents...that's a 1 percent reduction? Is that true? [LB367A]

SENATOR CHAMBERS: Yes, I feel in a generous mood. [LB367A]

SENATOR CARLSON: Okay. And a half a percent would be less than 1 percent; would you agree? [LB367A]

SENATOR CHAMBERS: I agree. [LB367A]

SENATOR CARLSON: Okay. I want to shift now to a question about...relates to sales tax. [LB367A]

SENATOR CHAMBERS: Yes? [LB367A]

SENATOR CARLSON: And if we assume, and this...I think a...median income in Nebraska is about \$50,000. Out of that \$50,000, there are a lot of dollars that are spent that don't have a sales tax attached to it, or sales tax doesn't apply; would you agree? [LB367A]

SENATOR CHAMBERS: I really can't say for sure, because almost everything you spend money for does carry a sales tax, but not everything. So I'd have to have an idea of what the expenditures are going for. [LB367A]

SENATOR CARLSON: Okay, I'm going to take a few items here. Let's take a mortgage payment which includes the interest, taxes, real property taxes, and insurance. Would you agree that none of those three would have the Nebraska sales tax applied to them? [LB367A]

SENATOR CHAMBERS: Right, and the people who are making those payments in the current state of the mortgage market are not going to be able to make it much longer. Their house will be foreclosed on, and they're going to need some assistance, and they will appreciate the fact that 5.5 percent sales tax is greater than 5 percent. [LB367A]

SENATOR CARLSON: Thank you, Senator. This is my time now. [LB367A]

SENATOR CHAMBERS: Well, I was just answering the question that you asked. (Laugh) [LB367A]

SENATOR CARLSON: So the mortgage payment, interest, taxes, and insurance--sales

tax doesn't apply, whatever amount that might be. [LB367A]

SENATOR CHAMBERS: Right. You're not purchasing anything. [LB367A]

SENATOR CARLSON: Right. How about gasoline, vehicle taxes, and insurance on the vehicle? Would Nebraska sales tax apply to those items? [LB367A]

SENATOR CHAMBERS: Well, there's a gas tax on the gasoline. [LB367A]

SENATOR CARLSON: But it's not a sales tax. [LB367A]

SENATOR CHAMBERS: That's correct. [LB367A]

SENATOR CARLSON: Okay. So the Nebraska sales tax doesn't apply to those purchases, which of course, takes a pretty good percentage of income any more, with the price of gasoline. [LB367A]

SENATOR CHAMBERS: I agree. [LB367A]

SENATOR CARLSON: Groceries--Nebraska sales tax doesn't apply to purchase of groceries; do you agree? [LB367A]

SENATOR CHAMBERS: If they're food items, right. [LB367A]

SENATOR CARLSON: Right, and that's a good thing. We want to keep it that way. I hope you would agree with me. [LB367A]

SENATOR CHAMBERS: Oh, for sure. I helped get it that way. [LB367A]

SENATOR CARLSON: Now charitable gifts, so when people give money to the church or another charitable organization,... [LB367A]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR CARLSON: ...the amount that they give there wouldn't have the Nebraska sales applied, would it? [LB367A]

SENATOR CHAMBERS: No, and in fact they can probably get an income tax deduction. [LB367A]

SENATOR CARLSON: FICA tax, the amount that comes out of their income wouldn't have the Nebraska sales tax. [LB367A]

SENATOR CHAMBERS: I certainly hope not. That would be unconscionable. [LB367A]

SENATOR CARLSON: Nebraska income tax wouldn't have the Nebraska sales tax applied to it. [LB367A]

SENATOR CHAMBERS: That would be a tax on a tax, when you're not making a purchase, so you're correct again. [LB367A]

SENATOR CARLSON: Federal income tax wouldn't have the Nebraska sales tax applied to it. [LB367A]

SENATOR CHAMBERS: Correct again. [LB367A]

SENATOR CARLSON: Medical expenses, medical premiums for insurance and other medical expenses, in general, wouldn't have the Nebraska sales tax applied to it. [LB367A]

SENATOR CHAMBERS: I'm glad you said in general, because some purchases in the realm of medical needs would have a sales tax. [LB367A]

SENATOR CARLSON: I agree with you. Most of them would not. Money that's put into savings, if there's any left, wouldn't have the Nebraska sales tax applied to it, would it? [LB367A]

SENATOR CHAMBERS: Not on your money, no, that you don't spend. [LB367A]

SENATOR ERDMAN: Time. [LB367A]

SENATOR CARLSON: Thank you. [LB367A]

SENATOR ERDMAN: Thank you, Senator Carlson and Senator Chambers. Senator Friend, you're recognized to speak on FA97, followed by Senator Chambers. [LB367A]

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. Unlike...I'm glad Senator Carlson said he was going to eat, because unlike Senator Chambers, I'm glad that senators go and eat. They...people need food. Senator Chambers is a Spartan; he's not like us. But he can't expect everybody to be like him. There was a...the last couple days and last couple weeks--by the way, if you weren't sure, I think there are already people eating right now, so relax. I can push my button two more times. There are...last couple days, there are ideas that have been thrown out, and about our revenue system, about our tax system, and how we approach it--how we've approached in the past and how we're going to approach it in the future. All of that stuff has come to the table. People are reading comments from senators from two

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vears ago in regard to a tax increase. All those things are appropriate, but what I've heard very little of...and we can still talk about the FA97. While not irrelevant, it's not really part of this discussion. I think the discussion continues on our tax system and what we're doing, what we've done in the past, and what we're going to do in the future. I think it's a little disappointing to me--it certainly doesn't set me back much, and I guess I understand why--but it's a little disappointing to me that we haven't really done a full analysis--and maybe the Revenue Committee would object to my assumption--that we haven't really done a full analysis of the best way to grow our economy with this tax system. Let me restate: We haven't done a full analysis out here with our debate. Debate analysis is obviously a heck of a lot different than task force analysis, than committee analysis, than small group dynamic analysis underneath the balconies. We're talking about four or five people getting up on the floor, and a lot of folks would assume. just wasting time, correct? I beg to differ. If we're going to be here till 11:59, and any amount of that time, a good portion of that time, is spent on LB367A, I'm just warning you: Here's what I'm going to do--talk about some of those things. We don't have to. We just went to cloture. If we have to go to cloture on LB367A, I would imagine we'd have the same amount of votes or pretty darn close. But that may take time, too. I think on the floor--and we've all seen it if you watch C-Span and watch the House of Representatives. [LB367A]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR FRIEND: Nobody is in the room. The Clerk, the folks that work in the Clerk's Office, and then one House of Representative member going on for 20 minutes, everybody else in Washington, D.C., carrying on their own business, wherever that might be. Well, oddly enough, that's not going to happen here. When we have a debate out here, it ends up turning into analysis. It's real analysis, because we end up having four or five people get involved in it, and I think that qualifies, even if it's two. This is, for lack of a better way to describe it, a better way to do the people's work. A third round of debate and analysis-appropriate. [LB367A]

SENATOR ERDMAN: Time. [LB367A]

SENATOR FRIEND: Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator Friend. Senator Chambers, you're recognized to speak on FA97, followed by Senator White. [LB367A]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, whether people know it or not, whether people care about it or not, there is a lot of work that needs to be done on this A bill. And where are they? Stuffing their faces, feeding their faces. Not you, Senator Fischer. I can sense you in the room, even when I don't see you. I know you're here. (Laughter) But where are they? We're dealing with a bill

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that they all said was so important they voted cloture so they could get through with it, and now we're dealing with the funding bill. You mean to tell me that a bill which is designed to fund a bill that they clotured--I think I see Senator Dubas over there under the balcony--and they're not going to be here to deal with the funding bill? And the funding bill is wrong! It is wrong. What do you think I was asking those questions for? To try to get the rest of you to read a bill that's about three-quarters of a page wrong, and you would have seen that it was wrong. Why do you think I asked about TEEOSA? I'd like to ask Senator Nelson a question, because he's a brilliant man and he's a lawyer, but he wasn't smart enough to run out of here and eat with the rest of them. Senator Nelson, I'd like to ask you a question. [LB367A]

SENATOR ERDMAN: Senator Nelson, would you yield to a question from Senator Chambers? [LB367A]

SENATOR NELSON: I will yield, but I warn him that if I have to go more than another 15 minutes without food, I probably will collapse. [LB367A]

SENATOR CHAMBERS: Senator Nelson, your name is not Friend, so I promise you it won't be 15 minutes. [LB367A]

SENATOR NELSON: Thank you, Senator. [LB367A]

SENATOR CHAMBERS: Are you looking at the A bill? [LB367A]

SENATOR NELSON: Yes, I am. [LB367A]

SENATOR CHAMBERS: Are you a member of the Revenue Committee? [LB367A]

SENATOR NELSON: No. [LB367A]

SENATOR CHAMBERS: Did you vote for cloture? [LB367A]

SENATOR NELSON: Yes, I did. [LB367A]

SENATOR CHAMBERS: Do you think the bill that would fund that bill you voted to cloture is important? [LB367A]

SENATOR NELSON: Certainly. [LB367A]

SENATOR CHAMBERS: Where is anything in the bill that relates to TEEOSA? [LB367A]

SENATOR NELSON: I don't see anything described there as TEEOSA. [LB367A]

SENATOR CHAMBERS: Oh well, okay. The Tax Equity and Educational Opportunities Fund. [LB367A]

SENATOR NELSON: Program 158? Program 158 you're referring to? [LB367A]

SENATOR CHAMBERS: Right. [LB367A]

SENATOR NELSON: Yes. [LB367A]

SENATOR CHAMBERS: There's nothing in the bill that this would attach to, is there, in the bill itself? [LB367A]

SENATOR NELSON: I'm sorry, the question again? [LB367A]

SENATOR CHAMBERS: Okay. There is nothing in the bill itself that this appropriation would fund; do you agree with that? [LB367A]

SENATOR NELSON: That's...I believe so. That's correct, yes. [LB367A]

SENATOR CHAMBERS: So why is it in this A bill to fund something that is not even in the main bill? [LB367A]

SENATOR NELSON: That's a good question, Senator Chambers. [LB367A]

SENATOR CHAMBERS: I know it. I'd like a good answer, Senator Nelson. That's why I called on you. [LB367A]

SENATOR NELSON: (Laugh) I did not draft the A bill, so I can't speculate on why that's not in there. [LB367A]

SENATOR CHAMBERS: If I hadn't read the bill, maybe I wouldn't be troubled by these issues; would you agree? [LB367A]

SENATOR NELSON: I would agree. [LB367A]

SENATOR CHAMBERS: Having read the bill, do you think I have an obligation to be troubled by an issue such as this, as a member of the Legislature? [LB367A]

SENATOR NELSON: Probably, yes. [LB367A]

SENATOR CHAMBERS: So I'm discharging my obligation by being troubled; would you agree? [LB367A]

SENATOR NELSON: Yes. [LB367A]

SENATOR CHAMBERS: And that's all I will ask of you, and you're free to go hunt your lunch now, "Captain," if you so desire. [LB367A]

SENATOR NELSON: Thank you. Would you care to join me? [LB367A]

SENATOR CHAMBERS: Oh, no, thank you. [LB367A]

SENATOR NELSON: All right. [LB367A]

SENATOR CHAMBERS: I don't eat after 3:00. [LB367A]

SENATOR NELSON: All right. Thank you, Senator Chambers. [LB367A]

SENATOR CHAMBERS: Okay. And as a matter of fact, before I continue, I'm going to tell you all something that happened during the...one of the wars. This particular unit had a priest as their chaplain, and they were in the thick of a very hot fire fight, and in order to keep the troop's morale up, this priest told them, if you happen to die this afternoon, you'll be taking supper with God in the evening. So the troops had a lot of morale, and they were ready to fight. Then they looked up and they saw this priest running as fast as he could the other direction, and his robe sticking out straight behind him. They said, Father, Father! He said, what is it... [LB367A]

SENATOR ERDMAN: One minute [LB367A]

SENATOR CHAMBERS: ...hollering over his shoulder. They said, you told us that if we died this afternoon, we'd be supping with God tonight. Well, what are you running for? The priest said, well, I never take supper. So he wasn't going to be there. Everybody has gone to supper, and we have a serious issue to deal with here, and it is going to be dealt with. But who raised it? When this bill came up and was read for the first time by the Clerk, we were told there are no amendments. So I have to presume, don't I, that the form of the bill is reflective of what is in the underlying bill? I'm entitled to that. I'm not on the committee. I don't have to draft amendments. LB367 is not my bill. I argued about it and discussed it all this time. Senator Friend spent all that time talking, but he doesn't read the bill. [LB367 LB367A]

SENATOR ERDMAN: Time. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator Chambers and Senator Nelson. Senator

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White, you're recognized to speak, followed by Senator Langemeier. [LB367A]

SENATOR WHITE: Thank you, Mr. President. I'd like to speak briefly and perhaps have Senator Chambers chime in, if at some point he'd be interested. I'd like to talk to the members about the conditions in my district, and perhaps they'd understand what might drive Senator Chambers and I to talk about sales tax. To so many of us, sales tax is nothing but an inconvenience. I mean, it's a nickel and a half on a dollar when we buy a candy bar or something. But that is largely an impact of how much money we have available to us, and how little that incremental difference makes to us. In my district, however, there are people who are enormously poor. They are really on the thin line all the time of not having enough to eat, or not having enough for their families to eat. Certainly, many of the elderly people in my district are making choices between eating properly and taking their medication that's necessary. I think Senator Synowiecki probably is aware of that, as well. And it is these people that drive us. It drives at least me, to be willing to stay here until late into the night talking about our need that these folks have a voice. They cannot afford lobbyists. We are not compelled to listen to them out in the Rotunda. They don't attend our fundraisers, and if they did, they'd have little or nothing. Too often, they don't vote. But they are citizens of what should be a great republic, and they should have a chance to be heard. And when we get taxes that have an opportunity to have an impact on their lives, to truly mean something to them, it seems to me very important that we discuss it. One of the common threads in the taxes that I've proposed--the tax breaks I've proposed--they were really focused on two things. One was shelter. I'm a firm believer that if the poor have a home, they change. They move often from disfunctional groupings into a family. They have a common focus, they have a commitment to the larger community, and as they make a motion from being a disfunctional group into a real family they also make the movement to being citizens. They tend to hold their jobs longer, they tend to become more involved in political affairs of the day, their children tend to do much better in school. Having a home is essential, and that's why I've been such a strong proponent of property tax targeted towards the home and limited to \$500, because a modest home, \$500 would have made an enormous difference. When that was not politically possible, given what's happening in this body, I then focused with Senator Chambers on the need--and Senator Mines--on the need to try to address other basic necessities. For so many of these folks, the difference in sales tax can be the difference between whether or not they can, in fact, buy appropriate clothing, and they don't shop for new clothing. Frequently they're shopping at the Goodwill and the thrift stores. And the differences, though miniscule to us, are real to them. So as we stay the night tonight, I'll stay and try to remember why I'm here. I'll try to remember about the conditions in too much of my district. I'll try to remember that I'm here, standing up to talk about people who are in those situations, and trying to deliver to them not all of the tax package, but a fair share of it. Senator Chambers, would you yield for a question? [LB367A]

SENATOR ERDMAN: Senator Chambers, would you yield to a question from Senator

White? [LB367A]

SENATOR CHAMBERS: Yes. Yes, I will. [LB367A]

SENATOR WHITE: Senator Chambers, would you be kind enough to describe some of the conditions of poverty that exist in your district, and how a more progressive taxation system could help alleviate those conditions? [LB367A]

SENATOR CHAMBERS: Certainly. I think it's clear from what Senator White said this time he spoke, and at other times, that a reduction in the sales tax of a half percent is not going to solve the problem of poverty. But because you're living at a margin, and sometimes off the margin, where these small amounts, relatively speaking, can mean the difference between being able to pay for something you need--and we're not talking about food--and not being able to pay for it. When you live in an area of the city that is not well served with public transportation, and you have to get some knockabout, rattletrap car, as we call it, it is more expensive trying to keep that thing running than it would be to purchase a halfway decent car, ... [LB367A]

SENATOR ERDMAN: Time. [LB367A]

SENATOR CHAMBERS: ...so you're always...oh. Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator White, Senator Chambers. Senator Langemeier, you're recognized to speak, followed by Senator Friend. [LB367A]

SENATOR LANGEMEIER: Mr. President, members of the body, and Senator Chambers has stated it very correctly, LB367A does not match the bill. LB...the following amendment, after FA97, AM1207, does make it match the bill. And so we will dispense, over time, FA97, and then we'll get to the discussion of AM1207. This is my third year in the body, and when I first got elected we always talked about a late night, going to 11:59:59. I've never been there. I'm actually kind of looking forward to it. And so with that, I look forward to the rest of the evening, and thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator Langemeier. Senator Friend, you're recognized to speak, followed by Senator Chambers. [LB367A]

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. These two gentlemen, Senator White and Senator Chambers, just spoke volumes--volumes. Very, very educational, and I'm not being facetious, I'm not being tongue-in-cheek. What they have done is proven my point. There's a huge difference in philosophy here. Senator White believes that a sales tax cut, a modest sales tax cut or a small sales tax

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cut, is going to help those people in his district. That's admirable. I have people...I'm right by his district. He's a rock's throw away. I have a lot of the same type of constituents. The philosophical difference is this, folks, and it's pretty clear: We go after income tax, and we lower income tax rates, we are investing. We are creating jobs. We're doing things two years and three years down the road. They're going to create jobs for people in his district, and his, and mine, and everybody else's. That's the philosophical difference. What Senator White is talking about is Keynesian economics, simple as that. Give me the wealth back right now, and let me do something with it. It's not created, and it's not meant to produce the type of investment in an economy that income tax cuts produce. It's as simple as that. A passioned, well-reasoned plea for his constituents, and thoughtful. I am, too. You think I don't want people in my district picking themselves up by the bootstraps and doing better for themselves, generation after generation? We have significant philosophical differences as to how to get there. That is so key. These guys just spoke volumes. I can't emphasize that enough. And here's what I would finally say about it. Senator White believes that half a cent sales tax is going to help his people more than an income tax cut. Well, you know what? Companies like FDR, retail outlets, companies like ConAgra--name the corporation and you slice income taxes, and they come in and they hire people. And you know what kind of people a lot of those organizations hire? The people that live in my district. I would rather have a job, I would rather have the ability to work for my family into the future, than take the type of philosophical approaches and rewards, with all due respect, that Senator White and Senator Chambers are offering me. I'm not rich, folks, at all, and that's not funny. I'm not. And I live paycheck to paycheck, and I would benefit from a sales tax cut--absolutely. But I think it boils down to what is good for a state like Nebraska a year down the road, two years down the road, five years down the road. And you...and you know? I've seen it after four years and almost five years, that a sales tax cut during hard times is going to be very easy to take away. This Legislature has done it; they'll do it again. An income tax cut is more difficult, it's more stagnant, and it's investment oriented. That's the big difference, right there. [LB367A]

#### SENATOR ERDMAN: One minute. [LB367A]

SENATOR FRIEND: And I'm as serious as a heart attack here. One minute, Mr. President? I'm as serious as a heart attack about this, that the true colors have now been shown, and that's why debate is important, and that's why time is important. Whether anybody voted for cloture or not, that's irrelevant. We're still talking about it, because we're on LB367A. The true colors are there, and while I don't necessarily disagree with what a person like Senator White is saying right now, or even Senator Chambers, in regard to that tax cut, I just...philosophically, I think there's a better way to do it for everyone in the long term, for the long term for this state, and for the people in my district. That's what I believe. [LB367A]

SENATOR ERDMAN: Time. [LB367A]

SENATOR FRIEND: Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator Friend. Mr. Clerk, motion on the desk. [LB367A]

CLERK: Mr. President, Senator Chambers would move to amend his floor amendment with FA98. (Legislative Journal page 1398.) [LB367A]

SENATOR ERDMAN: Senator Chambers, you're recognized to open on FA98. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Since I have several things working here, I have to get this correct. What I would do in my amendment, which would stand at \$99 million, is to strike \$99 million and insert \$95 million. I am reducing the original amount in the A bill from \$100 million to \$95 million. Reducing that amount by \$1 million, as my original amendment would do, is not anything substantial, so I'm going to reduce that amount by \$5 million, and I'm going to attempt to make other reductions. You see, there are people in this Legislature who think they're very smart, but they may not be smart as they think. There is an amendment being proposed to correct a deficiency in the A bill that ought to have been caught, but it wasn't. I was not the first one to speak on this bill. Whoever spoke first had the opportunity to point out the fact that the A bill was wrong. So I began to ask guestions, because in that format people might tend to pay more attention and wonder why in the world am I trying to trick the Chairman of the Revenue Committee by asking guestions about the Tax Equity and Educational Opportunities fund, when in the minds of most people, LB367 has nothing to do with that at all. But nobody scratched their head and said, well, what is going on here? So they thought of it as a trick question, but it was to call attention to something in the bill that is not as it should be. Well, some people think that you cannot discuss an A bill for eight hours, especially on Select File. So who will move to cloture? Senator Janssen, because he's the Chair of the committee. Only the chairperson of the committee can make a motion to cloture a bill. Well now, if he clotures LB367A, it's going to contain Section 2, which talks about appropriating money for TEEOSA. If he doesn't get to Section 2, and we've discussed the bill a long time and everybody is tired, and they tell him, cloture it anyway, then you cloture the bill, because you're sheep. Then you vote to advance it, because you're sheep. And you then have a bill appropriating money for something that is not in the bill. You think I'm dumb, don't you? And you think because Senator Friend had told you that I'm old that my brain is not functioning. My brain is programmed before the day starts as to everything that it's going to have to do. I don't have to lie down and kick my feet up on a couch in there to be asleep. I'm on automatic pilot right now. The parts of my brain which would be conducting intellection or rationale thinking is asleep. My brain is asleep. The part of my brain that is operational is on automatic pilot. It's just doing what needs to be done. It's

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reacting to what happens here, and I don't even have to think about it anymore. But I know that there are people on this floor who have strings pulled on them, and they're going to teach people how to put me in my place. They don't have to cut a deal on a half percent reduction in the sales tax, or quarter percent reduction, because they can outfox me. They got the underlying bill clotured, didn't they? Yeah, they did. But now the funding bill has been delivered into my hands, and how are you going to get to the amendment that he needs, when my amendments are going to prevent that from happening? How many amendments can I draft to my amendment, which starts at \$99 million? I'm not going to do it a dollar at a time. I'm not going to write 99 million amendments. It's not going to take that long to get us to 11:59--let's just say midnight. In five minutes I will have only six hours to go--six hours to go. Senator Friend is sitting down. I don't sit down. I'm standing up, and I'm going to just continue to hammer on this issue. To me and the people that I'm concerned about, the sales tax is of extreme importance and consequence. In the same way that Senator Janssen has raised his back and he's not going to agree to any change, and he's going to fight for what they've got, as messed up as it is right now, I'm going to fight for what I believe in. And I'm going to do it under the rules. Do I have 40-something people supporting me? No. Do I need 40-something people supporting me? No. What do I have? The rules and that part of my brain which is the top layer of the onion, for the purposes of the analogy. What kind of problem would you have if I went below that "nonintellecting" layer of my brain and got down to where thinking occurs? What does my amendment do? It changes the \$100 million that is proposed to be appropriated from this...by this bill, to the property...I want to ask Senator Janssen a question. [LB367A LB367]

SENATOR ERDMAN: Senator Janssen, would you yield to a question from Senator Chambers? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, would it be all right with you...oh. Senator Langemeier is gone. Okay, so I'll ask you. The language of this bill--and I'm dealing with Section 1--says that this \$100 million is going to be appropriated from the Property Tax Credit Cash Fund, correct? [LB367A]

SENATOR JANSSEN: (Inaudible.) [LB367A]

SENATOR CHAMBERS: It's not appropriated to it. It's going to be appropriated from that fund. [LB367A]

SENATOR JANSSEN: On line 3? [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

#### SENATOR JANSSEN: All right. [LB367A]

SENATOR CHAMBERS: So since we're...well, line 1 talks about the \$100 million, and line 2 says it's coming from that fund. So before it can come from that fund, it has to be put into that fund; would you agree? [LB367A]

SENATOR JANSSEN: Um-hum, yes. [LB367A]

SENATOR CHAMBERS: And we agreed earlier that that money is going to come from...did you say the General Fund? [LB367A]

SENATOR JANSSEN: Yes...no, it would be from the Property Tax Credit Cash Fund, yeah. [LB367A]

SENATOR CHAMBERS: Well, that's where this \$100 million is coming from, but where does the \$100 million come from that goes into that fund? [LB367A]

SENATOR JANSSEN: It would be from the Property Tax Credit Cash Fund. [LB367A]

SENATOR CHAMBERS: Would you mind if... [LB367A]

SENATOR JANSSEN: No, it's the Department of Property and Assessment Taxation. That is an amendment that I have forthcoming. [LB367A]

SENATOR CHAMBERS: But what I want to know, in order for money to be appropriated from the Property Tax Credit Cash Fund, there has to be \$100 million in that Property Tax Credit Cash Fund; is that right, \$100 million? There has to be money in that fund, correct? [LB367A]

SENATOR JANSSEN: It would be transferred to that fund, yes. [LB367A]

SENATOR CHAMBERS: From where? [LB367A]

SENATOR JANSSEN: From the General Fund. [LB367A]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR CHAMBERS: Okay. So the underlying bill creates the Property Tax Credit Cash Fund, money will be transferred from the General Fund into this Property Tax Credit Cash Fund, and then from that fund, money will be...will go where? To the Department of Property Assessment? [LB367A]

SENATOR JANSSEN: It will be reappropriated and go back to the counties, then.

[LB367A]

SENATOR CHAMBERS: Where is the Department of Property Assessment and Taxation located? Is that a state department or a county department? [LB367A]

SENATOR JANSSEN: It's a state...it is a state office. [LB367A]

SENATOR CHAMBERS: Well, you said it would go from this Property Tax Credit Cash Fund to the counties, but this bill says it will go from the Property Tax Credit Cash Fund to the Department of Property Assessment and Taxation. [LB367A]

SENATOR JANSSEN: They will reimburse the counties for that money. [LB367A]

SENATOR ERDMAN: Senator Chambers, your time is up, but your light is next. You may continue. [LB367A]

SENATOR CHAMBERS: Thank you. [LB367A]

SENATOR ERDMAN: Senator Janssen, would you continue to yield? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, we're going to have more than one transfer of funds here; would you agree? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: The first will be--and we're using the term "transfer" just to designate these transactions. First, money is going to go from the General Fund into the Property Tax Credit Cash Fund. Do you agree? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: And from that fund it then goes...it goes where? [LB367A]

SENATOR JANSSEN: To the counties. To the counties? [LB367A]

SENATOR CHAMBERS: To the Department of Property Assessment and Taxation; is that true? [LB367A]

SENATOR JANSSEN: Then they are issued the authority to write the check to the counties, to reimburse them. [LB367A]

SENATOR CHAMBERS: I thought this language is saying that money is going to be transferred from the Property Tax Credit Cash Fund to the Department of Property Assessment and Taxation. Am I misreading that? [LB367A]

SENATOR JANSSEN: Now it is appropriated. It gives them the authority to spend that. [LB367A]

SENATOR CHAMBERS: So no money goes to the Department of Property Assessment and Taxation? [LB367A]

SENATOR JANSSEN: They don't keep the money. They have to write the check for the money. [LB367A]

SENATOR CHAMBERS: But here's what I want to know. When that \$100 million leaves the Property Tax Credit Cash Fund, when it leaves it, its next stop is at the Department of Property Assessment and Taxation; is that correct? If I'm wrong, just tell me. [LB367A]

SENATOR JANSSEN: All right. No, no. But that's where it goes, because some agency has to write the check. [LB367A]

SENATOR CHAMBERS: I...you're getting ahead of me. I just want the record to show the movement of this money. It comes first from the General Fund to the Property Tax Credit Cash Fund,... [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: ...and from there to the Department of Property Assessment and Taxation,... [LB367A]

SENATOR JANSSEN: Um-hum. [LB367A]

SENATOR CHAMBERS: ...and then, if it's going to move to the counties, it moves from the Department of Property Assessment and Taxation; is that correct? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: All right. So the only thing that the Property Tax Credit Cash Fund does is to be a pass-through agency for that money to get to this Department of Property Assessment and Taxation, from whence it will be then sent to the counties. [LB367A]

SENATOR JANSSEN: That's the way I understand it, Senator. [LB367A]

SENATOR CHAMBERS: And it will be distributed then in accord with the language in LB367. It would be distributed by the counties at that point. [LB367A LB367]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Okay. So now we're all right on Section 1, and that's all the questioning I will do at this time. But thank you, Senator Janssen. Members of the Legislature, I'm trying to get clearly into the record where this money is coming from. However,...where is Senator Langemeier? He told me he knew everything and he was going to answer questions, and I've been stalling and waiting for him. Is Senator Cornett over there? [LB367A]

SENATOR ERDMAN: Senator Cornett, are you available for a question from Senator Chambers? [LB367A]

SENATOR CHAMBERS: Senator Cornett, Senator Friend said he may get loony. Senator Friend, I'd like to ask a question, if he would yield. [LB367A]

SENATOR ERDMAN: Senator Friend, would you yield to a question from Senator Chambers? And Senator Chambers, you have a minute, 15. [LB367A]

SENATOR CHAMBERS: Thank you. [LB367A]

SENATOR FRIEND: Yes. [LB367A]

SENATOR CHAMBERS: Senator Friend, may I borrow a bit of your looniness, just for a couple of seconds or so? [LB367A]

SENATOR FRIEND: It depends on which bit you need. (Laughter) [LB367A]

SENATOR CHAMBERS: Just a little bit of it. [LB367A]

SENATOR FRIEND: Yes. [LB367A]

SENATOR CHAMBERS: Okay. Senator Cornett, I'm calling you (singing). That's all I will use of it, Senator Friend. Thank you. I have been told that other people would answer some of the questions for me but I don't see them, so I will continue my discussion until such time as they may arrive. Oh, Senator Wightman will answer. I'd like to ask Senator Wightman a question. [LB367A]

SENATOR ERDMAN: Senator Wightman, would you yield to a question? [LB367A]

SENATOR WIGHTMAN: I will. I'll try to answer them, Senator. [LB367A]

SENATOR CHAMBERS: And Senator, I'd like to ask the presiding officer, am I still on my opening? (Laugh) [LB367A]

SENATOR ERDMAN: This is your first time speaking, Senator Chambers. You have 20 seconds. [LB367A]

SENATOR CHAMBERS: Is this my opening, or the first time following my opening? [LB367A]

SENATOR ERDMAN: It is after...this is the first time after your opening. [LB367A]

SENATOR CHAMBERS: Okay, then I'm going to turn on my light again, because I won't be able to continue at this point. Thank you. [LB367A]

SENATOR CHAMBERS: Thank you, Senator Chambers and almost thank you, Senator Wightman. Senator White, you're recognized to speak. [LB367A]

SENATOR WHITE: Thank you, Mr. President. You know, I'm trying to play a guessing game with which error Senator Chambers has discovered. But Senator Adams, ever the eagle-eye, may already have uncovered it. So I...however, I will watch and see if Senator Chambers will reveal what he believes the error to be, and I look forward to that. I do want to continue discussing a couple of things briefly about why, hopefully, we're not wasting our time here. Senator Friend has now discussed about the importance of debate. And I think, due to Senator Adams' insight and wisdom and what he caught, that is so true, because in the process of this, there is a fundamental error in the bill, I think, and it's an error that will be a real problem for us to fix, going forward. But it probably wouldn't have been caught had it not been for full and fair debate and people paying attention. And often, I think, with our class, we so do want to work together, we so do want to be nonpartisan, we so do wish to have the affection and trust of our fellows that sometimes, perhaps, we move more quickly than we should, and we interpret taking time to discuss as being obstinate or difficult. But if I'm correct and if Senator Adams is correct in what he found, I think you'll be well rewarded in understanding that indeed, despite the best efforts of some very good people on the Revenue Committee, there's a real fundamental problem with this bill. I mean, there's a real doozy of a mix-up. So the debate is not a bad thing. Taking our time and looking at the bill is not a bad thing. And spending time, even when it can be chafing and difficult, is not a bad thing unless we make it one. Hopefully, instead of making it a bad thing, we start recognizing--at least, I need to recognize and continue to remind myself--that there is so much I stand to learn from so many of you. I had no idea about that error in this bill, and obviously, I've been on the committee and I've been strongly opposed to aspects of it. That's humbling, altogether, all to the good. Now, Senator Wightman

seemed ready to jump up and take center stage, so if he wishes, I will now yield my time to him. [LB367A]

SENATOR ERDMAN: Senator White, did you yield your time to Senator Wightman? [LB367A]

SENATOR WHITE: I did. [LB367A]

SENATOR ERDMAN: I apologize. Senator Wightman, you have 2 minutes and 30 seconds. [LB367A]

SENATOR WIGHTMAN: Okay. Am I the next light? [LB367A]

SENATOR ERDMAN: You are not. Senator Friend is after this. [LB367A]

SENATOR WIGHTMAN: Okay. Well, first of all, I'm not sure that I understand all of the inner workings of this. But I think maybe I understand some of them, from where the money comes and where it goes. I suspect that Senator Chambers knows, as well. And of course, it may be rhetorical questions, but I stood ready to try to answer some of them. My understanding is that the education...or, the Property Tax Cash Fund is established by the bill, that \$100 million would be transferred immediately out of the General Fund and into that, that would be transferred from...and I'll get...Property Tax Credit Cash Fund, actually, be transferred out of there to the Property Tax and Assessment, and then would be transferred out of there back to the counties, and then the counties would use that to offset the tax reduction that would occur, which would be probably the \$100 million, and that would be allocated or credited proportionately to each tax entity that was being supported by taxes within the district. So a major part of it would go to the schools. Actually, the largest part would go to the schools. From there, it would be kind of a mix between county and cities, and then every... [LB367A]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR WIGHTMAN: ...tax entity within that group. So it may go to airport authorities, it may go to NRDs, but it would go to everyone who had a tax levy within that county. Now, that's my understanding of the bill. I'd be glad to try to answer any questions Senator Chambers may have. Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator Wightman and Senator White. Senator Friend, you are the next light. You're recognized to speak, followed by Senator Wightman. [LB367A]

SENATOR FRIEND: Thank you, Senator Erdman. And I know that I could speak to this amendment, but there's no need to. I have nothing further. Thank you, Mr. President.

[LB367A]

SENATOR ERDMAN: Thank you, Senator Friend. Senator Wightman, your light was next. Would you like to speak? [LB367A]

SENATOR WIGHTMAN: Give me a minute. I'll yield the time to Senator Chambers, and if he has any more questions of me, I think we could best handle it in that manner. Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Senator Chambers, you have 4 minutes and 45 seconds. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Members of the Legislature, Senator Friend spoke for such a short time, I thought he was cut off, because he's going to stand up here and go toe-to-toe with me, and he can't speak his full five minutes or something. So I'd like to ask him a question. [LB367A]

SENATOR ERDMAN: Senator Friend, would you yield to a question from Senator Chambers? [LB367A]

SENATOR CHAMBERS: Senator Friend,... [LB367A]

SENATOR FRIEND: Yes. [LB367A]

SENATOR CHAMBERS: I thought I heard you say you would speak to the amendment. [LB367A]

SENATOR FRIEND: I said I was going to speak to the amendment, but there is no need to, because this amendment is going to be fixed...or, the LB367 is going to be fixed appropriately. So these mistakes that everybody is talking about are irrelevant. [LB367A LB367]

SENATOR CHAMBERS: These mistakes that who's talking about? [LB367A]

SENATOR FRIEND: You and everybody else. [LB367A]

SENATOR CHAMBERS: Well, how can they be irrelevant if they need to be fixed? [LB367A]

SENATOR FRIEND: Because we're going to fix them. [LB367A]

SENATOR CHAMBERS: When you say "we," who is included in that? Or is that the royal we and it applies only to you? [LB367A]

SENATOR FRIEND: The royal we. [LB367A]

SENATOR CHAMBERS: So you're going to fix it then, correct? [LB367A]

SENATOR FRIEND: No, I'm just playing a little bit. [LB367A]

SENATOR CHAMBERS: I know. [LB367A]

SENATOR FRIEND: We're... [LB367A]

SENATOR CHAMBERS: So who is included in that "we," when you say we're going to fix it? [LB367A]

SENATOR FRIEND: There's an amendment, AM1207, correct? Do you see it on your gadget? [LB367A]

SENATOR CHAMBERS: Yes, I do. [LB367A]

SENATOR FRIEND: And there are also, it's my understanding, drafting fixes that have to go into place because of the changes that we made on Select File to LB367. I think that's what Senator Langemeier was talking about. So I didn't really have much more to add. [LB367A LB367]

SENATOR CHAMBERS: Senator Friend, I don't see AM1207 on my gadget. Whose amendment is it? [LB367A]

SENATOR FRIEND: AM1207? I'm staring at it on my gadget right now. Might maybe refresh your gadget. [LB367A]

SENATOR CHAMBERS: Whose name is the amendment under? Whose amendment is it, AM1207? [LB367A]

SENATOR FRIEND: Senator Janssen. [LB367A]

SENATOR CHAMBERS: And it's AM1207? [LB367A]

SENATOR FRIEND: Isn't it? [LB367A]

SENATOR CHAMBERS: No, I'm asking you, because you said it is, and you told me to refresh my gadget. Mine gives a number,... [LB367A]

SENATOR FRIEND: Maybe my gadget is messed up. I don't know. [LB367A]

SENATOR CHAMBERS: ...AM1295. Well, we'll wait till we get to Senator Janssen's... [LB367A]

SENATOR FRIEND: Oh, no, it's AM1235, sorry. Mine just refreshed. [LB367A]

SENATOR CHAMBERS: We're going to work our way through it when we get to it. But Senator Friend explained why he didn't speak very long. [LB367A]

SENATOR FRIEND: Yes, I was...I don't know if I was confused or not. Maybe I am now. [LB367A]

SENATOR CHAMBERS: Well, now is just the time I think I understand you. So what I'm going to do--thank you, Senator Friend--is continue. There has been an attempt by those assisting Senator Janssen to outfox me, because Senator Janssen is offering an amendment to my amendment, and his amendment is to amendment FA97, and that's the one we're discussing right now. I'd like to ask Senator Janssen a question. [LB367A]

SENATOR ERDMAN: Senator Janssen, would you yield to a question from Senator Chambers? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, what would your amendment do? [LB367A]

SENATOR JANSSEN: What would my amendment do? [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

SENATOR JANSSEN: All right. It would strike the contents of the original A bill, would transfer \$105 million from the Property Tax Credit Cash Fund in '07 and '08, and \$115 million from the fund in '08 and '09 to the Department of Property Assessment and Taxation, to fund the... [LB367A]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR JANSSEN: ... property tax credit program found in LB367. [LB367A LB367]

SENATOR CHAMBERS: And? The first...there's something you have to do before you can do that. What does your amendment do before it gets to that? [LB367A]

SENATOR JANSSEN: It would strike the original amendment. [LB367A]

SENATOR CHAMBERS: And what is the original amendment that's being stricken? [LB367A]

SENATOR JANSSEN: Yours. [LB367A]

SENATOR CHAMBERS: So you're out to get me, huh? [LB367A]

SENATOR JANSSEN: Well, I had a good teacher, Senator. [LB367A]

SENATOR CHAMBERS: Do you think you got me? [LB367A]

SENATOR JANSSEN: Don't know. [LB367A]

SENATOR CHAMBERS: But you're going to... [LB367A]

SENATOR JANSSEN: We'll know about 11:58-point-9. [LB367A]

SENATOR CHAMBERS: Do you think we're going to have to go that far before we dispense with the A bill? [LB367A]

SENATOR JANSSEN: Senator, that's entirely up to you. [LB367A]

SENATOR ERDMAN: Time. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Senator Chambers, your light is next. This will be your third time. Senator Wightman, you will follow Senator Chambers. [LB367A]

SENATOR CHAMBERS: Correct. Mr. President, members of the Legislature, this bill is taking a torturous course. I really have no interest in keeping us on this bill until 11:59. I have a sheaf of amendments which I could have offered and forestalled anything that Senator Janssen and his friends over there could do. But what they should have been doing, instead of trying to match wits with me, is pay attention to LB367A and put it in the proper form. They had time to put their amendment up there. Somebody spoke on the bill. And it was said from the desk, which was correct, no amendments were on the bill. And at that time, my light came on, and I put an amendment up there. There was time for them to make a correction. I'll tell you what's wrong with LB367A. It does not reflect what is in the bill. You all remember when you were talking about a dollar and a nickel and a dollar? You all remember that discussion and what it entailed? And do you remember what you did? Do you know what you did? Do you even care what you did? But whether you know or care or not, you did something which resulted in the A bill being inaccurate right now because it does not reflect what the bill says. It's not my job

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to do these things. My job is to be kicked around like a soccer ball, like you all think you did when you voted cloture, because you wanted to hurry up and get out of here and go over there and sponge off the lobbyists. And I know you're all over there. That's why the lobbyists have no respect for these senators. They can make you leave your job when you're talking about tax policy, to go over there and eat some cheap, cheesy food that probably was left over from some restaurant, and they said, take it to the senators. And the lobbyists said, won't they get sick... I meant, the restaurateurs said, won't they get sick? The lobbyists said, they can eat anything and they can digest anything, because they're full of it, and if they're full of it, it ain't going to make them sick when they eat some more of it. That's how much contempt I have for what these senators are doing who run over there and sponge off these lobbyists. The public needs to know you're eating off the lobbyists. That's why you're not in your seats. And you're so proud. You are the government. You are formulating tax policy. And you left your good friend, whom you told me to feel sorry for, floundering, because a major error in the A bill was not caught, and you all were not here to help him. You leave him swinging slowly, twisting slowly in the wind. What kind of friends are you? Senator Fischer told you, play time is over, and you all are still playing. And now even Senator Fischer has departed, which she has a right to do. But I'm going to linger on this bill for a while longer, and I'm going to continue talking about the tax policy which is embraced in LB367. What ought to have been done... [LB367A LB367]

SENATOR ERDMAN: One minute. [LB367A]

SENATOR CHAMBERS: ...was to reduce that sales tax by a half percent. And in an amendment that I had pending, it was going to contain the offset that Senator Gay was looking for, although it may not have been in the form that he chose. But people were saying, are we going to cut the budget? Are we going to cut programs? Well, I was going to make it closer, so that we wouldn't forget what it is that I would be talking about. That estate tax benefit, that would be gone, that child care, that would be gone, everything would be gone except the earned, unearned tax credit. That would remain, and there would be a half-cent reduction in the sales tax. That's what the bill would have done. That's simple. Everybody can grasp it. These bits and pieces that exist in the bill now are not going to substantially benefit anybody, and certainly not society as a whole. And it certainly doesn't improve the overall tax structure, the tax system... [LB367A]

SENATOR ERDMAN: Time. [LB367A]

SENATOR CHAMBERS: ... in this state. Thank you, Mr. President. [LB367A]

SENATOR ERDMAN: Thank you, Senator Chambers, and that was your third time. Senator Wightman, you're recognized to speak, followed by Senator White. [LB367A]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the body. I guess I

would like to ask a couple of questions of Senator Chambers, if he would yield. [LB367A]

SENATOR ERDMAN: Senator Chambers, would you yield to questions from Senator Wightman? [LB367A]

SENATOR CHAMBERS: Certainly. [LB367A]

SENATOR WIGHTMAN: Senator Chambers, I appreciate the fact that you debated this A bill long enough that we were able to uncover errors, and I think that's laudable. At the same time, I guess I'm interested in knowing where you intend to go with the amendment, other than to use up the time of the Legislature, which is fine also. Could you tell me where you would intend to go by reducing it to 99, and perhaps you'll reduce it 104 now that the amount would be...has gone from 100 to 105. [LB367A]

SENATOR CHAMBERS: It might irritate and exasperate some people, but I would like to take some of the money away that's being appropriated for this bill, because it's a bad bill. [LB367A]

SENATOR WIGHTMAN: And of course, it's your opinion that it's a bad bill, and you're wanting to supplant our opinion with your opinion, I assume. [LB367A]

SENATOR CHAMBERS: Yes, that's what I would like to do, as is anybody's intent who offers an amendment to a bill. [LB367A]

SENATOR WIGHTMAN: And I guess my concern is that there was a motion...there have been a couple of amendments that would have caused a lot of the tax relief to go to sales tax reduction. Is that correct? There was one on General File, as I recall, and you had that one, did you not? [LB367A]

SENATOR CHAMBERS: So I can understand the question, you're asking me, had...was an amendment to be proposed that would have taken away some of the other tax cuts to make money available to fund the sales tax cut? If I understand you, then the answer is yes to that question. [LB367A]

SENATOR WIGHTMAN: Okay. [LB367A]

SENATOR CHAMBERS: The amendment that I would have had, yes. [LB367A]

SENATOR WIGHTMAN: And then that same situation occurred in that amendment was proposed by Senator White, then, on Select. Is that correct? [LB367A]

SENATOR CHAMBERS: No, I believe all Senator White's amendment would have done

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is to reduce the sales tax by a half-percent, without providing any offset. And that's what made some people balk, or it's what they said caused them to balk. [LB367A]

SENATOR WIGHTMAN: I agree that that is a distinction between the amendment on General File and...or, on the first reading, and amendment on Select File. [LB367A]

SENATOR CHAMBERS: Yes, mine would be different from the one that Senator White offered on Select File, because his would have given the half-percent reduction, and everybody was saying, where will the money come from to replace what would be lost by that half-percent reduction. [LB367A]

SENATOR WIGHTMAN: Thank you. [LB367A]

SENATOR CHAMBERS: My amendment is different, because it would have offered a way to get that money back. [LB367A]

SENATOR WIGHTMAN: Thank you, Senator Chambers. Going from there, I guess I would like to discuss the fact that Senator Chambers, it seems to me, is merely trying to say we passed a bad bill in LB367, and again wants to reopen this in one manner or another to provide for a sales tax reduction. We voted on that twice. Obviously, some 35 or 40 of us didn't think that was a bad bill, as Senator Chambers is now suggesting. They apparently thought that it was at least the best bill that they could come up with considering all the various factions. We've twice considered the reduction in sales tax, once as a standalone, as Senator Chambers so ably points out; once as a part of a bigger package, as it was in his proposal when the bill was on General File. I guess we get down to what we think is the proper tax relief that we're going to accomplish through this. Senator Chambers says it's a bad bill. Obviously, that's Senator Chambers' prerogative to think it's a bad bill. But... [LB367A LB367]

SENATOR FRIEND PRESIDING [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR WIGHTMAN: ...the majority of this body decided that that was the best bill that they could come up with. So we can continue to debate whether it was a good bill or a bad bill, but the fact is, the bill is passed and we're going to have to look to funding it or it will not be funded. So we do have to pass a proper appropriations bill to get the money down to the counties so that it can be redistributed in the property tax. And so thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Wightman. On with discussion of FA98 to FA97. Senator White. Senator White, you are recognized. [LB367A]

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SENATOR WHITE: Thank you, Mr. President. You know, one of the things I would like to speak about that has been an ongoing issue in this bill, but it also underlies many of the problems we face as a group, and that is the tension between urban and rural areas. Even though it's often unspoken, it seems to exist always, and I find myself caught up into it. What does this do for the urban areas? What does this do for the rural areas? Who's getting over on who? Who's making more money than they should? Where is the money coming from? Where is it going to? It's a game that I think we all play, whether we like it or not. It's one of the great tensions in this body, far more of a tension, I think, than the difference in political parties. And one of the things I wanted to talk about for a moment, because what's driving me and what's driving Senator Chambers in struggling with the tax bills is trying to make sure there's representation for the poor. And I have discussed briefly, and Senator Chambers has discussed briefly, our districts and the poverty within them. But I would like to take for a moment and have the members reflect on the fact that the poorest areas of the state are not in my district. In fact, the poorest areas in this state, I understand from my good friend, Senator Nantkes, are actually Arthur and Butte...or, no, Loup County...Blaine, Loup, Arthur Counties are among not only the poorest in the state; at different times in the last decade, they've been the very poorest countries...counties in our country. I mean, poorer than Appalachia, poorer than Mississippi, poorer than the worst parts, the most isolated parts. And I will tell you, in my view, poverty is a grindingly evil condition, but I would rather be poor in the city, by far, than to be poor in the rural areas. And one of the fundamental things that I would talk to you about that poverty takes you down...because that's what poverty does; it reduces you to the most elemental issues of survival--food, shelter, mobility. When Greyhound closed down meaningful service in this state, it was devastating for the poor, because so many poor, in order to eat, can't afford cars. Now, in the city, even with inadequate public transportation, there are numbers of people. And one of the things Senator Chambers and I were laughing about is, if...how many people would know what a jitney was, or a hooptie? A hooptie is a north Omaha car; a jitney is a hooptie that's out for hire. So a jitney is really a poor person's method of transportation. That does not exist in the deeply rural areas. Not only are they often hungry and in need of shelter; they are deeply isolated and lack even the means to move away, to seek medical care, to seek assistance. So I'd ask you, since we have time and it's night and we're going to be here awhile, to understand and just appreciate for a brief moment here that when we are talking about taxes and we're asking whether taxes reach all economic classes in a fair way, and tax brackets do, that this is one of those very special and meaningful issues that cross all lines. The lines that most divide us, urban from rural, what unites us is devastating poverty among too many of our constituents, both rural and urban. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator White. Senator Mines, you are recognized. [LB367A]

SENATOR MINES: Thank you, Mr. President. I'd like to yield my time to Senator...oh,

you're in the chair. In that case, I'll yield my time to Senator Chambers. Thank you. [LB367A]

SENATOR FRIEND: Senator Chambers, you have 4 minutes and 45 seconds. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator Mines. Members of the Legislature, I'm sure when the new people looked at this A bill, they felt that there's no way to delay this bill for any substantial period of time, because they couldn't find a way to do it. Senator Wightman did acknowledge that the fact that I took the time gave the opportunity for this error in the bill to be caught. Let me tell you smart alecks something. If I wanted to fix you and embarrass you, I would have let you go on and move the bill like it is and not said a word. Then I would have ridiculed you, I would have mocked you, I would have taunted you, and I would have told what dumbbells you are, and said, I and Gulliver constantly talk to each other, commiserate with each other, because we have so much problem dealing with these Lilliputians. But I tell Gulliver, he can go home when he wants to. I've got to stay here; I've obliged myself to stay here and see it through. Suppose, Senator Gay, I had been a nice person and just let the bill go through with the error. That wouldn't be my fault. I don't have to read these bills. I don't have to correct them. Let it be over there on Final Reading and let them laugh at me and say, we sure fixed him. Then I might not even tell you, and you'd read it on Final Reading, and you'd have something in a bill that is absolutely wrong. And I'd laugh then. There, many times, will be more than one thing going on during legislative debate. But people don't listen, they don't pay attention, they don't learn. You know what you new people ought to be doing? You ought to be putting some money aside in escrow, so that when I get out of this Legislature it will be recompense for me, for trying to do some mentoring for you, trying to teach you something. But you're hardheaded. When I'm not here, who's going to do this? Who's going to give you a crash course, even if it hurts your little delicate tender feelings? And you want to tell everybody you're a politician and you're a lawmaker, and you can't even deal with what I'm trying to offer you in the way of instruction? Do I have to teach you like a kindergartner and say, look, I'm going to teach you A, B, C? This circle with a straight line on the right side of it is a lowercase A. A is the first letter in the alphabet. Since the line on the right side of that circle is straight, we call that a printed letter. It's printed. Now, if we made the line go down and look like a fishhook when it got at the bottom, that's cursive. That's when you're writing. There's printing, and there's writing. This is what a printed A looks like; this is what a written A looks like. Stay with me now, I don't want to lose you. Are you with me? We're on the first letter, and we've got 25 more to go. Can you lay with...no. Well, then don't. Is it going to hurt me? Not at all. I won't even be here. And you'll enjoy yourselves, because nobody is going to call your attention to this. [LB367A]

SENATOR FRIEND: One minute. [LB367A]

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SENATOR CHAMBERS: Do you think the public is going to pay attention? No, because they think you know what you're doing. This is that brilliant class of newbies who's going to put all of us old-timers with the institutional knowledge and memory to shame, going to make us look like fools, because we don't know how to do anything and don't understand anything. This is not my Legislature. This is not my government. This is not my bill. I'm not a member of the committee. But I'm going to make you pay for making me work. You can't pay me in cash, so you're going to pay me in the form of time. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Wightman, you are recognized. [LB367A]

SENATOR WIGHTMAN: Thank you, Mr. President. Thank you, Senator Chambers, for the lessons that we've just received. I thought maybe one of the ways around this is not having you here in the Legislature. And believe me, I have a great respect for you, Senator Chambers. And perhaps, you know, I'll offer you a job as my legislative assistant. (Laugh) He indicates he won't take that, so I guess we'll have to go some other route. I'd like to discuss a little bit some of Senator White's comments about who are the poorest counties and why that might show up. I think we're looking at income probably. And I think he pointed out three counties. As I remember, they were Arthur, Blaine, and Loup. And I might suggest that sometimes that doesn't indicate that there's a real lack of wealth in those counties, as much as it might indicate that there's a lack of income. Those incomes are frequently tied to the rise and fall of the cattle market or some other sector of agriculture, and it does not always indicate a lack of wealth. So I don't think that always indicates that there is a great amount of poverty in those counties. I don't think it's real strong; but on the other hand, I don't think they're the most poverty-ridden counties in the United States, either. So I'd also suggest, Senator White--and I think I did that earlier when he questioned me at length as to why I wouldn't be in favor of giving more strength to the labor unions out in our area--that sometimes poverty and poor would be more a state of mind than it is a state of the economy. And I was concerned over the fact that he was going to tell all of the people out in Dawson County how poor they were, and then all of a sudden they would be poor in their state of mind. And I hated to have that happen. But I do think that that is frequently true, and if enough people tell somebody they're poor, they start believing it. I think we're doing fairly well out there. I am a little bit surprised at Senator White's comments as to how much poverty there is in his district, and how poor his district is, and how difficult it is for many of them to feed themselves. And I'm sure there are people in every district in the state of Nebraska that are similarly situated. But I don't know that we're that bad out in Dawson County. We haven't had the advantages of the labor unions and the higher labor union pay, but I think we are considered one of the poor counties, as well. Probably, our income level would be higher than the level of some of the Sandhill counties, in a year when they've had a downturn in cattle market. But at any rate, I think all this gets back a little bit to also my discussion with Senator White with regard to

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which is the most regressive, the property tax or the sales tax. In my opinion, the property tax may still be more of an indicator--and I believe it is--of an ability to pay taxes than the sales tax, and I consider the sales tax to be probably the most regressive. I'm not opposed to a reduction in the sales tax. Quite frankly, if there would have been a plan that could have factored in that sales tax at the latest date it was discussed, I probably would have considered such a plan. But I never saw a plan put together. I know Senator Chambers said they were working on that, but it seems to me that it would have pretty much emasculated the bill, or the amendment that we had earlier passed to LB367. So while I think they might well have come up with an alternative to LB367, I fail to see how that would have been anything that would very likely have been passed by this body. [LB367A LB367]

SENATOR FRIEND: One minute. [LB367A]

SENATOR WIGHTMAN: I think that concludes my remarks for now. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Wightman. And Senator Wightman, that was your third time speaking on this amendment. Senator Aguilar, you are recognized. [LB367A]

SENATOR AGUILAR: Thank you, Mr. President. I'd yield my time to Senator Chambers. [LB367A]

SENATOR FRIEND: Senator Chambers, you have 4 minutes and 50 seconds. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator Aguilar. And I'm going to accept this time. Look, we're going to be here anyway. You're not going to accept any of my amendments, so I'm going to do some instructing, whether you like it or not. I'm going to put it in the record. And they're going to say, what kind of people were there, that he has to speak in such basic terms? Now you all are starting to drift back in here. But what difference does it make? There's an Arabian proverb that says, when the belly is full, the head is empty. So now you've got a full belly, your head is empty. But I won't be able to tell much difference anyway. That's the way I can talk to you all. You set yourself up for me to talk about you like this. You don't have any pride. Self-respect and self-esteem are the essentials of making it through this world. If you have self-respect and self-esteem based on some knowledge and understanding, there's nothing anybody can do to whip you or get you down. Why do you think I've survived 37 years over against all the opposition I've had, down all these years? There are cemeteries you can go to and find people who were here when I was here, and they are dead, they're now in the stone orchard, and I'm still going strong. Senator Friend is happy up there in the chair, because he can rest now and pretend he's working. He is

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so relieved that he can take that load off his young feet and not have to deal with this old man whom he was going to run into a hole by 8:00. We're not even at 7:00 yet, and he's tired. And I'm the one who's supposed to run down? Oh no. This is important work that we do. We make the laws. The 49 of us constitute the third branch of government-people say a coequal branch, but among equals, we are superior. Do you know why? Because the hand that feeds is the hand that controls, and we control the purse strings. We determine who is going to get money, who shall not get money, how much money they shall get. And that's when you make grovelers and sycophants out of everybody in this state, from the Governor, right on down, including the Chief Justice of the Nebraska Supreme Court. They have to pay court to you to get some money. And you don't even understand the power of the prerogatives that you have. You feel the Legislature is subject to the other branches of government and even to these various departments of state. You are the ones in the driver's seat. Laws that everybody must obey are created by you all. There is no other entity in the state with the authority to legislate, only you. You are 1/49 of the most powerful branch of the government. You don't see lobbyists clustered around the Governor's door, do you? Do you see them hanging on every word that comes out of a judge's mouth in the Supreme Court down the hall? No. Where do you see tens and tens and scores of lobbyists? Why do you think they spend that time around you? They don't like you. They don't respect you. And when they think you might be worthy of a little respect, they say, we'll give them some of this cheap, chintzy food, and we can run them all out of their job to take this cheap food; we know we've still got them,... [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: ...we still own them, we haven't lost anything, and certainly not them, and their eyes haven't come open yet to what they can do. Senator Carlson ought to be quoting to you from old Paul the "Imposter," who said, I see through a glass darkly. That's the way it was in the early days. I always say that was the first television set. But that's what he said. But then shall I know, even as I am known. You're supposed to grow in knowledge and understanding and competency. That's what you all as lawmakers are to do. You formulate policies. You are the instructors, you're the teachers of society. You are the examples. You can either be a good example or a bad example, but you are an example. People ought to sit up in that balcony and leave here saying, I understand now what lawmaking is about, and I see why it's so important, and I know now why the law is a living, dynamic thing,... [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: ...it's more than those words on the paper. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Nantkes, you're

# recognized. [LB367A]

SENATOR NANTKES: Good evening, Mr. President, members. I rise this evening to dovetail off some of the comments made by my good friend, Senator White, and my very good friend, Senator Wightman, in regards to poverty and how we perceive poverty in the state of Nebraska and how people in poverty perceive poverty in the state of Nebraska. Study after study shows us that when researchers are trying to examine this issue, for the most part, those most low-income and those working families, when asked to identify which socioeconomic stratus they belong to, they almost always choose middle class, because of so many psychological factors associated with poverty. There's so much stigma attached to being low-income or working class. And so I think Senator Wightman makes a valid point, and poverty, in fact, is a state of mind. And in addition to that, he talks about some of the reasons why poverty...statisticwise, we in Nebraska end up with counties that have very, very high poverty rates, and that goes into how you count farm income and some other reasons that he mentioned. But one thing you can't argue with is, when you look at a ranking of poverty rates among children, county by county in Nebraska, and out there in Dawson County, in Senator Wightman's district, they're ranked at about 49th out of 93 counties, with about 14 percent of children living in poverty. And as Senator White noted earlier in some of his comments in this regard, those counties with the highest child poverty rate, which is counted a little bit, I think, more accurately in this regard, are indeed rural counties--Keya Paha, Rock, Thurston, Knox, Wheeler, Hayes, Sioux, Loup, Hitchcock, Scotts Bluff, McPherson, Greeley. That, folks, rounds out the top ten for counties with the highest child poverty rates. And some of these counties have 30-36 percent of folks...children under the age of 18 living in poverty. Those are significant, disturbing numbers that I think that we have to address in a significant, serious way. With that, I just wanted to make a few comments about those poverty issues that have been addressed so eloquently here on the floor, and would yield the balance of my time to Senator White. [LB367A]

SENATOR FRIEND: Senator White, you have 2 minutes and 25 seconds. [LB367A]

SENATOR WHITE: Thank you, Mr. President. Poverty is part perception, Senator Wightman is correct. But poverty also is not having the money for proper vaccinations, not having the money for proper medical care, not having the money for a private...a proper diet. Poverty has real aspects, not just perceptions to it. And unfortunately, in my experience, we have poverty, not just perceived poverty. You know, I don't feel poor because I don't have a Ferrari, unless of course my neighbor buys one. But that is perceived poverty. The real poverty we're talking about, I think Senator Chambers is talking about, and that I've been talking about, and that Senator Nantkes so clearly indicated, is poverty of not having a good balanced diet, poverty of inadequate food, poverty in my district and Senator Chambers' district of living around lead dust which causes slow mental decline which permanently reduces a person's ability to learn and

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further condemns them to a lifetime of poverty. One of the factors you'll note, and it's not well known, is the poor most often live in the areas that are most environmentally poisoned. [LB367A]

SPEAKER FLOOD PRESIDING [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR WHITE: That is certainly true in Omaha. Senator Chambers can tell you, as I can tell you, that much of the problems that we are facing in the eastern edge of Omaha with students, also violence, can be traced to lead poisoning in the homes and the areas around there. What caused that? The need for low-paying entry jobs, or entry jobs in ASARCO lead smelting plant. We had a lead smelting plant, the last one in the United States, right on downtown Omaha. It polluted my district and polluted Senator Chambers', and the children are paying the price by poverty. [LB367A]

SPEAKER FLOOD: Thank you, Senator White. Your light is next. You may continue. [LB367A]

SENATOR WHITE: Mr. Chair, would Senator Chambers be kind enough to yield to a question? [LB367A]

SPEAKER FLOOD: Senator Chambers, will you yield to a question from Senator White? [LB367A]

SENATOR CHAMBERS: Yes, I will. [LB367A]

SENATOR WHITE: Senator Chambers, could you perhaps explain what the impact of lead dust has been on the children in both our districts? [LB367A]

SENATOR CHAMBERS: Yes. There have been studies undertaken, not necessarily limited to Omaha, which indicates, as Senator White said, that lead affects your ability to learn. It can have an increasing, cumulative effect, and as you get older, your abilities in the mental department diminish. And as I've acknowledged on this floor, I am a victim of having grown up around lead. I know that my mental capacity is diminished, and I know that it is continuing to diminish. And I have to try to do the best that I can with what I have left. But when we know that children are exposed to these circumstances and conditions, and they invariably happen in areas where poor people live, and society is not responsive in handling what is, in fact, a societal problem, the conditions are going to worsen. As children do poorly in school, and there is not proper concern about them, so rather than realize that some of this is from exposure to lead, everything is diagnosed as a behavior problem. These are kids who misbehave, they don't want to learn, they don't pay attention, so you put them off in what is called in the community a

dumb room. They're smart enough to know that you're making fun of them. So as soon as they can find a way to stop going to school, they stop. But they have no skills. They can't get a job anywhere. So if they can't make it, they take it. The first thing that people will do when they're going to launch into a life of crime is to prey on those who are closest to them. They will steal from their family, they will steal from their friends. Then they break into neighbors' houses. They might go to a party and steal something there. Not every child. I'm giving you an example. Pretty soon, that is not enough, so as that song that Elvis Presley sang about the kid who grew up in Chicago, he gets a gun and he goes and does things with them. He might survive and he might not. He might kill somebody else, he might not. But there are conditions that produce conduct and behaviors, and those behaviors often are destructive, not only to the individual, but to the society. And it will start with those nearest to them. People talk about black-on-black crime. If you have a Latino neighborhood, Latino-on-Latino crime predominates. In a white neighborhood, white-on-white crime; Native American-on-Native American; Asian-on-Asian. But since black people are put at the bottom of the rung, the crime that occurs among us at the hands of each other is somehow set apart and treated as though it's separate and distinct and different. Whenever you find people oppressed, crammed into too small a space, you have societal dysfunctions that develop. They've even replicated this phenomenon among animals who are considered social. When they don't have enough space for each one, then the structure of their society, the respect, the order, will break down, and chaos develops, and animals who ordinarily would not fight even, will wind up killing each other. So when people are in that set of circumstances, and we know society is not willing to undertake a program to correct it, those of us in a body like this Legislature... [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR CHAMBERS: ...with limited means have to deal with the matter incrementally and attack it where we can. So Senator White, myself, others on the floor have looked at the fact that the amount of money that a person has to spend is essential to everything else. Where every penny counts, we should make as many pennies available to those people as possible. The only tax break, tax cut that will affect the condition of those people is the sales tax. Cut the sales tax, and you immediately and automatically improve their condition. I say again to all those who say the sales tax is painless and people don't know whether you raise it or lower it, if I've got high blood pressure and they give me some kind of medication and I don't even know it, my blood pressure can diminish and I don't even know it because I wasn't conscious of the fact that it was high, due to the absence of symptoms... [LB367A]

SPEAKER FLOOD: Time. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367A]

SPEAKER FLOOD: Thank you, Senator Chambers. Senator Aguilar. [LB367A]

SENATOR AGUILAR: Thank you, Mr. President. My time to Senator Chambers. [LB367A]

SPEAKER FLOOD: Senator Chambers, Senator Aguilar has yielded his time. He has 4 minutes, 56 seconds. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you to Senator Aguilar. As I was going to say, anything that can be done to alleviate these problems ought to be done. I am very cynical about a lot of things, especially politicians and the political process. But there is a part of me...probably came from my mother; she was a very rare and special woman. When people saw her and me together, they didn't believe she was my mother. She was as white in complexion as Senator Carlson. Her hair was as red as the lady who works for Senator Cornett. And as she was growing up, they called her the redhead. She had greenish-gray eyes. But she was just like me. The complexion would have made her white in the eyes of American society. But as far as her orientation and what she was, she was as black as I am. Not in complexion. And that was my mother. She was very gentle, very kind, very intelligent, and I was extremely resentful of the life that my mother was put through by the white people in this country. She could have passed, as it's called, but she didn't want to be identified with the people who were so cruel, who were so hateful, who would mistreat her children who had never done anything to them. And if there's a woman who loves her children, don't cross a mother who loves her children, whether that mother has two legs or four. I was not born into this world with the attitudes that I have. Despite my diminished mental capacity because of exposure to lead, I had sense enough to see what was being done to my mother, to my brothers and sisters, and to me. And when I hear how casually and cavalierly the white people on this floor, who can do anything they want to, and often will, no matter whom they hurt, then I resent it, and I'll fight hard to try to stop them from trying to do it, and if I can't stop them, make it as difficult as possible. All I can take from you is some time. I'm not even like Antonio, or whoever the person was who was going to have his pound of flesh. Somebody was listening. Shylock was the one who was going to take the pound of flesh. But when time come to take...came to take it, that's all he could take. He couldn't take blood. He couldn't take anything else. You all want not only my pound of flesh; you want my blood, you want my labor, you want my identity, you want to own me like you own a piece of paper on your desk. And unfortunately, many people of my complexion could not withstand that, and we suffer from it as a community. I won't run from my community. I will not betray my community. I will not desert my community. And I will fight you tooth and nail on this floor, and I don't care how angry you get. You clotured the bill, you got what you wanted. Well, now you're getting some of the consequences. And I'm going to have some more time from you this evening,... [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR CHAMBERS: ...and make you stay here with me whether you like it or not, because I own you. I own this Legislature. What you're feeling right now I made you feel. I'm Stradivari, and you're my Stradivarius, and I play you the way that I want to play you. You think I don't know what I'm doing? You think I don't know what your reactions are? I've been around you in the Legislature for 37 years. And again, despite my lead-induced diminished mental capacity, I operate at a high enough level to understand you all and learn your rules, and I'm playing by your rules. But I'm foolish, because I'm trying to teach you your rules and how to use your rules and be successful in a legislative setting. You think you're always going to be on the side that has 40 votes? Does Senator Christensen have so much naivete in him that he thinks when he brings up some of the issues to take care of what is called greater or outer Nebraska,... [LB367A]

SPEAKER FLOOD: Time. [LB367A]

SENATOR CHAMBERS: ...that he's not going to be in the minority, as I am, and he needs to know how to fight? Thank you, Mr. President. [LB367A]

SPEAKER FLOOD: Thank you, Senator Chambers. Senator Chambers, there are no other lights on. You are recognized to close on FA98 to FA97. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Members of the Legislature, don't think, that because your foot seems to be secure today and you're dealing with me and in your opinion my foot is about to slip, that you have won. You have not won anything. And the position that you perceive me to be in, you will really be in it, and you won't know how to defend yourself. You won't know how to protect yourself. They will run all over you. And you think because you're white and they're white they care about you? They come to you and clump together with you only because you're against me. You wait till you get in their way. And you're going to tell them, but I'm white like you. They're going to say, sucker, who do you think we get all of our big money from? We get our big money from white people. You're in the way now. Well, I worked with you. Yeah, because you're a fool. You should have listened to Chambers, but you didn't, and now he's gone and it's too late, and you don't know how to swim, and you won't learn. You can learn, but you won't, so I'm going to take time teaching you, and I'm going to get my pound of flesh in the meantime. And you're going to legislate by cloture. And I say again, when your editors start ridiculing you because you don't want to take the time to fully debate a bill and you're going to try to fix Chambers, and when they write editorials against you and ask you, why do you do like you do, you're going to say, Chambers made me do it. And then the editor will say, as I've told you, Chambers owns you. You don't have sense enough to learn the rules? That rule book is not thick. But you don't have any backbone. You're sheep. And I apologize to the sheep; I'm using that

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analogously. But I don't call you anything worse than that, do I? You haven't heard me say that I'm not going to stop talking because I have more pearls to cast. And Senator Carlson knows what that's a reference to. But you haven't heard me say that. So we're going to be here together for a while. And as Al Green sang, let's just be glad we had this time to spend together. Be glad. You saw me give for Senator Friend a vote of confidence that you care...oh, I see him over there. I thought he had left. But since we're going to be here anyway, I'm going to continue talking about the issues that I think are of consequence, that are important. And it matters not whether you listen. There are other people watching us who are outside of this Chamber, and some of those people can think, some of them understand, and they know what we ought to be doing, and they know that you haven't defeated me. But I can't just say that. I have to show you, and I'm showing you. But I don't have to keep you here till 11:59 on this bill. But you probably think I've run out of alternatives already. But I've got to show you for a little while longer that I do have additional alternatives and options, and that I will make use of them. So one thing we're going to do--but you can stop me--I'm going to get a call of the house. And you don't have to vote for a call of the house. But if we ever reach the point where there are fewer than 25 people here,... [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR CHAMBERS: ...we're automatically adjourned, because when there's not a quorum, the Legislature cannot be in session. So if you think you're going to whip me by staying in your office when a call of the house is made, and fewer than 25 people come here, you just gave me the rest of the day. It's over. Did you all know that? Well, you know it now. Gave you another free lesson, and don't even charge you for it. Senator Friend doesn't know, because he's not paying attention. But see, when I say his name, oh, he pays attention then, because he cares. He cares, and we care. Now he's rubbing his eyes and putting his eyeglasses on so he can see what's going on. (Laugh) Oh, we're going to have a lot of fun this evening. Mr. President, how much more time do I have? [LB367A]

SPEAKER FLOOD: Twelve seconds. [LB367A]

SENATOR CHAMBERS: I will ask for a call of the house, and stop at this point. [LB367A]

SPEAKER FLOOD: Thank you, Senator Chambers. 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 aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

ASSISTANT CLERK: 35 ayes, 0 nays to go under call, Mr. President. [LB367A]

SPEAKER FLOOD: The house is under call. Senators please record your presence.

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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. Senator Ashford, Cornett, Nelson, Rogert, Nantkes, Raikes, Kruse, please check in. Senator Raikes, Senator Kruse. The house is under call. Senator Raikes, please return to the Chamber. The house is under call. Senator Chambers, all senators are present and accounted for. How do you wish to proceed? [LB367A]

SENATOR CHAMBERS: Roll call vote. [LB367A]

SPEAKER FLOOD: A roll call vote in regular order has been requested. The question before the Legislature is, should FA98 to FA97 be adopted? Mr. Clerk, please call the roll. [LB367A]

ASSISTANT CLERK: (Roll call vote taken, Legislative Journal page 1399.) The vote is 0 ayes, 39 nays, Mr. President, on the amendment to the amendment. [LB367A]

SPEAKER FLOOD: FA98 to FA97 is not adopted. I raise the call. Mr. Clerk. [LB367A]

ASSISTANT CLERK: Mr. President, priority motion. Senator Chambers would move to reconsider the vote just taken. [LB367A]

SPEAKER FLOOD: Senator Chambers, you are recognized to open on your motion to reconsider the prior vote, FA98. [LB367A]

SENATOR CHAMBERS: Mr. President, members of the Legislature, you're looking at a man who is just like your current President. Did you see that last vote? I am a unifier. (Laughter) But in reality, I had to be not voting so I could move to reconsider. I'm going to be discussing the same thing, no matter what is on the board before us. But I want you to see how you use your rules. I'm telling you, you're not always going to be on the long end, as you are tonight, as you were when Senator Janssen made you feel so sorry for him that you voted to cloture. Why didn't some of you all look at his A bill? Why didn't you on his committee look at the A bill? Why do you put somebody like me in a position to talk to you like this, to talk about you like this? Why? Because you are so puffed up with this false notion of importance, because you read in the paper how smart you all are. You're going to revolutionize the Legislature. And on the big tax policy bill, what do you do? You're out there eating, and went to sleep on the funding bill. And you're the smart ones? I'm from the shallow end of the gene pool, struggling, trying to do the best that I can. Forty-eight of you, and I'm going to keep rubbing it in. When the A bill came up for consideration, I did not have an amendment pending. The desk told us there are no amendments to the bill, n-o, none. I read the A bill. There should have been an amendment up there. But I didn't offer an amendment to correct it, because that's not my job. My job is to embarrass you if I can, so you'll pay more attention. I asked Senator Janssen a series of questions. Every one of them contained a hint.

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When we got to Section 2, I gave the name of the program, then I gave that...they call it TEEOSA. And he said he did not see that listed, so I read again what those letters stand for, and asked where the money that was appropriated to that program would go, and what was the program. And he was honest, he wasn't sure. So I said, I see Department of Education. Is that a hint? And still, no amendment. So then I offered more amendments, and I continued to talk and talk and talk, because I'm dealing with fractious, hardheaded, inattentive, snotnosed kids who think they're smarter than they are. They ought to be wearing Little Lord Fauntleroy vests and short britches and buckle shoes. This reminds me of what I read in a book about Clarence Darrow, who was reputedly one of the best lawyers that America produced. And he was addressing a group in Kansas someplace, and the lady was very proud that he was there, very pleased to have him. And there were about 35 people who showed up--but the lady was smart; it was a small room, so the room was crowded. And she said, Mr. Darrow, we're pleased to have you here to speak to this room full of intelligent people. And Clarence Darrow stood up and he said, Madam, there are not this many intelligent people in the world. And nobody got up and walked out, because nobody even caught what he was saying to them. They probably thought he was saying they're the smartest people in the world. I'm going to keep laying it on you all, because you can do better than what you're doing, and you're worthy of something better than what I'm laying on you now. I shouldn't even be able to say this. But see, old folks are entitled to have moods, as I've told you, and I feel a mood coming on. In fact, I'm in the middle of a mood. But the thing that's so great, you can't do anything about me. You can't outtalk me, you can't outsmart me, you can't frighten me, you can't take anything from me, you can't give me anything. I don't want anything from you. What have you got that I want? And if you're going to give it to me, you must not want it. So if you don't even want it, why should I accept it? So that's where we are. You all might be here to win friends, but I'm not. If you can be friendly and I can be friendly, that's a bonus. I think we ought to be civil. We ought to be polite and courteous when we can be. But the main reason we're here is to do a job, and that's first and foremost to fabricate wise and just laws that are beneficial to society, laws which, when they are enacted and enforced, make society a better place, in the corner that's touched by that law, than it was before. And you think LB367, as it stands now, with this pitching and patching and a little here for one political agenda, and one over there for another agenda, is of any value? What did I start doing a long time ago, talking about what a poor product we had given to us by the Revenue Committee? And some of you all thought I shouldn't say that. Because I shouldn't be critical of grown people on committee whose job it is to give us a good product, and it's not given? If you went to the store and you bought a television set and it didn't have a screen, you going to say, oh, I don't want to hurt their feelings so I'm just going to keep it? No, you take it back and say, I gave you good money, I want what I paid for. We're making laws. We can't expect a good product from the committees? Oh, we don't talk about each other? You all talk about me. But it's silly to say that grown people have to be protected and cannot be criticized when they don't do what they volunteer to do. You all can criticize me. Senator Friend criticizes me the best he can. He at least puts forth the effort. He

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tries, and I have to give him credit for trying. Look at the condition of this bill. And I'm not going to keep you on this bill till 11:59, I promise. And because my ethics are those of Satan, when I make a promise, I keep it. And I see Senator Schimek over there, not sure what I'm getting at, but she figures I'm getting at something, so I'm going to tell her. I assure you, I'm not going to keep them on this bill until 11:59. Maybe 11:30. (Laughter) Did you tell them that, too? No, I'm not going to keep you on this bill that long, because there are other fish to fry. Senator Fischer wants to get to her bill, and she'll get you to vote cloture on that, and I will be ruling you again. I will make you cloture for the rest of this day, and maybe the rest of the session. But before I can make Senator Janssen vote cloture again and make you all vote cloture and follow him because you're a bunch of sheep, I have to let him get the bill amended the way he wants it amended, don't I? To get what I want, I have to give him what he wants. So who has whom in whose clutches? Senator Janssen's mind is running 100 miles an hour now, because he said, I'm going to get what I want. But how? Because I'm going to give it to him. [LB367A LB367]

SENATOR FRIEND PRESIDING [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: But I'm going to take a little more time first. I have two more times to speak on this motion, then I can close. But I won't be through yet. I've got a little more that I must do, because you all aren't convinced. You don't think I mean what I say, so I have to show you. And I'm not going to find a way, like my good friend Senator Friend up there, to sit down and rest and play like I'm working. (Laughter) He knows that I know him. We have an understanding, and that's why we get along so well, and we'll continue to do that. And you all aren't even going to be able to dislike me to the extent that you want to. You try, but I won't let you, because remember, I'm the one with the bow, I'm the one... [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: ...with the violin. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Chambers, you are recognized. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Back to what this bill is about. I'd like to ask Senator Janssen a question or two before I proceed. [LB367A]

SENATOR FRIEND: Senator Janssen, will you yield to a question or two before he proceeds? [LB367A]

SENATOR JANSSEN: Let him proceed. [LB367A]

SENATOR CHAMBERS: Senator Janssen, is this the most significant bill related to the taxing structure and system and rates that has emerged from your committee so far? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: And there probably is not another one in committee that is as important and significant as this one. Would you agree? [LB367A]

SENATOR JANSSEN: I'd have to go down the list, Senator. This... [LB367A]

SENATOR CHAMBERS: But probably this is the most important bill. [LB367A]

SENATOR JANSSEN: Yes, this is probably the most significant, yes. [LB367A]

SENATOR CHAMBERS: Thank you. That's all I wanted to ask you. And I agree, it is. We are formulating tax policy. And you all, I guess, are satisfied with LB367. As Senator Wightman said, there were 40 or so of you who voted cloture and then voted to move the bill, so you think it's a great bill. I bet some of you don't even know how many pages there are in the amendment that became the bill. I'd like to ask Senator Langemeier a question. [LB367A LB367]

SENATOR FRIEND: Senator Langemeier, will you yield to a question from Senator Chambers? [LB367A]

SENATOR LANGEMEIER: You bet. [LB367A]

SENATOR CHAMBERS: Senator Langemeier, you're aware that the bill now consists of an amendment that was adopted, correct, that changed the bill, incorporated other things? In other words, the green copy is gone. [LB367A]

SENATOR LANGEMEIER: Correct. [LB367A]

SENATOR CHAMBERS: How many pages are there to that amendment which now comprise the bill? [LB367A]

SENATOR LANGEMEIER: Are you talking about the committee amendment or,...oh, I'm sorry, you're talking about the final product. I do not know right off the top of my hand. [LB367A]

SENATOR CHAMBERS: Well, how about the middle of your head? (Laughter)

# [LB367A]

SENATOR LANGEMEIER: That's an area we don't want to go to. [LB367A]

SENATOR CHAMBERS: (Laugh) Thank you, Senator. You win that one. At least, you win a pass on that one. Members of the Legislature, it's really not important to know how many pages there are in an amendment. But be prepared to answer that question if you're part of those who are pushing the bill. And if you ask me how many pages there are in an amendment to mine, I'd say the number of pages is totally irrelevant; ask me anything about what is in that amendment, what it says, and what it means, and I've got you. And you'll get the answer you want. And you know why I tell you that? Because all you have to do is take the amendment and turn to the last page and you've got the answer to the question you asked me. What you can do for yourself, I'm going to let you do for yourself. What you may not be able to do for yourself, that I will help you do. And if it comes to answering or justifying anything that I put before you, it's my job to respond, and I shall. And there could be a guestion put to me about my own bill the answer to which I don't know, and I'll tell you I don't know, and I'll thank you for bringing something to my attention that I ought to have been informed on but was not. And you will have improved my education, and I'm not going to resent you for it. I don't resent those who teach me something. When you teach me something, you enrich me. You make me better than what I was. You make me more capable. Why should I be resentful of somebody who made me better than I was, put me in a better condition to make it through this world successfully? People in this society are not properly educated. They resent the ones they ought to respect the most. They run from that which can benefit them the most. In school, you're taught to slip and slide by. Teachers, administrators, and systems, Senator Adams, are allowed to continue and encourage this kind of slipshod education by letting school districts set up their own basis for testing and assessing what the students are doing,... [LB367A]

# SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: ...and their intent is not to establish that the students know something, but to make the administrators and the teachers, who view the students as a source of income, make them look good. So the kids come out as dumb as a post. They send me letters which they've printed, and they run uphill, downhill, they can't spell, they don't know where to put a period. They don't even use periods. Everything is like one long sentence. And they don't know that they're doing anything that's not right. They're doing what they're taught in these schools. And yet, the school systems are great. One kid told me how good the grades were that he was getting, and he should have been failing if they were going to help him. But he should not have been failing, because he should have been taught better than that. But he was not taught. And that carries through into adulthood, and I see some of it playing out on the floor of this Legislature every day. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Langemeier, you are recognized. [LB367A]

SENATOR LANGEMEIER: Mr. President, members of the body. And Senator Chambers asked a good question that I should have known the answer to. AM1187 that was adopted that made the A bill incorrect in its green copy was seven pages. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Langemeier. Senator Chambers, you are next, and you're recognized. [LB367A]

SENATOR CHAMBERS: Is this my third time, Mr. President? [LB367A]

SENATOR FRIEND: I...it is. [LB367A]

SENATOR CHAMBERS: Okay. If anybody wants to give me time, I will accept it. If they don't want to, I'll find other opportunities and ways to speak. If you give me time, I might be in a mellower mood and not have to use some of the stratagems that I bring up and pull rabbits out of hats. You all like magic? Who likes magic? See, these are keys. I don't know if you can see them or not. I have short sleeves on. You want to see me make these keys disappear? Voila, they're gone. See that? Magic. You know why I do that? Things are what the one in charge will tell us that they are. There really is no magic. There can be magic in our mind, because the one who is the magician or the illusionist will distract our attention. We look at the left hand and the trick is done with the right hand, and we are amazed. And we ought to be, not because magic was done in terms of making something disappear in the strict sense of what that word means, but rather because our attention could be distracted and something can occur in a relatively small area that will mystify us, and we think in fact magic could have been done, because we can't explain what happened. It would be good if we could generate in our children a sense of awe and mystery, but not mysticism, not mystification in the sense of believing in magic, but seeing things happen the answer or explanation to which they don't have, but they're made to know that you can find it. We will help you find it, and we will make you understand. To get children to learn, you have to engage their imagination. And you engage a person's imagination by making them aware of the fact that there's something they don't know but that they want to know, and that they can know it if they just pay attention for a short time. Don't try to make children function as though they have a long attention span. No, it's not one long span; it's a series of steps. And by the time you take the last step, then that child has learned something. And that can be done in the schools. If the ones who teach know their stuff, they can teach. There are children who teach other children. You watch a bunch of children at play, and let some of the children know something that the others don't know, and by the time the day is over, they all know. A child can teach better than an adult? Then maybe children

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ought to be in front of these classrooms. But we know that's not going to work. Look at how we function in this Legislature. As important as the work is that we do, we don't read the bills. We don't pay attention to the amendments. Lobbyists tell us what to do, tell us how to vote, and we're the lawmakers. No, we're not. We're the tools of other people if we function in the way that I just described. And too many times, that's what the Legislature does. I'll make a deal with Senator Janssen. Senator Janssen, I want to try to make a deal with you on the floor, if I can. I'd like to ask Senator Janssen a question. [LB367A]

SENATOR FRIEND: Senator Janssen, will you yield to a question from Senator Chambers? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, if I would withdraw every amendment I have and every pending motion, would you agree... [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: ...to take a vote on this bill and advance it just as it is, just as it is, then at a future time bring it back and make the correction? [LB367A]

SENATOR JANSSEN: No. [LB367A]

SENATOR CHAMBERS: You won't do that? [LB367A]

SENATOR JANSSEN: No. [LB367A]

SENATOR CHAMBERS: You don't like that deal? [LB367A]

SENATOR JANSSEN: No. [LB367A]

SENATOR CHAMBERS: Why not? [LB367A]

SENATOR JANSSEN: Because I've got an amendment coming up that will make the A bill correct. [LB367A]

SENATOR CHAMBERS: Yeah, but you won't have to wait and you won't have to go through that. But you'd rather do that? [LB367A]

SENATOR JANSSEN: It's fine. I'll wait. [LB367A]

SENATOR CHAMBERS: As long as it takes? [LB367A]

SENATOR JANSSEN: As long as it takes. [LB367A]

SENATOR CHAMBERS: Thank you, Senator Janssen. There's a man of integrity. And he's already heard me say I'm not going to keep you here till 11:59 anyway, (laugh) so he's been paying attention. That's a good deal, though. Why not accept it? You get what you want. You got the votes to bring it back. You got the votes to add the amendment later. Oh, and the part of the deal I didn't tell him, I would not oppose the A bill anymore. But I will oppose it, perhaps,... [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: ...on Final Reading. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Aguilar, you are recognized to speak on the motion to reconsider. [LB367A]

SENATOR AGUILAR: Thank you, Mr. President. And because I'm in favor of a much mellower Senator Chambers, I'm going to yield him some time. [LB367A]

SENATOR FRIEND: Senator Chambers, you have 4 minutes and 50 seconds. Senator Chambers, Senator Aguilar has given you 4 minutes and 45... [LB367A]

SENATOR CHAMBERS: How long, Mr. President? [LB367A]

SENATOR FRIEND: Four minutes and forty seconds. [LB367A]

SENATOR CHAMBERS: Oh, thank you very much. Thank you, Mr. President. Thank you, Senator Aguilar. I'm going back to what the tax problem is in this bill. Senator Wightman is on the Appropriations Committee. I don't know who else is on the Revenue Committee. Is Senator Cornett on the Revenue Committee? I'd like to ask Senator Cornett a question. [LB367A]

SENATOR FRIEND: Senator Cornett, will you yield to a question to Senator Chambers? [LB367A]

SENATOR CORNETT: I will. [LB367A]

SENATOR CHAMBERS: Senator Cornett, are you on the Revenue Committee? [LB367A]

SENATOR CORNETT: Unfortunately. (Laugh) It's been a long day. Yes, I am. [LB367A]

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SENATOR CHAMBERS: Oh, okay. Senator Cornett, was LB363 (sic) in the condition it was in when it emerged from the committee because something had to be given to different senators in that bill to get enough votes to advance it? Is that, generally speaking, what happened with that bill and how it got here before us? [LB367A LB367]

SENATOR CORNETT: Actually, I don't mean to correct you, but it's LB367. [LB367A LB367]

SENATOR CHAMBERS: I mean LB367. [LB367A LB367]

SENATOR CORNETT: There were certain aspects of the bill that different senators felt were important to that bill, and that is where we have...how we arrived at where we're at, yes. [LB367A LB367]

SENATOR CHAMBERS: Everybody got something. [LB367A LB367]

SENATOR CORNETT: Yes. [LB367A LB367]

SENATOR CHAMBERS: Okay. That's all I will ask you. Thank you. Members of the Legislature, we all understand that this is how bills get to the floor. This is how bills get passed, by giving people something so they'll vote for it. But I have to look at the finished product, and this LB363 (sic) is not a good product...LB367. I'm sorry, I keep saying LB363, and Senator Wightman kindly continues to correct me, and I accept correction graciously, in the spirit in which it is given. LB367 is not a good bill. Why do you think there could be no deals worked on it? Because nobody was in charge. Nobody was guiding the horses; they're just running at random. Each person had what he or she wanted, so that's the way it would stay. And again, that's how things are done. But I, as a member of the Legislature, do not have to accept that. And maybe I cannot change it, but I'm going to continue to try. And there may come a point when there may be a change in LB367, even though it has advanced. But one thing some of you will have had the opportunity to do--that's to experience our being here together for a good long time, and to see that I'm not going to wear out. But I'm going to continue to try to focus on what it is that we are doing. Do I fault Senator Janssen for all the problems with this bill? He's the Chairperson, but a committee exists because all are supposed to contribute and work together. Everybody watches everybody's back, supposedly. Senator White, I, others, talked at great length on LB367. [LB367A LB367]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: There were changes in the bill. Senator Raikes was talking about something that had to do with \$1 and something else that had to do with \$1.05 and if that had gone the way he had suggested or desired then something else would have been done somewhere else in the bill. But at any rate, things were done which

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resulted in the A bill not being an accurate reflection of what was done in LB367. Somebody should have been paying attention, and that's where we are now. But the reason I'm doing this is to show how much time can be taken on an A bill. That's the lesson for this evening. Am I going to change your mind on nothing? No. I'm not crazy. Now I'm stealing a page from Senator Friend's book. But I'm going to take some additional time... [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: (Laugh) Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Langemeier, you are recognized. Senator Langemeier waives. Senator Chambers. Oh, you have spoken three times on the reconsider. Thank you for trying. There are no other lights on. You are recognized to close on the reconsider motion. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Members of the Legislature, Senator Langemeier offered me a deal, and because I didn't accept it right then, he decided he was not going to pursue it and he backed out. That's not the way you make deals, Senator Langemeier. You give a fellow time to think and then make a decision. (Laugh) He says there was no time to talk. He could have given me a chance to speak one time; that's what he could have done. Maintain the status quo. Don't throw the towel in and keep yourself from knowing anything. We might work that out on a future motion because I will have some more motions. This is education time. I would like to ask Senator Janssen a question. [LB367A]

SENATOR FRIEND: Senator Janssen, will you yield to a question from Senator Chambers? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, why did the Governor ask that this bill be introduced? [LB367A]

SENATOR JANSSEN: Well, this was...actually this was my bill, Senator Chambers. [LB367A]

SENATOR CHAMBERS: But why did he ask that it be introduced? [LB367A]

SENATOR JANSSEN: Well, he gave us some opinions and it is not exactly the way the Governor wanted it. [LB367A]

SENATOR CHAMBERS: Then why would he ask that it be introduced? [LB367A]

SENATOR JANSSEN: Because he wanted to have a tax reduction bill in place, as I did. [LB367A]

SENATOR CHAMBERS: Thank you, Senator Janssen. Senator Janssen is very forthright. If you look on the front page of the bill, it doesn't say that the Governor requested that it be introduced. It doesn't say introduced at the request of the Governor, but Senator Janssen is an honest man and I knew he would answer honestly. I know more than you all think I know. I've been here 37 years; I ought to know something, shouldn't I? I know more about people's bills a lot of times than they do. Work with me here. Stay with me. Pay attention. (Laugh) If nobody else is having fun, I am. I enjoy being with my colleagues. When it starts getting toward the posterior portions of the evening, I really feel good about being around you all. I look around here, the light is dimmer, we're in a mellower, warmer ambiance. Everybody just is kind of a blur but they look happy. Now that that meal is being digested, Senator Hudkins, and it's doing what it does, people's brains are starting really to kind of soften and they just kind of get that look on their face like if they were someplace where they could go to sleep without being embarrassed, that's what they would do. But I think it's necessary, since this is one of our first long days, to show what staying here for a long time means. Now, what the Speaker has retained for himself is his prerogative, and he would have it whether he declared it or not, to keep us here until 11:59 p.m. or release us at 5 p.m. In a legislative setting, things occur in a way that might seem unpredictable, but we can always learn. Now, if somebody else was holding forth on a bill like this in the way that I am, I would be picking up on things. I would be reading the bill. I would be looking at the A bill. If I thought there were changes needed,... [LB367A]

SPEAKER FLOOD PRESIDING [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR CHAMBERS: ...I'd be fashioning amendments. But that doesn't always happen. It takes awhile to catch on to this job, and that's another thing I'm trying to say. From the outside it looks one way but when you get in here and see how many different things you are trying to stay on top of, how many issues you have to be informed on, how difficult it is just to be thoroughly informed on the bills you brought, you suddenly understand how unreasonable it is for the public to say they ought to just go down there and pass all those bills in a week and go home. It might take more than a week to really master everything in a bill that you present. And you're not expected to know everything in the bill that you bring; you just got here. You're expected to try to learn what there is to know and to ask questions about the rest of it, then engage in the debates that take place and we all are benefitted by it. You all are benefitting from this whether you know it or not. But since that is the last time I can speak because I'm closing,... [LB367A]

SPEAKER FLOOD: Time. [LB367A]

SENATOR CHAMBERS: ... I will ask for a call of the house. [LB367A]

SPEAKER FLOOD: Thank you, Senator Chambers. 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 aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

CLERK: 31 ayes, 1 nay, to place the house under call, Mr. President. [LB367A]

SPEAKER FLOOD: The house is under call. Senators, please record your presence. 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 Kruse, Burling, Friend, Pahls, White, Rogert, Ashford, Kopplin, Schimek, Johnson, Engel, please return to the Chamber. The house is under call. Senator White, please return to the Chamber. The house is under call. Senator Chambers, all senators are present or accounted for. How do you wish to proceed? [LB367A]

SENATOR CHAMBERS: I would like a roll call vote. [LB367A]

SPEAKER FLOOD: A roll call vote in regular order has been requested. The question is, should the Legislature reconsider its vote on FA98 to FA97? Mr. Clerk, please call the roll. [LB367A]

CLERK: (Roll call vote taken, Legislative Journal page 1399-1400.) 1 ayes, 45 nays, Mr. President. [LB367A]

SPEAKER FLOOD: The motion to reconsider fails. Mr. Clerk, I raise the call. [LB367A]

CLERK: Mr. President, I have a motion on the desk. Senator Chambers would move to commit LB367A to Revenue Committee for further review. [LB367A]

SPEAKER FLOOD: Senator Chambers, will you please approach the bench? After consideration of your motion to recommit LB367A to committee, it is the ruling of the Chair that your motion is out of order pursuant to Rule 5, Section 7, paragraph (f) of the Rules of the Legislature which reads, in part, "When any bill proposes adoption of a new program or change of an existing program either of which would require an appropriation to implement in the ensuing fiscal year, an appropriation bill for the purposes of funding the provisions of such bill shall be prepared from the information contained in the fiscal note. Such appropriation bill shall be prepared at the direction of the Chairperson of the Appropriations Committee. Such bill shall be placed on General File and considered as introduced by the introducer of the original bill or by the

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committee which offered the amendments creating the expenditure, and shall bear the number of the original bill with the letter "A" added, and shall accompany the original bill through all stages of the legislative process. All bills for which an "A" bill is prepared shall be bracketed on Final Reading until the "A" bill is advanced to Final Reading." For those reasons and the rule that has just been read into the record, I hereby rule your motion out of order. How do you wish to proceed? [LB367A]

SENATOR CHAMBERS: Mr. Speaker, with all due respect, Mr. President, I will move to override the Chair. [LB367A]

SPEAKER FLOOD: Senator Chambers has made a motion to overrule the ruling of this Chair. Senator Chambers, pursuant to our rules you shall open. You have ten minutes. Each additional senator shall have the opportunity to speak only once and then you have the opportunity to close. At that point we will vote on your motion to overrule the Chair. You are recognized to open on your motion. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Members of the Legislature, if you listened to the rule being read it said that the A bill shall accompany--and I'm paraphrasing--the underlying bill at every stage or whatever. But what did it say about Final Reading? The bill shall be bracketed on Final Reading until the A bill catches it, which means that the A bill is behind the bill. The A bill is a bill and my motion is to send it to a committee for review and recommendation. This A bill is not in proper form and you need to think deeply about the vote we're about to take; you really do. You all have been here long enough to know that a bill can be on Select File and that A bill is not with it. The A bill may not even have been introduced. And you hold that bill on Select File until the A bill is crafted, introduced, and moved off General File to catch up with that bill. You've been here. You might even look on the agenda today or yesterday and see where the only thing being considered is an A bill because the underlying bill is gone. The bill has moved but the A bill has not. So the fact that LB367 has moved does not mean that LB367A cannot be committed to committee for additional work. I know this is late for some of you. You're tired of listening to me talk about this bill. You might be tired of hearing me talk today about anything. But we must retain our ability to focus during the entire time that we're in session, and this is an important issue. This bill can be returned to committee, in my opinion, or I would not have made the motion. Has an A bill ever been returned to committee before? I have no way of knowing. But I didn't say recommit. My motion says commit it to a committee because it was not ever in a committee. There are bills, Revisor bills, that don't through a committee, and those who have been here awhile can tell you that. They did not go to a committee. They are put directly on General File. They're referred right to General File. No committee; no committee hearing. But a motion can be made to send that bill to a committee, and if the votes are there it will go to a committee even though it never went to a committee and the practice is to refer Revisor's bills directly to General File. So the fact that a bill has not gone through a committee is not a basis for saying it cannot be referred to a

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committee. We need to overrule the Speaker so that any bill can be subjected to a motion to be returned to a committee or committed to a committee. If you vote to overrule the Speaker, you are not sending this bill back to committee. All you are saying is that a motion is not out of order if it's made to send a bill to committee, an A bill or a Revisor's bill. So where is the harm if you err on the side of caution? The legislators should never take a vote and establish a precedent which cuts off their right, their power, their authority to do something that may be essential to proper legislating. Why will you deprive yourself of the right to commit any bill to committee if you decide that's what you think you ought to do? If you vote against your right to do that, then you're establishing a precedent. Then you're always out of order and it would be out of order to even try to overrule the Chair. And that's what you're often asked to do, and if you don't think, you're going to do it because you want to fix me. But if you fix me, you're not going to stop me from talking about this bill. But in the future, and it may not be this session, there may be an A bill which a group of you will honestly believe ought to go to a committee and let work be done on that A bill, and you can't make the motion. You can offer it but you're out of order. This is not something that is clearly stated in the rules. There is nothing in the rules that says an A bill cannot be committed to a committee. If that was in the rule, that's what would have been read to us. There is nothing in the rule book that says an A bill cannot be committed to a committee. If it's not in the rule book, how am I out of order? You are going to vote that I'm out of order when it cannot be shown under your rules that I'm out of order? You're going to vote against me when there is no rule to justify it. Look for the rule and you will not find it. If it was there it would have been read to you. I can interpret any rule I want to, and say, well, I know it says that but that's not what it means. Then if rules don't mean what they say, why do you even have them? Oh, sometimes they mean what they say and other times they don't mean what they say depending on what the issue is, who is raising a point or who is to be voted against? Well, you can do that if you want to. I'm the one who always votes against adopting the rules. So you might want to ask what right do I have then to invoke anything pertaining to the rules. You know what gives me the right? Because I am bound by the rules and I play by the rules and I follow the rules, and you don't find me making motions to suspend the rules. I stay within the rules that you all adopt that I vote against adopting, but I play by all of them. So you're exasperated, you're tired, you're upset now. If the rule says no A bill shall be subject to a motion to commit to a committee, I would not make the motion. Had there been such a rule that I was unaware of, as soon as I would be shown the rule, if I had made such a motion, I would withdraw it. But there is nothing in the rule book that says that, so you're going to fashion an Ernie rule here today like the voters voted for an Ernie rule to put me and the rest of you out of the Legislature after two terms. Don't condemn those people; look at what you're doing. Find it in the rule book if it's there. And if it's not, give me the opportunity to show how my colleagues fashion rules on the spur of the moment for me. What is wrong with committing an A bill to a committee? What harm is done? This bill is fatally flawed. If you strike from this bill what Senator Janssen's amendment is designed to strike from this bill, this bill is substantially different and there is a rule that says when

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a bill is amended and is substantially different, it can be committed to a committee. It can be returned to a committee. Now that is in the rule book. But you won't agree with that because you've got something you want to do. And as that fellow said, full speed ahead; dang the torpedoes. Full speed ahead here tonight; dang the rules. Anything you decide to do with your rules, you can do because you have the votes. Some people say that's what democracy is about. [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR CHAMBERS: Not always is democracy about the majority doing whatever they want to. Sometimes that is tyranny. Sometimes that is an abuse that is a perversion of the notion of democracy. But vote the way you choose, as I know you will. My time is up on my opening. Thank you for yours. Thank you, Mr. President. [LB367A]

SPEAKER FLOOD: Thank you, Senator Chambers. Senator Synowiecki, you are recognized. [LB367A]

SENATOR SYNOWIECKI: Thank you, Speaker Flood. Senator Chambers, would you yield to a question? [LB367A]

SPEAKER FLOOD: Will you yield to a question, Senator Chambers, from Senator Synowiecki? [LB367A]

SENATOR CHAMBERS: Yes, I will. [LB367A]

SENATOR SYNOWIECKI: Senator Chambers, assuming that your overrule of the Chair is successful and further assuming that your commit to... [LB367A]

SPEAKER FLOOD: Before you answer that question, Senator Chambers, upon further review you cannot yield time under our rules during a motion to overrule the Chair. Okay, you cannot yield the balance of your time. You may ask the question and you may receive a response. [LB367A]

SENATOR CHAMBERS: No, he didn't yield me any time. [LB367A]

SPEAKER FLOOD: Okay. Proceed. [LB367A]

SENATOR SYNOWIECKI: No, I was going to ask a question of Senator Chambers. Senator Chambers, let's assume that you are successful in overruling the Chair and let's assume that you're successful in committing the bill back...or it's not recommitting but committing the bill to committee, my question is, would this be referred to the Appropriations Committee or the Revenue Committee since it's an appropriations bill? [LB367A]

SENATOR CHAMBERS: If the vote is successful to overrule the Chair, I will withdraw the motion to commit the bill to a committee. [LB367A]

SENATOR SYNOWIECKI: Okay. Thank you. [LB367A]

SPEAKER FLOOD: Thank you, Senator Synowiecki. Senator Erdman. [LB367A]

SENATOR ERDMAN: Mr. President and members of the Legislature, January 12, 2007, at 9:27 a.m., the permanent rules were adopted. The vote was 39-2. The two that voted no, of the two members who voted no, one of them was not Senator Chambers and neither was the other one. But the question that I would have for Senator Chambers, if he would yield... [LB367A]

SPEAKER FLOOD: Senator Chambers, will you yield to a question from Senator Erdman? [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

SENATOR ERDMAN: Senator Chambers, I ask you this and I believe that this is accurate, the way that it's worded on the Chamber Viewer, your motion is to commit to a committee, is that correct? [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

SENATOR ERDMAN: Your motion is not to recommit to a committee. [LB367A]

SENATOR CHAMBERS: Correct. [LB367A]

SENATOR ERDMAN: Okay. Thank you. Members, there is probably no one here who knows the rules better than Senator Chambers, and he was...I don't believe he was on the floor but he shows up as present and not voting on the rules. If you read the rules and the Rule 7, Section 3, on page 47 of your rule book, you'll find the list of motions and precedents in which they should be taken up. The motion to bracket is not listed. And if you move to bracket a bill without a specific date it is treated as a motion that comes after all of these motions listed A through I. However, if you list a motion as to bracket to a certain date as we had today a couple of times--I offered one; Senator Chambers offered one; Senator Mines offered one--that is a priority motion and that's to postpone to a time certain. The motion to commit to a committee is not listed in that list and I would have to surmise that because of that in the plain reading of the rules, that it's probably not inappropriate to ask for this. It's just simply not in order, that the motion to amend that is available to us would be in order, and the motion to commit, which is something different than the motion to recommit because the plain reading of the rules

says that, is somewhat different. I think you can vote to overrule the Chair if you want to. It sounds like Senator Chambers wants to prove us a point. I think he's the master of this process when it comes to using the rules. We've seen it repeatedly. I'm just wondering out loud, and Senator Chambers, would you yield to one last question? [LB367A]

SPEAKER FLOOD: Senator Chambers, will you yield to a question from Senator Erdman? [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

SENATOR ERDMAN: Senator Chambers, would you agree that the motion to commit is not the same motion to recommit by the plain reading of those two motions? [LB367A]

SENATOR CHAMBERS: I agree. [LB367A]

SENATOR ERDMAN: Would you concur that it is not a priority motion in the list of priorities that we have before us in Rule 7, Section 3? [LB367A]

SENATOR CHAMBERS: I agree. [LB367A]

SENATOR ERDMAN: So would you concur that it is out of order to file this motion or to have it be taken up by the Chair before the motion to amend, which would be a priority motion? [LB367A]

SENATOR CHAMBERS: No, because it has already be accepted and granted that status. [LB367A]

SENATOR ERDMAN: But had it been denied, the motion to amend would have been in order instead of this one, but the fact that we have taken this up, it is now in order. [LB367A]

SENATOR CHAMBERS: Well, that is a question which is speculative and we'll have to wait until that arises to see how it will be handled since it is a different species of motion. [LB367A]

SENATOR ERDMAN: Fair enough. Thank you, Senator Chambers. Members, I would again offer to you the observation that this is not the motion to recommit and therefore it shouldn't have been taken up. It should have been out of order. But since it is before us, do what you will. I will vote no on overruling the Chair and we'll see where we're at. Thank you, Mr. President. [LB367A]

SPEAKER FLOOD: Thank you, Senator Erdman. There are no other lights on. Senator

Chambers, you are recognized to close on your motion to overrule the ruling of the Chair. [LB367A]

SENATOR CHAMBERS: Mr. President and members of the Legislature, there are matters of form, there are matters of substance. Do you know why the Nebraska Supreme Court ruled the way it did in a way that was unprecedented? Because I got something before the court that nobody else could get before the court. I didn't do it by way of motion; I didn't do it by way of filing a lawsuit; I did not ask the court to take it as an original action. I wrote a letter which nobody had ever done, and put something before the court. But once it was before the court, the court acted on it. This motion is before us. This motion has been granted by the Chair the status of being before us. It was ruled out of order because it relates to an A bill and there is nothing that specifically says that an A bill cannot be committed to a committee. I mean it when I say you should keep prerogatives of the Legislature intact. Why do you think I drafted the amendment to say committed rather than recommitted? "Re" means to do again. It had never been before a committee so I write my motions to accurately reflect what the facts of the situation are. Nothing tricky about the motion; nothing deceptive about it. I acknowledged that it had not been before a committee and I told you other bills that don't go to a committee. Revisor's bills, they go directly to the floor to General File. But they are subject to a motion to be committed, or you could say recommitted if you want to. What we're looking at here is whether or not such a motion can be made. In whatever order the Chair rules, it should be taken up. What you are being asked to do here is to vote that such a motion cannot even be entertained. If you don't like the motion that's being made on a bill, vote the motion down but don't vote against your right and prerogative to make the motion. Those two things are radically different. I think the issue and the point are very important. That's why when Senator Synowiecki asked me his hypothetical questions, presuming that the vote would be to overrule the Chair, presuming that the bill were to be referred to a committee, would it go to the Appropriations Committee or the Revenue Committee because it's an appropriations bill. That was his question and if you read the transcript you will see it was and he would agree that it was. And my response was, I'm not interested in putting it to any committee. I want to establish the point that such a motion can be made. Don't take away the right that you have as a Legislature to do certain things. Simply vote against that thing when it comes before you. And I'm glad Senator Erdman pointed out that I was listed as not voting for those rules because before it gave the impression that I had voted for the rules. I said I don't vote for the rules. There are times when I won't be up here when they're going to take a vote because they're dithering and dillydallying, and the vote of mine is not that essential, but mine won't be there as voting for the rules, and that's the point I was making and I think it was clear. I'm glad Senator Erdman corrected it because what I was going to say, not during this debate because... [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR CHAMBERS: ...he's not the one I can ask questions. Let's get it accurate. Does my name show up as showing for the rules, and he would have had to say no, which he should have said at the very outset instead of two people are listed as voting no and neither one of them is Senator Chambers. He should have said, however Senator Chambers is not listed as voting for the rule either. Some people are tricky. They're clever, and I accept that. But they ought to also be honest and fully forthcoming as I try to be. And if I'm not, call me on it. But on this one you're being asked to cut off a prerogative that the Legislature should have. This is simply talking about the right to make a motion. If you overrule the Chair, this bill does not go to a committee. All you do is vote that a motion such as that can be made and it is not automatically out of order. Mr. Chairman, because I'm not sure if we all are here, I will ask for... [LB367A]

SPEAKER FLOOD: Time. [LB367A]

SENATOR CHAMBERS: I will ask for a call of the house and I'll take a machine vote. And could I ask how many votes it will take to vote successfully? [LB367A]

SPEAKER FLOOD: I believe 24, Senator Chambers. [LB367A]

SENATOR CHAMBERS: Thank you. [LB367A]

SPEAKER FLOOD: 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 aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

CLERK: 31 ayes, 0 nays, Mr. President, to place the house under call. [LB367A]

SPEAKER FLOOD: The house is under call. Senators, please record your presence. 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 White, Rogert, Engel, Heidemann, Johnson, please return to the floor. Senator Johnson, Senator White, Senator Rogert, would you please report to the Chamber. The house is under call. Senator Johnson, please return to the Chamber. The house is under call. Senator Johnson, please return to the Chamber. The house is under call. Senator Johnson, the house is under call. Please return immediately to the Chamber. All senators are present and accounted for. The question before the body is, should the Chair be overruled? All those in favor vote yea; all those opposed vote nay. Have all those voted who wish to? A roll call vote in regular order has been requested. Mr. Clerk, please call the roll. [LB367A]

CLERK: (Roll call vote taken, Legislative Journal pages 1400-1401.) 21 ayes, 24 nays, Mr. President, on the motion to overrule the Chair. [LB367A]

SPEAKER FLOOD: The Chair is not overruled. I raise the call. Mr. Clerk. [LB367A]

CLERK: Mr. President, a priority motion. Senator Chambers would move to bracket LB367A until May 31. [LB367A]

SPEAKER FLOOD: Senator Chambers, you are recognized to open on your bracket motion. [LB367A]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, this bracket motion is designed to allow time for additional debate and that's what I'm going to use my time for this evening. I had two students sitting to my left under the balcony. They wanted a front-row seat as students and now they've deserted. That's the way it always is around here. People make these grandiose...oh, one of them is back. (Laugh) I know how to bring them back. (Laughter) The purpose of what I'm doing tonight I think is clear to everybody. I'm going to take some time, and in the process you might pick up on a thing or two. I'll tell you what I think could happen. I bet the Speaker could rule this motion out of order and I could move to overrule and you all would vote to uphold him. You all would vote to uphold him and you know it. That's how I own you. I can get you to vote against your own interests. When I can get you to vote against your own interests, I own you. And you voted against your own interests thinking you'll hurt me; I don't need that motion. I don't need any single one of these motions. And when we get to LB305 which is next, you think I can't find enough things in that bill to offer amendments to, to keep us here? But you're going to have to vote for cloture on this bill, as I promised, and I'm going to make sure you have plenty of time to vote for cloture. Then you're going to have to vote for cloture on Senator Fischer's bill. You're going to have to. Then tomorrow is Friday and you're going to vote for cloture some more and I'm going to keep talking every time you do it, how I own you. I force you to avoid debate because you want to fix me and you're so interested in fixing me that you break your system. I own you. I rule this Legislature. Why do you think they call it the legislative "chambers?" Chambers' chambers. That's what the name of this room is. Don't get upset, exasperated. You asked for this. I told you what would happen if you voted with Senator Janssen, and you didn't believe me because you paid attention to Senator Flood who told you that I'll get tired. I don't even know where... I mean, Senator Friend. I don't even know where he is. And then there is old Senator, the economist, voting wrong on not overruling the Chair. He knows he's throwing away our prerogatives--he of all people. You know what they say about economists, and I'm excepting out Senator Raikes? They say if you laid all the economists in the world end-to-end, they couldn't reach a conclusion. (Laughter) Then I add, if they happened to reach a conclusion, it would be wrong. So much for the economists. However, when he happens to be on the right side of the issue with me, then he is absolutely and positively right, because everybody is right on occasion. But Senator Raikes, of all the people, surprised me on that last vote, but I think he's tired and everybody is entitled to behave a little less than at optimum when they're tired. But we're going to get just a little more tired before the night is over. We're going to have a little bit more tiredness and fatigue perhaps slip in before we get

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off this bill. I assure Senator Janssen once again, he will get his cloture vote, but he's going to have to let me go and go until he can't take it anymore, and I'll force his hand. I'll make him vote for cloture--make him call for cloture. Then he'll call the sheep. Now, if it were a different type of animal you would be saying, sooey. But see, I'm not casting pearls tonight so that wouldn't be appropriate. I wonder how many of my colleagues think that LB367 constitutes sound tax policy. You've got a bit over here, a bit over there, and nothing in the way of a coherent plan to in any way substantially impact or alter for the better the tax system of this state. There was a time when a bill like this never would have gotten out of the Revenue Committee--never in a thousand years. But they had people who better understood what the Revenue Committee was about and what the purpose of raising revenue is and the changes, the types that ought to be made to the taxing system. But to new people, everything is awe-inspiring, and doing anything is good. When you go home, pick up the newspaper tomorrow and let some reporter explain to you what you did with LB367, and ask yourself, is that a coherent tax program? Is that a coherent tax plan? Absolutely not. But you don't know it yet because somebody hasn't explained to you yet what you did. I'm explaining to you what you didn't do in the A bill. I don't need a reporter to tell me that. But this is what the Legislature can do. When it takes 25 votes to do anything you want to, you can do it. You can even vote something out of order when really it is not out of order. It's out of order because you said that it was. You just adopted a new rule tonight whether you know it or not. When you gave that vote you established the rule. You cannot make a motion and be in order to commit an A bill to a committee. And let me tell you all now, something that you smart alecks didn't think about and I didn't tell you. Senator Schimek knows what I'm going to tell you is true. If Senator Brashear was here as the Speaker, he would know that it's true. You know what we have done with A bills? We have changed them entirely and it no longer is an appropriation bill. It is a bill that changes the substantive law and that bill can be recommitted to a committee. So you thought you were dealing only with a bill that spent money, didn't you, because nobody told you what I'm telling you know. And you don't think; you can't think. And you have new people here, inexperienced people here, even in the Speaker chair. He didn't know that we have amended A bills to do things that change the substantive law but it's still listed as an A bill. You didn't know that, did you? You didn't know that a bill might change entirely an A bill, and now a motion to send it to committee is out of order. You can't send it to committee. Now who do you think is most likely to perhaps want to change an A bill to make it into something that changes the substantive law? You might be listening to him but you're not hearing. You know so much. You are so smart they are going to lead you right out of confusion into the swamp. That's what you did. Were you aware that that's what you did? Did you even care? No, because you were fixing me. That's why I was surprised when the senators who have been here awhile voted against overruling the Chair. Why do you think I've kept saying, don't take away a prerogative that you have as a legislator? Why do you think I kept saying it? I told you, you can't hurt me by what you're doing. None of your rules hurt me. I can get around any rule that you put in place because you're not smart enough to write a rule that will stop me. But you're smart...or

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you're dumb enough to write them that will stop you. You are a Legislature and you voted to take away a prerogative that you need and that you ought to have. That's why I say I own you. I can speak to you a certain tone of voice and... [LB367A LB367 LB305]

SENATOR FRIEND PRESIDING [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: ...and make all of your senses leave you, and I control you. I already told you earlier that I own you, that I control you. I make you do what I want you to do. I make you look foolish. I just did it. Actually I didn't; you made yourself look foolish because you didn't think and you let your emotions run away with you. And I just steered you and you ran and jumped off the cliff. I tried to warn you. If you won't take warning, I know you ain't going to take advice. Think. Use your brains. Now, I want somebody to stand on this floor and explain how what I'm saying is inaccurate, that it is wrong, that it has not happened. And there will be occasions when A bills will become something other than a bill that appropriates money. It's been done and it will be done again and you can't have a motion in order... [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: ...to send it to committee. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Members of the Legislature, you have heard the opening on the bracket motion to bracket LB367A until 5-31-07. Senator Chambers, you are next and you are recognized. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President and members of the Legislature. If you can't even understand what a motion is about, how can you be trusted to formulate sound, coherent tax policy? You can't. This is why they say, don't let children play with matches. Read the paper tomorrow and let the reporters explain to you what you have done. You couldn't stand on this floor and explain to me each one of those elements in LB367. Now, if you had a particular interest in that particular component or somebody told you to carry water on that component, you might can answer. You hear what happens when I ask some people questions about the bill that came out of their committee. Who caught the mistake on the A bill? Not the committee. The one you all have no respect for, the one you think who doesn't know anything because you don't like me. Let me tell you all something else. Your emotions are like cattle. If you keep the cattle under control, one or two persons can drive those animals. If you keep your emotions under control, your intellect will be like the cow person who can keep them moving in a way that is helpful. But when the cattle are spooked and they're on their own, the best thing for you to do is get out of the way. Now, if you're a greenhorn, you might get out there and take off your cowboy hat and wave and say, stop, stop, and

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those would be the last words you'll ever utter in this world and the cattle won't even apologize. When your emotions are running away with you, your mind is going to be pushed aside and you'll do what you just did. You will vote in a way that is against your own interests. You are not able to look at the fact that you're dealing with a system, a system that has rules that should facilitate but that should not be a straightjacket. And you voted to put yourself in a straightjacket. Now you know what you'll have to do in the past...in the future? You'll have to make the motion, then you'll have to overrule the Chair to change that rule which in an ad hoc way has been put into the rule book now. But you can do it because you have enough votes to do it. But if I'm around, you would be too embarrassed to do it because you know I'll laugh at you and mock you and taunt you and make fun of you. But even at the risk of that happening, you should be mature enough to do what is necessary to be done to get the system and the process to function as they should. You thought when I made that motion I was trying to derail everything, didn't you? That I was the one trying to cripple your system, didn't you? When people voted for term limits, they acted as though they thought I came down here to tear up this Legislature, to destroy this Legislature. That's not what I came here for. They did it. They're the ones who tore up your Legislature. They're the ones who destroyed your Legislature. They changed your constitution to do it. They said I'm the reason they did it. But I didn't do it; they did it. They did what I did not come down here to do. It took them to do it because I was trying to preserve and maintain the integrity of this system. And my way is different from anybody else's way but I get things done that other people won't get done. [LB367A LB367]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: And apparently I can see things that other people don't look far enough to be able to see. So you can live with the vote that you took, but it won't hurt me. I think I've demonstrated that I don't need a motion to commit or recommit an A bill to find plenty of opportunity to talk on the bill as long as I want to. But I just got you to vote to cripple yourself, to hamstring yourself, to hobble yourself, to fence yourself in. Senator Stuthman knows that song that says, "I can't look at hobbles and I can't stand fences, don't fence me in." Well, I don't have to because you did it to yourself. And I'm sure there are lobbyists laughing at you. Did they put some "goofle" dust in that food they fed you all in there when you were in there sponging and mooching? What did they feed you all? Do you see why I don't eat anything they give me? You won't have me voting against my interests, Senator Wightman. [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: Huh? (Laughter) [LB367A]

SENATOR FRIEND: Senator Chambers, you are next and you are recognized. [LB367A]

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SENATOR CHAMBERS: Thank you, Mr. President. Do you see the influence that Senator Friend has? Senator Janssen, I will make only one additional motion, probably. and then we will let him get his amendment, because you'll vote for it, but I am going to mock when you vote for it because the only reason you're voting for it is because I stirred your mind and showed you what was jumping off the page at you but you didn't have sense enough to read it because you don't know what you did with the bill. How smart you people are. And you all are the ones that my children are going to have to go to school and be taught by. White people teaching my children and they can't even read their own bill, don't know what they put in their law, and they're going to send something out here to change the schools so that white people can be in charge of teaching my children to be as dumb as you all are. I want my children to be thoughtful like I am. I want them to read and understand what they read and not be fools and let somebody lead them to make jackasses out of themselves. That's what I want. I will be an example of what I want my children to be. You are not an example of what I want my children to be. You are not what I think an educated black child should be. You can be ignorant and make it in this world. Our children cannot, even when they're not ignorant. So why do you work so hard to keep them ignorant? Why do you want people teaching them who don't care about them? Teachers without experience, schools without textbooks, inadequate supplies, copying machines that are not there--a bank has to contribute it. That's what you all want to do to my children, don't you. Well, I'm doing this to demonstrate to you what you don't know and how unfit you are to teach my children. And I'll confess this much: We, as black people, made the greatest mistake we could make when we ceded to white people the right to educate our children. Do you think I want them to be like you? I'm talking about this that you all put out here. You elected a Chairman. You put eight people on that committee. They sent this bill out here and I tried to tell you that the bill is wrong but you didn't get it until I almost said it, just like that. You don't have sense enough to read. You don't pick up on the hints. You didn't get the clues. What do you think I was trying to tell them when I said, where does this...you're appropriating money to go to the Education Department. Why? Why do you think I asked the question? The bill tells the number of the program but the program is not part of the bill. What do I have to tell you? You think I want my children that stupid? That you have to tell them this means such and such and if you don't tell him that he doesn't have sense enough to read it and figure it out for himself? Do you think that's what I want for my children? Heavens no. I can say that if my children did as well as I do, they would have a chance to make it. I make it here, don't I? I'll make it anywhere. I come up with thoughts that lawyers don't even have. I was advised by some lawyers not to write that letter to the Supreme Court. I followed my mind because I can think. These people can't think. They don't have a track record. They are not an example of what I want to be so we're going to have fun when that education bill comes out here, and you better have it right. But see you all will be able to get 33 votes because you're all white and you're all together and you'll clump together against a black man and black children because you hate my children like you hate me. You don't care about my children.

That's why I have to fight so hard for them. If you cared, they wouldn't be in the hellish condition they're in now. [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: You've got these white superintendents talking about they've got a plan to improve achievement. They've had this under their control for generations and it has steadily gotten worse. They're talking about an integration program and they've segregated the schools to a greater extent now that they've ever been. And the ones who created this problem are the ones who are going to solve it? The ones who have created a system to make sure my children are ignorant are the ones who are going to suddenly teach them? And I'm supposed to go along with it and be on this floor like a knot on a log and afraid to express what I need to express for our children because a bunch of white people are mad at me? Do you think I'm not mad at you? Angry is the word that's to be used; I understand that. But I'm using the language that I think the people I'm talking to understand. And that's part of what this is about. I'm using this as an object lesson to show that you don't know what you ought to know and that you don't have to know what you ought to know. You carry badges and titles and you don't have behind those badges and titles what you ought to have. [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. And, Senator Chambers, that was your third time on the bracket motion. You are recognized to close on your motion. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. If you all cared about your children like I cared about mine, you wouldn't want my children to be ignorant. I want white children to have the best education that can be fashioned. Do you know why? So that when my children grow up, they'll have more intelligent white people to deal with as adults than the white adults I have to deal with. If I hadn't gone through this, this evening, what I'm saying wouldn't make sense to you now and you could dismiss it. But you are exhibit A for everything that I'm saying. I had to show you your error. You hire people to work for these committees. You don't have a black person working for the Revenue Committee. And I look at these white people and the incompetency of them, and I look at the vote you just took to hurt yourself because you don't know what can be done with these bills. Oh, you're smart, all right, and you've got the votes. But I'm going to make it as difficult for you as I can. That is one thing that I can do. This is just one night in many nights. But it will all come to an end in the same way that all things must come to an end, and I'd rather be doing what I'm doing now and look back on it five years from now than do what you all are doing, sitting here now like knots on logs. But

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we're going to spend a little more time together and the Speaker is bound to keep you here until 11:59 because I own him, too. See, he has lost his prerogative as the Speaker to say I think it's gone on long enough, that we're going to adjourn. He can't do it anymore because I own him. Wherever he is, he knows that. He cannot do anything different from what I say is going to be done because he said that's what he is going to do. He can't change his mind. This is like the laws of the Medes and the Persians; they changed not. And I will deliver on the promise that I made to you all: I will be here. Is there something that I want that you all can give me? No. Nothing. And unlike Senator Friend, my good friend, Senator Friend, who so many times reminds me of Mel Gibson who will say, I don't care if you don't like me but I want to be liked? No. I don't need to be liked. I need justice, which I got from the Supreme Court. And even though the judges have made mistakes in the past that I was very angry about, when they do the right thing I give them credit because I'm dealing with them on a case-by-case basis. If they do something that I think is terribly wrong, I will say so. We know or should know that in politics nothing is permanent. No permanent alliances. No permanent battle lines drawn. Things change and I'm very adaptable. Whatever the situation is, I can cope with it and deal with it. But so far I've been keeping you here just like I said I was. We've only got 3 hours and 45 minutes to go--three and three-fourths hours. [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: That's a minute in a minute. It is valuable for me to have opportunities to put things in the record, and I'm going to keep doing that and doing it and doing it, and all you all can do is sit here and listen. Play like you're listening. Be angry. But for my colleagues who are "Chrishians," that book tells you, be angry and sin not; anger resteth in the bosom of a fool. It didn't say that the anger couldn't pass through your bosom. You're a fool when it rests there. Don't let it stay there. Don't let me own you to that extent, for heaven's sake. Mr. President, I will ask for a call of the house and I'll take a machine vote. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Members, there has been a request for the call of the house. All those in favor of the housing going under call, please signify by voting aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

CLERK: 30 ayes, 0 nays to place the house under call. [LB367A]

SENATOR FRIEND: The house is under call. Senators, please record your presence. 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, please record your presence. The house is under call. Senator Dierks, Senator Engel, Senator White, Senator Synowiecki, please return to the Chamber. The house is under call. All senators are present and accounted for. Senator Chambers, you

requested a machine vote,... [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

SENATOR FRIEND: ... is that correct? [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

SENATOR FRIEND: Members of the Legislature, the question is, shall LB367A be bracketed until 5-31-2007? All those in favor signify by voting aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

CLERK: (Record vote read, Legislative Journal pages 1401-1402.) 0 ayes, 45 ayes, Mr. President. [LB367A]

SENATOR FRIEND: The bracket motion is not successful. I do raise the call. Mr. Clerk, items for the record. [LB367A]

CLERK: Mr. President, Retirement Systems offers two interim study resolutions, both to be referred to the board. [LR101 LR102]

Enrollment and Review reports LB658 is correctly engrossed. LB5, LB195, LB199, LB226, LB256, LB368A, LB388, LB396, those all reported correctly engrossed. And Senator Janssen, an amendment to be printed. (AM1238, Legislative Journal pages 1402-1404.) [LB658 LB5 LB195 LB199 LB226 LB256 LB368A LB388 LB396]

Senator Chambers would move to reconsider the vote just taken on the bracket motion, Mr. President. [LB367A]

SENATOR FRIEND: Senator Chambers, you are recognized to open on your motion to reconsider the vote. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. When I said I may only have that one more motion or whatever it was, I didn't tell you that I'm following Satan's ethics, did I? I'm following the ethics of the Legislature now. I've got a couple more motions. You all probably wonder where are they going to come from. Stay here and pay attention and listen. But you don't have to because the call has been raised so you all can head for the hills, brothers and sisters. Just get on out of here (laugh) and leave the place to me because I have some more motions that I'm going to make. Since we're going to be here until 11:59, what difference does it make what we talk about? You voted for cloture. I said what I'd do. I'm carrying out my promise. You didn't think I would? Well, I'm going to show that if I make that promise according to the principles of Satan and his ethics, I'll carry that out because I said I would. On the motions, I can do that like a

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"Chrishian." You know, the way you all wrote treaties with the Native Americans? Write them in water. That's the way I do that. There happened to have been a native chief named Pontiac. I believe, and he was upset because the American army kept encroaching on the lands of his people, the land which belonged to them originally. But since they didn't have the kill power of the white people, they had no choice other than to give ground. So it may have been William Henry Harrison, if he's that great big guy who become President and was one of those among that number who are more or less faceless and nameless and nobody knows who they are, and he was a general at that time. So the chief came to this long bench and he sat down and told the general he wanted the general to sit next to him. So the general sat down. And as they talked, the chief would move closer to the general and the general would kind of slide away from him. Then when the chief looked at him, the general didn't want to make it to obvious so this time the chief moved against him until he was touching him, and the general moved. Then at a point they reached the end of the bench and the general kind of chuckled. He said, well, you know, if you move me any further I'm going to be right off this bench. He said, that's what you've been doing to my people; that's what you've been doing to my people. You've driven us off this land. You made promises that you don't keep. You all know the history but you don't want to teach it because you are ashamed of it. Then you shouldn't have made it. If you're ashamed of what they did then, don't do things that will make you ashamed from which based on what you're doing now. Senator Janssen is going to get a chance to offer his amendment and I'm going to have a chance to offer my motions, and everybody is going to get what they want and we're going to stay here until 11:59 so you'll see that I keep my promise, that the Speaker keeps his promise, and the rest of you will keep your seats. And this, remember, is just the first night. What will tomorrow bring? The Speaker has wimped out already. He said we're not going to stay here until 11:59, for sure, and you know why? Because you all have been trained and conditioned to believe that you'll go right through the lunch hour and get out of here early, and that's the way it will go. And whose hands will that play into? Mine, because a whole day is gone when just a few hours have been expended on legislative business. So if there is a bill, you can't get eight hours in, in fewer than eight hours, and you're not going to be here eight hours. So whatever you take up, it will carry over until Monday if we come to work on Monday, if it's not an off day. Read the newspaper tomorrow and let the reporter tell you what you did today. Some of you ought to read the transcript, too, and read how guestions were answered or not answered. We're all adults. Do you give me a break? No, because I don't ask you for a break and I don't do things where I need a break from you. And if I blunder, I've got consequences coming and I take the consequences. This LB367 is bad tax policy. Senator Janssen used to be on the Revenue Committee. He knows that a bill like this never would have gotten out of that Revenue Committee. People knew that you had a lot of hoops to jump through and you didn't just get anything out of there because somebody said I want to do me a favor. But when everybody on the committee is being done a favor or enough to get enough votes to send it out to the floor, then you get what we have and what has been put into the existing form of LB367. Any time before a final

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vote is taken on a bill, it can be amended. LB367 maybe be damaged beyond repair at this point. But if that's the way it goes, then I will have to try to do next year what I couldn't get done this year, and that's to reduce the sales tax by a half percent. And I know you all are hoping, as I do, that the state doesn't see a sudden turn in the economy that it not good and you have to start raiding various funds and maybe look at raising the sales tax. But you can't do it because it's 5.5 percent already. Will you raise it to 6 percent and let people call it to the attention of the public what you're doing? No, they're going to say cut some money, cut some spending. And whose favorite program will be cut? Senator Nantkes' dear university. It's a big target. They'll cut some money from that and they'll cut some money from some other programs. And what is being done today in haste, you can repent about at leisure next year or the year following. That is not a long time when you're talking about legislating. My good friend Senator Kopplin knows that he has a hard battle on his hands even though the education bill, I understand they sent something out here, is not the bill that he introduced. But he's got work that they, the superintendents, are looking for him to do. Some of my colleagues have been voting with their rural colleagues in exchange for votes that they'll get to keep OPS intact. It's so transparent anybody can see it, and maybe it will work and maybe it won't. But I think what anybody ought to be doing who is interested in an education bill getting out here is rounding up 33 votes just to be on the safe side. And if you really want to be on the safe side, get more than 33 because some people make a promise and they don't keep it. Now is the time when things are starting to be interwoven with each other. One thing has an impact on something else, and some things will have an impact on many something elses. And you need to be aware of this so you can watch it and see it as it unfolds. They're having all kind of clandestine meetings. The Governor and Gottschalk, G and G, calling the shots on the Legislature. I told you all what Gottschalk did. He put together...he jerry-built a committee--five or six people--and called them a name something like Group for the Advancement of Education for Poor Ignorant Children, then he hired Senator Brashear as their lobbyist. And now that Gottschalk has established his credentials and education expert...by the way, he's the publisher of the World-Herald. Now he's got his big feet in the middle of all of it and when the meetings occur he's there looming over everybody. Gottschalk calling the shots. And he has yet to deny what I said about the fact that the Omaha World-Herald, which no longer uses that... [LB367A LB367]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: ...old building of theirs, is going to try to dump it on OPS. Some people have told me that's not so. Has Gottschalk told anybody? I'd like to ask Senator Ashford a question. Senator...that's all right. He's eating Cheetos. Has Mr. Gottschalk told you that they're not going to try to dump the World-Herald Building on OPS? [LB367A]

SENATOR FRIEND: Senator Ashford, I'm sorry, I didn't hear. Will you yield to a

question? [LB367A]

SENATOR ASHFORD: The Cheeto deal going. (Laughter) [LB367A]

SENATOR FRIEND: Do you have a mouthful of Cheetos? [LB367A]

SENATOR ASHFORD: A mouthful, but Arnie gave me too many of them. Go ahead. [LB367A]

SENATOR FRIEND: All right. Will you yield to a question to Senator...? [LB367A]

SENATOR ASHFORD: I will, thank you, Senator Friend. [LB367A]

SENATOR FRIEND: Okay. [LB367A]

SENATOR CHAMBERS: Has Mr. Gottschalk told you that they're not going to try to dump the World-Herald Building on OPS? [LB367A]

SENATOR ASHFORD: We haven't had that conversation. [LB367A]

SENATOR CHAMBERS: So he hasn't told you that. [LB367A]

SENATOR ASHFORD: He has not told me that. [LB367A]

SENATOR CHAMBERS: Have you heard me mention that numerous times in public? [LB367A]

SENATOR ASHFORD: You have mentioned that on several occasions, yes. [LB367A]

SENATOR CHAMBERS: But he nor anybody from the <u>World-Herald</u> has denied it, is that true? [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR ASHFORD: Thank you. (Laughter) [LB367A]

SENATOR FRIEND: Members, you have heard the opening on the reconsider motion. Senator Chambers, you are recognized. [LB367A]

SENATOR CHAMBERS: Thank you. Mr. President, I would like to resume my discussion, not with Senator Ashford. Is Senator Raikes here? [LB367A]

SENATOR FRIEND: Senator Raikes, will you yield to a question from Senator

Chambers? [LB367A]

SENATOR RAIKES Yes. [LB367A]

SENATOR CHAMBERS: Senator Raikes, have you heard me say from time to time that it is my belief that the <u>World-Herald</u>, the people who run the <u>World-Herald</u>, want to dump that old building that they no longer need for their newspaper purposes on OPS? Have you heard me make that allegation? [LB367A]

SENATOR RAIKES I have heard that, Senator. [LB367A]

SENATOR CHAMBERS Has anybody connected with the <u>World-Herald</u> said the contrary thing either directly to you or in your presence? [LB367A]

SENATOR RAIKES No. No. [LB367A]

SENATOR CHAMBERS Have you ever seen that old World-Herald Building? [LB367A]

SENATOR RAIKES Well, I think so. I think, in fact, I walked in there once. [LB367A]

SENATOR CHAMBERS Is it suitable to be used as an office building based on the configuration of office buildings today? [LB367A]

SENATOR RAIKES: Well, from what I remember, there were offices in there and then there was sort of a large pool of, oh, what...not offices, but partitioned area, that sort of space I think it could be used for. [LB367A]

SENATOR CHAMBERS: But would it look...would be, as a building, suitable to be used as an office building without considerable renovation and maybe even adding some height to it? [LB367A]

SENATOR RAIKES: That's probably a fairer assessment. [LB367A]

SENATOR CHAMBERS: Thank you. That's all I will ask you. Now I'll ask Senator Ashford a question if he is cleared the Cheetos or Fritos out of his buccal cavity. [LB367A]

SENATOR FRIEND: Senator Ashford, will you yield to a question from Senator Chambers? [LB367A]

SENATOR ASHFORD: Yes. [LB367A]

SENATOR CHAMBERS: And for the sake of the transcribers, that's b-u-c-c-a-l, not

b-u-c-k-l-e. Senator Ashford, you are familiar with the configuration of office buildings today, more or less, are you or are you not? [LB367A]

SENATOR ASHFORD: I have some familiarity. [LB367A]

SENATOR CHAMBERS: Okay. [LB367A]

SENATOR ASHFORD: I wouldn't say I'm an expert at configurations. [LB367A]

SENATOR CHAMBERS: Is the present structure of that old World-Herald Building the kind that would be readily converted into an office building? [LB367A]

SENATOR ASHFORD: No. [LB367A]

SENATOR CHAMBERS: Do you think the location is such that somebody would put a lot of money into it to make it into an office building? [LB367A]

SENATOR ASHFORD: You know, I love the building. [LB367A]

SENATOR CHAMBERS: Would you put money in it sufficient to turn it into an office building? [LB367A]

SENATOR ASHFORD: I might. I like the art deco stuff (inaudible). [LB367A]

SENATOR CHAMBERS: Do you have enough money to do that? [LB367A]

SENATOR ASHFORD: On me or in my...no, I don't. [LB367A]

SENATOR CHAMBERS: Say it again? What... [LB367A]

SENATOR ASHFORD: I know we shouldn't be bantering. [LB367A]

SENATOR CHAMBERS: No, that's...I want you to. That's all right; we're passing time... [LB367A]

SENATOR ASHFORD: Yes. [LB367A]

SENATOR CHAMBERS: ...amiably. What do you think is going to become of that World-Herald Building? [LB367A]

SENATOR ASHFORD: Well, I think it would be a good place for a school. [LB367A]

SENATOR CHAMBERS: And if it were a school, under whose jurisdiction would it be?

[LB367A]

SENATOR ASHFORD: The learning community. [LB367A]

SENATOR CHAMBERS: And it's in the geographical boundaries of which school district? [LB367A]

SENATOR ASHFORD: OPS. [LB367A]

SENATOR CHAMBERS: OPS. [LB367A]

SENATOR ASHFORD: But it would seem to me that it would be a great place for a focus school. [LB367A]

SENATOR CHAMBERS: Have they talked about having a downtown campus somewhere in Omaha? [LB367A]

SENATOR ASHFORD: I think it's a good idea. I haven't talked to anybody about (inaudible). [LB367A]

SENATOR CHAMBERS: Have you heard it discussed? By it, I mean the concept of (inaudible). [LB367A]

SENATOR ASHFORD: Yes, I've heard it discussed. [LB367A]

SENATOR CHAMBERS: Is it out of the question that I would suggest that maybe the people would like to dump the old World-Herald Building onto OPS? Even if you don't use the word dump; let's say unload. They would like to unload it on OPS. [LB367A]

SENATOR ASHFORD: I haven't heard that. I don't...I think it would be a great...that location would be a super place for a focus school for downtown Omaha. [LB367A]

SENATOR CHAMBERS: What is Mr. Gottschalk's reason for suddenly taking such a great interest in education, if you know? [LB367A]

SENATOR ASHFORD: I know what he has told me... [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR ASHFORD: ...which...I know what he has told me. [LB367A]

SENATOR CHAMBERS: Prior to this year, what great interest has he shown in education? I mean where he created a committee, then was at meetings with the

superintendents, then put pressure on the Governor. Are you aware of him having ever done it before? [LB367A]

SENATOR ASHFORD: I'm aware of the meeting last year, I guess, generally. [LB367A]

SENATOR CHAMBERS: With Gottschalk? [LB367A]

SENATOR ASHFORD: I mean, I think there was a meeting. I can't recall (inaudible). [LB367A]

SENATOR CHAMBERS: But prior to that. In other words, before LB1024 and the ramifications, Gottschalk was not on the education frontline in Omaha, was he? [LB367A]

SENATOR ASHFORD: No, but I think...you know, I think he does have sincere interest in it, Senator Chambers. [LB367A]

SENATOR CHAMBERS: Some what? [LB367A]

SENATOR ASHFORD: Sincere interest in trying to help. [LB367A]

SENATOR CHAMBERS: And his sincere interest is in trying to get the superintendents' plan adopted, isn't (inaudible)? [LB367A]

SENATOR ASHFORD: No, I don't think so. I don't think that's true. I don't think he's on the side of the superintendents' plan. [LB367A]

SENATOR CHAMBERS: Is he on the side of the Governor? [LB367A]

SENATOR ASHFORD: No. I can't speak for him but... [LB367A]

SENATOR CHAMBERS: Is the Governor on his side? [LB367A]

SENATOR ASHFORD: I don't know. I mean, I don't know what the Governor's side is (laugh) to be honest with you, Senator Chambers. [LB367A]

SENATOR CHAMBERS: Oh, okay. [LB367A]

SENATOR ASHFORD: I don't know which side he's on. My impression is... [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR ASHFORD: ...that he's trying to resolve, help resolve the issue. [LB367A]

SENATOR CHAMBERS: Thank you. Was that my third time, Mr. President? [LB367A]

SENATOR FRIEND: Senator Chambers, yes, and you are recognized to close then on your reconsider motion. Oh, wait, Senator Chambers. [LB367A]

SENATOR CHAMBERS: Yes. [LB367A]

SENATOR FRIEND: I misspoke. This is your third time and then you have a closing. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President, and I genuinely wasn't sure. I wasn't using trickery. Members of the Legislature, I would like to resume my discussion with Senator Ashford. [LB367A]

SENATOR FRIEND: Senator Ashford, will you yield to a few questions from Senator Chambers? [LB367A]

SENATOR ASHFORD: Just a few. Yes, thanks, Mr. President. [LB367A]

SENATOR CHAMBERS: Senator Ashford, are you on the Revenue Committee? [LB367A]

SENATOR ASHFORD: No. (Laugh) [LB367A]

SENATOR CHAMBERS: Senator Ashford, have you listened to the discussion of LB367? [LB367A LB367]

SENATOR ASHFORD: I have. [LB367A LB367]

SENATOR CHAMBERS: Are you aware, in a general way, of the types of tax cuts, if they can be called that, which would be found in LB367? [LB367A]

SENATOR ASHFORD: Yes. [LB367A]

SENATOR CHAMBERS: In a general...I'm not going to ask you to specify them. Are you familiar with A bills? [LB367A]

SENATOR ASHFORD: Yes. [LB367A]

SENATOR CHAMBERS: What is an A bill? [LB367A]

SENATOR ASHFORD: It's a bill that's prepared by the Fiscal Office to determine the

cost of a piece of legislation. [LB367A]

SENATOR CHAMBERS: Not a fiscal note. What is the A bill? [LB367A]

SENATOR ASHFORD: The A bill determines...the A bill appropriates the money. I'm sorry, Senator Chambers. [LB367A]

SENATOR CHAMBERS: Is it expected that the A bill will reflect what is in the underlying bill? [LB367A]

SENATOR ASHFORD: It's conjunctive to the underlying bill. [LB367A]

SENATOR CHAMBERS: Should it appropriate money for something that's not in the underlying bill? [LB367A]

SENATOR ASHFORD: No. [LB367A]

SENATOR CHAMBERS: If it does, is that an error? [LB367A]

SENATOR ASHFORD: I'm trying to think of how that could occur. I can't right off the top of my head. [LB367A]

SENATOR CHAMBERS: Oh, you mean that doesn't seem likely to occur? [LB367A]

SENATOR ASHFORD: Probably not likely to occur. [LB367A]

SENATOR CHAMBERS: Well, if I tell you that's what has occurred in LB367A, and why Senator Janssen is so eager to let me get to his amendment, would you accept my characterization that there is such an error in the A bill before us? [LB367A]

SENATOR ASHFORD: You know, if that...if you say so, Senator Chambers. I'd have to look at it a little more (inaudible). [LB367A]

SENATOR CHAMBERS: Oh, so you haven't looked at the A bill yet, really, to read it? [LB367A]

SENATOR ASHFORD: I will read it, and then will get back... [LB367A]

SENATOR CHAMBERS: But as of now, you have not (inaudible)? [LB367A]

SENATOR ASHFORD: I have not read the A bill. I have not read the A bill. [LB367A]

SENATOR CHAMBERS: But you would have voted... [LB367A]

SENATOR ASHFORD: I like reading A bills, don't get me wrong. (Laugh) [LB367A]

SENATOR CHAMBERS: But you would have voted for it without having read it, wouldn't you, if I (inaudible)? [LB367A]

SENATOR ASHFORD: I haven't decided yet. I mean, you're...I haven't decided. I...but A bills are not that interesting. [LB367A]

SENATOR CHAMBERS: So you probably wouldn't have read this one, though, would you? [LB367A]

SENATOR ASHFORD: I don't know. I might not have read this particular A bill. There are A bills that I have enjoyed reading over the years. This one is not that interesting to me. [LB367A]

SENATOR CHAMBERS: It didn't grab you. Well, since you're kind of new to this discussion, not having been here for a lot of it, you won't be contaminated by the previous discussions. Senator Ashford, if a person is to be deemed a responsible legislator, if he or she sees a major error in a bill, do you think he or she has any obligation to see that that error is corrected before the bill moves forward? Would there be any obligation on a senator to do that? [LB367A]

SENATOR ASHFORD: Oh, I...sure. [LB367A]

SENATOR CHAMBERS: And if a senator saw that error and didn't do something about it, it would be a failure to assume a responsibility? [LB367A]

SENATOR ASHFORD: It would be senatorial negligence. [LB367A]

SENATOR CHAMBERS: Okay. Who has the most or the greater responsibility to know what's in an A bill, the members of a committee and its Chair, or just a senator who's from the shallow end of the gene pool? [LB367A]

SENATOR ASHFORD: You mean yourself, or...? (Laugh) [LB367A]

SENATOR CHAMBERS: Oh, you're going to accuse me, huh? I didn't mention myself. I gave a description. You applied it. [LB367A]

SENATOR ASHFORD: Well, I was just trying to think who that might be. I... [LB367A]

SENATOR CHAMBERS: Okay. Well, yeah, I'll say yes. Yes. [LB367A]

# SENATOR ASHFORD: Okay. [LB367A]

SENATOR CHAMBERS: Who has the primary responsibility? [LB367A]

SENATOR ASHFORD: It's a collective responsibility, but I would...anybody that finds it should bring it up, I would think, Senator. [LB367A]

SENATOR CHAMBERS: Who has the primary responsibility to make sure that an A bill is reflective in what the underlying bill is? [LB367A]

SENATOR ASHFORD: Well, George, probably, would be. (Laugh) [LB367A]

SENATOR CHAMBERS: If it's not my bill? [LB367A]

SENATOR ASHFORD: No, if it's not...if it's a revenue bill, I suppose that would be something that would be picked up in the committee? [LB367A]

SENATOR CHAMBERS: You suppose? Or that's your conclusion? [LB367A]

SENATOR ASHFORD: Well, that would be what I would (inaudible). [LB367A]

SENATOR CHAMBERS: Okay. [LB367A]

SENATOR ASHFORD: But I'm not an expert on these matters, Senator Chambers. [LB367A]

SENATOR CHAMBERS: And we wouldn't call this that I'm talking about a blunder, would we? I mean, we're... [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR ASHFORD: Oh, no, no, no. It's an innocent mistake, if... [LB367A]

SENATOR CHAMBERS: It's a mistake. [LB367A]

SENATOR ASHFORD: ...if it exists. [LB367A]

SENATOR CHAMBERS: Okay. [LB367A]

SENATOR ASHFORD: Yeah. [LB367A]

SENATOR CHAMBERS: If it exists? You're going to find out shortly that it does exist. But that's all I will ask you, because our time is up. Thank you, Senator Ashford. Thank

you, Mr. President. [LB367A]

SENATOR FRIEND: I had said one minute. Did you confuse...okay. [LB367A]

SENATOR CHAMBERS: No, no. I'm giving...I know what you said. I'm giving it back. [LB367A]

SENATOR FRIEND: Okay. Okay, thank you, Senator Chambers. Senator Chambers, now you are recognized to close on your reconsider motion. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. And that gesture was to be collegial. I offer an olive branch, and I'm chastised for it. (Laugh) Okay, see if I do it again. By the way, if you all do like we used to do and look up on the ceiling here, you see the beautiful work that has been done. And if you're on my side, you see horses. And I don't know if they have horses up there. But there are more legs than there are horses to accommodate them, if you want to take the time to count them. I think somebody was paid by the leg. (Laughter) And you check it out, and you'll see that I'm right. And also, if you look at the eagles, and then look at the dollar, you'll see that the olive branch and the arrows are in different claws than they are on the dollar. There they are, up in the front, Senator..."Parson" Carlson. Those are the eagles up there, the bird creatures. When you look around this building, you see interesting things. But here's the point that I want to get to. While we're in here, Senator Ashford is right in saying that there's a collective responsibility we have. And I assume mine, but I assume it in a way that can seem kind of harsh. And there will be a rectification. An amendment has been prepared. Better late than never, isn't that true? I think it's true, If I have a bill, and somebody is aware of what I'm trying to do with it, and they detect an error, tell me, and I'll change it, or I'll ask you, do you want to offer the amendment, and I'll support it, or you want me to offer the amendment. But that's what would be done. Is it worth all of what I'm doing here because the A bill is in the condition that it's in? Has something like this never happened before? Certainly not. Things like this can happen very easily. When you have an underlying bill which is a hodgepodge of chaos and confusion, you ought to expect something like this to happen. This is one of the worst contrived pieces of legislation I've seen. I'm talking now about the underlying bill. When you give something to everybody, then things don't pan out so well. But if we stay here long enough and work hard enough, we can get past all of those things. And two weeks from now, it will be forgotten, until it comes up on Final Reading and I decide to go after the bill again. Then I'll reopen all these wounds, I'll break the scabs off, and I'll rub some salt in them, and I'll carry out the promise that I made to my colleagues, which they expect me to carry out. You know the first one who would condemn me if I didn't try to keep us here till 11:59? The Speaker. He needs help in carrying out what he promised, and I'm going to help him in every way that I can. I'm just appreciative that Senator Janssen made available a bill that makes it so easy. And I'm not through with it yet. We'll be through with this motion shortly, but I have a bit more to do. But Senator Janssen will

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offer his amendment. Senator Janssen's amendment will be adopted. And what his amendment will do is strike everything from the first amendment that I put up there. Then he will substitute... [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: ...what he wants to put there, and what he wants to do is to clean up LB367A. He'll strike everything out of LB367A. So he's striking everything out of my amendment, he's striking everything out of LB367A, but he needs my amendment as the vehicle for doing it. He couldn't do it without me. I'm giving him the vehicle. And that's what he will do, and he will have you all do it, and he will explain to you why you ought to do it. And you ought to support him, because he is your friend and he is your leader and you owe it to him. And you got a long way to go, but you got a long time to get there. And I'll be here with you. I'm not going to keep you here and then go someplace else, leave the floor. You all voted for cloture, and when you voted for cloture, you voted for this. You're getting what you voted for. [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367A]

SENATOR FRIEND: You're welcome, Senator Chambers. [LB367A]

SENATOR CHAMBERS: Thank you. [LB367A]

SENATOR FRIEND: Members, you have heard the closing on the reconsider motion. The question is,... [LB367A]

SENATOR CHAMBERS: I'd like a call of the house. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Members, 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 aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

CLERK: 32 ayes, 1 nay to place the house under call. [LB367A]

SENATOR FRIEND: Members, the house is under call. Senators please record your presence. Those senators outside the Chamber please report to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Members of the Legislature, please check in. The house is under call. Senator Schimek. Senator Schimek, please report to the Chamber. The house is under call. All senators are present and accounted for. Members, again, the question is, shall the motion to reconsider the bracket motion until 5-31-07 be successful? Those in...all

those in favor please say aye...or, all those in favor please vote aye; all those opposed please vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB367A]

CLERK: 1 aye, 39 nays on the motion, Mr. President. [LB367A]

SENATOR FRIEND: The motion to reconsider was not successful. Mr. Clerk. I do raise the call. [LB367A]

CLERK: Mr. President, the next amendment I have to FA97, Senator Janssen, AM1235. (Legislative Journal pages 1404-1405.) [LB367A]

SENATOR FRIEND: Senator Janssen, you are recognized to open on AM1235. [LB367A]

SENATOR JANSSEN: Thank you, Mister...or, Honored Chairman. This is AM1235 to FA97. What it would do is strike the contents of the original A bill. It would transfer \$105 million from the Property Tax Credit Cash Fund in year '07 and '08, and \$115 million from the fund in '08 and '09, to the Department of Property Assessment and Taxation, to the fund. The Property Tax Credit Program Fund is in LB367. That is the intent of the amendment, to clarify what we've been talking about for the last few hours. Thank you. [LB367A LB367]

SENATOR FRIEND: Thank you, Senator Janssen. Members of the Legislature, you have heard the opening on AM1235. There are senators wishing to speak. Senator Chambers, you are recognized. [LB367A]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, just so that the procedure is clear, I will have the last word on this amendment, because Senator Janssen is amending my amendment. So if you adopt his amendment to my amendment, it's still my amendment that you have to then add to the bill, and I get to close on my amendment. Isn't that kind of ironic? But if you want to, you can ask the Chair to rule it out of order, and let Senator Janssen close. Then when I say I want to overrule the Chair, vote against overruling the Chair, and make another rule against Senator Chambers, as you've done already. You've set the tone. Carry it out. Don't be chicken-hearted. Go all the way with it. I can take it. But I can give it, too. And let's see tomorrow how things pan out. I'd like to ask Senator Janssen a question or two. [LB367A]

SENATOR FRIEND: Senator Janssen, will you yield to a question or two? [LB367A]

SENATOR JANSSEN: Sure. Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, precisely what does your amendment do? I

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know it strikes my amendment and it substitutes. Not that. What does the...what is the thrust of your amendment? [LB367A]

SENATOR JANSSEN: Well, it would strike the A bill that was written before the amendments on LB367 were adopted. This one, it appropriates the money from the Property Tax Credit Cash Fund for the two years of '07 and '08, and \$115 million from the Property Tax Credit Cash Fund, to the Department of Property Tax Assessment and Taxation, for the Program 132, to aid in carrying out the provisions of this bill, of this legislative session. [LB367A LB367]

SENATOR CHAMBERS: Okay, so the first... [LB367A]

SENATOR JANSSEN: Yeah. [LB367A]

SENATOR CHAMBERS: For the amount for the first year is \$105 million; the amount for the second year is \$115 million, correct? [LB367A]

SENATOR JANSSEN: Correct. [LB367A]

SENATOR CHAMBERS: Okay. And then it would move in the way that we have discussed earlier in Section 1? [LB367A]

SENATOR JANSSEN: Right. [LB367A]

SENATOR CHAMBERS: Ultimately, it's going to go to the counties, and then they redistribute it to the people who are going to pay taxes, property tax. [LB367A]

SENATOR JANSSEN: Absolutely. Yeah, we've discussed that before. Yes. [LB367A]

SENATOR CHAMBERS: Now, if this amendment is not adopted, what happens? [LB367A]

SENATOR JANSSEN: Well, we'd probably have to keep offering it until it is adopted. [LB367A]

SENATOR CHAMBERS: (Laugh) But if it's not adopted, how will you offer it again? [LB367A]

SENATOR JANSSEN: Well, Senator Chambers, with all due respect to you, I'm certain that this amendment will be adopted. [LB367A]

SENATOR CHAMBERS: Senator Janssen, I'm not going to ask you any more questions. And you just took the wind out of my sails, but I agree with you. I think your

assessment is correct, and that's all that I will ask you. Thank you. Members of the Legislature, this amendment will correct the difficulty that existed. I'd like to ask Senator Janssen one more question. [LB367A]

SENATOR FRIEND: Senator Janssen, will you yield to one more question? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Janssen, who discovered the error in the A bill, over on your side of the aisle? [LB367A]

SENATOR JANSSEN: Well, the Fiscal Office did. [LB367A]

SENATOR CHAMBERS: When did they discover it? [LB367A]

SENATOR JANSSEN: Gee, I don't know, Senator. [LB367A]

SENATOR CHAMBERS: When did they tell you that they saw an error? [LB367A]

SENATOR JANSSEN: Well, as soon as the bill was passed this afternoon. [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: But they didn't have an amendment drafted to the A bill? [LB367A]

SENATOR JANSSEN: We got it drafted as quick as we could, and I did not get it filed as quickly as I should, because you had an amendment ahead of me. [LB367A]

SENATOR CHAMBERS: But, no, this wasn't drafted when we started, because there was no amendment on the bill. So it wasn't drafted when we first started considering the bill, was it? [LB367A]

SENATOR JANSSEN: No. [LB367A]

SENATOR CHAMBERS: Okay. So when was it first drafted? [LB367A]

SENATOR JANSSEN: As soon as we were done with it, we were done with the bill. [LB367A]

SENATOR CHAMBERS: Was it drafted when you first became aware of the problem? [LB367A]

SENATOR JANSSEN: Yes. [LB367A]

SENATOR CHAMBERS: And who made you aware of the problem? [LB367A]

SENATOR JANSSEN: The Fiscal Office. [LB367A]

SENATOR CHAMBERS: And who made the Fiscal Office aware of it? [LB367A]

SENATOR JANSSEN: When we passed the bill. [LB367A]

SENATOR CHAMBERS: Why didn't they get the amendment drafted, then? Are you saying they're that incompetent? They knew when that bill moved that this mistake was there, and they didn't draft the amendment? [LB367A]

SENATOR JANSSEN: They probably drafted the amendment, Senator, but I was...it was my fault, I did not get the amendment filed quick enough. [LB367A]

SENATOR CHAMBERS: You're a noble person. Thank you, Senator Janssen, that's all I will ask you. [LB367A]

SENATOR FRIEND: Time. Thank you, Senator Chambers and Senator Janssen. Senator Langemeier, you are recognized. [LB367A]

SENATOR LANGEMEIER: Thank you, Mr. President. AM1235 is a correction. It does, as Senator Chambers has spoke earlier, it first guts FA97. And then after that, the adoption of FA97 guts LB367A, and then puts in a new Section 1 that appropriates the \$105 million and \$115 million to match up with LB367. So I would ask for your support of AM1235. And if Senator Heidemann would like some time, I would yield the balance of my time to Senator Heidemann. [LB367A LB367]

SENATOR FRIEND: Senator Heidemann, 4 minutes and 10 seconds. [LB367A]

SENATOR HEIDEMANN: Thank you, Senator Langemeier. Fellow members of the body, I just want to point out that actually--and I've heard it time and time again tonight that there was a problem with LB367A--there really wasn't a problem with LB367A, because it was correct, because it followed LB367 onto Select File as it was. Where we came to the deal and it was not a problem, LB367 was amended. And because LB367 was amended and took the \$1.05 out to \$1.00, that meant that the A bill that was following it was no longer correct. It was not in error, but it wasn't correct because of the amendment that got put on to LB367. There was an amendment that was made up yesterday, the way I understand it, in the Fiscal Office, because they understood that's what was going to happen. There...I believe it would be wrong to say that there was an error in LB367A. I actually know there was, because it actually was correct, because

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that's what LB367 was going to do when it came onto Select File. And I just want to point that out, because it has been said many times that there was an error, and I really don't believe that there was an error. Thank you. [LB367A LB367]

SENATOR FRIEND: Thank you, Senator Heidemann. Senator Heidemann, your...you were next to speak. Senator Heidemann waives his opportunity. Senator Chambers, you are next, and you're recognized. [LB367A]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I want to ask Senator Heidemann a question or two. [LB367A]

SENATOR FRIEND: Senator Heidemann, will you yield to a question from Senator Chambers? [LB367A]

SENATOR HEIDEMANN: I'll try. [LB367A]

SENATOR CHAMBERS: Senator Heidemann, if there was no error, what are we taking this amendment for? [LB367A]

SENATOR HEIDEMANN: Because LB367 was amended to take the \$1.05 to \$1.00 out, and that's what the original A bill had in it. And being as that's not in LB367 anymore, we have to put the amendment onto LB367A to show for the amendment that was put onto LB367. [LB367A LB367]

SENATOR CHAMBERS: You have to have the amendment to correct the error in LB367A, don't you? [LB367A]

SENATOR HEIDEMANN: There was no error in LB367A, because LB367A came onto Select File with LB367 as it was. [LB367A LB367]

SENATOR CHAMBERS: Does LB367A reflect what is in LB367? Does it, yes or no? Either it does or it doesn't. [LB367A LB367]

SENATOR HEIDEMANN: It did when it came onto Select File. [LB367A]

SENATOR CHAMBERS: Not "did." Does it? [LB367A]

SENATOR HEIDEMANN: Just as LB367 was amended, so now does LB367A need to be amended. But there was no problem with LB367A as it came onto Select File. [LB367A LB367]

SENATOR CHAMBERS: So then we can pass LB367A along as it is right now, since there is no error. Isn't that right? You don't want to call it what it is, do you? You're going

to pass an amendment to completely gut a bill when there's nothing erroneous or inaccurate about the bill? That's what you're telling us? [LB367A]

SENATOR HEIDEMANN: All I'm saying was there was no problem with LB367A as it came onto Select File. It was because LB367 was amended. [LB367A LB367]

SENATOR CHAMBERS: And that made LB367A in error. Is that correct? [LB367A]

SENATOR HEIDEMANN: I wouldn't call it... [LB367A]

SENATOR CHAMBERS: Did it make it inaccurate? [LB367A]

SENATOR HEIDEMANN: It made it inaccurate, but not in error. [LB367A]

SENATOR CHAMBERS: So what's the difference between an inaccuracy and an error? It wasn't correct, was it? [LB367A]

SENATOR HEIDEMANN: Inaccurate as LB367 is right now. [LB367A LB367]

SENATOR CHAMBERS: If you had a spelling test and you had a graded check by a word because it was inaccurate, does that mean you made an error and that's why you got the check? Or is the error...or is the word not in error? And if it's not in error, why did you get a check that says, wrong? Thank you, Senator Heidemann. That's all I'll ask you. But let me ask him another question, because I might have missed something, and I don't want to misstate. Senator Heidemann, would you yield again? [LB367A]

SENATOR FRIEND: Senator Heidemann, will you yield to a question from Senator Chambers? [LB367A]

SENATOR HEIDEMANN: Yes. [LB367A]

SENATOR CHAMBERS: Senator Heidemann, you said this amendment that we're looking at now was drafted when? And you said that they knew yesterday that this was going to need to be done? Did you say that, or did I misunderstand? [LB367A]

SENATOR HEIDEMANN: Well, I think they thought it might be a possibility. [LB367A]

SENATOR CHAMBERS: Yesterday? [LB367A]

SENATOR HEIDEMANN: I'm not for sure on that. That's what I think I might have heard, but I'm not for sure on that. [LB367A]

SENATOR CHAMBERS: Oh, so you could have been in error if you said that? [LB367A]

SENATOR HEIDEMANN: I am far from perfect, Senator. [LB367A]

SENATOR CHAMBERS: You could have been in error? Or you were just inaccurate? [LB367A]

SENATOR HEIDEMANN: (Laugh) I could have been in error, actually, because I'm not perfect. [LB367A]

SENATOR CHAMBERS: But it...and nobody says you have to be. It was drafted sometime today, is that correct? [LB367A]

SENATOR HEIDEMANN: I can't answer that because I'm not for sure. I don't want to go there. [LB367A]

SENATOR CHAMBERS: So you're not sure if it was drafted yesterday or today, right? Don't look over there. Look at me. You know what you know. [LB367A]

SENATOR HEIDEMANN: I was told it was drafted yesterday, but I wasn't for sure, so I didn't want to go there. [LB367A]

SENATOR CHAMBERS: Do you trust who told you that? [LB367A]

SENATOR HEIDEMANN: Yes. [LB367A]

SENATOR CHAMBERS: So then it was drafted yesterday, correct? [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR HEIDEMANN: Yes. [LB367A]

SENATOR CHAMBERS: Then why are we just now getting it? Why was there not this amendment put with that bill when it came up, because they told us up there, there are no amendments to this bill? If it was drafted yesterday, why wasn't it up there with the bill? [LB367A]

SENATOR HEIDEMANN: I got a feeling that Senator Chambers beat them to it. [LB367A]

SENATOR CHAMBERS: On this one, I wasn't that fast, Senator Heidemann. Senator Janssen knew he was going to invoke cloture. He knew the next bill up was the A bill. If the amendment was here, it should have been up on the desk. It ain't nothing about, Chambers beat them to the punch. They weren't doing any punching. They were sitting

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back, gloating. And if I hadn't said anything, they were going to hasten the bill right on across the board. They weren't talking about, I've got to discuss it so that we can get an amendment up there. If I hadn't gotten my amendment up there, this bill would have moved. That's what I stopped them from doing. I stopped them from moving the bill. [LB367A]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Langemeier, you are recognized. [LB367A]

SENATOR LANGEMEIER: Mr. President, members of the body, LB367A fit the Revenue package bill yesterday when it first came on the agenda. I offered AM1187, that we all adopted, and when that was adopted, LB367A consequentially became incorrect. And I'm looking at the committee statement here. Actually, AM1207, which is farther down the list today, was drafted May 2, 2007. Maybe wasn't filed when it was supposed to be filed, but it was drafted. It's right on the top of every amendment. We can tell the dates when these were drafted. It was drafted May 2, was not filed. I can't personally say why or why not, and I don't really care to. AM1235 was drafted today, after FA97 was put up there. And that's the time line of how this happened, because AM1235 had to go to FA97, because it was there. If FA97 just were to disappear right now, then we could go to the amendment that was drafted previously, AM1207, do the same thing. And so as we all know, LB367A was correct first round. Then when it was...the amendment, AM1187, was taken, it became in error. This amendment before us, AM1235, will correct the A bill to match the bill that we have passed. And with that, I'd ask for your support of AM1235. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Langemeier. Senator Chambers, you are recognized, and this will be your third time on this amendment. [LB367A]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I'd like to ask Senator Langemeier a question or two. [LB367A]

SENATOR FRIEND: Senator Langemeier, will you yield to a question from Senator Chambers? [LB367A]

SENATOR LANGEMEIER: Love to. [LB367A]

SENATOR CHAMBERS: Senator Langemeier, who filed AM1207? [LB367A]

SENATOR LANGEMEIER: My understanding, reading it, is Senator Janssen. [LB367A]

SENATOR CHAMBERS: If I had not filed my amendment, the one that is the vehicle, FA97, this bill would have moved, wouldn't it? If I hadn't delayed it, it would have moved, didn't it? [LB367A]

SENATOR LANGEMEIER: I think Senator Janssen knew he needed to get the amendment up there. Whether it would have gotten that...would have moved prior to that, I don't know for sure, but I would say there's a good chance. [LB367A]

SENATOR CHAMBERS: I had been discussing the bill for some time before this amendment that we're talking about now even came to be. Isn't that true? I had been up here talking for some time, hadn't I? [LB367A]

SENATOR LANGEMEIER: Yes, because you and I and Senator Cornett were discussing it. [LB367A]

SENATOR CHAMBERS: And if I hadn't had my amendment up here to delay that bill, it would have moved, wouldn't it? There were no other amendments. Nobody was going to discuss the bill. It would have moved, wouldn't it? [LB367A]

SENATOR LANGEMEIER: I believe so. [LB367A]

SENATOR CHAMBERS: That's...thank you, Senator Langemeier. That's all I'm saying. If I hadn't delayed the bill, it would have gone. [LB367A]

SENATOR LANGEMEIER: Yes. [LB367A]

SENATOR CHAMBERS: I did rush to put an amendment up there, because they said there are no amendments on the bill. And Senator Janssen was not going to speak. He had the opportunity. He could have said, I'm going to speak because an amendment is going to be offered. But nothing was going to happen, and that bill was on its way across the board. And I think the Speaker even said, oh, I see--I meant, the Chair--I see that your light is on, or something like that. But anyway, I got an amendment up there. And the amendment did a simple thing, Senator Carlson. It had to be drafted immediately, so it reduced that amount by \$1 million, because the quickest amendment I could draft was to change \$100 million to \$99 million, and that's what I did. And now all of a sudden, the cover-up comes, and it's not like what I said. There was no error in the bill, there was no mistake in the bill. They're mad at me, but I stopped the bill from moving, and they wouldn't have come up after the fact and said, we've got to bring that bill back tonight because we made a mistake. Why is it so hard to admit what everybody saw happening here? Because I'm the one who did it, and you're mad. Well, be mad. It makes me no difference. You voted...he voted cloture to hurry up and get you all in this position, and you ran right along with him, baaing just like sheep do. And now you're

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mad again. I told you he'd get a chance to offer his amendment, didn't I? And he can offer the amendment to mine. Isn't that what's happening? Isn't it? Silent night. (Laugh) This place is a caution. But I'm going to keep doing just as I'm doing. You all vote cloture if you want to. That's the way you want to play? I'm going to let you play that way, and I'm going to make you play that way. And this bill, this A bill, is not going to move unless Senator Janssen invokes cloture. I'm not going to be collegial, because when it's added to my amendment, then it's no longer an amendment to an amendment. My amendment stands there as amended, and it's open for me to amend it. But he's got to ask for cloture. [LB367A]

SENATOR FRIEND: One minute. [LB367A]

SENATOR CHAMBERS: So if he knows what I'm going to do, then to avoid all that, he's going to have to invoke cloture. There's no way he can get this bill moved without doing what I said I'm going to make him do tonight. So you're going to have three cloture votes tonight, and you're going to have some more tomorrow, perhaps. So you can legislate by cloture, because you're angry. You're angry. These adults, these mature people, are angry, so they're going to show their anger. That's fine with me, and I'll just show how I own the Legislature. This is what I said I was going to make them do around 4:00, and I made them do it, just like I wrote the script. They didn't like reading it, but they had to go by it, because I own them, I know them, I control them. You all don't like that, do you? Well, I don't like what you're doing, so I'm getting even with you. But I'm doing it in a lighthearted way that doesn't harm anybody. We weren't going to go beyond LB305 tonight anyway. We still will get to it. Senator Fischer will get you to... [LB367A LB305]

SENATOR FRIEND: Time. [LB367A]

SENATOR CHAMBERS: ...vote for cloture. Thank you, Mr. President. [LB367A]

SENATOR FRIEND: Thank you, Senator Chambers. Senator Cornett, you are recognized. [LB367A]

SENATOR CORNETT: Thank you, Mr. President, members of the body. I had my light on before Senator Chambers last spoke. This afternoon, I will admit, we...Senator Chambers is right, we had not filed the amendment. It was overlooked when he observed that there was an amendment...no amendment filed. He went up to the Clerk, asked if there were any amendments pending. There were none. As soon as myself and Senator Langemeier realized that, and Senator Janssen, Senator Langemeier and I went to Senator Chambers and explained the amendment was being filed to correct the problem. That amendment had been drafted yesterday. Myself and the Revenue Committee, I'm sure, accept responsibility for the fact that it was not filed in a timely manner. And Senator Chambers was correct in filing an amendment to give us the

opportunity to correct the problem. And I'd like to thank him for pointing that out. And I'll yield the rest of my time to Senator Chambers. [LB367A]

SENATOR FRIEND: Senator Chambers, you have 3 minutes and 45 seconds. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator Cornett. I was talking to the Speaker and I didn't hear everything that was said. But sometimes it would be easier to just acknowledge something that everybody sees to be a certain way; then discussion doesn't have to linger on that. But rather than let statements be made that are not forthright, I will deal with them. And I think Senator Heidemann was trying to give cover to some people, so he got himself into a bind, so I had to address what he said. But it matters not to me, because we're going to be here a certain amount of time anyway. On this bill, the biggest error and problem is not what happened with the A bill that has taken so much of the time. It's what has been done with the underlying bill. And that's not the main thing. A tone was set for the session. Tonight, you are happy to let everything be done by cloture. After a few days, I'll see how you feel about it, because I've been here for many years and I know how people behave when they're angry. But that anger dissipates. Then they don't have that anger driving them anymore. They're not so sure that they want to have it all go that long and continue to reconsider things and have amendment after amendment after amendment offered. But that's the way you said you wanted to play the game, and I told you, I will play the game in the way you want to, and I'll play it according to your rules. You have now told me how you want the game to be played, and that's all that I'm doing. And I did say that Senator Janssen would get a chance to offer his amendment, and he's doing it guicker by being able to amend mine. I even gave him a hint there, didn't I? Didn't I start amending my own amendment, which was to show people that anybody can amend a pending amendment? How long did it take for that to soak in? And then somebody probably said, oh, Senator Janssen can offer an amendment here. And do you think that shocked me? I've been giving hints all night long, because I'm not your enemy. I'm kind of a mentor, trying to get people to think, look at a situation, and figure your way out of it. Really, it's not even that important that we stay here till 11:59. That will be done to show that it can be done and what it feels like to do that. But there are other things that are important, if people pay attention. You're going to need to do some things yourself someday. And if you can find how to do it, you ought to take it and run with it. [LB367A]

SPEAKER FLOOD PRESIDING [LB367A]

SPEAKER FLOOD: One minute. [LB367A]

SENATOR CHAMBERS: So you'll adopt Senator Janssen's amendment. He wants to cloture and get off his bill, and that's what will happen. And he'll get the votes, I know that. He'll get votes from people who might not have even liked the underlying bill,

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because there's a tendency to vote for the A bill. I hope nobody thought that I realistically believed I would prevent the A bill from being advanced. But we've been on it for longer than an hour, I believe. We may have been on it two hours. But time flies when you're having fun. I thought it was about 6:30, and I look up there, and it's a quarter to 10:00. Where did the time go? I guess it went where butterflies go when it rains. [LB367A]

SPEAKER FLOOD: Time. [LB367A]

SENATOR CHAMBERS: Thank you, Mr. President. [LB367A]

SPEAKER FLOOD: For the record, we've been on the bill for 4 hours and 45 minutes. Mr. Clerk. [LB367A]

CLERK: Mr. President, priority motion. Senator Janssen would move to invoke cloture, pursuant to Rule 7, Section 10. [LB367A]

SPEAKER FLOOD: Senator Janssen, for what purpose do you rise? [LB367A]

SENATOR JANSSEN: Mr. Speaker, I would ask for a call of the house. [LB367A]

SPEAKER FLOOD: 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 aye; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

CLERK: 35 ayes, 0 nays, Mr. President, to place the house under call. [LB367A]

SPEAKER FLOOD: The house is under call. Senators please record your presence. Those unexcused 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 Carlson, Kopplin, Pirsch, Cornett, Johnson, Burling, and Raikes, please return to the Chamber. All senators are present or accounted for. Members, the first vote is the motion to invoke cloture. All those in favor vote aye; all those opposed vote nay. Have all those voted that intend to? Record please, Mr. Clerk. [LB367A]

CLERK: (Record vote read, Legislative Journal page 1405.) 40 ayes, 2 nays, Mr. President, on the motion to invoke cloture. [LB367A]

SPEAKER FLOOD: The motion to invoke cloture is adopted. At this time, we shall dispose of all the pending matters before the Legislature with regard to LB367A. Mr. Clerk, the first vote is, should the Legislature adopt AM1235 to FA97? All those in favor vote yea; all those opposed vote nay. Record please, Mr. Clerk. [LB367A]

CLERK: (Record vote read, Legislative Journal page 1406.) 45 ayes, 0 nays. [LB367A]

SPEAKER FLOOD: AM1235 is adopted. Members, the next vote will be on the adoption of FA97. All those in favor vote aye; all those opposed vote nay. A record vote has been requested. Mr. Clerk, please record. [LB367A]

CLERK: (Record vote read, Legislative Journal pages 1406-1407.) 45 ayes, 1 nay, Mr. President, on adoption of Senator Chambers' amendment. [LB367A]

SPEAKER FLOOD: FA97 is adopted. Members, we will now proceed to LB367A. The question is, should LB367A advance to E&R for engrossing? All...a roll call vote has been requested, in regular order. Mr. Clerk, please read the roll. [LB367A]

CLERK: (Roll call vote taken, Legislative Journal page 1407.) 46 ayes, 1 nay, Mr. President, on the advancement. [LB367A]

SPEAKER FLOOD: LB367A advances to E&R for engrossing. I do raise the call. Members, it is my intention to modify the agenda, and we will not take up LB316 and LB316A. Mr. Clerk, we shall proceed to the next item on the agenda, LB305. Any notes for the record? [LB367A]

CLERK: Mr. President, one item. (Read LB516A by title for the first time.) (Legislative Journal page 1407.) [LB516A]

Mr. President, LB305. No Enrollment and Review. Discussed on March 22. At that time,...well, discussed, apparently, on March 22. I now have a motion from Senator Chambers to recommit the bill to the Transportation Committee. [LB305]

SENATOR ERDMAN PRESIDING [LB305]

SENATOR ERDMAN: Senator Chambers, you're recognized to open on the motion to recommit LB305. [LB305]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I guess I was better prepared for this bill than I remembered. This is a priority motion, and it did not have to be filed ahead of anything, because I don't know what other amendments there are that might be pending. I have been opposed to this bill, and the reason I'm opposed to it is that it will take about \$9 million from the General Fund, it will divert it from the General Fund, and place it at the disposal of some people in the Roads Department who might be referred to as miscreants. I had handed out some articles which described in detail, in the <u>World-Herald</u>, an overpass seeking federal funds that was going nowhere. The officials in the state Department of Roads gave their backing and approval, even though in doing so they violated their own standards. They violated

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their own standards. My view is that an agency given money to do with as it pleases without legislative oversight is going to be careless, slipshod, and those who run the department will become arrogant and irresponsible, because nobody is going to call them to account. Why was this done? Because there's a fellow whose last name is Seldin, and he apparently has some clout with state officials. Going by their own standards, the state Department of Roads would not have agreed that that thing should have been built. There was no justification for it, according to their own standards. And I realize that federal representatives from Nebraska went along with it, because they were under the control or the influence of this person, who did, by the way, contribute to their campaigns. These overpasses are expensive. A county, a city, cannot build anything in the way of a road or a highway that will give it access to the interstate. The interstate is accessed by way of interchanges, you know, those ramps. And even if a ramp is located within the confines of a city, a city cannot just build a ramp because it might be within the boundaries of the city. A county cannot build a ramp that accesses the interstate because that interstate is passing through the county. There are very strict rules and regulations that must be met. There are even such things as environmental impact statements that are required. And you have this totally irresponsible agency being given this money so that it can circumvent the budgeting process of the Legislature. The Department of Roads should have to come before the Legislature and justify money being made available. Don't just put money in a highway trust fund. Make them come before the Legislature like any other agency of state. Nebraska is not growing in population, so why do roads proliferate? Why are roads built in such a shabby, shoddy manner that in fewer than three years they have to be torn out and rebuilt, as I mentioned earlier is the case on I-80 between Omaha and Lincoln? And the state is going to have to pay at least half of the cost of redoing what the contractor messed up. The road building lobby is driving this bill. They make money. Do they care if the roads are shabbily built? Do they care if they come apart and have to be repaired? Why should they care? Money, money, money. How many of you would be satisfied if you had a driveway put on your property, and in fewer than three years it was unusable? You would accept that? But it's done to the state, on at least a semi-regular basis, and the people who regularly drive the interstate in Nebraska expect to see roadwork being done, then redone, because you have irresponsible people in charge. And you're being asked, under this bill, to forget all of that and just make this money automatically available to them. There is no comprehensive road plan for the state. They just build roads as political winds blow, and they build shabby, shoddy roads. The interstate, crumbling in fewer than three years. That doesn't bother anybody here, I guess, other than me. But you're locked into this bill and you have to support it. You would not make a certain amount of money every year available to HHS or any other agency. They all have to come groveling and crawling on their knees, begging and pleading and crying and wheedling. But not the Department of Roads. They tell you, you go stick it; we'll build any road we want to, and if it breaks down in three years, so what, we will hire the contractor who messed it up and we'll pay half of it, and he'll get some more money. What do they care about you? Why do they have to? That's how I get to

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keep talking to you all. Don't get mad at me. They're doing it to you. As they say, don't kill the messenger. Drive the interstate between Omaha and Lincoln and see what I'm talking about, in that area where they created new lanes, and see for yourself. I'm wondering if that new bridge they're building across the Platte River might not have a few weaknesses and come apart. And if cars fall in the river, then what you going to say? Well, they know how Nebraska builds roads; they should have had sense enough not to ride on a bridge that the Nebraska Department of Roads contracted with somebody to build. And what I'm talking about, that Pflug Road, P-f-I-u-g, that's not the only place where something like that happens. They spend hundreds of thousands of dollars in studies for roads that they're not going to ever build. And who do they give that money to? Somebody. But you all don't exercise oversight, because you don't care. But this is a bill that you're going to have to get a cloture vote on. And Senator Fischer is sure that cloture will be voted, and she's probably right, because once the sheep brigade begins to move, that's what they'll do. When I was in the Army, we had advanced basic at a place called Fort Ord in California. They might have closed it down since then. Maybe all the buildings fell down, you know, after a lot of time passes. But they would actually have areas where sheep would be. There would be flocks of sheep. And I never thought that sheep followed the leader. But there was a day when these sheep...there was a tree, and the flock divided and went around the tree, and somehow... [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR CHAMBERS: ...they started going in a circle. And that's what the whole flock was doing. They were going in a circle around that tree. And I guess each one was just following the one in front of it, and said, I don't know where we're going, but I guess the one in front of me knows, and when it gets where it's going, I'll get where it's going, too, and that's probably where we're supposed to go. Sheep will tend to follow, but I never thought I'd see them follow like that. So the sheep will be on parade tonight. Remember, I don't own the <u>World-Herald</u>. They did the investigative report. They editorialized against that. The <u>Lincoln Journal Star</u> did a report. They editorialized against it. But it makes no difference, because the Legislature is going to swallow spit and go along. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Chambers. Members, you've heard the opening on the motion to recommit LB305 to committee. Senators wishing to speak on the motion are Senator Fischer, Gay, Friend, Schimek, and Chambers. Senator Fischer, you're recognized to speak. [LB305]

SENATOR FISCHER: Thank you, Mr. President and members of the body. I appreciate you all sticking with it tonight, and we will get through LB305. I'd like to focus on the bill. I think it's important that we discuss this bill. LB305 would require the sales tax from leased motor vehicles to be put into the Highway Trust Fund. If you remember from our

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previous discussion, the roads in Nebraska are primarily financed through three user sources. Those are fuel taxes, sales taxes on motor vehicles, and motor vehicle registration fees. I believe, and the majority of you believed on General File, and still continue to do so, that the sales taxes on leased vehicles should be part of that funding system. I also feel in Nebraska that the people who were in this body before us and came up with the idea on how to fund roads in this state took a broad view. They had a...they established a good system. We discussed how we finance roads here. If you look at other states, they have like a...they use a sales tax on gasoline, plus the gas tax. They use toll roads, they use general fund money, they use bonding. And if you've read the articles that we've gotten in many of our magazines that we receive as state senators about the conditions of roads in other parts of the United States that do use bonding, you'll see that what they're spending their money on now is on the interest for those bonds. It's not on any kind of construction, and it's not on maintenance. And their infrastructure is disintegrating. We in Nebraska are fortunate on how we finance our roads. LB305 takes that sales tax from leased motor vehicles and puts it, five cents of it, into the Highway Trust Fund, and a half-cent goes directly to the Allocation Fund. That money does not all go to the Department of Roads. The half-cent that goes to the Allocation Funds goes directly to cities and counties, and it is earmarked for their use, for their city streets, for their county roads, for their county bridges, for their overpasses. The five cents that goes into the Highway Trust, that is divided where cities and counties receive 46 2/3 percent, and the state receives the rest. This is another case where Nebraska is somewhat unique, because as a state we help our cities and counties pay for their road construction and road maintenance. That doesn't happen in every state. It's left up to the cities and counties to figure it out. So we in Nebraska are fortunate on that. Senator Chambers mentioned that we don't have any kind of comprehensive road plan in this state. I would argue with him on that. I know that many of you have met with the director of the Department of Roads on specific issues in your districts, and I know that your offices have all received packets from the Department of Roads. In those packets, you will see the one-year, the five-year, and the twenty-year plan. There is a plan, but that plan is in danger and the needs of this state are in danger when it comes to our infrastructure, because... [LB305]

# SENATOR ERDMAN: One minute. [LB305]

SENATOR FISCHER: ...we are not seeing the revenues needed to keep that infrastructure even maintained. We're in a preservation mode. We're headed that way. We need more than preservation, and I know that many of you agree with me. It was also brought up that the Department of Roads needs to come to the Legislature. They do come before the Appropriations Committee for their budget. But it would be unconstitutional for the Department of Roads to come to this Legislature, or for the Legislature to take any action in determining what specific projects are to be built. Thank you, Mr. President. [LB305]

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SENATOR ERDMAN: Thank you, Senator Fischer. Senator Gay, you're recognized to speak, followed by Senator Friend. [LB305]

SENATOR GAY: Thank you, Mr. President. I rise in support of the bill. I would like to comment on Senator Chambers' road to nowhere that he's been talking about. I agree with him, as I drive back, and it is disappointing on some of the work that has to be redone on the interstate. That's an eye-opener. But I would say on that, on the Pflug Road interchange, the same newspaper that writes other things he doesn't agree with, I find it interesting this one you're fully in agreement with. But I was in disagreement with that article for the following reasons. This interchange had been planned and talked about for the last six years, guite honestly. It's the...it's an interchange that when the state...when the federal interstate system was being widened, the state came to the county and discussed...there were three bridges, and they said, could we get rid of one bridge? Negotiations took place, and said, we may look into that if you would consider an interchange at some point, because three bridges don't allow the county to grow anywhere; at some point we were going to need an extra interchange. A decision was made by county officials and state officials to get rid of one of those bridges, which, by the way, they're tearing down right now. As we drive back to Omaha, you will see that has happened. Pflug Road bridge was then being built, with the idea of an interchange may or may not happen. The federal funding issue and earmarks... I guess that's a...there was another article this week about earmarks. Whether you like them or hate them, that's political reality at this point. But the earmarks were received, and that helps the project. None of this money will be spent, though, until an environmental impact study is done. So we can talk about wasted money, but I don't see how you can do that when not...no money has been spent. Two hundred thousand dollars will be spent, or \$234,000 will be spent on an environmental impact study that will probably take three years to get done. Even if that is approved, it still has to be funded--\$2.8 million would come from the state, \$3.2 million would come from Sarpy County, \$4 million from the federal government, from the earmarks. So the county would pick up a substantial portion of this if, and I do say "if," they decide to go ahead and build it, and if they can receive...get the money to decide to do that. That will be a local decision on behalf of the county board. They will deal with local residents, Mr. Seldin, I assume, and make that decision. But there is a lot of work yet to be done on this project. So I would say, you know, to use this as the poster child for a bad road, I don't think is...you know, there are probably other roads being built that I don't know if they're needed or not, how the state looks at how they decide where roads and highways are going to be built, maybe that needs to be reviewed, I don't know. But I would say in this...on this particular article, I thought it was a little bit misleading. Another reason for that is because if you take the two population centers that are very large and growing, Omaha and Lincoln, there's only so much room in between there, between the universities and hospitals and other infrastructures. It's important for eastern Nebraska. So I believe that's an important...and it could be a very important interchange in the future, because the county is growing, Omaha is growing west. Every day there's new things being built at the Gretna

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interchange. This could hook up. Last week, there was a southern bypass being talked about. Needed or not, that's been talked about for years, to come south and hook up somewhere, probably Pflug Road, it's looking like, if that's where the interchange is. So there's a lot of things that went into play in deciding to build this. [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR GAY: How state officials make their decisions, who knows? I would say, too, just for the record, because I know there's probably going...I never received political contributions from Mr. Seldin, and those decisions were made by a lot of people. Along the way, several people who are on the county board and off the board still voted for this. So there's been many people wanting this to occur. Whether it's right or wrong I don't know. I believe it's right, because I voted for it, Senator Chambers. But I think it's a little bit out of context if we're always going to use this project and say that this whole bill that we're talking about is not useful because it funds these kind of projects. But I believe it is useful to dedicate leased vehicles and those dollars to roads. We're looking at alternate funding mechanisms all the time and it's tough to get that money. This is dedicating that money to go build roads. [LB305]

SENATOR ERDMAN: Time. [LB305]

SENATOR GAY: Where those are built,...thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Gay. Senator Friend, you're recognized to speak on the motion to recommit LB305, followed by Senator Chambers. [LB305]

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. You notice Senator Erdman is in the penalty box now. That's what I call that place. When you're sitting up there listening to people debate, it gets...it's bad, because you want to debate, right? It's a penalty box. Senator Erdman can't talk right now, the way he'd like to. [LB305]

SENATOR ERDMAN: Time. (Laughter) You have 4 minutes and 30 seconds. That's what I meant to say, Senator Friend. [LB305]

SENATOR FRIEND: Thank you, Senator. (Laugh) Thank you, Mr. President. Senator Fischer gave us an excellent...what I would consider a pretty good update and a briefing of what we're dealing with here again. I appreciate that. But I wanted to give maybe a short-term history lesson on the motion to recommit. Senator Erdman was asking me earlier, he said, have you ever seen this work? You know, kind of incredulous, like, who in the world would...this doesn't work. The recommit motion won't work, more or less. (Laugh) Oh yeah, I saw it work. It worked against something that we kicked out of Urban Affairs Committee two years ago, because we kicked a bill out...well, we kicked two bills

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out that were competing bills, more or less, and one of them just got flogged out here, and got recommitted to committee. Senator Chambers argued, Senator Landis,...of course, Senator Landis, oddly enough, argued to recommit a bill he voted to kick out of committee. (Laugh) Boy, that was intriguing. As a matter of fact, it came out unanimous, and then it got recommitted to committee. Anyway, there's a point here, and the point is, a recommit motion is a serious motion. It can have serious ramifications to a bill that is in a flawed condition. And to me, it would really require a messed up bill. LB305 isn't it. So if anybody was curious, in my opinion, in my view, if anybody was curious as to whether LB305...just curious as to whether LB305 should be recommitted, my view is, absolutely not. I've seen worse bills. I've seen worse bills recommitted. This doesn't qualify. So I just thought you might enjoy that. By the way, I'm not tired. It's 10:13. I think my wife is wondering where I'm at. Turn on channel 12, honey. That's all I have, Mr. President. Thank you. [LB305]

SENATOR ERDMAN: Thank you, Senator Friend. Senator Chambers, your light is next. You're recognized to speak, followed by Senator Fischer. [LB305]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I can understand Senator Gay feeling somewhat defensive, but he didn't get the thrust of what I said, so I'd like to ask him a question or two. [LB305]

SENATOR ERDMAN: Senator Gay, would you yield to questions from Senator Chambers? [LB305]

SENATOR GAY: Yes, I would. [LB305]

SENATOR CHAMBERS: Senator Gay, are you aware that the state officials with the Department of Roads, in agreeing to support this project, violated their own standards in doing so? [LB305]

SENATOR GAY: I was...that's what I read in the paper, but I was...I'm not aware of the process of what they did, Senator. [LB305]

SENATOR CHAMBERS: Oh, and you think that the paper was not telling the truth in that regard? [LB305]

SENATOR GAY: No, I don't know. I just don't know what that process is. I think the point I... [LB305]

SENATOR CHAMBERS: But you read that they violated their own standards? [LB305]

SENATOR GAY: I read that they changed their view. So what you're...I guess the standards could never be changed if...so... [LB305]

SENATOR CHAMBERS: No, when I say their standards, I mean the criteria used in determining to support a project. And in agreeing to support this one, they violated the criteria established for approving of projects or approving support of them. You're not aware that that was done? [LB305]

SENATOR GAY: Well, you use the word "violated," and maybe...they might have modified it, and I don't know... [LB305]

SENATOR CHAMBERS: No, they went against what their standards were. [LB305]

SENATOR GAY: And I didn't know that, and I don't know what their standards are, Senator. [LB305]

SENATOR CHAMBERS: Okay. If you read that, would you believe that was true, or would you think the paper was lying and misquoting these state officials? [LB305]

SENATOR GAY: No, I don't think the paper was lying. I think they presented one side because it's a little more...it's more devious that way. I don't think it was as bad as it was painted to be, quite honestly. [LB305]

SENATOR CHAMBERS: Well, you voted for the project, though, didn't you? [LB305]

SENATOR GAY: Yes. Oh yes. [LB305]

SENATOR CHAMBERS: So you're not completely objective, are you? [LB305]

SENATOR GAY: Oh yeah, I think I was objective looking at it over the past years. [LB305]

SENATOR CHAMBERS: Something you voted for you think you can judge objectively when it comes under attack? [LB305]

SENATOR GAY: (Laugh) Well, attack it,... [LB305]

SENATOR CHAMBERS: "Well,"... [LB305]

SENATOR GAY: No. [LB305]

SENATOR CHAMBERS: I didn't think so. (Laugh) That's all I have, Senator Gay. Thank you. I don't think you're being devious at all. But the article did point out that some of these officials acknowledged that they did not follow their own standards. They had to go away from their own standards to do it. They shouldn't have done it. They won't do it

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again. They're irresponsible. Nobody calls them to account. A big shot with money and influence persuaded those in the Department of Roads to violate their own standards. And Senator Fischer is telling us these are the people to be trusted. But she doesn't want to talk about that. She says this is a good way to get some money for the roads. And she mentions a comprehensive plan. These roads grow like Topsy. They're built in places where they don't need to be. There is no justification for them. They do not lead to economic development. And that is a shibboleth that is used by everybody: Well, somebody might drive on this road and want to stop at one of these inns or one of these motels or go buy some souvenirs, so this multimillion-dollar road contributes to economic development. You know who makes the most money and benefit from these roads? Those who build them, that's who, and the ones for whom they assist in having them built, as was done in the case of Seldin. And the Department of Roads officials were complicit, but that doesn't get the discussion. And everybody becomes defensive and cannot acknowledge what the officials themselves acknowledge. I want to ask Senator Raikes a question, if he's here. Oh, I guess he's... [LB305]

SENATOR ERDMAN: Senator Raikes, would you yield to a question from Senator Chambers? [LB305]

SENATOR RAIKES: Yes. [LB305]

SENATOR CHAMBERS: Senator Raikes, you like this bill, don't you? [LB305]

SENATOR RAIKES: Yes, I have supported this bill, Senator. [LB305]

SENATOR CHAMBERS: No, I knew you supported it, but you like it, don't you? It warms the cockles of your heart, more or less? [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR RAIKES: Well, I'll borrow a line. If I had a heart, Senator. [LB305]

SENATOR CHAMBERS: (Laugh) Listen to him. Oh, you have a heart already...all right. But since there's only one minute, I won't proceed with this line of questioning. But I will like to resume it the next time I'm recognized. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Chambers. Senator Gay, you're recognized to speak, followed by Senator Stuthman. [LB305]

SENATOR GAY: Thank you, Mr. President. As long as we're going to be here an hour and a half, I might as well ask Senator Chambers a question. Senator Chambers, when you talked about, roads don't lead to economic development, the question would be this. You have to have some roads, would you not agree, to put your buildings and your

commercial enterprises. How ...? [LB305]

SENATOR ERDMAN: Senator Chambers, would you yield to a question? [LB305]

SENATOR GAY: How would you do that? Thank you, Mr. President. [LB305]

SENATOR CHAMBERS: Yes, I will. [LB305]

SENATOR GAY: Thank you, Mr. President. But the question would be, at some point, we need some of these roads. You can't say, well, we're just building these roads anywhere. I mean, we can pick some bad examples, but at some point, we need the roads. Would you not agree? [LB305]

SENATOR CHAMBERS: Right, but you hit on what I was talking about when you said there are bad examples. What I said was, not all these roads result in economic development. [LB305]

SENATOR GAY: Yeah, I...okay. [LB305]

SENATOR CHAMBERS: But that's what they use to justify roads that don't have a real justification. That was my point. [LB305]

SENATOR GAY: Okay. Well, I'll listen a little better. I apologize, Senator. I would say, though, one thing. If we're looking at roads and funding these roads, whether it's in Sarpy County or Saunders County or wherever it is, it is needed, and you need sewers, water, electricity, all these infrastructure things. I would argue they do bring great economic development, or we wouldn't be discussing them. Now, could we do a better job of where we decide to put these roads? I'm sure we probably could. I'm sure mistakes are made and roads are built sometimes, you know, where they shouldn't be. I don't know about that. I think if local people... I think they're...again, I'm not going to throw them under the bus. I think there's a certain point where they're doing the best job they can, and they think it's needed. I don't think anybody wakes up, goes into their meeting, and says, let's just build a road right over here where we wouldn't need it. So, I...now, we can question decision making. But there again, I've heard for ever since I've been here about, we've got to support these local decisions. And I agree with that somewhat. But I would argue, though, that this is a very needed...roads are very needed, along with what I had mentioned earlier--sewer system, water, electricity, those infrastructure needs. Without the infrastructure needs, you're not going to get any economic development going. When we're driving home to Omaha and you come in and you see some of these buildings going up, those were done...the roads were put there first, with all the infrastructure, and then they come behind and fill in that property. So I guess on this, we're arguing...and, you know, are we going to do gas taxes? How are we going to do this? This, to me, seems logical, that if we're taking money from

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leased vehicles that are on these roads, utilizing these roads, and wearing out these roads, why wouldn't we use some of that money to dedicate for upkeep, maintenance, and new construction of the roads? So I just think...I would disagree a little. I do think it's the key component to economic development. So I am supporting this, and that's why. Now, I believe we should pay attention to what's going on, and understand how we're deciding to build these roads, and am looking forward to do that. But I do think it's very necessary. I don't think anyone can argue it's a necessary, needed part of economic development, and we must fund it some way. And this is an opportunity that Senator Fischer brought that would help to help keep up with some of the cost of building these roads. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Gay. Senator Stuthman, you're recognized to speak. [LB305]

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. I want to talk a little bit about if this does pass, and the \$9 million to \$10 million that will be...really not taken away, will not be going to the General Fund and it will be going to the Highway Trust Allocation Fund. The portion of this money, the way I understand it, \$2.5 million will be going to towns, \$2.5 million will be going to counties, and this money will be not going to the general fund of those towns, communities, and counties; it will be going to road projects. So it is designated as to where these dollars will be going, and I think that's a good formula that we can be thinking about. And this would be a direct property tax relief, because of those dollars will be going to those counties and communities. will give you the fact that Platte County, between the communities and the county, there would be about \$96,000 coming to the community, and that would be, in my opinion, a direct property tax relief. There's...communities get it as far as population is concerned. And I will just... I think in my community of Platte Center, would probably be getting \$144. It's not a lot of money, but it's \$144. Maybe that's a couple of burgers and fries, like Senator Mines was talking about earlier today. But I think the fact that these dollars are earmarked for road construction in the counties and the communities, I think that's a very good thing. But I do also have a concern with the Department of Roads, the fact that the roads that are built, the new roads that are constructed, and that within a couple years they are in, you know, some pretty sad shape. And I don't know why this is. I'll give you an example--Highway 81, north of Columbus and Norfolk, which is now four-lane. A good...in my opinion, it should have been a good four-lane road. But the last construction part of it...it is...it's to the point where it's so rough that with a long wheel base truck you need to wear a helmet because you will be touching the roof of the truck when you're bouncing across it all the time. It's just a complete rumble. Yes, they're going to grind the road back down and put in some bars, some coil bars. But I don't know why that couldn't have been done when they put the road in. There's a lot of expense. What we're hearing right now is, we cannot build any new roads; we need more money for new roads. The money that we get right now will only repair the roads. Well, yes, we are repairing the roads three years after we build the road, so that's a real

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problem. The thing that I do have a concern with is, if it's going to take \$10 million out of the General Fund, yes, we have some extra money now, but you know, that will probably have to be replaced in some way or another. But the fact that it is going to the counties and the communities for property tax relief, because it is designated for roads, and where do these communities get their money to fund these roads? It's from property tax. That's the only source they have to get that money. [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR STUTHMAN: So I think this is an issue that, you know, a lot of the people that were campaigning, property tax was a main issue. This is another method where we can see a little bit of a property tax relief. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Stuthman. Senator Chambers, you're recognized to speak. This will be your third time. Senator Wallman, you will follow Senator Chambers. [LB305]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I see Senator Raikes striding in a purposeful manner toward his desk. He must have anticipated that I'd like to ask him a question. [LB305]

SENATOR ERDMAN: Senator Raikes, would you yield to a question? [LB305]

SENATOR RAIKES: Yes. [LB305]

SENATOR CHAMBERS: Senator Raikes, do you have your gadget? Is it on and in working order? That's my first question which I'd like you to answer if you are of a mind to do so. [LB305]

SENATOR RAIKES: It is, Senator. [LB305]

SENATOR CHAMBERS: Do you see three blue bars going across your screen, and one in the middle which says "proposed amendments"? [LB305]

SENATOR RAIKES: I do. [LB305]

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SENATOR CHAMBERS: Do you see an amendment labeled FA100 being offered by me? [LB305]
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SENATOR RAIKES: I do. [LB305]

SENATOR CHAMBERS: Can you click that amendment onto your gadget so you can see what it says? [LB305]

SENATOR RAIKES: I do see the amendment, Senator. [LB305]

SENATOR CHAMBERS: And what does it say, to be sure we've got the same thing? [LB305]

SENATOR RAIKES: After "semitrailers":... [LB305]

SENATOR CHAMBERS: Yes. [LB305]

SENATOR RAIKES: ...and the sale of any parts used in the repair of any motor vehicles. [LB305]

SENATOR CHAMBERS: And...okay, mine reads: After "semitrailers," insert "and the sale of any parts used in the repair or rebuilding of any motor vehicles, trailers, and semitrailers." What this is doing is saying that sales taxes derived from these items will go into the same fund that the money from those leased vehicles will go. Are you in favor of giving some additional money to this fund that Senator Stuthman told us will give \$1.44 to his community so they can buy two hamburgers? (Laugh) [LB305]

SENATOR RAIKES: I think he's had enough hamburger. I'm not supporting of that. [LB305]

SENATOR CHAMBERS: Would you agree to this amendment, which would give some more money to this fund that you feel needs to be replenished on a yearly basis? [LB305]

SENATOR RAIKES: No, I wouldn't support that, Senator. [LB305]

SENATOR CHAMBERS: Why, if I might ask? [LB305]

SENATOR RAIKES: This would be an expansion of what I would consider the traditional set of items that...for which sales tax is collected and then transferred in the Highway Trust Fund. [LB305]

SENATOR CHAMBERS: But you would agree that sales taxes must be paid on these items already, so we're not increasing a tax or adding a tax where it currently doesn't exist. Isn't that true? [LB305]

SENATOR RAIKES: Right. We would...as I understand your proposal, you would be transferring that money from the General Fund to either the Highway Trust Fund, or, worse yet, the Highway Allocation Fund. [LB305]

SENATOR CHAMBERS: Yes. And what are we doing with LB305? Isn't that precisely what we're doing with the money that we're discussing? [LB305]

SENATOR RAIKES: LB305 transfers money from the General Fund...yes, sales tax money from the General Fund to the Highway Trust Fund. [LB305]

SENATOR CHAMBERS: So the concept is not new and it's not different from what the bill is doing already. [LB305]

SENATOR RAIKES: Except it expands a precedent beyond what I am comfortable with. [LB305]

SENATOR CHAMBERS: But it provides more money where you feel money is needed, correct? [LB305]

SENATOR RAIKES: Well, there...it may be more money there, but actually, I'm more concerned about upholding the construct that's been in place all these years. In particular, as we've mentioned before, the proposal here only deals with sales tax on long-term leases, which have in the more modern era come to replace purchases of automobiles. We've always used sales tax... [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR RAIKES: ...on purchases. To the extent that those are now replaced with long-term leases, to me it seems appropriate to direct the sales tax on long-term leases the same way we have done on purchases. [LB305]

SENATOR CHAMBERS: But Senator Raikes, if I can paraphrase your comment that you don't want to change the construct that has been in place all of these years, the construct is that the money you're now trying to transfer has always been going to the General Fund all of these years. Isn't that true? That's the construct right now. [LB305]

SENATOR RAIKES: That...yes, that's true,... [LB305]

SENATOR CHAMBERS: But you want to change that one. [LB305]

SENATOR RAIKES: The only exception I would make is that there...in terms of the preponderance of long-term leases versus purchases, long-term leases recently have become a much more significant part of auto... [LB305]

SENATOR CHAMBERS: Time. (Laughter) [LB305]

SENATOR ERDMAN: Time. Thank you for watching the Legislature in stereo. Senator

Wallman, you're recognized to speak, followed by Senator Louden. [LB305]

SENATOR WALLMAN: Thank you, Mr. President. As you realize, I was against this bill to begin with, and then as I studied this, and I see that cars and trucks, they travel the highways, they use the highways, and you need roads to get somewhere. And as I live along an expressway, it definitely increased economic development in Beatrice. And I'm disappointed that they have to work on it this soon. They told me it was a 50-year highway, and they've already spent quite a little money in repairs. And I think if we're complaining about state agencies, maybe we have to look at other states, how they use their formulas for cement, for asphalt. I know there's all different kind of formulas in cement, and some states use different, states in south and in the north, and in Europe they use different formulas. But as far as this money out of the General Fund, Senator Stuthman says we've got plenty of money. (Laugh) And to help our cities and counties also get better roads and fix roads,...number one issue campaigning was property tax, education, and roads. They were always mentioned. If you had a bad road by your house, they wanted a better road. So I can support this bill, and urge you to vote for it. Thank you, Mr. President. [LB305]

SENATOR LANGEMEIER: Thank you, Senator Wallman. Senator Louden, you're recognized to speak, followed by Senator Pirsch. [LB305]

SENATOR LOUDEN: Thank you, Mr. President and members of the body. I probably traveled Nebraska roads across Nebraska as much or more than anybody here. I usually travel from one end of the state to the other on a pretty regular basis coming down here. I have last weekend and probably will next weekend, and so forth, and for the most part Nebraska has pretty good roads. I think the Department of Roads has done a good job of building and maintaining roads over the years. The only guarrel I have with them is that we probably don't build enough roads out in some of the rural areas to pull more economic development away from the cities and bring it out into the rural areas rather than have all your traffic congestion around the larger cities like they do. Some of these roads, such as Omaha, when they built that two-mile, what, that expressway for two miles at \$144 million, whatever it was, and all that was for is so some vahoo could go 100 miles an hour on it the first thing, and I guess that's what they did anyway. But some of that stuff like that I don't always think it's completely necessary. I think they certainly need the infrastructure to have roads in those towns to and from them, and this is what builds the cities. And as you notice in one of the magazines that was floating around here it showed where Nebraska has one of the better infrastructures in the United States. So I think our Department of Roads has done quite well. I support this bill because with the price of gasoline there is less tax revenue that goes into the Department of Roads because it didn't matter whether the gas was selling for \$2 a gallon or \$3 a gallon; the gas tax has been about the same with the same amount of revenue. One thing that I would want to point out when you are looking at your radar machine or your gadget at Senator Chambers' next amendment that what

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FA100 could be one that's in error as you would say, because it says in there where the repairs and that sort of thing of motor vehicles, semitrailers, and that sort of thing. And some of those, if they are apportioned vehicles, why, they go as sales tax free so there wouldn't be any sales tax on any apportioned vehicles that are repaired. I don't know if people realize that or not but a lot of your trucking firms do not pay sales tax on their repairs because they are interstate commerce and they don't have to. So when you talk about where you're going to get the money from or whatever, you have to consider what sales tax are on. This bill is mostly on the sales tax on leased vehicles over 30 days, so I think it's well worth it. It's a little bit of money. It isn't a huge amount but it is something to help maintain our Department of Roads funds, and these funds will trickle down to your county level, your city level. And maybe with a little luck, why, the city of Lincoln, we've got a new mayor and maybe the city of Lincoln can fix that rough road over here at the corner of the Capitol so when we walk across it we don't fall down and break ourselves such as some people have done. So with that I certainly support the bill and I would ask that it be advanced. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Louden. Senator Chambers, there are no lights on. You are recognized to close on your motion to recommit LB305 to committee. [LB305]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, I accept what Senator Louden said about some of these vehicles, but there are trucks, there are semitrailers who do purchase parts for repair and rebuilding, and those parts are subject to the sales tax. I'd like to ask Senator Louden a question. [LB305]

SENATOR ERDMAN: Senator Louden, would you yield to a question from Senator Chambers? [LB305]

SENATOR LOUDEN: Yes. [LB305]

SENATOR CHAMBERS: Senator Louden, are there any trailers and semitrailers which, in fact, do pay sales tax for parts that are used for rebuilding and repairing? [LB305]

SENATOR LOUDEN: That would have to be some that aren't state-apportioned...that aren't apportioned that would have some type of a county license or something, but if they're apportioned vehicles, why, they using the interstate commerce, they don't pay any sales tax. [LB305]

SENATOR CHAMBERS: But there are trucks that don't meet that...there are vehicles of this kind which are not in that category and they, in fact, do pay sales tax for these parts, isn't that true? [LB305]

SENATOR LOUDEN: I'm sure there are some around. [LB305]

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SENATOR CHAMBERS: And those are the ones where the sales taxes paid would go into this fund. So I agree with what you said as far as it went. But it cannot be said that every trailer, every semitrailer, is an apportioned vehicle and no sales tax will be paid for these parts. Wherever the sales tax is collected for these parts, those taxes will go into this Highway Trust Fund and that allocation nonsense rather than the General Fund. That's all I'm saying. It doesn't levy a tax where it doesn't exist. It doesn't attempt to place a tax where one cannot be levied, but where a tax is collected that money will go into this fund that I'm talking about. However, that is not the amendment before us now. We have a motion to recommit the bill to committee, and I'm debating whether I will reconsider that motion, so I would like to ask Senator Louden a question. [LB305]

SENATOR ERDMAN: Senator Louden, would you yield to another question? [LB305]

SENATOR LOUDEN: Yes, I would. [LB305]

SENATOR CHAMBERS: Senator Louden, to show what I'm going to do, I will give you the title of one of Shakespeare's plays, <u>As You Like It</u>. Do you think if this motion fails, I ought to offer a motion to reconsider it? [LB305]

SENATOR LOUDEN: Well, I think that would be entirely up to you, Senator. [LB305]

SENATOR CHAMBERS: I know, but I'm asking for your opinion. Do you think I should do so? [LB305]

SENATOR LOUDEN: For my opinion? No, I don't think... [LB305]

SENATOR CHAMBERS: Then you've got it. That's what I'm going to do. I'm not going to make a motion to reconsider. Thank you for your help. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Chambers. Members, you've heard the closing on the motion to recommit LB305 to the Transportation and Telecommunications Committee. All those in favor vote aye; all those opposed vote nay. Have all members voted who wish to? Record please, Mr. Clerk. [LB305]

CLERK: 1 aye, 27 nays, Mr. President, on the motion. [LB305]

SENATOR ERDMAN: The motion is not adopted. Mr. Clerk, next motion on the desk. [LB305]

CLERK: Senator Chambers would move to amend with FA100. (Legislative Journal page 1408.) [LB305]

SENATOR ERDMAN: Senator Chambers, you're recognized to open on FA100. [LB305]

SENATOR CHAMBERS: Thank you, Mr. President. I was just kind of surveying my domain to see where "Yeoman" Friend is. Hmm. Okay, I won't continue to look. He'll show up, I imagine, if he hasn't slipped out of here and gone home. Members of the Legislature, this is the amendment that Senator Louden touched on that I had asked Senator Raikes a question or two about. And I don't see Senator Raikes, but if he's engaged in trying to work something out then I won't ask him the questions, otherwise I would see if he can be scared up and I'd like to ask him a question or two. [LB305]

SENATOR ERDMAN: Senator Raikes, are you available to a question from Senator Chambers? [LB305]

SENATOR CHAMBERS: I'll continue then. Members of the Legislature, here's what this amendment will tie into. My amendment says, on page 2, starting in line 18, but before you get to that, you're talking about the sales and use taxes derived from the sale or lease of motor vehicles, trailers, and semitrailers. The sales taxes derived from those vehicles will go into this highway triangle. After the word "semitrailers," I would add "and the sale of any parts used in the repair or rebuilding of any motor vehicles, trailers, and semitrailers." That would be additional sales tax revenue going into Senator Fischer's pet funds. I'd like to ask Senator Fischer a question. [LB305]

SENATOR ERDMAN: Senator Fischer, would you yield to a question from Senator Chambers? [LB305]

SENATOR FISCHER: Certainly. [LB305]

SENATOR CHAMBERS: Senator Fischer, in Section 2 it talks about the Highway Trust Fund. Is that the one that all of these proceeds will go into? [LB305]

SENATOR FISCHER: Were you talking, Senator Chambers, about the green copy? [LB305]

SENATOR CHAMBERS: Yes. [LB305]

SENATOR FISCHER: Section 2, if you look at line 22, you will also see that...well, starting on line 20... [LB305]

SENATOR CHAMBERS: Yes. [LB305]

SENATOR FISCHER: ...the sales tax that's in excess of the 5 percent... [LB305]

SENATOR CHAMBERS: Yes. [LB305]

SENATOR FISCHER: ...goes to the Highway Allocation Fund. [LB305]

SENATOR CHAMBERS: Okay. So that means some of what would be derived from my amendment would also go into that Highway Allocation Fund based on the existing formula here. [LB305]

SENATOR FISCHER: That would be correct. [LB305]

SENATOR CHAMBERS: But the bulk of it would go into the Highway Trust Fund probably, correct? [LB305]

SENATOR FISCHER: Five cents goes to the Highway Trust Fund. Anything in excess, which is the half cent, goes to the Highway Allocation Fund. [LB305]

SENATOR CHAMBERS: Okay. So, generally speaking, the Highway Trust Fund would get the big end even of what I'm trying to add to this bill. Do you agree? [LB305]

SENATOR FISCHER: Correct. [LB305]

SENATOR CHAMBERS: Okay. [LB305]

SENATOR FISCHER: And then that is split between the state and the cities and counties. [LB305]

SENATOR CHAMBERS: Right. But between the two funds themselves, more will go into the Highway Trust Fund than the Allocation Fund. [LB305]

SENATOR FISCHER: Yes. [LB305]

SENATOR CHAMBERS: Do you support this amendment? [LB305]

SENATOR FISCHER: I think your amendment is quite generous, but, no, I do not support it. [LB305]

SENATOR CHAMBERS: Tell me why, if you will. [LB305]

SENATOR FISCHER: I have been very forthright with all of my colleagues, including you, Senator Chambers, all through this process, saying that my goal on LB305 is just LB305, and that I think it's appropriate that the sales tax from the leased motor vehicles goes into financing our roads. [LB305]

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SENATOR CHAMBERS: Right. I'm not saying you have not been forthright. Will the money derived from LB305, as it exists now, provide the Highway Trust Fund and this Allocation Fund, mainly the Highway Trust Fund, all the money that is going to be needed to fund this, you call it a master plan or a comprehensive plan? This will provide enough money to fund what is called for under that plan for coming years, is that true? [LB305]

SENATOR FISCHER: No. [LB305]

SENATOR CHAMBERS: So then why don't you want to accept additional money? [LB305]

SENATOR FISCHER: Because I think, Senator, that the Legislature, through the Committees of Transportation, Revenue, and Appropriation, needs to look at the funding that we have for our highways within the state of Nebraska, and I don't just want to willy-nilly throw in an idea whether it's from sales tax from repairs or cigarette tax or whatever. My goal this session has been the appropriate funding of our highways, and that's what LB305 does, in my opinion, and I guess you could say I'm not out to be greedy because I think we need to study the situation and look for appropriate revenue for the funding of our highways. [LB305]

SENATOR CHAMBERS: But you agree that no such study has been undertaken as of this date? [LB305]

SENATOR FISCHER: Not on my watch, no. [LB305]

SENATOR CHAMBERS: You said you don't want to just willy-nilly go after this money and other sources or money without this study. So what you're willing to do, even though there is no study, is to get the nilly without the willy, right? [LB305]

SENATOR FISCHER: I think...I don't think this is willy or nilly when it comes to LB305. I think it's an appropriate funding. It's funding that we've used in the past. The decision was made by the Department of Revenue that the sales tax from the leased motor vehicles would go to the General Fund, and that was because when they were looking at leased motor vehicles, they were thinking of the Hertz and Avis rent-a-cars at an airport in 1967, and there wasn't that much funding there so they just put it in the trust fund. Now we have people who are leasing vehicles and with the intention to buy vehicles, and that's why the bill, as it is now, says that it's the leased money from the sales tax on motor vehicles, but it's from the leased vehicles over 31 days because that doesn't cover that, I call them the airport vehicles. [LB305]

SENATOR CHAMBERS: Senator, if this decision was made, did you say it was made

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by a department, by the Revenue Department, to do this? And if so, was it done without statutory direction? That money would go into the General Fund rather than the Highway Trust Fund and this Allocation Fund? Was the decision made, did you say, or did I misunderstand you, that the Revenue Department decided that the money from these leased vehicles would go into the General Fund or was there a statutory requirement that that be done? [LB305]

SENATOR FISCHER: It is my understanding that it was a decision made by the Department of Revenue. [LB305]

SENATOR CHAMBERS: So why do we need a statute to do it? Did they do it pursuant to a rule or a regulation, or just do it, if you know? If you don't, I want to grill you on that point because that's not the main point. [LB305]

SENATOR FISCHER: I think they just did it, Senator. I don't know. [LB305]

SENATOR CHAMBERS: Okay. That's all I will ask you. Thank you. Members of the Legislature, Senator Fischer has said that she is going to limit...she wants to limit the bill to what it is, but many bills come before us and amendments are added. Senator Raikes is in favor of this bill but he's not in favor of more money. I thought the purpose was to raise money to give more money to these road building contractors. Senator Stuthman has changed his mind. He is for the bill more strongly. Senator Wallman was against it last time. Is Senator Wallman here? [LB305]

SENATOR ERDMAN: Senator Wallman, are you available for a question from Senator Chambers? [LB305]

SENATOR CHAMBERS: Senator Wallman, as you come, how many hamburgers did they give your community to get you to change your mind and become for this bill which you opposed last time? [LB305]

SENATOR WALLMAN: Nothing. [LB305]

SENATOR CHAMBERS: Nothing at all. So then why did you change your mind, if you don't mind sharing that with us? [LB305]

SENATOR WALLMAN: Well, I figured the leased vehicles use the roads... [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR WALLMAN: ... and they use the highways and... [LB305]

SENATOR CHAMBERS: Did somebody talk to you from the Department of Roads?

[LB305]

SENATOR WALLMAN: Nope. [LB305]

SENATOR CHAMBERS: No contractors talked to you. [LB305]

SENATOR WALLMAN: Nope. [LB305]

SENATOR CHAMBERS: You just decided this on your own. [LB305]

SENATOR WALLMAN: Yes. [LB305]

SENATOR CHAMBERS: Okay. So you did more thinking than had been done when we were on General File? [LB305]

SENATOR WALLMAN: Yes. [LB305]

SENATOR CHAMBERS: Okay, good enough. Thank you, Senator Wallman. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Chambers. Senator Ashford, you're recognized to speak, followed by Senator Carlson. Senator Ashford waives his opportunity to speak. Senator Carlson, you're recognized to speak. [LB305]

SENATOR CARLSON: Mr. President and members of the Legislature, I would like to address a question to Senator Chambers. [LB305]

SENATOR ERDMAN: Senator Chambers, would you yield to a question from Senator Carlson? [LB305]

SENATOR CHAMBERS: Yes, I will. [LB305]

SENATOR CARLSON: Senator Chambers, in these four months I'm still trying to figure you out, and we have some fun. You generate emotions. An hour or so ago I was ready to pop you, and then I thought I better sit down and be quiet, which I did, and I'm smiling now. [LB305]

SENATOR CHAMBERS: I'm just that kind of charming guy. (Laugh) [LB305]

SENATOR CARLSON: Am I right in thinking and believing that you don't like the Highway Trust Fund at all? [LB305]

SENATOR CHAMBERS: Let me say the way it is...I don't like the funding mechanism of

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which this is a part. I think there would be more accountability if they had to seek appropriations in the same way as every other department and agency of government, and don't set aside money dedicated to them, if that answers your question as to where I am on it. [LB305]

SENATOR CARLSON: Okay. And all along you've been testifying against the bill. You didn't like the bill... [LB305]

SENATOR CHAMBERS: Yes. [LB305]

SENATOR CARLSON: ...and I'm just baffled on your amendment to put more money into this fund. [LB305]

SENATOR CHAMBERS: I want to see if those who say they're for this bill really want to get more money, and if so, this is a way to do it. They've made the tie-in to vehicles which are on the roads. This that I'm talking about goes directly to those vehicles. Sales tax is derived from them. And the taxes already are being paid; they just go to the General Fund. I'm saying diver them in the same way you're doing this other money. I'm giving them more of the good thing they say they want. [LB305]

SENATOR CARLSON: I know, and I am just trying to figure that out so I wanted to ask you. Thank you. [LB305]

SENATOR ERDMAN: Thank you, Senator Carlson and Senator Chambers. Members we are discussing FA100. Senator Chambers, you are recognized to speak. [LB305]

SENATOR CHAMBERS: Thank you, Mr. President and members of the Legislature. Is Senator Raikes on the premises? [LB305]

SENATOR ERDMAN: Senator Raikes, would you yield to questions from Senator Chambers? [LB305]

SENATOR RAIKES: Yes. [LB305]

SENATOR CHAMBERS: Senator Raikes, at what point would you say, if there is such a point, you would agree to money coming from other sources than the sales taxes on these leased vehicles that should be diverted from the General Fund into the Highway Trust Fund and the Allocation Fund? [LB305]

SENATOR RAIKES: I don't have a good answer for you on that, Senator. I would...or the answer...I guess my answer would be this: Unless there is a plan which I think thoroughly addresses the mismatch that is currently in place between funds coming available to be used on roads and revenues or spending on roads, I don't have an

answer to that. But I do think that is a question that needs to be addressed. [LB305]

SENATOR CHAMBERS: And you think there would have to be something in the way of a substantive study addressing this very area before new sources of revenue would be tapped for the purpose of diverting those revenues into these two funds? [LB305]

SENATOR RAIKES: I do think that, and I think that study would need to address both revenues and spending. [LB305]

SENATOR CHAMBERS: Definitely. Now, do you know who the officer is in the Department of Roads who is responsible for quality control when it comes to building roads? [LB305]

SENATOR RAIKES: I don't know the name, Senator. [LB305]

SENATOR CHAMBERS: Do you know if they have such a division in the Department of Roads that oversees that? [LB305]

SENATOR RAIKES: I don't. [LB305]

SENATOR CHAMBERS: How do you think it came about that there is crumbling of a recently constructed portion of the interstate between Omaha and Lincoln? [LB305]

SENATOR RAIKES: Um...I... [LB305]

SENATOR CHAMBERS: I think Hawkins was the construction company. They do a lot of work for the state of Nebraska, don't they? [LB305]

SENATOR RAIKES: I believe you're right. I think I've seen that. [LB305]

SENATOR CHAMBERS: And they've been doing it for quite a few years, haven't they? [LB305]

SENATOR RAIKES: Yes, I think so. [LB305]

SENATOR CHAMBERS: Do you think they should know how to build a road properly by now? [LB305]

SENATOR RAIKES: Yes, and I'm guessing that there are a number of procedures in place as a road is being built to ensure that the quality of the materials and all that sort of thing is up to specs. [LB305]

SENATOR CHAMBERS: But obviously it wasn't the case in the instance that I'm

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discussing. So should we put in statute that when that happens the contractor is responsible 100 percent for rebuilding that road according to the specifications that it should have been built according to in the beginning? [LB305]

SENATOR RAIKES: It's a question I can't answer very well. I think, and you know more about this than I, don't you typically have bonding requirements for contractors in the event of nonperformance or inadequate product and that sort of thing? Wouldn't that be a better way to go about that? [LB305]

SENATOR CHAMBERS: My assumptions obviously are wrong because from what I've been able to gather, the state may pay half the cost of this rebuilding. If that is true, something is wrong somewhere, in my view. What about yours? If there is bonding, the bond should be sufficient to cover the costs of this, wouldn't that be true? [LB305]

SENATOR RAIKES: In my understanding that would be true, yes. [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR CHAMBERS: And if there is not bonding, there should be something in the contract which would make the contractor responsible to pay to make sure the road is what it ought to be, shouldn't it? [LB305]

SENATOR RAIKES: In other words, the customer, the state, should not have to pay more than once to have a given road built. [LB305]

SENATOR CHAMBERS: Or rebuilt if it was built in a shoddy way in the first instance. Yes, that's what I'm saying--what you said. [LB305]

SENATOR RAIKES: I agree with that. [LB305]

SENATOR CHAMBERS: But if that is not the case, why would it not be the case? Is it that somebody with the Department of Roads was not attentive in drawing up the contract? They've been working with Hawkins all these years. Has Hawkins got an in so that they make more money than they should? In other words, are they getting money from the state in a way that could be on the margins of the law if not outside the law? We're not talking about payoffs, are we, or corrupt officials? [LB305]

SENATOR RAIKES: Um, I certainly don't have any information in that regard. [LB305]

SENATOR CHAMBERS: If you did, would you give it to the state and help me get a prosecution going? [LB305]

SENATOR ERDMAN: Time. Thank you, Senator Chambers and Senator Raikes.

Senator Synowiecki, you are recognized to speak. [LB305]

SENATOR SYNOWIECKI: Thank you, Senator, Members of the Legislature, I just felt compelled to...while I truly I don't know where I'm going to go on the bill, I thought it would be important that people realize that this bill is not reflected on the financial status that's in front of your...behind your agenda, and that you're looking at about a \$10 million hit to the General Fund relative to the financial status. Secondly, I think you need...you know, again, for kind of information purposes only as we go through this process, is that the Appropriations Committee in this second year of the budget increased the program for construction from \$356 million in the first year of the biennium, to a construction project program of \$370 million. That corresponded with a little bit of an increase in the gas tax and brings the program up \$14 million from the first year of the biennium to the second year of the biennium to \$370 million. So I would just...I felt kind of compelled to stand up and offer that information for members of the Legislature as you deliberate your decision-making process on LB305, that there is in the Appropriations Committee package that was adopted on General File here yesterday or the day before, that that includes an increase in the program in the second year of \$14 million. And also that on the financial status the General Fund hit that will be taken is not included on our current financial status. Having said all that, I also, at the same time, understand the appreciate the logic behind long-term leases and the impact of these vehicles on the roads. So something for you to think about as you deliberate your decision-making process on LB305. Thank you. [LB305]

SENATOR ERDMAN: Thank you, Senator Synowiecki. Members, we're discussing FA100. There are no lights on. Senator Chambers, you're recognized to close. [LB305]

SENATOR CHAMBERS: Thank you, Mr. President and members of the Legislature, I don't think there has been enough discussion on this particular amendment so I will reconsider it because we're going to be here until 11:59 anyway. And I think it is significant that the bill is before us in the first place to divert money from the General Fund to this Highway Trust Fund and the allocation boondoggle. I call it a boondoggle because it goes to the locals. Now, some people in Omaha are upset because the money is earmarked for road building. Should it or should it not be? It's coming from sales tax. Should the sales tax, once it goes from the state to the county and the city, be spent in the way that the city and the county think, or should it carry an earmark from the state so that it can only go to the road building contractors such as Hawkins, who has built a very shoddy road on the interstate? It's out there for you to see. They don't care. They might have painted over their name on their equipment but I think it still says Hawkins. Because it doesn't make any difference. They've got this state in the palm of their hand. If there was some way that accountability could be imposed on these officials, I would feel differently about a lot of the things that I have questions and concerns about. But when you look at the way things go, these officials don't feel accountable to anybody. The only reason they will make certain admissions about

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violating their own standards when they support an overpass to nowhere is because an investigative reporter revealed it, exposed them, and left them no way out, so they had to make an acknowledgement. Had that investigative report not been done, they would have continued to violate their rules, their regulations, their standards, whatever they violated to placate a well-placed political person. That's what they did and that's why they did it. Senator Gay was talking about this overpass perhaps being the location of an interchange, and I would bet him money, but he won't live long enough to have to pay or collect, that there is not going to be an interchange there. There is not going to be an interchange there. He probably knows it but the rest of you don't. And I had said that as we get toward the end, Senator Friend is not going to be talking a lot. He's going to be walking with his shoulders hunched, looking weary, drawn, and drained. Even when he was sitting up there he looked like he was tired. And he's the one who was really woofing this morning, wasn't he? People were having to put their fingers in their ears. Down in the offices they had to turn the volume down on the set when Senator Friend cut loose. And now, now you don't have the mouse that roared; that would be unfair. You have the lion that squeaks. (Laughter) Wasn't he roaring today? He knows it. He looks more like Mel Gibson when he smiles with that boyish innocence than any other time. I know how to get him. I can get him whenever I want to. But where has he been? Quiet. And I've been going on and on and on, on and on and on, and will continue. I said I will take us until 11:59 and you thought I was joking. You thought I was shooting blanks. You thought I was blowing smoke. And you thought if we did go that far... [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR CHAMBERS: ...I wouldn't be able to speak. My stamina would be gone. I would be have somebody slipping me some water by IVs, notably Senator McDonald, because she is the only one who is close enough to do that. But that's not going to happen. I've been doing this for 37 years and you all are probably saying he ought to be worn out by now, but, no, that's not the case. Nature has a way of rewarding those who make use of what she gives them. If you use an ability, it is sharpened. If you use muscles, they strengthen. If you use your brain--unless, like me, you're lead damaged--you will improve and increase your ability in the area of mental acumen. That will never happen to me. I've reached my maximum and I'm just trying to hold on. But that's not the case with the rest of you, so you all ought to be up here debating these things with me. Now, if we can have this kind of debate... [LB305]

SENATOR ERDMAN: Time. [LB305]

SENATOR CHAMBERS: Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Chambers. Members, you've heard the closing on FA100. All those in favor vote aye; all those opposed vote nay. Have all

members voted who wish to? Record please, Mr. Clerk. [LB305]

ASSISTANT CLERK: 3 ayes, 27 nays, Mr. President, on the adoption of FA100. [LB305]

SENATOR ERDMAN: The amendment is not adopted. We will continue with discussion on LB305. Senator Synowiecki, you are recognized to speak. [LB305]

SENATOR SYNOWIECKI: Thank you, Senator Erdman. I guess I erred or I was inaccurate on my previous speech. The bill, LB305, is mentioned on the financial status. It's on page 2 of the financial status, and under the revenue. I did not look. I was thinking of this as an appropriations bill and not as a revenue bill, and it is under Select File under revenue bill. But however I do want to reiterate relative to the construction program and the increase in the second year of the appropriation package, that is accurate, but I was not accurate...I was inaccurate and erred. Senator Heidemann quickly ran over to correct, as the Chairman of the committee, coming over here to rectify the situation. Senator Erdman also alerted me to the fact that LB305 is, in fact, on the financial status page. Thank you. I wanted to correct that in the record. Thank you, Senator Erdman. [LB305]

SENATOR ERDMAN: Thank you, Senator Synowiecki. Mr. Clerk, motion on the desk. [LB305]

ASSISTANT CLERK: Senator Chambers would move to indefinitely postpone the bill. [LB305]

SENATOR ERDMAN: Senator Fischer, as the introducer of LB305, you have the option of taking the bill up or laying the bill over. [LB305]

SENATOR FISCHER: We will take it up and take care of it tonight, Mr. President. [LB305]

SENATOR ERDMAN: We will take up the motion. Senator Chambers, you are recognized to open on the motion to indefinitely postpone LB305. [LB305]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, we are trudging and slouching our way to cloture. But if you get cloture before 11:59, then the Speaker won't be able to keep his promise. He will have to let you ought of here ahead of time. But there is an A bill too, so that can carry us into tomorrow and tomorrow and tomorrow. I'm looking forward to this. I want to see how you all are wilting or holding up at 11:59. I told you what I'd be doing and I've told you what you all would be doing. Look at you: tired, can't focus. People can't even get deals together because there is an inability to focus and concentrate, Senator Aguilar. But remember, this is just

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the first relatively long day. You all ought to be doing this with me to get yourself in shape. You think if you sit down and are sedentary, that you're going to be in better condition next week? No, you'll get in better condition if you move around. Get accustomed to exercise a little bit, then you'll be in fine fettle in the way that I am. And if you what to know what fettle means, ask...oh, I guess Senator Avery must have gone home...but ask him what fettle refers to. What I would like to do is kill this bill, which is not going to happen. But I think some things should be put into the record, some things have been put into the record. Senator Fischer has not addressed them. Senator Gay attempted to address them on this irresponsible road building; on the shabby, shoddy work that was done. Too bad Senator Howard has gone home. If this had happened with the Department of Health and Human Services, everybody would be up in arms, wouldn't they. Wouldn't you? Because they're an easy target and you go after them. But this involves road builders, the construction industry, so you're quiet as mice. Or do you think I'm lying about the shabby building that I say occurred on the interstate between Omaha and Lincoln? Then why are not you upset? We're going to have people vippity-yapping around here some more in this session about HHS is not doing this, HHS is not doing that. Well, what about the Roads Department? Are you afraid of the Roads Department? They get a free pass? You talk about cutting programs, doing away with waste, creating efficiency. You don't even know if they have a guality control division or individual in the Roads Department. You don't even know that. Nobody knows it but you watch HHS with a microscope, don't you. But it's not because you're concerned about children. You don't want to do something to put money in the pockets...or leave it in the pockets of those families who have poor children because that involves tax, and you don't care about the children when it comes to that. But when you can just attack somebody. You can bring something that doesn't help anybody, it doesn't hurt anybody, it doesn't do anything, that doesn't cost anything, then you're for that. That's what you're for. Drive the highway and when you see the shabby construction, ask yourself why you don't say anything about it. You dare not. They just push you aside. And getting back to what I said earlier about the Legislature having prerogatives and the Legislature should have these people if any kowtowing is to be done, kowtowing to the Legislature rather than vice versa which is the case now. Senator Raikes wants this money to go to the trust fund and the allocation fund but he's not too concerned about the shabby road building and the using of their influence to get federal money to build an overpass to nowhere. Senator Gay has a prayer and a hope that an interchange is going to be built in the vicinity of that overpass. And in his absence, I had said I would bet him some money that an interchange will never be constructed in that area. There is no justification for it. There are other places where if an interchange is to be built are the locations where that should happen. But you just go along with any and everything the road builders want so next time you all start jumping on HHS, I might have a word or two to say or a question or two to ask. If you say you're interested and concerned about the children, why are you not concerned about them when it comes to the sales tax or other things? It's just piecemeal in the way that other bill that was just moved by way of cloture was put together. It's cobbled together. They

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call that jerry-building where you are just in an ad hoc, slipshod, spur of the moment, flying by the seat of your pants, throw something together. If beavers built dams the way you all constructed that bill, they wouldn't stop a drop of water from moving one place in the river or the lake or the stream to another. It would be so full of holes it would just be a collection of sticks and that's all. Read the paper tomorrow when some reporter explains to you what the Legislature did. The reporters and the editors told you what the highway department has done but you don't even care because you know what your marching orders are and you know what you're going to do. There is a departed senator who gets credit for being the father of road building. He happened to have married a person who was connected with the road building industry, and she influenced him to do all the things he did on the road building and the road programs. You all need to be aware of how things started and what led people to do the things they do, and then they are not lionized so much. But we're not supposed to talk about things like that, but I will and I'm going to keep talking about how poorly the Roads Department is functioning. And I imagine there are other people aware of it. I'm going to find some comments that were made that contradict what Senator Gay was talking about in terms of how great this Pflug Road is. There are a lot of people who thing that was a boondoggle and they condemned the Department of Roads for what they did. And some people might say it's not state money. I'm saying they prostituted the department to support a project that they never should have supported and they acknowledge it. If they followed their own standards they would not have done it. But who are they accountable to? Nobody. What do they do? Whatever they want to do. They are whale glad that the Legislature is one that they deal with and they're elephant glad to tell you where to go if you have the audacity to question anything they do. But you're not going to do that. You don't inform yourself and they count on it. I drive that road twice a day and I see it. So I know they're not doing the job they should. You all drive some roads that might be something like driving over a washboard. And the same ones who did that will continue getting road building contracts. Anybody would do that. If you can get a lot of money from the state, use inferior materials, inferior workmanship, and get paid, and then when it falls apart the state pays part of the cost of repairing it, sure, you'd do that. You say this is business and everybody has to look out for their interests, and those with the state are not doing so, so I'm going to take advantage of it and make me some money, and that's what they're doing. [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR CHAMBERS: Things are as they are because there is a lot of yakkity-yakking in here and no follow through. You talk about being careful with the people's money except when it comes to road building. You're not careful there. And that is out there in the open for you to see. They put in your face and say do something about it. And you say, okay, by God, we'll do something about it; we'll pay you more money to fix it like it should have been in the first place. And the contractor will say, oh, boy, you sure showed me; I don't want to mess with you again until I mess it up again, <u>Floor Debate</u> May 03, 2007

and then I want you to scare me by giving me some more money because I sure get scared when you do that. And that is what's happening. So where is this concern about the money? Senator Friend doesn't even...talking about Keynesian...is it Keynes? Kensian (phonetic)? (Laugh) [LB305]

SENATOR ERDMAN: Time. [LB305]

SENATOR CHAMBERS: Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Chambers. Members, you've heard the opening on the motion to indefinitely postpone LB305. Pursuant to Rule 7, Section 4, Senator Fischer, as the principal introducer of the bill, you have the opportunity to immediately speak for five minutes after such motion is offered. You are recognized to speak. [LB305]

SENATOR FISCHER: Thank you, Mr. President and members. I oppose the motion to indefinitely postpone by Senator Chambers. We've heard a lot from Senator Chambers about quality control and the problem with the roads in the state, and the state Department of Roads can't do anything right and there is no accountability. I beg to differ. The state of Nebraska has about 96,000 miles of roads; 10,000 of that is state highways. Cities and counties are responsible for the rest. Out of that 10,000 that we're focusing on here because of the attacks on the Department of Roads, yes, mistakes are made. But I would argue that for the most part we in the state of Nebraska are very fortunate for the quality of the roads that we have, and we do have quality control because every project does have a project manager. You have a district engineer, a district manager. Yes, mistakes can be made. I'm not going to make excuses for them. I can give you reasons on the Pflug Road, Senator Chambers. I don't think that...I guess I just don't think I need to do it right now, but if you would like to ask me questions on it, I'll answer it. But I would argue that, yes, we do have quality control. In fact, the standards in the state of Nebraska are higher than the national standards by the American Association of State Highway Transportation officials, and I happen to believe we're fortunate to have those. We have shoulders that are wider than required by those national standards. We have safe highways in this state. Senator Chambers upset my mother who may still be watching tonight. Senator Chambers upset my mother a few days ago, a couple weeks ago when he said I didn't have compassion for people. She thinks that I do and I know that I do. I may have compassion for roads but roads aren't just slabs of concrete out there laying across the landscape of the state of Nebraska. We have people that travel on those roads, and here in Nebraska, I think, thank heavens, we have a higher standard and they are safer roads. We had an incident a few weeks ago about a woman in Dodge County dropped off a shoulder because there wasn't a wide shoulder, and she rolled her vehicle and two children were killed. I worry about that and I worry about Senator Chambers traveling back and forth between Omaha and Lincoln every day on the interstate. And we need to be aware of that and

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we need to be thankful that we have the roads that we have in this state. If you look at your green sheet you will see that there is about \$22 million that supposedly we can spend if we want. If you also look at your green sheet you will see that the money that is addressed in LB305 and LB305A is already figured in so that doesn't affect that \$22 million which I understand may increase when you look at your sheet tomorrow. It's already figured in. I believe it's an appropriate way to fund our highways in this state. I believe it's appropriate that we find more funding and that we continue to have the safe highways that we have because these highways, Senator Chambers, they're not just for the construction guys to be... [LB305 LB305A]

SENATOR ERDMAN: One minute. [LB305]

SENATOR FISCHER: ...out there making money and building. They are for the safety of our people; they are for economic development and we need to remember that. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Fischer. Senator Friend, you're recognized to speak on the motion to indefinitely postponed LB305. [LB305]

SENATOR FRIEND: Thank you, Mr. President and members of the Legislature. You know, I don't even have to push my button anymore. People push it for me when I get baited. If I'm not in the penalty box, my light is on, game on. It doesn't matter whether I push the button or not. I've been quiet tonight and there are a lot of good reasons: A, most people don't want to hear me talk anymore. No need to talk. I spent all afternoon...I spent all morning and afternoon thrashing Senator Chambers. Why do I have to do it tonight? I felt sorry for him. You know, he...there was an analogy and he actually...I yielded to a question earlier. Senator Friend, what if I was tied up with my hands behind my back and somebody said you could do whatever you want to me, you could punch me in the stomach; what would you do? I said, Senator, I would untie you and set you free. That's what I did tonight. I untied him and set him free. He spoke for 55 minutes...I told him this was impressive. We figured it out...somebody else figured it out and told me. Fifty-five straight minutes he spoke without any help, meaning 55 straight minutes with just his own motions, his own effort, his own creativity. That's impressive. To everybody but me it's impressive. I'm not impressed. See, here's the thing, and this is only half tongue-in-cheek. I'm not afraid of him. I mentioned this earlier. What can he do to me? What would he do to me? You know, I'm not getting me a black eye. I mean, he could probably beat me up. I'm a little afraid of that. But what can he do to me? What can he do to you except keep you here until 11:59? This bill and other bills that we've seen today make a lot of sense. We put the effort in. Totally appropriate that we take the amount of time that we take, and frankly pretty appropriate that we're here at 11:25, late in the session, to deal with the things that we're dealing with now. I think he assumes we're all angry. I'm not getting that feeling; I'm getting the feeling everybody is a little bit tired but that's the nature of the beast. Make no mistake, and this is half

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tongue-in-cheek too, at 12:01, if the good Speaker down there actually said and convinced enough people to do so, I'd just continue on. Then I would continue the thrashing of him, the tongue lashing I could give him all night long so he wouldn't have to take 55 minutes of his own time. I can continue to do it on any subject matter. You guys name it. What is it? My brother is good at this too. Expert at nothing but a master of almost everything. I'll prove it. That wasn't my quote; that was his. My brother is a lot like me. My brother is a lieutenant colonel in the JAG Corps, and this is actually a little more serious. He is defending one of the generals in the death of Tillman, and my brother doesn't quite have the sense of humor that I have... [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR FRIEND: ...and this is pretty serious subject matter. And I talk to him...oh, I only get to talk to him probably once a month or once every couple months now. We're the same type of guy but every time I see him I realize that it's so much different now and I wish I was more like him because the fun that I have talking about the tongue lashing and the things that we do out here once in a while, I wish I had his skill because I think I could be so much more effective in situations like this at 11:25, 11:27 at night, delaying with the important subject matter that we're dealing with. So, look, all kidding aside, I know it's late, nobody wants to listen to me... [LB305]

SENATOR ERDMAN: Time. (Laughter) [LB305]

SENATOR FRIEND: Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Friend. Senator Wallman, you are recognized to speak, followed by Senator Louden. [LB305]

SENATOR WALLMAN: Thank you, Mr. President. And I think that is, a jack of all trades, master of none. But anyway I see Rogert over here doesn't seem very tired, Senator Rogert. He is just ready to go. And regarding to road building, it is economic development in one way. It pays people to run machines. And I know contractors make money. But we...how do we bid our projects? To the lowest bidder. What happened to the space craft when it crashed? It went to the...the parts went to the lowest bidder. So sometimes we do get what we pay for. So if we want better highways, and most of the highways, I agree with Senator Fischer, are very good, but we have to realize it's the lowest bidder. So that's what we have to realize and I yield the rest of my time to...and I do admire Senator Chambers for hanging in there. I can talk a long time at home to my wife but, in here, it's getting late, Senator Chambers. I'll give some of my time, the rest to you. [LB305]

SENATOR ERDMAN: Senator Chambers, you have 3 minutes and 50 seconds. [LB305]

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SENATOR CHAMBERS: Thank you, Mr. President, Thank you, Senator Wallman, And I'm glad that Senator Friend...every time I look back there he's gone. Senator Friend, tongue lashing me? If he was in...if we were in the boxing world, do you know what his nickname would be? Canvasback. (Laughter) Senator Canvasback. And he would be saying, Senator Chambers, you sure are tall. I'd say, not really; it's just the perspective you have from your position. You know, when you're flat on your back and looking up, everything looks tall to you. But I can take the tongue lashing and I can continue; I must. And I said I would and I shall. But remember, Senator Friend is going to have to get some more script because we're going to be doing this more than just tonight. He's going to have to get some new material or he's going to have to do as I stated: Record it, and when they call on him, click that tape recorder on and let it do the job. There will be the opportunity for me to give some history lessons as Senator Friend gave us on some subject back there earlier. I have a sense of humor on occasion, but I also have a sense of purpose and I don't forget what that purpose is. Whether you all realize it or not, this is a part of a softening up process. If you have a fighter who is known as a puncher, he tries if he can to knock you out every time he lands a punch. A boxer will inflict damage over a period of time but never, in many instances, come close to knocking you unconscious. He will outpoint you. He will move faster than you can move. Now you see him, now you don't. The one who can box and punch is the one who usually can prevail but not always. That's what's known as the lucky punch or a sucker punch. So you don't know what the outcome is likely to be. But when you've been in this particular game as long as I have and you can assess people, you can come out ahead. That doesn't mean win every vote. It's clear I don't do that. But I know where I'm going to be at the end of the day and I know where other people are going to be and I know where they're not going to be. Some people can start out like a house afire in the beginning of a race, and before they get halfway through they've lost, they've run out of gas... [LB305]

SENATOR ERDMAN: One minute. [LB305]

SENATOR CHAMBERS: ...because you cannot run a marathon like you would run a dash. The body isn't engineered to function like that. You have to learn to pace yourself. Some people decide to get on an exercise program and they do some of everything. They burn up the gym but then they don't want to go back because it has to be a day after day after day matter. And they put everything into it, not realizing that they're not going to maintain. Since they cannot maintain and sustain, they get discouraged. People who have been trying to hang with me tonight and today are going to be disheartened. But you know where some of them feel good? They're not going to have to deal with me all day. I will have to be dealing with all of you all day but each one of you won't have to deal with me all day with me. You can hand off the baton. You can sit back and do nothing. You can go to the lounge. But I will be here. I guess it's like Tiger Woods. He doesn't win every match but everybody has to try to beat him. [LB305]

#### SENATOR ERDMAN: Time. [LB305]

SENATOR CHAMBERS: And maybe one will beat him today but the same one won't beat him twice. Thank you, Mr. President. [LB305]

SENATOR ERDMAN: Thank you, Senator Chambers and Senator Wallman. Senator Louden, your light is next, followed by Senator Chambers. [LB305]

SENATOR LOUDEN: Thank you, Mr. President and members. I guess I'm not like Senator Friend. I'm not impressed by how long somebody can talk because where I come from it usually isn't how long you talk, it's whether you say anything after you've done all of that. So with that I'll give the rest of my time to Senator Fischer. [LB305]

SENATOR ERDMAN: Senator Fischer, you have 4 minutes and 40 seconds. [LB305]

SENATOR FISCHER: Thank you, Senator Louden, and Mr. President and members. I appreciate all of you being here and I appreciate your support. I would encourage those members who are in their office or the lounge at this time to return to the floor. I will be filing a motion. This bill is important. I believe that this bill follows the path that we have established in this state, the road we have established in this state, for funding our roads, for funding our highways, for funding our local streets, our county roads, and our state highways. It's appropriate and it's needed, and I would appreciate your support. Thank you, Mr. President. [LB305]

SPEAKER FLOOD PRESIDING [LB305]

SPEAKER FLOOD: Thank you, Senator Fischer. Senator Chambers, you are recognized. [LB305]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, even Senator Louden is getting testy back there, trying to be clever. Trying to be clever like a lead balloon. I'm not impressed because somebody talks a long time, is what you say if you said anything. Well, sometimes if people would listen they would understand what had been said. You know, when you push, I push back. When does he ever say anything? He talks but he says little. That's the nature of the Legislature. Now you all ain't going to think it's anything for him to say something to me but it's something for me to say something back? Have you all heard the term "field of honor?" Do you know what that had to do with? The place where foolish men went out and had a duel, where one was going to kill the other, and that is honor. That's nonsense. So some people feel a sense of honor; compels them to say things that don't make sense. But I will tell you what: I'll invite anybody to read the transcript of my discussions on the floor and read the transcripts of others' discussions on the floor, and we'll see what makes sense. I want to draw Senator Louden into more of the discussion. He's the Chairman of an

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important committee and we're entitled to his wisdom. Do you think I'm being facetious? Senator Louden and I had a very...a couple of very serious, in-depth discussions other than on this floor, so he knows whether I know anything in reality or not, and he knows whether I have advice to offer which has validity or doesn't. He knows that. But out here he's got to show you all, I'm tough. (Laugh) Well, that's all right. He can join Senator Friend. But we're going to be here close to midnight. And you hear how spunky Senator Fischer is because she's not going to have that many bills and that's why she speaks in the way she does: We're going to have this bill; we're going to get cloture. Because it's a bill backed by the highway industry. I'm going to see how many of you all's bills will automatically get 33 votes. And you should be able to get them because you've been playing the sheep role for everybody else. Let them be the sheep for you. Do you think they will? Why do you think I ask for record votes? So you all can see how people are voting. Then when your turn comes around, are they going to be there for you? Are they going to be there for every bill? Will it be necessary to do that for every bill? If you've got 25 days and you've got 25 bills and each bill might take most of the day, how many bills are you going to get through? And remember, they've got to go through three stages of debate. Not all of them, but there's still some on General File. So start the figuring and calculating and seeing how many hours you're going to have and how many of you are going to want to be here all these hours every day. Some have bailed out and gone home already and others of you are going to fall by the wayside too because you can't cut the mustard and you don't have the stamina. And I told you to test me. Tonight is nothing. Let's see how it is several days from now, and if you're going to be telling the Speaker, do we have to stay here that long? And more of you are going to be winding up in the lounge and you're not going to know what's happening. You are going to vote for things because people tell you to, and if somebody asks you what did you vote for, you won't know because you can't focus and you can't cut the mustard and you can't do the job. But once again, you don't have to. [LB305]

SPEAKER FLOOD: One minute. [LB305]

SENATOR CHAMBERS: It's not required of you. You don't have to do anything. You don't have to pass a single bill. You don't have to debate any issue. You don't have to pass or cast a vote that makes sense because you've been privileged all of your life. You've never had to meet a standard and you're not held to a standard. If you were, we would have a better quality Legislature; we'd have a higher quality of legislation; we'd have people paying attention and doing what they asked people to send them here to do. But that's not going to happen and this is why I know about white affirmative action where qualification has nothing to do with the postilion you hold. And if you look at the way things go here, you cannot gainsay or deny what I'm saying. Thank you, Mr. President. [LB305]

SPEAKER FLOOD: Thank you, Senator Chambers. Mr. Clerk. [LB305]

CLERK: Mr. President, I have a priority motion. Senator Fischer would move to invoke cloture pursuant to Rule 7, Section 10. [LB305]

SPEAKER FLOOD: Thank you, Mr. Clerk. It is the ruling of the Chair that a motion for cloture is in order. Senator Fischer, for what purpose do you rise? [LB305]

SENATOR FISCHER: Mr. Speaker, I would ask for a call of the house and a roll call vote, regular order, please. [LB305]

SPEAKER FLOOD: 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 aye; all those opposed vote nay. Record please, Mr. Clerk. [LB305]

CLERK: 39 ayes, 0 nays, Mr. President, to place the house under call. [LB305]

SPEAKER FLOOD: The house is under call. Senators, please record your presence. Those unexcused 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. Senator Langemeier, Senator Lathrop. All senators are present and accounted for. Members, the first motion is the motion to invoke cloture. All those in favor vote aye. Strike that. We shall have a roll call vote in regular order. Mr. Clerk, please call the roll. [LB305]

CLERK: (Roll call vote taken, Legislative Journal pages 1408-1409.) 44 ayes, 2 nays, Mr. President, on the motion to invoke cloture. [LB305]

SPEAKER FLOOD: The motion to invoke cloture is adopted. At this time we shall dispose of all the pending matters before the Legislature with regard to LB305. The first vote will be on the motion to indefinitely postpone offered by Senator Chambers. A roll call vote in regular order has been requested. Mr. Clerk, please call the roll. [LB305]

CLERK: (Roll call vote taken, Legislative Journal page 1409.) 1 ayes, 46 ayes, Mr. President. [LB305]

SPEAKER FLOOD: The motion to indefinitely postpone is not successful. The next vote, Mr. Clerk, will be on the advancement of LB305 to E&R for engrossing. A roll call vote in regular order has been requested. Mr. Clerk, please call the roll. [LB305]

CLERK: (Roll call vote taken, Legislative Journal pages 1409-1410.) 46 ayes, 1 nay, Mr. President, on the advancement. [LB305]

SPEAKER FLOOD: LB305 advances to E&R for engrossing. Mr. Clerk, any motions on the desk? I do raise the call. [LB305]

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CLERK: Mr. President, I do have a motion on the desk. Senator Erdman would move to adjourn until Friday morning, May 4, at 9:00 a.m. []

SPEAKER FLOOD: You've heard the motion. The question is, should the Legislature adjourn until tomorrow at 9:00 a.m.? All those in favor say yea. All those opposed say nay. The yeas have it. We stand adjourned. []