Floor Debate April 18, 2012

[LB14 LB40 LB66 LB66A LB209 LB209A LB333 LB357 LB426 LB540 LB541 LB541A LB576 LB599 LB599A LB727 LB745 LB793 LB793A LB804 LB806A LB806 LB807 LB817 LB817A LB820 LB820A LB821 LB821A LB825 LB825A LB862A LB862 LB887 LB928A LB928 LB950A LB950 LB979 LB993 LB993A LB998 LB998A LB1020A LB1020 LB1053A LB1053 LB1063 LB1079 LB1082 LB1090 LB1090A LB1091A LB1091 LB1097 LB1113 LB1125 LB1128A LB1128 LB1145A LB1145 LB1155 LB1158 LB1160 LB1160A LB1161 LR37 LR631 LR636 LR637 LR638 LR639 LR640 LR641 LR642 LR643 LR644]

PRESIDENT SHEEHY PRESIDING

PRESIDENT SHEEHY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the sixtieth day of the One Hundred Second Legislature, Second Session. Our chaplain for today is Senator Fischer. Would you all please rise.

SENATOR FISCHER: (Prayer offered.)

PRESIDENT SHEEHY: Thank you, Senator Fischer. I now call to order the sixtieth day of the One Hundred Second Legislature, Second Session. Senators, please record your presence. Please record, Mr. Clerk.

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

PRESIDENT SHEEHY: Senator Gloor, you're recognized for a point of order.

SENATOR GLOOR: Thank you, Mr. President. And, members, you all participated in wearing the legislative pin of Senator Utter this session. I appreciate your commitment to that. We have had that pin mounted along with the resolution and the signature sheet. It is on an easel for display, before we present it to his family, in the Senators' Lounge. And I just point that out for those of you who would like to take a look at it. Again, my thanks to all of us who participated in that event and ceremony. I know it will be very meaningful for the family, as it was meaningful for us to wear his pin. Thank you, Mr. President.

PRESIDENT SHEEHY: Thank you, Senator Gloor. Mr. Clerk, corrections for the Journal?

CLERK: I have no corrections.

PRESIDENT SHEEHY: Messages, reports, or announcements?

CLERK: I have a series of things, Mr. President. First all, bills read last week on Final

# Floor Debate April 18, 2012

Reading were presented to the Governor on April 11 at 2:14 p.m. (Re: LB14, LB599. LB599A, LB928, LB928A, LB1125, and LB1161.) Communications from the Governor. The first, (Read re: LB40, LB66, LB66A, LB209, LB209A, LB426, LB541, LB541A, LB576, LB727, LB745, LB804, LB817, LB817A, LB820, LB820A, LB821, LB821A, LB825, LB825A, LB862, LB887, LB950, LB950A, LB993, LB993A, LB998, LB998A, LB1053, LB1053A, LB1063, LB1090, LB1090A, LB1091, LB1091A, LB1097, LB1113, LB1128, LB1128A, LB1145, LB1145A, LB1155, LB1158, LB1160, and LB1160A.) Second communication. (Read re LB825 and LB825A.) A second communication. (Read re LB862 and LB862A.) A third communication. (Read re LB357.) The next communication. (Read re LB599 and LB599A.) (Read re LB1020 and LB1020A.) Further communication. (Read re: LB793, LB793A, LB979, and LB1082.) (Read re: LB14, LB928, LB928A, LB1125, and LB1161.) And finally, Mr. President, a report received from the Crime Commission will be on file in the Clerk's Office, and the lobby report, as required by statute. That's all that I have. (Legislative Journal pages 1537-1546.) [LB14 LB599 LB599A LB928 LB928A LB1125 LB1161 LB40 LB66 LB66A LB209 LB209A LB426 LB541 LB541A LB576 LB727 LB745 LB804 LB817 LB817A LB820 LB820A LB821 LB821A LB825 LB825A LB862 LB887 LB950 LB950A LB993 LB993A LB998 LB998A LB1053 LB1053A LB1063 LB1090 LB1090A LB1091 LB1091A LB1097 LB1113 LB1128 LB1128A LB1145 LB1145A LB1155 LB1158 LB1160 LB1160A LB862A LB357 LB599 LB599A LB1020 LB1020A LB793 LB793A LB979 LB1082]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. (Doctor of the day and visitors introduced.) Mr. Clerk, we will move to the first item on the agenda under Legislative Resolution, LR631. [LR631]

CLERK: LR631, a resolution offered by Senator Flood. (Read title.) [LR631]

PRESIDENT SHEEHY: Senator Flood, you're recognized to open on LR631. [LR631]

SPEAKER FLOOD: Good morning, members, Mr. President. For several years I have wanted to do this, because I have greatly appreciated the relationship between the Legislature and NET. They have broadcast our proceedings gavel to gavel for many years. In fact, their service to the state started in 1955; they've been doing this for 57 years. And on November 1, 1954, KUON-TV, Channel 12, began broadcasting, and the Legislature began in 1955 on that channel. You might not realize it, but the first show that started on NET was with George Round. It was focused on Statehouse activities, with a weekly show that debuted that year, and the director of university relations would go around on a program called <u>Your Unicameral</u> and interview the senators. In 1975, the first committee hearing was broadcast on the network. In the early days--imagine this--a crew of 12 to 13 people would arrive at the Capitol with a live truck and they would plug it all in, and they would have camera operators delivering information about the nation's only Unicameral to the Nebraska citizens. They've done shows like Legislative Review; they've worked hand-in-glove with the Legislature. And I always

#### Floor Debate April 18, 2012

think about this as we go into a night session: We decide when we adjourn, and they preempt all of their programming to allow us to adjourn and cover it gavel to gavel. And as a broadcaster, I can tell you that's a commitment to the state and to her citizens. In the 90-day session in 2011, more than 42,000 requests were made to NET to stream live legislative coverage; that's more than 1.8 million shared minutes. And while we no longer have camera operators in the Capitol, these automated cameras are viewed by several folks that sit in the control room at NET, and I've asked them to come today. I believe they're sitting in the balcony. And these three folks know more about the Nebraska Legislature than anybody else in the state, and I want to thank them for what they do. Would they please...oh. Would the camera operators please stand for just a second so we could...or the...there they are. God bless you folks. They listen to Speaker's announcements better than anybody else in the state. And I also want to tell you, under the north balcony, the leadership of NET is here. And I want to just quickly tell you who they are. And if they would please stand as I call their name and that we'd hold your applause until the end. Rod Bates is here, the general manager of NET; David Feingold, the assistant general manager for content, who oversees the programming and production for NET television, radio, news, and sports. Ron Hull, a household name in Nebraska, is the senior advisor and former manager of television programming, and he was involved in the beginning coverage of the Nebraska Legislature. Verle Finke, NET's media services administrator, responsible for scheduling behind-the-scenes crew members; he's a former camera operator. And Mark Weakly, the NET engineer in charge of recent video streaming upgrades for all of our hearing rooms. Folks, these people do a great service to the state. They are true public servants, and their mission in broadcasting is to inform those that we serve. And they do it because the salvation of the state is in the watchfulness of the citizen. Please join me in thanking them. Thank you, Mr. President. [LR631]

PRESIDENT SHEEHY: Thank you, Senator Flood. Seeing no requests to speak, Senator Flood, you're recognized to close. Senator Flood waives closing. The question before the body is on the adoption of LR631. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LR631]

CLERK: 42 ayes, 0 nays, Mr. President, on the adoption of LR631. [LR631]

PRESIDENT SHEEHY: LR631 is adopted. We'll now move to the next item under Legislative Confirmation Report, from Health and Human Services Committee. [LR631]

CLERK: Mr. President, Senator Campbell, as Chair of Health and Human Services, reports on the appointment of Thomas Pristow, director, Division of Children and Family Services. (Legislative Journal page 1526.)

PRESIDENT SHEEHY: Senator Campbell, you're recognized to open on the Health and Human Services Committee confirmation report.

Floor Debate April 18, 2012

SENATOR CAMPBELL: Thank you, Mr. President. And good morning, members of the Legislature. The Health and Human Services Committee held a confirmation hearing on April 3 on the Governor's appointment of Mr. Thomas Pristow to director of the Division of Children and Family Services in the Department of Health and Human Services. Mr. Pristow comes to Nebraska from Louisa County, Louisa, Virginia, where he was the director of the Department of Human Services for the past year. Prior to that post, he held positions as director of the Norfolk, Virginia, Department of Human Services and deputy director at the Newport News, Virginia, Department of Human Services. He was also district director of the northeast region of the Vermont Department for Children and Families. Mr. Pristow earned a Bachelor of Arts and Master of Social Work degrees in sociology and social work from the University of Maryland, Baltimore County. In visiting with members of the Health and Human Services Committee, Mr. Pristow emphasized his intention to take a collaborative approach to child welfare reform. He stated that one of his strengths is developing and changing systems. He said that, quote, he knows that building relationships within and outside of the department with stakeholders and others is an absolute essential. Colleagues, the committee had several occasions to visit with Mr. Winterer and Mr. Pristow, and I want to assure you that the Health and Human Services Committee is taking its responsibility very seriously in terms of trying to forge a very transparent and open dialogue with Mr. Pristow, and he affirmed to us the same. It will take every single person committed to child welfare to make this work. We are very hopeful that by bringing all of us together, each representing a different part of this system, that we can bring true reform. It has been encouraging this past week to read the story in the Lincoln Journal Star with regard to people feeling that perhaps we have turned a corner. Mr. Pristow will be an important person in that lineup of making sure that these reforms happen. And we bring forth his confirmation to you the Legislature. Thank you, Mr. President.

PRESIDENT SHEEHY: Thank you, Senator Campbell. You've heard the opening of the Health and Human Services Committee confirmation report. Members requesting to speak are Senator Krist, followed by Senator Howard. Senator Krist.

SENATOR KRIST: Thank you, Mr. President. Good morning, Nebraska and colleagues. I will be brief, but I'm hoping that you'll take this message with all the seriousness that I intend for it to be delivered with. It was not without a great deal of consternation that I voted to confirm, or send forward for your approval, Thomas Pristow. I have over the past year looked differently at these confirmation processes, and I want to remind you that his appointment to this position was a fundamental failure in the Department of Health and Human Services. This position, as it was previously occupied, was a fundamental failure in the department. We did not have productive use of the individual who was there. He was not responsive to us. He came to us each time to talk with us with a caregiver in hand. The information was not, at least in my case, was not correctly or timely in nature given to me. I went through my own process, my own vetting

<u>Floor Debate</u> April 18, 2012

process, even after this happened and expended my own blue chips with some friends that are in the business in the previous areas. I now am solid in my endorsement for Mr. Pristow. However, he has made several promises, both to the caregivers, the stakeholders, and to this Legislature, and I will be here to make sure that those promises are carried out. Again, I hope that you trust that we have vetted Mr. Pristow and that we are watchful in his presence and in his conduct. He will be a key building block to restoring the confidence in the Department of Health and Human Services, specifically where families and children matter. Thank you, Mr. President.

PRESIDENT SHEEHY: Thank you, Senator Krist. Senator Howard.

SENATOR HOWARD: Thank you, Mr. President and members of the body. During the vears that I worked for Health and Human Services, 34 years, I worked under many different directors. Some were good. Some were not as good. Some came in with revolutionary ideas. And some didn't stay too long. I voted against this confirmation, and I will tell you why. In 2000, the Vermont Human Rights Commission found reasonable grounds to believe that the Department of Social and Rehabilitative Services, under Mr. Pristow, had retaliated against Ms. Broni Plucas, because she filed a discrimination complaint. The investigation report raises critical issues with Mr. Pristow's leadership style that are contrary to how he presents himself. During this hearing, witnesses testified that Pristow hires less-experienced people who are loyal to him, is difficult to get along with, hard to talk to, often giving certain individuals the cold shoulder, does not like and would not hire assertive women. The Department of Health and Human Services was not aware of the human rights complaint when they decided to hire Mr. Pristow. Although he is bound by a confidentiality agreement as to the mediation, the complaint information and the existence of the case are a matter of public record. You can locate this on the Internet. The department outsourced the background check on Mr. Pristow to a company that cannot report information older than seven years if it's not crime-related. The Vermont Human Rights Commission case, which I mentioned earlier--and this case cost the state of Vermont over \$7,000--was settled eight years ago. In Norfolk, Virginia--the job that Mr. Pristow had following the Vermont job--Mr. Pristow was the head of the Human Rights Department for Norfolk under a city government that was financially mismanaged. The committee was told that his leaving was political, but news reports indicate that an audit investigation was ordered because of what was going on in the department. News articles described the department he headed as "troubled." And, for me, I have certainly had enough of the Department of Health and Human Services operating under troubled conditions. I could not in good conscience vote for this confirmation. And I ask you all to seriously consider this individual as you cast your vote whether to give him the right and authority to head the Department of Health and Human Services (sic). Thank you.

PRESIDENT SHEEHY: Thank you, Senator Howard. Senator Gloor.

### Floor Debate April 18, 2012

SENATOR GLOOR: Thank you, Mr. President, I'd like to point out first of all that the committee, as Senator Krist pointed out, did a very thorough vetting of this candidate, to the committee's credit, individual members as well as the committee collectively. That's the reason additional information came forward and one of the reasons that the vetting continued to be and continued to go on and also went forward with a degree of thoroughness. And as a result, the committee moved this confirmation forward with one and only one vote in opposition. Some of the claims that have been made here are not accurate. Remember that a commission found that there were grounds to move forward with some of the claims, but that did not occur. There was no proof of guilt but grounds to move forward with this. Issues around financial misconduct were not this gentleman's responsibility. It's difficult to be in managerial positions, because the spotlight always shines on you. And when things don't go smoothly, you're the one who stands out in that spotlight. It's one of the reasons that we continued to talk to people who worked with this individual, who managed this individual, and found to our satisfaction that he, in fact, is in fact a candidate that we should move forward with a yes vote on confirmation. And I would ask my colleagues to do so. Thank you.

PRESIDENT SHEEHY: Thank you, Senator Gloor. Seeing no additional requests to speak, Senator Campbell, you're recognized to close.

SENATOR CAMPBELL: Colleagues, I would concur with Senator Gloor that we followed up on all of the reports that we had. And we also had individual discussions. I think it is time to move forward in child welfare, and we would encourage your affirmation of this appointment. Thank you, Mr. President.

PRESIDENT SHEEHY: Thank you, Senator Campbell. You have heard the closing. The question before the body is on the adoption of the Health and Human Services Committee confirmation report. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk.

CLERK: (Record vote, Legislative Journal page 1547.) 34 ayes, 5 nays, Mr. President, on adoption of the confirmation report.

PRESIDENT SHEEHY: The Health and Human Services Committee confirmation report is adopted. Mr. Clerk, we will now move to items under General (sic) Reading. Members should return to their seats in preparation for Final Reading. Mr. Clerk, we will now proceed to LB807. [LB807]

CLERK: (Read LB807 on Final Reading.) [LB807]

PRESIDENT SHEEHY: All provisions of law relative to procedure having been complied with, the question is, shall LB807 pass with the emergency clause attached? All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB807]

Floor Debate April 18, 2012

CLERK: (Record vote read, Legislative Journal page 1548.) 48 ayes, 1 nay on the final passage of LB807, Mr. President. [LB807]

PRESIDENT SHEEHY: LB807 passes with the emergency clause attached. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB807. [LB807]

SPEAKER FLOOD PRESIDING

SPEAKER FLOOD: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR631. Mr. Clerk, we now proceed to motions to override the gubernatorial vetoes. The order in which these motions to override gubernatorial vetoes to be taken up are the following: We'll begin with LB806, LB357, LB1020, LB599; repeating again, LB806, LB357, LB1020, LB599. Mr. Clerk, we'll begin with the motion to override the gubernatorial veto on LB806. [LR631 LB806]

CLERK: Mr. President, Senator Lautenbaugh would move that LB806 become law notwithstanding the objections of the Governor. [LB806]

SPEAKER FLOOD: Senator Lautenbaugh, you're recognized to open on your motion. [LB806]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. This has been a long road, and we are here now. I struggled with what comments I would make at this point, because you've all heard it. I mean, you've talked to the people. You've heard from me; ad nauseam you've heard from me. So I'll just read you a letter. Dear Senator Lautenbaugh: Three generations of my family are involved in horse racing. Not only do we spend our hard-earned money on agricultural products, we also sell horse bedding at the track. The sales taxes on what we sell goes to state of Nebraska. Your support is much needed and appreciated if thoroughbred racing is going to be able to survive in Nebraska. Please stay strong for us and support us, not only for the thousands of jobs we generate but also the amount of money we spend on agricultural products and tax revenue the state of Nebraska derives from racing. Thank you for your support, from the entire three generations of the I'll say "blank" family. That letter is not unique. And I've stood here many a time on this bill and told you that this is about jobs. And it is. This is not expanded gambling, because our constitution allows it. We would have to change our constitution to expand gambling. And this isn't that. This is a technological upgrade for horse racing, plain and simple. It's pari-mutuel. It's constitutional. There were some disappointing arguments raised in the veto message that, frankly, I just don't think hold water from a legal basis. And I thought I had addressed those but apparently not. And I won't go through them all with you now. But you've seen the people running around the Capitol in green shirts every time we talk

<u>Floor Debate</u> April 18, 2012

about this bill. And, you know, these aren't hypothetical jobs. You've seen them; they're here. They're here again. And I just ask you to vote green on the override and not turn your backs on these people. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Lautenbaugh. Senator Dubas, followed by Senators Gloor and McCoy. Senator Dubas, you are recognized. [LB806]

SENATOR DUBAS: Thank you very much, Mr. Speaker. Good morning, colleagues. The letter that Senator Lautenbaugh just read really strikes a chord with me. I've made this comment on the floor before in regard to this bill. I have a great deal of empathy for those people who are involved in the horse racing industry, the thoroughbred industry, because they are very much like family-farm agriculture. These are people. This is not their job that they get up to and go to every day to get a paycheck. This is who they are. This defines their family. This is something that has been passed down from generation to generation. There is an extreme amount of just heartfelt pride in the work that they do and the love that they have for their animals and for the industry. And, as with any business, any job, anything that wants to stay current, that wants to stay viable and sustainable, you need to be able to change with the times; you need to be able to take in new ways of doing things. And that's where family-farm agriculture is today. We aren't farming like we did in the '30s and '40s and '50s, even the '60s and '70s. We had to find new ways of doing things to make ourselves sustainable, to help grow our income, not just the crops and the animals that we grow. We had to find new ways to do things. And we were able to do that because there were not constraints put on us. If we had the wherewithal and the willingness to step outside and look at a new and different way of doing things, we did it to make our farm a sustainable and a profitable operation. Unfortunately, there's been constraints that have been put on the horse racing industry, so they haven't been able to move forward with the times; they haven't been able to take advantage of some of the newer, more up-to-date opportunities that could and would help them be a sustainable, profitable industry in our state. And that's all these people are asking for. They're asking for that opportunity. I think, through what Senator Lautenbaugh did in the amended version of his bill, by putting those benchmarks in place...and we heard from people on the floor who said, you know, we're just giving them a blank check with this bill; how do we know that they're going to be able to be profitable and keep this industry growing? Well, with the amended version of this bill, there are those benchmarks in place that are saying within a certain amount of time you have to grow your purse and you have to do all these other things to prove that what we're trying to do in LB806 is working. And if it doesn't, well, we at least gave them an opportunity. We gave them a shot. It's very unfortunate, in my mind...I mean, I'm not a gambler; I've probably been to the horse races two or three times in my life. I just go to watch the horses; I don't understand all of the rest of the stuff that goes with it. But I think horse racing has always been viewed as a sport. And I believe that it is; it's a sport. And, I mean, those animals that run in the races are just incredible to watch, their athleticism. But, unfortunately, horse racing has gotten thrown into the same category

as gambling, as casino gambling. And I don't think the two could be farther apart. And, again, all of the...all the people that are involved with horse racing and this industry in our state, all they're asking for is just an opportunity to try to keep their industry... [LB806]

SPEAKER FLOOD: One minute. [LB806]

SENATOR DUBAS: ...sustainable, to try to make their industry profitable, so that they can be an important part of our state's economy. They have been in the past. Fonner Park...because of Fonner...in large part because of what Fonner Park had to offer, we have the State Fair out in our region. And it's been an incredible boost to the economy in our region. And again, we can be very grateful for the proud history and tradition that Fonner Park has played. I really...for those of you who may still be a little bit on the fence about what this bill should do and whether it would lend support towards expanded gambling, I hope you will take into consideration those benchmarks that have been put in place and, please, give this very, very important industry in our state that opportunity to prove themselves. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Dubas. Senator Gloor, you are recognized. [LB806]

SENATOR GLOOR: Thank you, Mr. President. You can give me a racing form, and I can do two things with it. One is I can look at it, or I can line a birdcage. And lining a birdcage would make it far more productive, because I am not an expert when it comes to the races. But I go to the races nonetheless, because I enjoy the races because of the sense of community. It's a place to see people, greet people, enjoy some time, maybe bet on a race or two. One of the things that I tell constituents who ask me as to why there's resistance to this bill is that I think there are too many of us in this body who have never experienced the enjoyment that comes from being in a community gathering like that. And that's one of the reasons that I circulated to you a copy of one of the news articles that ran in our local newspaper in Grand Island recently. Headline: "Special Event Brings Families to Fonner." It's a family gathering place. You don't see playground equipment, rarely see State Patrol officers doing safety things for children in keno halls or places where you buy pickle cards or lottery tickets; you just don't. And yet at the racetrack you find individuals gathering from all walk of life, bringing their children along, enjoying a warm and sunny afternoon together as families. And there are few opportunities, we know, for that in our society anymore. This is one of them. I won't make the economic arguments; others have. It's certainly, certainly key to my support. But I also get aggravated when the horse racing industry is painted with the same paintbrush as casinos and slot machines. They could be no further apart, in my mind. And that's the reason that I will vote to override this veto and encourage my colleagues to do the same. Thank you. [LB806]

Floor Debate April 18, 2012

SPEAKER FLOOD: Thank you, Senator Gloor. Senator McCoy, you are recognized. [LB806]

SENATOR McCOY: Thank you, Mr. President and members. I stand this morning in opposition to this motion to override the veto. I've stood up before, prior occasions in prior days, in opposition to LB806 and two years ago in opposition to LB1102, which was the same piece of legislation. You know, I'm reminded this morning of a quote by George Norris. We gather this morning in the Chamber that bears his name, as members of a Legislature that was conceived largely by him. And he was fond of saying: I think we ought to take the world as it is and not as we would like to have it. Well, the world as it is this morning is that prior Legislatures chose to move the State Fair to the wonderful city of Grand Island that brought about the demise of the Lincoln racetrack. I see this legislation as expanded gambling; I've said that before, and I'll reiterate it this morning. That was part of the Governor's veto message. And I would just humbly submit to you again this morning that not one state, ladies and gentlemen, not one state but for the state of Arkansas, where historic horse racing and instant racing terminals were first brought about, not one state that has gone down the road that we're proposing to go down with this legislation with overriding the Governor's veto here, not one state has it not been either struck down or is in court currently on grounds of constitutionality and legality, not one state. To sustain the veto today on LB806 is not to kill this industry. This bill is not about saving the industry; it's about expanded gambling, in my mind. And I would yield the remainder of my time to Senator Fulton. [LB806]

SPEAKER FLOOD: Which Senator? [LB806]

SENATOR McCOY: Senator Fulton, if I may. [LB806]

SPEAKER FLOOD: Yes. Senator Fulton, you're yielded 2 minutes 20 seconds. Thank you, Senator McCoy. [LB806]

SENATOR FULTON: Thank you, Mr. President; thank you, Senator McCoy. I don't plan on spending too much time on this, partly because you have from me on this, and we have debated this for some time. Simply to echo what Senator McCoy has said, I'm just...the Governor has seen what opponents to this bill have seen in previous weeks, indeed in previous years. And I hope that we can sustain the Governor's veto. This is a motion to override, and so if you are in favor of LB806, you'll vote green to override the Governor. If you are opposed to LB806, you'll vote red, which is appropriate. That's pretty much the way we have conducted ourselves on this bill going forward. I think there were 26 greens, and the rest were either present and not voting or red. And so I will be casting a red vote on this bill, and I ask you to do the same. And thank you for your attention. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Fulton. Senator Schilz, you are recognized.

Floor Debate April 18, 2012

# [LB806]

SENATOR SCHILZ: Thank you, Mr. President, members of the body. Today is the day when we decide whether or not LB806 becomes law and whether or not this state, this Legislature, is interested in helping the hardworking people, the horsemen of the state of Nebraska, the racing industry in the state of Nebraska. I know we've heard Senator McCoy talk about this; he sees this as expanded gambling. I take it and I come at it from the point of the person that would make that wager. I see nothing different in what I'm doing on this machine than what I would be doing walking up to a terminal and talking to a person. I'm betting on horse races. The only question is, is that race being run live or are you looking at a video screen? You're still just betting on a horse race. And if that's expanded gambling, then every other thing that's out there that we talk about, including lottery, including keno, including all this. Whenever you come up with a new game, that's expanded gambling. And I wonder where those people are in trying to put that down. I don't believe it's expanded gambling; I think it continues a tradition in the state of Nebraska that we should all be proud of. And I think it maintains jobs, and I think it's important for us to move forward on this. Senator Dubas said it best. Folks, members of the Legislature, change is not a bad thing; change is a necessary thing. In fact, all opportunity comes from change. We shouldn't be afraid of it. We shouldn't be afraid to help fellow Nebraskans maintain their livelihoods. You know, we talk about the urban/rural split that there seems to be around. Horse racing, to me, seems one great way to bring urban and rural interests together, to show that we're all Nebraskans. We do that every Saturday in the fall with football. And if you'd go to Fonner Park and you'd see what goes on with families and the people that are involved in this industry and how much fun these families have when they go out there and they enjoy this racing that goes on, it's an important fabric of these communities. It's an important fabric of our Nebraska community. And who cares if there's only one other place that's done it and been successful? There's only one Unicameral, guys. Do you figure that this is a success or not? Don't be afraid of being the only one. Don't be afraid of voting green on LB806. And don't be afraid of standing in solidarity, with those folks that want to maintain their jobs and their livelihoods, to do the right thing and put money in the pockets of these people and the state of Nebraska's revenue. It's not a bad thing. It's not expanded gambling. It's giving the people of the state of Nebraska the tools they need, getting government out of the way, and allowing folks to do what they know can help their industry. I would urge everyone to think long and hard before voting to sustain the Governor's veto on this. Because if this goes away, what's next? What will we put in its place so that we don't...so that we don't expand gambling further? What's next down the road? If there's no horse racing, can you put something else in place to maintain the level of gambling? Is that...I mean, as we sit and we talk about this, there's all sorts of things that make sense on why you'd want to keep this in place. It's an economic development bill; we pass these every day. If there's a question with the courts, let's let the courts figure it out. Thank you very much. [LB806]

Floor Debate April 18, 2012

SPEAKER FLOOD: Thank you, Senator Schilz. Senator Harms, you're recognized. [LB806]

SENATOR HARMS: Thank you, Mr. President, colleagues. I rise in support of the Governor's veto. I'm not going to walk you through all the things we've talked about in here in regard to this issue; you've heard it all before. Regardless of what Senator Schilz and other people are saying, it is expanded gambling. And quite frankly, I...if this bill passes, becomes law, it should be tried and reviewed in the courts, because I believe it will be found unconstitutional. We talk about all the good things that the...the warm, fuzzy things that happen with families. We are not talking at all here about the damage it does to the families. I have not heard anybody talk about the cost of destroying families, of people going bankrupt, causing divorce, all of the issues that go along with gambling. I'm not against horse racing; I'm against the expanding of the gambling, because that's what the people of this great state have said. They've said they do not want gambling expanded. And this is what this is about. And I don't believe that, to be honest with you, if this passes, that we're going to save any jobs. The only way this will survive in any form or manner is it has to be expanded electronically. And if that's not expanding gambling, don't kid yourself, colleagues; it is. We're going from the horse racing to the machines. And that's expanding, any way that you cut it. And so I would urge you, as you look at this, let your heart be your guide. I would ask you to simply support the Governor's veto, because it is the right thing to do. And I will tell you that if this passes and becomes law, I will give us five years, there will be a discussion in here again about trying to bail horse racing out. Nationally, colleagues, nationally it's not surviving. And it will not survive in Nebraska. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Harms. Senator Karpisek, you are recognized. [LB806]

SENATOR KARPISEK: Thank you, Mr. President and members of the body. I know everything has probably been said about this bill more times than any of us would like. But I would like to point out that on the board...this is Senator Lautenbaugh's bill, not mine. I've brought it before, something like it, but it is Senator Lautenbaugh's. Senator McCoy talked about George Norris leaving things as they were. But as I recall, he's the father of the Unicameral, so that was changing things then, for better or for worse; I think it was better. We've heard it all over and over and over, if it's expanded gambling or not. We're not going to get past that; either we feel it is or it isn't. I don't think it is. I think if this is expanded gambling, then so is developing a new game for the lottery. I'm sure most in here against this bill don't know that you can go to a terminal and place your bets on live horse races now. But let's not get caught up in the weeds in facts. We're going to talk about other things and make everyone who is involved in horse racing or goes there sound like bad people. They are not. We are not. We're Nebraskans; we pay our taxes; we go to Husker football games. We do all the same things that everyone else does. We don't have a scarlet letter on our chest. This is a

Floor Debate	
April 18, 2012	

jobs bill. And I know that many of you say it isn't. Fine, we'll agree to disagree. But please don't stand up and put everyone in the same category. That's not fair. Not everyone who has a drink of liquor is an alcoholic. Not everyone who gambles has a problem with gambling. There's not an easy way around this. This industry needs some help. This is not getting taxes from the taxpayers, as we do for many industries in here every day. But the next two years that I have, that hurdle is going to be much harder to do. Because if we can't give these people a tool, I don't think we need to be giving any out-of-state people money to come in. Who knows what kind of people they are; they might go to horse races. Enough is enough. If you're against gambling, I understand. But I don't feel that this bill is about that. And if we're so worried that it's going to go to court and be found unconstitutional, I could bring up a whole list of bills that we have passed saying that they were probably unconstitutional, and the state has spent an enormous amount of money trying to fight in court and losing. So let's get back to what this really is. Again, I know it's a tough one. All of these are tough. [LB806]

SPEAKER FLOOD: One minute. [LB806]

SENATOR KARPISEK: These are not easy. It's not easy to come in here and try to override the Governor, especially what the media has looked like this last week. This is the biggest fishbowl that I've ever felt in here. But I'm going to stand up and vote how I feel. And thank you, Senator Fulton, for reminding me how to vote. And I'll be voting green. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Karpisek. (Visitors introduced.) Senator Nelson, you are recognized. [LB806]

SENATOR NELSON: Thank you, Mr. Speaker, members of the body. I stand in opposition to the motion here to override the Governor. Once again it's all about saving an industry. And my good friend Senator Lautenbaugh has given good arguments about that, and I feel that he feels sincerely that this is what we need to do. How much more do we need to do? How many other ways are we going to subsidize an industry that is failing? They get tax breaks. We have increased the amount of gambling, expanded it over the years, and now here we are again. In my mind, this is expanded gambling. We had the bill on keno where you could go from five minutes and vote...well, it varied, but we arrived at a more times per minute...or per hour. That went down. We don't have that. What is the difference here? If it's at the point where you can gamble that much faster, then, in my mind, it's expanded gambling. And we're doing it at what cost? We're doing it at the cost of people losing more money, and, as has been said before and I won't repeat that, the bankruptcies, all the ills of society that come from this. I think it's time now that we draw the line, because if we do this, sooner or later, as has been said, they are going to come back again and say: We need more; we have to have more to survive. I'm not against horse racing per se. I've said this before. When Ak-Sar-Ben was in full bloom, it was a great industry. But things have changed, and horse racing is in

### Floor Debate April 18, 2012

decline. And it's in competition with slots and all the other types of gambling. And I can point to Iowa, and you can see what's happened over there. They go from one to another; they change; it all goes through the legislature. And pretty soon they reach a point where it's a terrific cost to the people of Iowa. And what they gain is lost in the additional expenses to society and the taxpayer. So I'm going to vote red on this, and I suggest that you do. I think it's time to draw the line. It's time for the racing industry to stand on its own feet, as far as I'm concerned, and find a different way, a better way, if they want to continue to exist, than to rely on further gambling in different ways. We've talked about the legal aspects of this. We know that in other states when it's been examined and if it is examined here in Nebraska, then it's going to take a look...a look will be taken at it to see if really it's the same thing as slot machines. And we know that other courts have found that it is, that it's very similar. I don't see any point in spending the money and going to court about this when we can take the necessary steps right here and not proceed with LB806 but let it go down. And I therefore will be voting red on this motion. And I urge that you do too. Thank you, Mr. Speaker. [LB806]

SPEAKER FLOOD: Thank you, Senator Nelson. Senator Avery, you are recognized. [LB806]

SENATOR AVERY: Thank you, Mr. President; good morning, colleagues. It will come as no surprise to you that I will vote against this motion to override, not because I dislike horse racing, because I don't dislike horse racing, and not because I don't believe that the industry needs help; it does. But this is not the kind of help they need. It will not save the industry. You remember several years ago the industry was having difficulty. And the state was asked to approve simulcasting. Simulcasting was to be the silver bullet that would provide the income that horse racing itself could not generate and would thereby save the industry. Well, we agreed on simulcasting. But simulcasting has not saved the industry, just as this expanded form of gambling will not save the industry. Horse racing has to come up with ways to save itself. It has to make itself more attractive to people who wish to gamble. It has to do something to expand its fan base. And I believe that the key to its future is to expand the fan base among young gamblers. The problem is that it takes about 30 minutes to get ready for a new race between horse races. So you get an opportunity to place a bet about every 30 minutes at the tracks. That's not satisfactory to a lot of gamblers. They wish to have that guick rush, the guick turnaround, the instant gratification. And this, of course, does not provide that. I'm afraid that we are looking for magic solutions here that aren't available in this legislation. My fundamental objection to LB806 has been always, as it was two years ago when we debated I believe it was LB1102...my fundamental objection then and now is that this is largely negative economic activity. It involves merely a sterile transfer of money between people, creating no new money, no new product, adding no value to an existing product. It simply creates no output. It does, however, absorb time and resources; and in that sense it is a negative activity. And when it is pursued beyond the limits of mere recreation, where the main purpose is to kill time and do it with

<u>Floor Debate</u> April 18, 2012

enjoyment, gambling actually subtracts from the national income. It promotes inequality and instability of incomes. So I would suggest to you that if we're going to save the industry, let's look for other ways to do it. The industry itself must be investigating ways to expand its fan base. This will not save the industry. I wish I could say that it would, but it doesn't. It expands gambling by creating new opportunities and new forms of gambling in the venue of horse racing. So with that, Mr. President, I intend to vote red on this motion. And I urge my colleagues to join me. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Avery. Senator Howard, you are recognized. [LB806]

SENATOR HOWARD: Thank you, Mr. Speaker. I come from a family that did not participate in gambling. There was one family member who loved the dog races. Other family members would whisper, "Marvella (phonetic) has gone to the dog races." I do not view this bill as in any way expanding gambling, or an issue to expand gambling, but rather a jobs issue for an industry in our state. I was here when the vote was taken to move the State Park (sic), and that is in no way a move to hurt this industry. During Lent I had dinner down at Our Lady of Lourdes Church, one of the parishes in my district, and the tables were piled high with pickle cards. And it really got me thinking about this issue. I appreciate what Senator Dubas said a few minutes age when she spoke on the mike. And I stand with her in support of jobs. These are Nebraska jobs supporting Nebraska workers. I'm going to vote green on this issue. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Howard. Senator Christensen, you are recognized. [LB806]

SENATOR CHRISTENSEN: Thank you, Mr. President. You know, I sit here and I think about what we have done on issues like that, even this year. When the keno bill came up, to move it from five minutes to three minutes, we stopped it because that was expanding, increasing gambling. Now we're looking at showing horse races, but only a clip of them. Some of them run as many as three races in 20 seconds. That's not watching a horse race. I've been to the horse races before, and there's a big difference. That's getting into just the gambling part only: it's just instant, boom, boom, boom. That's why you see the comparison to slot machines; it's instant. That's what they're doing here. I don't understand, if this body wants to pass this bill, why they didn't pass the keno. I support neither one. But if speeding up the time on keno is wrong, why is speeding up the time on horse racing all right? Why don't they run the whole race? Then it's simulcast. Simulcast rules doesn't say it has to be a live race. So why aren't they restricted to the whole race, if the intent isn't to be like a slot machine and be faster? That's the point. You've heard people talk about why isn't the industry helping themselves. I can name a track where some quarter horse people would like to run. The track would take them, but the thoroughbred industry says they'll pull their sponsorship that goes to the purses away from them if they run guarter horses too. This is an

<u>Floor Debate</u> April 18, 2012

industry fighting itself. They need to get themselves on the same page. Quarter horses are just as important as the thoroughbreds. Until the industry understands that, supports themselves, they shouldn't be in here asking for support. Vote red. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Christensen. Senator Wightman, you are recognized. [LB806]

SENATOR WIGHTMAN: Thank you, Mr. President. Good morning, colleagues. I rise in opposition to LB806. While I do empathize with the employees who may lose their jobs if horse racing continues to decline, which it probably will, I don't think that that justifies the type of expanded gambling that LB806 would bring. Now, I know that people are getting up and saying this is more a jobs bill than it is a expanding gambling, but I can't imagine how you would expand it much more. Obviously, you're expecting to bring more people to the track. I think you're going to bring people who otherwise might drive, on occasion, to South Dakota, might drive to the casinos over in Iowa, might drive to Colorado, Cripple Creek, and Central City, and I think there are three places that allow gambling there. But the closer you move it to the site or to the person's home, the more it's going to be used, I think, as a form of gambling. I've talked numerous times with...on this bill and predecessors of this bill about how, so often, when you attend bankruptcy court, you will find people who are asked if gambling contributed to the debts. And many, many times that answer is yes. So as far as a jobs bill, obviously we could bring a lot of jobs to Nebraska by having casino gambling. The people have voted against that. And I think the people would vote against this if it were taken to the public for a vote. So I don't see any way that this is not expanded gambling. I think it's very similar to the slot machines. I think that we could do a lot of things in the gambling line that would bring jobs, if that's what we seek, at whatever the cost may be. So I do urge you to vote red on LB806 and vote to sustain the Governor's veto. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Wightman. Senator Krist, you are recognized. [LB806]

SENATOR KRIST: Thank you, Mr. President; and good morning again, Nebraska and colleagues. I am going to vote green on LB806. Unfortunately, it means overriding a veto. I would hope that this would not be necessary, but it is. And I have said many times, and I'm going to say it again for the record, on the mike: this is the last time I will vote for an issue that will be a loss-leader concept for live horse racing. But those of you who stand up at this mike and say that this is the same bill that we have debated before, beauty is in the eye of the beholder, and truth often does not come out of people's mouths. This is not the same bill we have debated before. The critical part for me, the critical part for me is that its incentive is to increase the number of live horse racing days in this state, a beautiful event. Senator Gloor covered the issue very well; I won't go into any more detail. If we can help this industry one more time, in my mind, one more vote

<u>Floor Debate</u> April 18, 2012
1 ,

from me, in trying to get them to an equal base, potentially, and reducing their tax-exempt status as they come out of the hole on the other end, that would be my goal. This is about jobs; this is about the preservation of an industry. We voted for microchips and all kinds of tax incentives this session; let's give these folks an honest opportunity to do well. Vote green on LB806, and let's override this and get on with life. I would like to yield the rest of my time to Senator Lautenbaugh, if he would like to have it. [LB806]

SPEAKER FLOOD: Thank you, Senator Krist. Senator Schilz. Senator Lautenbaugh, I'm sorry, you have 3 minutes 15 seconds. [LB806]

SENATOR LAUTENBAUGH: Thank you, Mr. President. Thank you, Senator, for yielding me the time. I wasn't going to speak again on this beyond closing, but I again have to address some things. And I'm not going to get angry, but there's a point at which misunderstandings, when they're corrected, and then repeated again and again become falsehoods, not misunderstandings. This industry does not get tax breaks. They are the only ones that pay the pari-mutuel tax, and the first \$10 million is exempt. That's not a tax break vis-a-vis the rest of us. They're the only ones paying this tax. So we just heard talk about how they get these tax breaks and they get subsidies. Folks, this is not a subsidy. This is allowing them to present horse racing in another way, still pari-mutuel. I don't understand how anyone with a straight face can describe this as a subsidy or a break for the industry. This is us getting out of the way of the industry. And understand, we just heard another of the opponents say: Well, I don't like this; the industry needs to come up with ways to support itself. I hope that makes as little sense to all of you as it does to me, because this is the way. I didn't dream this up in my sleep one night. This came to me from the industry as a way to save it. And you don't hear anyone who opposes this bill...they stand up and mouth the words about how they like horse racing, they have nothing against horse racing, we just don't support this; they need to come up with another way, or we should do something different. Well, what is that thing? What is that different thing, at long last, that they're supposed to pursue? This is a jobs bill, again. And we're not talking about bringing people into the state; we're certainly not talking about casinos. We're talking about saving jobs that are here. And I'm not against speculating about that. Look up. We're talking about jobs that are here now. And to say that, well, I don't think enough of the race is shown, we don't know how much of the race will be shown. But I think we all need to be mindful of the fact that you don't even need to go the races on the day of the race to place... [LB806]

SPEAKER FLOOD: One minute. [LB806]

SENATOR LAUTENBAUGH: ...a bet on a race. There's no requirement that you sit and watch the race. On simulcasting, you can bet as many as you want and you don't have to sit there with your eyes affixed to every TV screen. That's not how it works. And we were somehow fine with that. But here somehow it was a problem because it happens too fast. That's not correct; that's another red herring. And I'll leave you with this. We

<u>Floor Debate</u> April 18, 2012
April 18, 2012

heard the name of George Norris invoked, which I never do, talking about our traditions and our history. I wonder how many of you know that on the same ballot as the Unicameral, pari-mutuel racing was authorized. Apparently he was fine with that. Please consider that. Please vote to override this veto. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Lautenbaugh. Senator Schilz, you are recognized. [LB806]

SENATOR SCHILZ: Thank you, Mr. President. Members of the body, I'd like to just go along in the same vein as Senator Lautenbaugh here. You know, as I sit here and as I listen to this, I come to the understanding that a lot of people that are talking about this stuff don't necessarily understand how it really works, as Senator Lautenbaugh says. You know, you can walk right up to a terminal now and make a bet; you can make 10 bets; you can make 20 bets. And you can go home and come back tomorrow and see if you won or not. Or you can stay there and make 20 bets in the next 5 minutes. It's available now, guys. And guess what, you're betting on horse racing. If you go to a terminal, you put a wager down, you're betting on horse racing. You're not betting on whether a certain number is going to come up or anything like that; you're betting on a horse race. That's what it is, and that's what it does. We talk about industries and things that drain money instead of producing a product. Well, let's go down the list. Movies? Anybody go to a movie? Is there anything produced there for the person that spends the money? How about sports? When we go to sports, okay, when everybody comes to Lincoln and goes to football games, what product is being produced there? Okay? Is that any different than horse racing? What about plays? What about the Legislature? Let's talk about that a little bit. I could tell you, I'm sure there's days when if we'd put that up to a vote of the people again, they might rethink it. You know, and the other thing, and I don't know if this is true, but if Senator Christensen thinks this is the case and it is true, that you can bet on simulcast races that aren't being run live, then, folks, we've already got it. It's here. How can that be expanded gambling? We're talking about races that have been run in the past. We're talking about people that are betting on those races, in the same venues that they've always bet on it. It's not going to different places. It's not in a different building. It can only be done at a licensed racetrack. And I think, as Senator Lautenbaugh said, this is about people and an industry looking to help themselves. The only thing that we have to vote to do and when we vote green on this is to get out of their way. Thank you very much. [LB806]

SPEAKER FLOOD: Thank you, Senator Schilz. Senator Ken Haar, you are recognized. [LB806]

SENATOR HAAR: Mr. President, members of the body, an ancient Caesar said these words. He said: the people need bread and the people need circus. Well, for many people in Nebraska and other places horse racing is circus. But for other people as well, it's jobs. And I see this as a place where there are many, many Nebraska jobs at stake

Floor Debate April 18, 2012

and I, for one, will vote green on LB806. Thank you very much. [LB806]

SPEAKER FLOOD: Thank you, Senator Haar. There are no more lights on. Senator Lautenbaugh, you're recognized to close on your motion. [LB806]

SENATOR LAUTENBAUGH: Thank you, Mr. President, members of the body. Again, I didn't want to belabor this because we have talked about it guite a bit. But I can't just let it go. Let me read something to you: Honorable senators of the state of Nebraska, we the undersigned support the Governor override of LB806 to authorize historic horse racing machines. LB806 allows licensed tracks to continue their practice of pari-mutuel wagering on horse racing. This is not expanded gambling. The legislation simply supports the economics and jobs of this very important statewide industry. Please let us help ourselves. Underline that last sentence because that's refreshing. Please let us help ourselves. That's from a petition that's been circulated just since the veto and it's about an inch thick here. And it goes on and on and on, page after page of Nebraskans who signed this. A lot of them have handwriting worse than mine so I'm not going to read it. But this one is printed out, and this one includes the cities where they're from: Omaha, Clarkson, Ashland, York, Lincoln, Brady, Springfield, Cozad, Grand Island, Lincoln, Lincoln, Winside, Lincoln, Doniphan, St. Libory, Superior, Crete, Columbus, Columbus, Lincoln, Lincoln, Lincoln, Crete, Ashland, Grand Island, Grand Island, York, York, Lincoln, Cozad, Sutton, Papillion, Papillion, Winside, York, Grand Island, Columbus, Ashland, Kearney, Blair. The list goes on and on and on. And I won't read the whole thing to you and I won't try to read all the signatures to you. But this is in every part of the state. And if you look at my district, it's a bunch of neighborhoods like mine. There's no hay being grown. There are no open spaces anymore for horses, that much is certain. But I have people connected to this industry there because this isn't like other things. Thousands of people in Nebraska are connected to this industry whether you're rural, urban, eastern, western, northern, southern Nebraska, all over the state, literally thousands of people are depending on you to do the right thing here, thousands. And I can't turn my back on them and I hope you won't. Please vote green for this override. [LB806]

SPEAKER FLOOD: Thank you, Senator Lathrop (sic). How would you like to proceed? [LB806]

SENATOR LAUTENBAUGH: A board vote initially. [LB806]

SPEAKER FLOOD: Okay. Members, the question before the body is, shall LB806 become law notwithstanding the objections of the Governor? All those in favor vote aye; all those opposed vote nay. Mr. Clerk...or Senator Lautenbaugh, for what purpose do you rise? [LB806]

SENATOR LAUTENBAUGH: Request a roll call vote in reverse order. [LB806]

# Floor Debate April 18, 2012

SPEAKER FLOOD: A roll call vote in reverse order has been requested. Mr. Clerk, please read the roll. [LB806]

CLERK: (Roll call vote taken, Legislative Journal page 1549.) 28 ayes, 20 nays, 1 present and not voting, Mr. President. [LB806]

SPEAKER FLOOD: The motion is not adopted. Mr. Clerk. [LB806]

CLERK: Mr. President, I have a priority motion. Senator Lautenbaugh would move to reconsider the vote taken with respect to the veto override of LB806. [LB806]

SPEAKER FLOOD: Senator Lautenbaugh, you're recognized to open on your motion. [LB806]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. As I indicated before, I can't let this go and I never will. These people are depending on us to do the right thing. And, again, this is jobs. It's jobs, it's jobs, it's jobs. And we heard we don't think this will save the industry. But I'm quoting from a...I won't quote from it, I'll reference it, a New York Times article that talks about how attendance at Oak Lawn is increasing for the first time in years where they have this same thing. It isn't speculation on my part when I say this will save the industry. We have to give it a try, folks. We can't stand here time after time after time and tell people, look, you need to come up with a different way to help yourselves. We're not going to give you money. We're not going to give you any breaks, that much is certain. But we're also not going to give you this thing. We're going to have you come up and tell us something else that you want, and then we'll find a way to say no to that. We can't proceed in this way. We have a duty to these people who have come to us repeatedly during this session to watch how we vote and, I'll put it plainly, beg for our help on this because they need it. And we can't in one breath say they need to figure out how to help themselves, but then when they come up with something say, well, no, they need to come up with something to help themselves. Folks, that doesn't make any sense. And we cannot continually, continually turn our backs on these people. I could go on and read you all the names. There's thousands of them just since the veto, thousands of people, thousands of Nebraskans have signed saying: please help us. More correctly, let us help ourselves. Let us save ourselves. This is not expanded gambling. It just isn't. I don't know how to put it any plainer than that. It's authorized under our current constitution. We're providing the statutory authorization to make it clear that's our intent. We've had the arguments that, well, this might bring people that would otherwise go out of state and stay at the tracks. Well, I hope so because I think that's what we're supposed to be about, on a certain level, is keeping people here and keeping them supporting an industry that means so much to thousands of people in our state as opposed to going somewhere else. We've heard suggestions that somehow we need to find a way to make this appeal to you but not

<u>Floor Debate</u> April 18, 2012

presenting it in an electronic format, which is exactly what this does. We need to find a different way because, heavens knows, America's youth don't find electronic gadgets appealing. So think of something else, we're being told. Folks, what else is there? This is true to the spirit of horse racing and this is so important that I cannot let it go. And make no mistake, if we don't pass this, we are letting them go. Make no mistake. Please vote to reconsider the prior vote. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Lautenbaugh. Senator Wallman, you are recognized. [LB806]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. I appreciate Senator Lautenbaugh's concern about this as well as I am also. And thanks for showing up in your house, and hopefully we can do something for you. And as an ag, living on a farm, a farmer, had horses when I was a kid, when the kids were little. And also have horse breeders in my district, and they're good, good people, folks. Fourth of July they come forth with money for fireworks and all this stuff. And you couldn't ask for better people to be in your district. They're class people. They raise horses. They feed horses. They go to horse races. They meet you in the coffee shops in the morning. And if you're against gambling, I can understand. That's your choice. You don't have to go to the racetrack. You don't have to buy lottery tickets. You don't have to buy keno cards, all this stuff. You don't have to do it, folks. It's not a gun to your head. So why are we against the horse races per se? Literally we took away Ak-Sar-Ben. We took away the racetrack here in Lincoln. And fellow state senators in Lincoln I would perceive that we would give a little break to the horse races, especially in this city here. They should have had a racetrack when we changed land over from the State Fair Park to the state of Nebraska, the university. So think about that, folks. Think about it. Reconsider your vote and maybe you'll have a little sympathy for people who actually pay taxes, buy feed in the state of Nebraska. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Wallman. Senator Sullivan, you are recognized. [LB806]

SENATOR SULLIVAN: Thank you, Mr. President. I've heard from constituents in my districts, some who are opposed to this legislation because they believe it's expanded gambling. I respect their opinion. I've also heard from people in my district who make their living through the horse racing industry, people who are jockeys, people who raise horses. And you've heard me say more than once how I care so much about the future of rural Nebraska and the fact that we need jobs in rural Nebraska and we want people to stay in rural Nebraska. I've also heard us on this floor say and pass legislation this session that have provided opportunities and tax credits for huge data centers that we're not even sure are going to come to this state. So it does beg the question, why wouldn't we want to help people who are already here, who are making a living here, who are providing jobs here? So I think it's only right that we can reconsider this motion, and I

Floor Debate April 18, 2012

stand in full support of the motion to override. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Sullivan. Senator Louden, you are recognized. [LB806]

SENATOR LOUDEN: Thank you, Mr. President and members of the body. I wasn't going to speak on this bill, but since we're into the reconsideration I thought I would state my viewpoint on it. As we look at the bill, why, we're all talking about gambling and horse racing. Well, you have gambling, about everything going on. People are betting on high school football games and that part. So to me gambling isn't the major issue here. What I think is important on this bill is when you read through it in the licensing. First, there's going to be \$1,000 for every machine that they have has to be paid out, and then a 1 percent of the amount of money wagered. And all of this goes into the horse racing cash fund. Now one of it, the horse racing...Historic Horseracing Distribution Fund is created. And when you look at that on what they do with that funding, and this is all new language in the bill: One-half of all such receipts shall be credited to the Racing Commission's Cash Fund and that is to be used by the State Racing Commission for purposes which facilitate equine therapy for youth and veterans and programs which promote equine and equestrian activities in Nebraska. With that, would Senator Lautenbaugh yield for questions? [LB806]

SPEAKER FLOOD: Senator Lautenbaugh, will you yield to a question from Senator Louden? [LB806]

SENATOR LAUTENBAUGH: Yes, I will. [LB806]

SENATOR LOUDEN: Now when you drafted this legislation, Senator, in that part there that I just read when we're promoting equine and equestrian activities in Nebraska, now what about these small rodeos and stuff? Are they eligible to get this to help with, say, setting up a barrel racing forum or any kind of a small rodeo? Are those funds available to those people to help promote these small rodeos across Nebraska? [LB806]

SENATOR LAUTENBAUGH: I would have to say yes. It was written broadly so we could benefit equestrian activities across the state. [LB806]

SENATOR LOUDEN: In other words, if we were going to do tourism and stuff, if a town or a small town out here wanted to set up a rodeo and needed some funding, they would be eligible to apply for some of this funding to help promote their rodeo for tourism or whatever we have going on. This is all something that is a revenue source that could be used for other issues besides getting into the fact that we're just doing gambling. Is that...would that be correct to say that? [LB806]

SENATOR LAUTENBAUGH: Absolutely, yes. [LB806]

# Floor Debate April 18, 2012

SENATOR LOUDEN: Okay. Thank you, Senator Lautenbaugh. With that, I think that's what we have to look at is what this funding is all about. This is a funding. It isn't any different than any other kind of a tax. You have your sales tax on your nachos when you drive through the fast food outlet but yet if you go down to the grocery store and buy your groceries, they're not sales taxed. So that's a gamble there whether you want to eat going through the fast food or whether you want to go down and prepare your food. So the gambling part I'm not that concerned about. But I do think that this is something that we do have a revenue stream can be helped with the racing and with the livestock industry in Nebraska and our ag deal. Eighty thousand registered guarter horses in Nebraska. Now we're going to set up some kind of a revenue stream that we can help ways to promote the use of these horses, probably bring in tourism or whatever else comes along with it and have some pari-mutuel betting in other areas across Nebraska. I would like to see some type of racetracks in western Nebraska. We're sitting there about two and half hours from 4 million people on that front range over there. There's no reason why we shouldn't have some kind of system set up so we can bring some of those people to Nebraska for tourism ideas and ways to spend their money. My understanding was a few years ago in the sixties when they had a racetrack in Mitchell, I've been told that they had actually... [LB806]

# SPEAKER FLOOD: One minute. [LB806]

SENATOR LOUDEN: ...7,000 people there at some of the meets. And 7,000 people in a little town like Mitchell, that's a big deal, or for that matter in Scotts Bluff County, especially if they come from out of state and bring their money with them. So with that, I'm still going to support this and I don't think it's exactly a gambling legislation but I think it is something that we have another revenue stream to promote Nebraska. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Louden. Senator Schilz, you're recognized. [LB806]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. As I was sitting here thinking about, you know, how this works and everybody is all worried about if machines get into, you know, the racetracks and all of a sudden it will just be about the machines, I think I'd like to remind everybody that the state of Nebraska has a Racing Commission in which people serve on that commission, were appointed. And so where it comes down is that as long as you maintain the focus of that Racing Commission, and the focus of that Racing Commission is on live racing, this will not be an issue. This is how it worked in Arkansas where everybody talks about the other place that's been able to make this work. Well, it has worked there. The live racing is better than it's ever been. The machines just helped spur that a little bit. If the machines are used properly as a tool, the live racing can come back, the live racing can get better and

Floor Debate
April 18, 2012

better, and these people will maintain their jobs. It's frustrating for me to sit here and to listen to all this and to listen to everyone talk about it and not be able to see that this isn't about expanded gambling. I just hope that everybody that votes on this today understands what they're actually voting on. Do they realize how horse racing works today? If you don't, after we've been all through this and the motion to reconsider, if you don't understand how it works and you're going to vote red on this, then shame on you. Because it should be required that everybody understand what they're voting on, especially on issues like this, important issues where people's jobs are on the line. It makes sense to me to let these people, let the horsemen, let the state of Nebraska, the racing industry of the state of Nebraska, give them the tools they need. And I'm starting to sound like a broken record, but it really is just that simple. And if it is expanded gambling, guys, don't worry, we have the courts there to take care of that. But let me ask you a question. If horse racing, if the industry, as some of us have proclaimed here, actually would die, what's next? Will people finally say, you know, jeez, we don't even have horse racing anymore. Does then casino gambling become more attractive to those folks? Do we change the thought of people in Nebraska and say, hey, you know what, all of a sudden, now we don't have that; maybe it's not so bad to let casino gambling come in. I think it's something you need to think about, folks, because I can tell you this. I think that's a definite possibility. I think that that could seriously happen. I don't want to lose horse racing. I don't want to lose those jobs. I don't want to lose those people in the state of Nebraska, thousands of jobs that we can keep and they can help themselves with one single vote. This is important, folks. This is the ag economy we talk about, the number one industry in the state of Nebraska. Are you going to stand on the side of ag or are you going to stand on the side of folks that want this industry to die? Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Schilz. Senator Janssen, you're recognized. [LB806]

SENATOR JANSSEN: Thank you, Mr. President and members. And I, like many others, didn't plan on speaking to this bill today or anytime, and I haven't up to date and this is more of an explanation of vote than anything. Since I've voted green for the jobs bill before us after previously not voting, my phone has been blown up, even though I'm not allowed to text from the floor, according to Speaker Flood, so I could not return any of those or phone calls, but it's blown up. And so I'm explaining things. Very tough vote for me, in fact, I don't use this lightly, toughest vote I've ever had to make, for personal reasons. But this weekend, long week actually, I went home. I'm afforded that opportunity, my proximity to Lincoln, every night actually, so I get to talk to my constituents. I get to get away from the special-interest groups. I get to get away from people pressuring me, e-mailing me on specific issues or canned e-mails to me saying I'm for or against this. And I get to talk to the people that voted me into office, all of them, many of them who don't even know this issue is going on or the other issues that are before us today. Totally torn on this issue for personal beliefs and seeing some of

### Floor Debate April 18, 2012

the negative effects of gambling and also seeing some of the positives, and seeing folks come down here, taking time off of work, for their jobs, for their industry. So in the end I decided to go with jobs. When I was back in my district, I asked about expanded gambling and I talked to some friends of mine, not evil people, and asked them about it and they didn't think it was a big deal. And in fact, we all right now, if they've lifted the block due to March madness, can open up our computers, our i-phones, and place a wager on-line. That doesn't help Nebraska. You can place it on anything, talk about games of chance, I've seen it done. And it's actual horse racing too. Is it legal? Probably not. Does it happen? Absolutely. So to save jobs in Nebraska, and I guess at the end that's what I went with. I looked at my district, I looked at the...former-Senator Janssen ran a bill on casinos, which were expanded gambling. My district was one of few that voted in favor of that, and that was outright expanded gambling. So the end of the day, I put my personal beliefs aside, looked at it as a jobs bill, and went with my constituents that put me here, the majority of them. It's a tough decision. I'm sure I'll take some heat for it. I'll make many more tough decisions. But I wanted to explain the reason I voted in favor of this. I support the motion to reconsider because I've taken the time to reconsider and I would appreciate if you would as well. Truly is a jobs bill. I've seen these machines. You can say what you want, they're not slot machines. They just aren't. And I don't think I've cast a vote in favor of gambling since I've been down here. They are not slot machines. I've seen them at Churchill Downs. My mother is from Kentucky. I go back to Churchill Downs once in a while. I'm a horse racing fan. I went to Ak-Sar-Ben as a child. It didn't corrupt me. I don't go home, gamble all night. Some people do. Some people have problems. But I don't think it's a problem to save jobs across the state of Nebraska. And I almost shriek when I hear: it's a dying industry so let's don't help it. I know we don't like to use the word hypocritical, but it truly is to say that. [LB806]

SPEAKER FLOOD: One minute. [LB806]

SENATOR JANSSEN: If you're going to sit here and say, don't help it because it's going to die anyways, that's what you're being because we do that all the time down here. And I've listened to the arguments on both sides of this and I have kept an open mind on this. And that is what bothered me the most. Any industry, ag, we help it out. If it were my industry, staffing, we would help it out. Any industry in Nebraska we would want to help out. I'm saying today, let's help out the people that rely on horse racing to keep their jobs. And if expanding the economy is expanded gambling, well, then so be it. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Janssen. Senator Karpisek, you're recognized. [LB806]

SENATOR KARPISEK: Thank you, Mr. President. Members of the body, I also did not plan to speak again, but here we are. Kind of surprised me, the vote the first time,

### Floor Debate April 18, 2012

because I heard a lot of things about vote trading last week. I heard Gambling with the Good Life on TV making a big deal, calling us out, that we're vote trading, throwing us under the bus once again. I didn't see many on there. I saw the Governor talking about vote trading, one more slip under the bus. I will tell you I'm tired of it. If we can't tell the truth, then let's be quiet. There have been more lies about this bill than anyone could even write in a book. But that doesn't matter. We're going to listen to someone who has absolutely no idea about what we're even talking about, what gambling is or isn't or what a horse race is. But, boy, we're going to line up and we're going to go. Again, if you're against gambling, I understand. But I'm tired of the lies and I'm tired of being thrown under the bus. We sit here, we take it. Senator Janssen talked about this being his toughest vote. There's a lot of them that are tough and we all understand. Preaching to the choir here. But I want people outside of here to hear it, that I am tired of it. If they haven't heard it enough times, one more time, I'm tired of your lies, making things something that it is not. And I do promise you if this does not go through, no one better even think about bringing any sort of tax incentive bill next year or you better get 33 votes rounded up. We're so worried about giving money away, and what we're going to do in the budget next year I don't even know. But this doesn't give any money. We hear about the biggest tax breaks, that this industry gets the most tax breaks in the state. Please! LB775 money that we don't even know where it goes? Come on! Senator Lautenbaugh talked about the first \$10 million of handle being tax exempt. That's the handle, folks. That is not the profit, the income. A lot of money goes in, a lot of money goes out. We talk about a lot of things in there. We talk about helping people out. I think LB357 is up next about a sales tax increase. Now, I just want everyone to think that if we can't help out these people, then why on earth should we be able to help out cities that say that they need more money? That's taking money out of every Nebraskan's pocket. Now I realize that's not going to hit home with most people in here because... [LB806 LB357]

SPEAKER FLOOD: One minute. [LB806]

SENATOR KARPISEK: ...either they've already decided, don't care, hate gambling. But I am done. Whether you believe it or not, I've tried to play nice here, not always but I've tried. I have two years left and I'm not going to sit around and let people get kicked around and use all these crazy ideas over and over and over again and then turn around on the very next bill and vote differently. Thank you, Mr. President. [LB806]

SPEAKER FLOOD: Thank you, Senator Karpisek. Senator Lathrop, you're recognized. [LB806]

SENATOR LATHROP: Thank you, Mr. President and colleagues. I stand in support of the motion to reconsider. And I've listened to the debate. I haven't participated. And one of the things that I've heard from the time this bill was introduced is the debate over whether we will allow expanded gambling or not allow expanded gambling. And I got to

### Floor Debate April 18, 2012

tell you, I'm a little puzzled by that. Senator McCoy mentioned that we need to take the reality that we find ourselves in as we consider this, and I agree. Let me tell you what the reality is in Omaha, Nebraska, where I'm from. In Omaha, we had Ak-Sar-Ben at one time and I have to tell you, my younger brother was there as a groom, used to go there. It was a huge deal in Omaha and it provided jobs across the state. We had more trainers, more people involved in the industry. And it began to atrophy. And it didn't die because people lost interest in the horses. It died because horses couldn't compete with the shiny casinos, and there are three of them within about two miles of the Missouri River. You go across the river, three casinos over there and they're rebuilding Council Bluffs with the revenue. And when I hear people talk about expanded gambling, no one has ever talked about are we at expanded gambling? What's that mean? Are more people going to gamble? Are they going to gamble more money? The best that we can do today is maybe intercept some of those people that are going over to lowa. I have to tell you, I was at an event a couple of weeks ago at the Mid-America Center, and afterwards I met some friends over at the Horseshoe Casino. And I go over there about twice a year with friends. And I looked in the parking lot and it is full of Nebraska people. Three casinos taking money, and if you want to look at this as a tax, they're taxing Nebraska people that are going over there because that's the only place they can go to engage in this activity. We're not expanding gambling with this bill. At the worst, we're intercepting some people on their way across the river. And now we tell these folks up in the balcony we're not going to do it because somebody, somebody who framed the issue as expanded gambling, is running around trying to convince the people that we're doing something that isn't going on already. And we're going to tie one arm behind our back and not allow an industry to try to help itself by allowing a different form of horse race betting that would help these folks stay in business. We are...I'm going...there's nothing scientific, no one has offered anything to the contrary, but I'm going to suggest to you that we're not going to have more people from Nebraska betting and we're not going to have more people from Nebraska spending more money. We're just going to intercept a few of them on their way to Council Bluffs. And in the meantime, instead of rebuilding Council Bluffs with Nebraska residents, we'll help an industry that will otherwise fade away as they are unable to compete with the three shiny casinos that are built on the Nebraska border and taking money from Nebraska taxpayers. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Lathrop. Senator Council, you're recognized. [LB806]

SENATOR COUNCIL: Thank you very much, Mr. President. I have sat intently listening to the debate. My position on this measure is clear as my vote has been consistent since first reading. But I just would urge my colleagues to take a look at the bill and in fashioning your arguments. I clearly view this as a business incentive bill, and the business that we are trying to enable to grow, expand, and survive is horse racing. When you look at the bill and actually read the bill and what the intent is, the intent is to

### Floor Debate April 18, 2012

increase the number of live horse racing days. It's pretty obvious. The industry will not be allowed to continue the use of these historic racing machines unless you see an increase in live horse racing days. So for those who are of the opinion that the bill or the industry is on the downturn and passage of this measure won't assist it at all, well, the bill addresses that, in the event that occurs. But the bill is designed, as I read it, to increase live horse racing, which would enable these individuals who...and I want to applaud for being here. I've come to know some of the supporters of LB806. And the people that I've talked to out in the Rotunda are family members, families who have invested their lives in horse racing, in live horse racing, and want to see that tradition continue and want to continue to be able to provide for themselves and their families in the state of Nebraska in this industry. So it is for those reasons that I urge my colleagues who voted red on the bill that they would reconsider, take this opportunity to reconsider, look at the incentives that we provide to others to come to this state, to stay in this state. And what this bill is providing to enable a longstanding industry of this state to remain pales in comparison to that which we readily provide to others who don't have the tradition or the roots in Nebraska that horse racing does. I had the occasion to have some conversations with colleagues about this. As Senator Lathrop was referring to Ak-Sar-Ben, my dad loved horse racing. And everyday he would send me to the corner pharmacy to buy a racing form so that he could go out to Ak-Sar-Ben and place his wager. And I knew a lot of people from my community who worked at Ak-Sar-Ben when I was a kid. So I know that it provides employment opportunity. But we need to look at we're providing...we're dealing with and affecting the ability of many Nebraskans to provide for themselves and their families or their alternative is to discontinue participation in an industry that many of them from my conversations generationally have been involved in. And when I listen to my rural colleagues often on some of the agricultural issues talk about the generational aspects of agriculture, well, the same, in my opinion, holds true for horse racing here in Nebraska. And, again, I'd just urge you to look at the bill and see how the youth of the historic racing is designed to increase live horse racing and enable this industry to continue to maintain itself and hopefully grow. Perhaps Nebraska will be the exception when it comes to horse racing and that horse racing will continue to grow at a level that it will again reach the place as the sport of kings. And I would hope that my colleagues would join with me in voting to reconsider and then to override the veto. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Council. Senator Schilz, you're recognized. [LB806]

SENATOR SCHILZ: Thank you, Mr. President, members of the body. I can't disagree with Senator Council, can't disagree with Senator Lautenbaugh and Senator Gloor and Senator Sullivan, everybody else that stood up in support of this. It does come down to the point where you need to step up and let everybody know what you think. But I tell you, I think Senator Lathrop is exactly right too. The reason we're seeing this is because, you know, people are going to where it makes...to where they can go and

Floor Debate April 18, 2012

entertain themselves. That's what we're talking about--entertainment. There shouldn't be any issue with that here in Nebraska. We should want to keep these people within our state and allow them to spend money within the state, build our own economy rather than give it away to people across the border, whatever border you want to talk about. As Senator Wightman said, there's plenty of opportunities out there to go and do much more expanded gambling than what we have here in the state of Nebraska in horse racing. It does become frustrating when you can see what this is about and see how this doesn't change anything that you're doing day to day and yet have it be called again and again and again expanded gambling. It's just not. For these folks, it's a way of life. For these folks, it's what they love doing. That's why they do it. My family is into farming and feeding cattle. We do that because we like it. We do that because it puts food on the table and puts money in our pocket and allows us to be a part of the community, the Nebraska community that we like so much. I see these folks in the same light as that. This is their livelihood. This is the job that they want to do everyday because they like it. They feel a calling. They enjoy the animals. They enjoy the industry itself. And there's so many different aspects of that industry that people just don't think about when you talk about horse racing. And we've gone all through it before. You've heard it. It brings in farming. It brings in marketing. It brings in all these things that we should be looking at and happy that we have those kind of jobs here in the state of Nebraska. Today, when young people get jobs, chances are they're going to be looking at a terminal probably eight hours a day. These folks have jobs that keep them outside. These folks have jobs that bring them in contact with other people to entertain those people. And if you don't think that entertainment is important in this world, then go back to that list that I gave you before and tell me how many of you have gone to the movie and spent 50 bucks to take your family there or gone to a football game and spent 150 bucks to bring your family there. You can spend a lot of money in other places too. It's not just horse racing and gambling that gives people opportunities to spend money. Some might say, you know, that if you go and spend money there, then you're spending money frivolously and not being smart about it. Well, when in the world did we all become somebody's nanny to tell them where and when they should go and what they should put their money on? [LB806]

SPEAKER FLOOD: One minute. [LB806]

SENATOR SCHILZ: I believe in personal responsibility. I believe in personal freedoms. And I think where things are legal people should be allowed to do what they want. Please, please allow these people to maintain their industry and do things for themselves to help themselves out. Please vote green on this motion to reconsider. Thank you. [LB806]

SPEAKER FLOOD: Thank you, Senator Schilz. There are no lights on, Senator Lautenbaugh, you're recognized to close on your motion to reconsider the vote last taken. [LB806]

Floor Debate April 18, 2012

SENATOR LAUTENBAUGH: Thank you, Mr. President. And initially I would request a call of the house. [LB806]

SPEAKER FLOOD: Members, there has been a request to place the house under call. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB806]

CLERK: 33 ayes, 0 nays, Mr. President, to place the house under call. [LB806]

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 Lautenbaugh, as we wait, you have 4 minutes 20 seconds. [LB806]

SENATOR LAUTENBAUGH: Thank you, Mr. President. And again, I've been struggling all day with exactly what to say. Your constituents are depending upon you. I can't put it more clear than that. This is about jobs, not hypothetical jobs, not jobs that we might bring with an incentive of some kind, but ones that are here right now. And I alluded to this before. We have the experience of what's happened in Arkansas after they went down this road: live racing days up, handles up, purses up, all the things that we want. Because despite what the opposition would tell you, this has never been about, you know, doing away with horse racing and going on to some other form of wagering. This is all about horse racing. And this bill went through some changes and I thought we were very responsive to the opposition when we added provisions that made it clear that if there isn't a new track constructed in Lincoln and there aren't more live racing days and if purses don't increase, then the authority for this goes away. These are not-for-profit entities that are dedicated to promoting horse racing, live horse racing. And we cannot constantly say, and I'm plowing some of the same ground as many of my friends did previously, we cannot constantly say, yeah, you should do something different; or this is dying, we just don't care, nothing we can do. I can't for the life of me understand how anyone who lives west of Lincoln could hear the argument, well, people are going away from this and there's nothing we can do to turn it around, and not kind of think, gee, this is bad if we go down this road of saying there's a trend in place and there's just nothing we can do to help, nothing we can do to reverse it. That has implications on a wide array of issues throughout this state. You've seen the data in the prior debate. You've seen what these machines have done in other...the other jurisdiction where they exist currently, both of these jurisdictions where they exist currently. Sure, it's early, but the record is clear I think already. This will save this industry. This will save thousands of jobs in Nebraska. This will save the livelihoods of people throughout the state, throughout your districts. And I know you've heard from them, I have too. I mean, again, I have probably the least rural district you could have and I'm hearing from people on this that live in my district that say, please, please help

<u>Floor Debate</u> April 18, 2012
-

these people. When we took their track, not with malice, but when we took their track in Lincoln, we made life for them that much more difficult. And we've done nothing of any significance to try to ameliorate that. This is not a handout; this is us trying to get... [LB806]

SPEAKER FLOOD: One minute. [LB806]

SENATOR LAUTENBAUGH: ...out of the way and let these people help themselves. Please vote to reconsider the prior vote. Please don't turn your backs on these thousands of Nebraskans. It's up to...well, we all know where we are and it's up to each and every one of us to do what we can to help these people. Please vote green. Mr. President, I would request a roll call vote in reverse order. [LB806]

SPEAKER FLOOD: A roll call vote in reverse order has been requested. Members, the question is, shall the Legislature reconsider the vote last taken? Mr. Clerk, please read the roll in reverse order. [LB806]

CLERK: (Roll call vote taken, Legislative Journal pages 1549-1550.) 29 ayes, 20 nays, Mr. President, on the motion to reconsider. [LB806]

SPEAKER FLOOD: The motion to reconsider is not adopted. I raise the call. Mr. Clerk, we now proceed to the next bill, LB357. [LB806 LB357]

CLERK: Mr. President, Senator Ashford would move that LB357 become law notwithstanding the objections of the Governor. [LB357]

SPEAKER FLOOD: Senator Ashford, you're recognized to open on your motion to override the gubernatorial veto. [LB357]

SENATOR ASHFORD: Thank you, Mr. Speaker and members. First of all, I'd like to thank the 30 members of this body, my colleagues, who voted for LB357 on Final Reading. Throughout my career in the Legislature, what I've always been amazed about is the vibrancy of our communities. I have more fun and I am more energized when I can go out across the state and talk to businesspeople, teachers, public officials. And when I do that, I come back thinking this is where the action is. The action is out in our communities across the state serve the citizens, obviously, who live in the state, and they serve the rural communities and the rural areas around them. Years ago when we worked on the Qwest Center bill I remember going out across the state and spent three or four days, I can't even recall the cities I went to, and it was such a great experience to say...to talk to these people about, you know, what are the needs that you have in your communities and what can we do in Legislation that will give your cities opportunities to grow. And I can't imagine a prouder time than when we did the Qwest Center bill and we included in that bill a payment out...a grant program out to

Floor Debate April 18, 2012

cities across the state, and 38 communities have taken advantage of that, of those dollars. It amazes me. I have in the last week or two weeks I guess had an opportunity to talk to over 100 mayors and city officials, to the press in various towns, to businesspeople in various towns. And what I am absolutely assured of is that LB357, though certainly it has an impact on the larger cities, Omaha and Lincoln, it really, really has an impact on other communities, big and small. I remember in 1988 when John Weihing was the senator, I believe I'm right on my dates, when John Weihing was the senator from Scottsbluff, and the Gering Civic Center opened. And I hope my dates are right, Senator Harms, but it was around that time. And I went to...out to Gering and at the opening ceremony of that building, and what a thrilling thing to see a community the size of Gering put together a convention center. And then in talking to the mayor of Gering over the last couple of weeks, he's talking to me about exciting ideas and plans for even possibly an arena in Gering that will enable them to have a hockey team. That's just so incredibly exciting. This last week my colleagues and I went to Norfolk, we went to Kearney, went to Scottsbluff, and we went to York. And many mayors and city officials from 50, 75 miles away came to each one of those communities. So we had a good number of mayors and city officials. And the enthusiasm for their communities is incredible. It's undying. It's vibrant. LB357 is about really, in my view, two basic things. One is, let's continue to think about how we can enable our communities, all 500 and--I know this number is probably not totally right--580 communities across the state, give them what they need to make their cities vibrant, more vibrant than they are now, to have economic development occur, and to allow the citizens of each one of those communities an opportunity when the time is right. And it is interesting and many of the mayors I talked to said, well, the time is not really right now for us to engage in a vote of the people on a sales tax; we don't really need it, or that's not where our priorities are right now. But there are just as many cities that said, yes, the time is now for us, cities as close a Gretna, close to Omaha, and cities in York. And one of the great mayors is the mayor of McCool Junction. McCool Junction has so many plans that it's...for a city the size...and I'd have to ask my friend Senator Adams how large McCool Junction is, but it's not particularly large, but they have needs. They have...and they look upon the sales tax instead of property tax as being a viable option for them. The second...so it's trusting our communities that represent so much of the...so many of our neighbors and citizens across the state, trusting those communities, those public officials to put forward a plan for their cities. And the plan that will work...and many of these don't work. I mean, there was an occasion, I think it was in South Sioux City, where the mayor of South Sioux City talked about their efforts to get a jail in their community. And that they tried a couple times in the city of South Sioux City and the vote failed for a sales tax. Then they made a collaborative effort with the county and collaboratively they were able to...in Dakota County they were able to come up with the vote to build a new jail. And now they have a first-class jail in Dakota County, actually the county where my family first came in 1848. So it's happening all over the place. So the key is that this, LB357, is grounded on trust, trusting our communities and our voters and our citizens and our people to do the right thing for their own needs. The second piece, which Senator

Floor Debate	
April 18, 2012	

Schumacher has continued to drill upon, is the idea of regionalism, the idea of cities and counties and other political subdivisions working together. And on infrastructure projects especially where you're going to have ... where you have infrastructure that doesn't just remain in a city but goes out into the county or it crosses county lines or city lines or whatever it is. So regionalism cooperation is key to this. And, guite frankly, the more we do collaborate with each other, the more money we will save and the state will save money as we find ways to work collaboratively together. So this bill also talks about collaboration. Thirdly, the bill, I guess, really talks about transparency more than anything else. We are...the voters of each community that has an opportunity to vote on a plan will have that plan set forth with specificity. Does this city plan, wherever it is, does it lower property taxes, for example? Is that part of the plan? If it is, how many...what is the plan for lowering property taxes? Is it for a specific infrastructure project? Well, is it bonded? All those sorts of specifics will go into the ballot question. The voters will make the decision based on the evidence and the information that they need. Again, I think I've mentioned this in prior debate, but it was such a great experience when we did build the Qwest Center to go around, at least in our city, and ask for the authority to do that facility, because we did have a vote of the people. It was voted favorably. It was voted and actually over 60 percent of Omahans voted for the Qwest Center, and the result has been a transformation of our riverfront, in many ways, of our city. Those transformations happen in every city and community... [LB357]

SPEAKER FLOOD: One minute. [LB357]

SENATOR ASHFORD: ...in this state. They happen in Lincoln. They're happening in Ralston. They're happening in Norfolk. They're happening in Kearney. And I know that because I'm seeing it, and I'm talking to the officials and they're saying, give us this authority. We may not use it tomorrow, it may be five years from now. But give us the authority so that we can continue to be great. The greatness of Nebraska, in my view, colleagues, emanates from the greatness of its people, clearly. We all know that. And it's the cities and communities throughout our state that serve the needs of our neighbors and all of our citizens. That's what makes us great. That's what brings us together. That's what makes us dream about the future. I urge the body to override the veto. Again, I thank my 30 colleagues for voting with us on Final Reading. I would ask... [LB357]

SPEAKER FLOOD: Time, Senator. [LB357]

SENATOR ASHFORD: Thank you. [LB357]

SPEAKER FLOOD: Senator Harms, you're recognized. [LB357]

SENATOR HARMS: Thank you, Mr. President, colleagues. I rise and ask of you, to be honest with you, to not approve the Governor's veto here. You know, probably about

Floor Debate
April 18, 2012

maybe two years ago or last year we had a similar bill before this body. I actually fought it on the floor. I didn't think that we should be doing this sort of thing until actually I went home and all of a sudden seeing what has happened to our infrastructure, seeing what's happening when we have taken away their state aid has an impact in so many of these small, rural communities. I mean, just here in Lincoln, Nebraska, when I'm here, you know, three or four or five months out of the year, their streets in some cases are horrible. The infrastructure is deteriorating. And without us stepping forward and supporting this bill and supporting the override I think it's going to damage us tremendously. And the beauty about all of this legislation is the simple fact is it belongs in the hands of the people. And I believe anytime you can turn a tax increase to the people then I believe the right decisions will be made. I know where I live there are a number of projects that are critical, and by giving the community the opportunity and the citizens the opportunity to vote will make a huge difference for us. But the nice thing about this bill is the fact is that what it will actually do, it will force the cities to plan and take that plan and sell it to the people. And to me, planning is everything. Knowing that they've thought through the process, knowing that they have looked at every aspect, and then let the public decide, is this good or is it bad. That's where it belongs. We should not support this veto. We should approve this bill and pass it on because I think it's critical to what happens to where I live and to a lot of other communities in rural Nebraska. Thank you, Mr. President. [LB357]

SPEAKER FLOOD: Thank you, Senator Harms. One note: I do anticipate recessing at or about noon and then reconvening this afternoon at 1:30, as is custom for a usual day in the Legislature. Again, I do anticipate recessing for lunch at noon and then reconvening at 1:30. Continuing with discussion on the motion, Senator Lathrop, you are recognized. [LB357]

SENATOR LATHROP: Thank you, Mr. President and colleagues. Good morning once again. Last Friday I had an opportunity to join Senator Ashford and Senator Cornett in taking a little tour around the state to talk about this bill. And I have to tell you, we went to Scottsbluff, York, Kearney, and Norfolk. And when I got on the plane, I thought on the way out to Scottsbluff that we're going to come out to Scottsbluff and tell these people why this is a good idea. And what happened was entirely different. When we got to Scottsbluff, when we got to Kearney, when we got to York, and finally when we got to Norfolk, what we ran into, what we experienced in these communities, were the local officials coming to us and telling us that this bill is an imperative for the cities. And it's an imperative for a couple of reasons. And I want to talk to you about those today. First, you'll recall last year that we took away state aid to cities. Now I don't remember all the statistics except I do remember that the folks up in Norfolk, because we talked to them about it, they had \$191,000 worth of state aid to cities that we took away to balance our budget. To make things better on our bottom line at the state level, we took away state aid to the cities, and it matters to them. They're in a tight spot. And so when we talk to the...when the mayors and the city council members came forward...and Senator

Floor Debate	
April 1	8, 2012

Ashford is right, they were coming from 50 miles away to tell us why this is important to them. They said, you know what? We are getting mandates, unfunded mandates, from the federal government and from the state regarding our water or we're getting them regarding our sewers. We have to do a new water-treatment facility and we have no way to pay for that. If we have LB357, I know I can go to my voters, as a city councilman or as a mayor, and tell them the federal government just said we have to do a water-treatment plant, so this is a way to pay for it. Because understand, we're not only taking money away from the cities; we're not helping them with these mandates. The city of Omaha has a sewer-separation issue. This could be one of the things. The one thing, though, that I came away from this knowing is that none of these mayors intend to spend the money frivolously. They can't. They have to get it by a supermajority of the city council and the people, and that's going to take a plan. And here's another thing they told me and told us, and that is something I hadn't even considered. But it's the cities that are responsible for people's quality of life in this state. We make policy. We keep the State Patrol in business. We keep the courts in business. We provide state aid to schools. But we're not at the ground level in people's quality of life. And for some communities, their quality of life is a function of having a swimming pool or a library or maybe it's a need like a police station or a water-treatment facility. All I'm saying is that when you listen to the people that are running the cities and the villages in this state, this bill is important. It is not a tax increase from Lincoln. It is authority for the communities to pay for things, some of which they used to pay for with the money we took away last year and some of which are being mandated by the federal government or the state government or maybe it's a quality of life issue. But if the people in the small towns across this state that we want to keep want a swimming pool, then we ought to help them and give them... [LB357]

SENATOR LANGEMEIER PRESIDING

SENATOR LANGEMEIER: One minute. [LB357]

SENATOR LATHROP: ...the resources and the ability to build that. This is not a bill that's intended to help Omaha or Omaha and Lincoln. The imperative for this bill, colleagues, is in the small communities where they can't...they have no way to come up with the money to build a water-treatment facility or they have no other way to build a swimming pool to keep their kids living in the community. That's the quality-of-life issues that mayors and city council people are concerned with. That's what they need to do to keep people and retain people in rural Nebraska, and this bill will help them do that. I would encourage your vote to override. Thank you. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Lathrop. (Visitors introduced.) Returning back to discussion on the motion to override the Governor's veto on LB357, we have Senators Lambert, Schumacher, Ashford, Bloomfield, Howard, and others. Senator Lambert, you're recognized. [LB357]

# Floor Debate April 18, 2012

SENATOR LAMBERT: Thank you, Mr. President. Colleagues, LB357, local control, I think that's where we find the purest, the best control, the best government we can come up with. Voters decide. The city council has to give a supermajority before it even goes to the voters. This is very important. But it's for special projects, as my colleagues before me have mentioned: swimming pools, water-treatment plants, sewage-treatment plants, maybe street improvement, sidewalks, improving the quality of life in all of Nebraska. I've talked to the cities in my district, as I'm sure most of you have in your district, and they not only want it, they need this bill. They need to be able, whether it's today or several years down the road, have the option to be able to improve, invest in their community, improve in the infrastructure. The cities have been hit hard as we all have with cuts in revenue. This gives them an opportunity to reinvest, to invest in their community. Do we trust our local citizens to vote on their own investment in community improvements? Do we trust them to do that? I certainly do. I ask you to vote to approve LB357. Thank you. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Lambert. Senator Schumacher, you're recognized. [LB357]

SENATOR SCHUMACHER: Thank you, Mr. Chairman, members of the body. When this bill first started out last year, I was opposed to it. I was opposed to anything that would open the door for more taxes without getting something in return. I firmly believe that one of the things that's going to have to happen over the next 30 or 40 years in this state is the development and emergence of regional associations in government. I've had some success in organizing regional associations in government in my legal career. I think that we're going to see develop cities and counties that have a community of interest and want to get a project done. And they probably will not be functional in getting that project done and coming down here and trying to get a tax raise and then a fair allocation of money across the board to their project and everybody else who wants a project under that particular umbrella. Yet our communities have commonality of interest and they have a desire and a need to be able to raise revenue to meet that. To the extent they raise revenue to meet those interests and to promote the public good, then...and do that, they lessen the burden of what the state may have to do and pressure on the state. Therefore, with Senator Ashford's cooperation, we added into this particular measure a provision which tremendously empowers our communities. And that is that before they can engage in this additional tax, and admittedly by raising taxes on a local level there may be less taxes the state will be able to raise on a state level, but to the extent they engage this tax they have to have some joint projects. They have to begin to form these necessary, local, regional, community coalitions providing for common governance, and not consolidation because people don't like that, but cooperation which they like a lot. And when that was merged into this bill, along with the very stringent requirements of a supermajority of the city council or county board, the requirements of an election by the people in which was specifically spelled out what the

<u>Floor Debate</u> April 18, 2012

joint project might be, this thing began to take on not the look of a tax increase or potential of a tax increase but the look of an empowerment of the people through their cities and counties and very definitely a lessening of the burden on state government as these things emerge to take over some of the responsibilities. My community and the communities of northeast Nebraska would like to see that road project with the four lanes completed very, very much. It's very painful to stay in line and to know, as we face huge deficits, that roads bill may have to be trimmed back or at least augmented with money. This provides them with an opportunity, if the people want to, to augment that roads budget with money and get some of those roads in northeast Nebraska, for example, done and done on a much faster schedule than having to stand in line while the Legislature tries to figure out how it can cut taxes and meet increased expenditures. So this becomes a good bill, an empowering bill. We have a problem in this state with an inability to organize our vast wealth. I just saw the thing from the Revenue Department about how much property values are going up and how the net worth of our people are going up, but yet we sit in poverty and unable to do good projects. We need to figure out how to organize our private capital. We need to stop money from flooding across... [LB357]

SENATOR LANGEMEIER: One minute. [LB357]

SENATOR SCHUMACHER: ...the rivers in entertainment establishments across rivers. We need to figure out how to enable the tool of taxation to be used by the people without that bad distaste in their mouth that comes when Lincoln rams a tax down their throat. So this is a good bill now. It's a core of things that need to be built on and worked on. It by no means is perfect, but it's one that's worthy of our support and worthy of engaging our vision. Thank you. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Schumacher. Senator Ashford, you're recognized. [LB357]

SENATOR ASHFORD: Thank you, Mr. President. Just a couple of points if I might. The cities, as the engines of our economy in many ways, get the good and the bad from any of the tax incentives we pass. And I am one senator who has...I can't recall a tax incentive bill that I haven't voted for, going back to my cosponsorship of LB775 in 1987. But every time we pass one of these things, and it has helped our state tremendously. Certainly in 1987, when we're losing businesses across the state and certainly in Omaha, LB775 was a savior for us. But it cost us quite a bit as well and it cost the cities quite a bit. And each time we do these things, it's difficult to calculate what your revenues are going to be because the state, in its wisdom, decides that it's going to offer to businesses one of these tax incentives. It makes it tough. It makes it tough. That's not a...I think Senator Schumacher made a great point. That's not a reason that we should...the city should spend more money or tax more. But it does create a challenge. It creates a challenge for the cities to be more efficient. And I think they're

# Floor Debate April 18, 2012

getting there and I think they are efficient. You cannot talk to these mayors and not feel like our cities are in the hands of competent, very competent people. But there are challenges. So you get the good with the bad. You get the wheat with the chaff. so to say. That's why to me it's so important for a city and its citizens and a community or a smaller community, medium-sized community, or a larger city like Omaha or Lincoln to have a discussion and a debate within its borders about where it's going. In Omaha, I hope we do have the CSO project as being a major part of any kind of a plan involving a sales tax because that's going to be a big drain on our community. But it's not up to me to make that decision. It's up to the mayor and the city council, by a supermajority, and the citizens to make that decision. In Norfolk, the gas pipeline is critical, is critical to the economic development of Norfolk. Exeter built a swimming pool. And the mayor of Exeter...Exeter is not a big place, but I'll tell you one thing. It's very proud of its swimming pool. And when people come from around Exeter, they don't all live in Exeter, when they come to Exeter to go swimming and their kids come to Exeter to go swimming, it's a great deal. It's a good experience. It enhances their quality of life. It is critical as we get into the twenty-first century in an age of technology that we espouse regionalism, number one. And Senator Schumacher is right, and it does have to be cooperative because we are not going to be able to mandate consolidation. It's not going to work with our cities. But cooperation does work. And by having this opportunity to vote, I cannot imagine a more conservative concept. We make decisions on taxes every day here for others. City councils make decisions on occupation taxes. But this measure says you can develop a plan but you've got to sell it. You've got to sell it to your neighbors, and you've got to sell it to all of the citizens or at least 50-plus-1 percent plus 1. That's an incredible empowering thing that we're doing... [LB357]

SENATOR LANGEMEIER: One minute. [LB357]

SENATOR ASHFORD: ...it seems to me. I know in my city in Omaha, I can't imagine anything more interesting and fun and inclusive than to develop a plan with our city officials or our county officials working together, for example, putting that plan out to the voters, selling it to the city council first or the county board, whomever it is, putting it out to the voters and say this is where we'd like to go in the twenty-first century over the next 25 years. We don't have that conversation in Omaha. We don't have it. But we need to have it. This is a vehicle to get us there. It gets us into a place where we can map out our future as citizens and voters. Thank you, Mr. President. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Ashford. Senator Bloomfield, you're recognized. [LB357]

SENATOR BLOOMFIELD: Thank you, Mr. President. Good morning, colleagues. I stand in opposition to the motion to override. We talk about local options. Well, it is local option if you happen to live in town. If you live out in the country, you take your tractor or your combine, whatever, into the dealer that lives in town, has his implement dealership

Elear Debete	
Floor Debate	
April 18, 2012	
· .p	

in town. You face a \$10,000 bill. You get to spend an extra \$500 on taxes. That's not a local option for that farmer. The farmer didn't get a chance to vote on it, he doesn't have a say in it. It is laid out there before him and he has no alternative but to pay it. Again, I rise in opposition to this override motion and will be voting red on it. Thank you. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Bloomfield. Senator Howard, you're recognized. [LB357]

SENATOR HOWARD: Thank you, Mr. President and members of the body. I voted to support Senator Mello's amendment on this bill to provide a portion of the money raised from a possible half-cent sales tax increase would go to the COS, better known as the sewer project in Omaha. Over the four-day recess. I heard over and over again from my constituents that they would not object to the half-cent sales increase if some of this revenue would be used for the sewer project. I just talked to Mayor Suttle on the phone and I want this clearly in the record. He told me that he would use a portion of this revenue, the revenue that would be raised from the half-cent sales tax increase. If this were to go into effect, he would use a portion of this revenue for the Omaha sewer project. And I'm going to go on and talk about this sewer project a little bit more. This sewer project is critical to the homeowners of Omaha, and it's a mandate. They have no choice. They can't vote whether to have the sewer project or not. I looked at my MUD bill, that's my water bill that I get every month, I am paying \$21 plus change per month strictly for this issue. And this amount is projected to go to as high as \$50 a month. This is strictly to pay for the sewer. I'm going to repeat this again. The mayor assured me that if this half-cent sales tax increase would go into effect, a portion of the revenue raised would be designated to pay for the Omaha sewer project. With the provisions in this bill for approval by the city council on a three-fourths vote, and this would be on the ballot for a vote of the people, I am much more comfortable with this issue. The ballot wording should include the words that a portion of this revenue raised, the potential revenue raised, would be designated to pay for the costs of the Omaha sewer project. In 2006, I took a tax off to give relief to homeowners. That was known as the home repair sales tax. I see this in the same way. With the agreement with Mayor Suttle, which he gave to me when we talked on the phone a short time ago, the portion of the revenue raised would be designated for the Omaha sewer project. Sorry if I'm repetitive but this is a very important issue. Keep in mind this is still dependent on the support through the vote of the Omaha City Council and, even more important, of the vote of the people that I represent. I intend to vote to approve this measure and I appreciate the mayor working with me on this issue. Thank you. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Howard. Senator Christensen, you are recognized. Seeing no Senator Christensen, Senator Wightman, you're recognized. [LB357]

SENATOR WIGHTMAN: Thank you, Mr. President, members. We've talked a lot about

Floor Debate April 18, 2012

local control. And I think that's probably the biggest single issue here. It is true that, as has been suggested by other speakers, that federal and state mandates are a big issue. And we pass mandates here that affect the cities frequently without a lot of thought as to what the cost is going to be or as to how the city is going to raise the money necessary to comply with that mandate. Federally, even more are passed. So I think this...and sewer is certainly one of the big issues, drinking water standards is another. They change from time to time and all of that costs money to the city. So there are a lot of areas in the way of infrastructure that are impacted by that federal and state mandate and is the biggest reason that I would support, will support LB357. We have placed a lot of limitations in the bill. Number one, it requires a supermajority, as has been mentioned. I think that's important because obviously if there isn't a just reason for imposing this tax and it's just to have something that a few people in the city want, I don't think it's going to get the supermajority. And furthermore, then it has to go to a vote of the people, it takes a majority vote of the people. And I don't know how much more local control you can get than to pass it on to the people to make that decision. So I have a lot of problems with the state limiting the powers of the city. Certainly, we are not very appreciative of that when the federal government limits our control in the state of Nebraska or passes on mandates. So I think that it should be decided at the local level how they're going to finance it. And certainly one more tool will be the use of this bill and the possibility of increasing the sales tax by half a percent. So I urge you to vote green on LB357. Thank you, Mr. President. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Wightman. (Visitors introduced.) Returning to discussion on the motion to override the Governor's veto on LB357, those wishing to speak, we have Senator Ashford, Wallman, and Dubas. Senator Ashford, you're recognized. [LB357]

SENATOR ASHFORD: Thank you again. And what I was...enjoyed, I guess, reading over the weekend were the numbers of opinion pieces from papers throughout the state that have supported and do support LB357 for the reasons that have been discussed here today including the Omaha World-Herald, the Norfolk Daily News, and the Lincoln Journal Star. I just would read just a bit of what was written in the Omaha World-Herald, and there were others as well in addition to these. What's important to remember is that LB357 would do none of these things by itself, meaning it would not impose any projects by itself or impose a tax by itself. Under the bill, a city council would have to agree by a supermajority of at least 70 percent of its members to put the issue on the ballot. In many cities, in many circumstances that's going to be a tough sell. Some tax hike ideas will never reach the ballot. In Omaha, for example, five of the seven city council members would need to say yes, and then what? A mayor or council member who wanted to raise taxes would have to make a compelling argument to city taxpayers. Voters, and I absolutely believe this, voters will not...won't be easily bamboozled. If Omahans want to tax themselves more to rebuild sewers, as Senator Howard has suggested that it may very well be necessary for us to do, or Norfolk residents to build a

# Floor Debate April 18, 2012

pipeline or Lincoln residents to build a beltway, so be it. Taxes would go up only if voters agreed they should pay more. Who better to trust with such judgments, they guestion. The Norfolk...Lincoln Journal Star opined: Decisions on guestions of this nature are best left to the communities' voters. The 30 senators who voted to pass the bill on Final Reading got it right. A vote to override the Governor's veto of LB357 is a vote for local control. The Norfolk Daily News, referring to the vote on Final Reading of LB357, referring to the senators: They recognize the wisdom of giving communities the flexibility they need, another tool in the community improvement toolbox, in effect, and can benefit from. The bottom line is that there is no tax increase being imposed unless a majority of a community's voters choose to impose it on themselves. That's the way it should be. Economic development is about tax credits, it's about cutting taxes when it's appropriate to do so, but it's also about investment. And there is no better place in my view for making the decisions on how those investments should be made, whether they should be made, how they should be made, and how they should be paid for. It's a local matter, but the benefits are statewide to many of these projects, i.e., the Qwest Center, for example, or many other projects across the state, the Gering Civic Center. There are so many that they're hard to enumerate. Again, I would urge the body to override the veto and give the cities and the citizens the ability to move forward with their economic development projects. Thank you. [LB357]

SENATOR LANGEMEIER: Thank you, Senator Ashford. Mr. Clerk, items for the record? [LB357]

CLERK: Mr. President, the bill read on Final Reading this morning was presented to the Governor at 9:40. (Re LB807.) New resolutions: Senator Mello, LR642 and LR643, those will be laid over; Revenue Committee offers LR644, interim study, that will be sent to Reference. And I have a Reference report referring LR644. (Legislative Journal pages 1550-1552.) [LB807 LR642 LR643 LR644]

Mr. President, Senator McGill would move to recess the body until 1:30 p.m.

SENATOR LANGEMEIER: Members, you have heard the motion to recess until 1:30 p.m. today. All those in favor say aye. All those opposed say nay. The ayes have it, we stand at recess.

# RECESS

SPEAKER FLOOD PRESIDING

SPEAKER FLOOD: Well, good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber. The afternoon session is just about to begin. Senators, please record your presence. Mr. Clerk, please record.

# Floor Debate April 18, 2012

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

SPEAKER FLOOD: Thank you, Mr. Clerk. Do you have any items for the record?

CLERK: I do. Communication from the Governor. (Read re LB807.) That's all that I have, Mr. President. (Legislative Journal page 1553.) [LB807]

SPEAKER FLOOD: Thank you, Mr. Clerk. We will proceed to the location on the agenda we last left before recess, which is the motion to override LB357. We continue with those in the queue. And we begin with Senator Wallman. [LB357]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. This has been said before. It's about local options. Why wouldn't we want to give the city local options? We seem to balance our budget in here by taking money away from there. So we're shifting our tax base. We're taking it away from our local entities. Folks, let them make up their minds. Why should we make it up in here? I think local option sales tax, even though it may cost me some more money to go into town, I still think it's the answer. And it has to be a supermajority of the board. How many board members? Are you going to spend money frivolously? Not anybody that I know of. So cities need to thrive so rural economics can survive which should be a partnership here. Thank you, Mr. President. [LB357]

SPEAKER FLOOD: Thank you, Senator Wallman. Senator Dubas. [LB357]

SENATOR DUBAS: Thank you, Mr. Speaker. Good afternoon, colleagues. This has not been an easy issue for me because I do understand the needs of our local governments. And I am typically a strong supporter of allowing those decisions to be made at the local level. And so my opposition to this bill is in no way a reflection on the leadership of our local governments or of the people who live in those communities not to be able to make a decision that they feel is in their best interest. What this has come down to for me, from the very beginning it's for those people who don't have the option or ability to have a say in these decisions. And Senator Bloomfield touched on it briefly when he spoke this morning. For those of us who live in rural areas of the state, we have to rely on those bigger, larger cities to get the inputs for our businesses, and we don't have a choice. That's just the way it is. And so we go into the larger cities to find the inputs that we need to keep our businesses going. And I guess I would just like to talk about...it was brought up this morning about the cost of sales tax on parts and repairs for ag equipment. And I've carried legislation two times at least, maybe three times, to create an exemption for sales tax on parts and repairs for ag equipment because implement dealers are a very, very important part of the ag economy. We rely on them, we need them not only to buy our equipment, but to help us keep that equipment up and running. And so when we go in to buy repairs, you know, if you get out of there for less than a couple hundred dollars, it's been a very inexpensive trip. We

### Floor Debate April 18, 2012

spend a lot of money, our inputs and repairs are high dollar. And right now we are one of only eight states in the nation who still charge a sales tax on repairs for parts on ag equipment. And all of our neighboring states, except for Wyoming, have an exemption for those repairs. So our implement dealers, especially those who are on the borders, are at a very, very much competitive disadvantage in retaining their customers because again, when you're spending hundreds, into the thousands of dollars for repairs, it's nothing for you to travel a few extra miles to save the money you would save on the sales tax. And so now, as we look at allowing cities, especially those cities who may be on the border, to put an additional half-cent sales tax in place, that's just another...that just makes that disadvantage even larger for our implement dealers. Again, my opposition is not because I don't believe that whatever is put forward for the use of this money isn't very much needed or that the citizens wouldn't be very, very much understanding of their decision about whether they would support or oppose the sales tax. It's for those in the rural areas who don't have a say and for these implement dealers and for people who live in rural Nebraska who don't have the say into whether they would support that sales tax or not but yet still be compelled to pay it because these aren't discretionary items that they're going into these communities to buy. These are things that are very much needed to support their business. And so I've worked very closely for the last couple of years on trying to help our implement dealers, again especially those who are on the borders of our state, try to find ways to be competitive. They can sell the equipment, but they need to be able to rely on the repairs and the parts to keep that equipment going to help their business stay going. And similar to what we talked about this morning with the horse racing, about these being generational businesses,... [LB357]

SPEAKER FLOOD: Forty-five seconds. [LB357]

SENATOR DUBAS: ...our implement dealers are often more likely than not generational businesses. These are businesses that have been handed down from father to son and hopefully farther down the line. So, you know, my opposition is not because I don't believe that there's a need. It's just we're creating a playing field that is not level for all citizens of this state. And that's where my concern comes in. Thank you. [LB357]

SPEAKER FLOOD: Thank you, Senator Dubas. There are no other lights on. Senator Ashford...Senator Lautenbaugh, you are recognized. [LB357]

SENATOR LAUTENBAUGH: Thank you, Mr. President, members of the body. This is a bill that I voted for at least twice this year. And I understand it. And I would hasten to point out that I don't think I have a record that anyone could be...could describe as friendly to tax increases, quite the opposite I hope. But this isn't that and I just don't see it. I understand that at some point we are, if a supermajority of a city council somewhere voted to do something like this with a specific purpose in mind, at that point there would have to be a vote of the people. And I'm okay with that. You know, I'm from Omaha, as

### Floor Debate April 18, 2012

you all know, and I can't really imagine this coming up very often, if ever, successfully in my city. But when you're in a smaller municipality and your options are fairly limited, and if the local voters decide this is what they want to do, I have a hard time telling them they shouldn't do it. And at some point we have to trust the voters. I mean, we trusted them to send us here. I think we can trust them to sort out what's in their best interests locally or not. And this is a hard vote for me because I know how it's been spun. And I get the e-mails that all of you are getting. But I understand that at some point you have to let local governments govern. And am I going to stand here and say that my hometown has been always wise with its use of taxpayer dollars and is currently operating at a cut-to-the-bone level? Of course not, I don't believe that for a minute. But Omaha is not the only city in this state, nor is Lincoln, and I have to think about what these other localities need. And again, it comes down to me, the same thing over and over and over with this bill. It's a vote of the people. And there's something that just fundamentally bothers me when we cannot say if we let the people vote it's not us that's increasing the taxes, it's the electorate that's freely choosing to do so. And again, this isn't easy, and I didn't plan on speaking on this, but I get it. I appreciate the caveats that have been added to this bill. I appreciate that it's been made difficult to use for the localities, difficult but not impossible for our smaller communities in the state who may choose to pursue this for whatever. We heard a litany of local projects earlier. And who am I to say that the city of, now I can't remember the name of it now, shouldn't have a new swimming pool? If they want it and this is the way they want to fund it, I don't know how I can stand here and say I must stand against that. I know how this will be played. And I know that all of us are struggling with this. I shouldn't say "played," I meant "spun." And I know we're all struggling with this. But I honestly believe, obviously since I voted for the bill twice after we amended it, I honestly believe that we probably need to pursue this. And at some point... [LB357]

SPEAKER FLOOD: One minute. [LB357]

SENATOR LAUTENBAUGH: ...you have to...thank you, Mr. President. At some point you have to just trust the voters. And I hope you do, I hope you go green on this. Thank you, Mr. President. [LB357]

SPEAKER FLOOD: Thank you, Senator Lautenbaugh. Senator Burke Harr. [LB357]

SENATOR HARR: I'm going to go ahead and waive my time. Thank you. [LB357]

SPEAKER FLOOD: Senator Janssen. [LB357]

SENATOR JANSSEN: Thank you, Mr. President, members. I feel this day is becoming sadder. We just voted to kill jobs, and now we're voting to increase taxes. And that's what we're doing. This is going to be our final stamp this year--killing jobs, increasing taxes. You can spin it any way you want. You're giving a political body another way to

tax. When you give a political body another way to tax, they find a way to tax. We have enough taxes. We don't need more taxes. I'm certain I won't take five minutes. It just needs to be said. And I know a lot of times we try to hide the reason we're voting for something. Yes, I just made a difficult decision before lunch, but this is an easy one. This is an increase in taxes. Anybody that says it's not is just smoke and mirrors. They will find a way to tax you. I hope the tons of people out there watching on NET today are watching this and they talk to their friends, because this legislative body that I'm proud of most days and I'm part of just voted to kill jobs before lunch and to increase taxes right after lunch. Thank you, Mr. President. [LB357]

SPEAKER FLOOD: Thank you, Senator Janssen. Senator Heidemann, you're recognized. [LB357]

SENATOR HEIDEMANN: Thank you, Mr. President and fellow members of the body. I just wanted to stand up. I have been in opposition to LB357 throughout its process through the legislative body. And the main reason is, as Chair of Appropriations, I worry about the loss of tax base. This, to me, is a \$140 million question. And if LB357 does come into law, it will be part of a tax base that I believe that we will never get back in this state. And if you're concerned about education, if you're concerned about Health and Human Services issues, I would be a little bit concerned. Because in the early 2000s, when times got tough, the Legislature realized that they could cut no more. And they did increase sales tax from 5 to 5.5 percent. And I believe if LB357 becomes law that you would have to take the sales tax rate from 7.5 percent to 8.5 percent. Going from 7 to 7.5 percent will be tough. Going from 7.5 to 8 percent will be almost impossible. And that's the reason I stand in opposition of LB357 and the override motion. Thank you. [LB357]

SPEAKER FLOOD: Thank you, Senator Heidemann. Senator Karpisek, you're recognized. [LB357]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. I just want to use a little bit of the rhetoric we've heard earlier this year on this bill. We've heard that gambling money would take money away from people that they wouldn't have to spend on necessities, on food, on whatever you want it to be. I don't see this as any different. This is taking money out of people's hands and it's everyone. It's not people who choose to do so, but it's everyone in the state. I asked on the last bill, how can you, especially Lincoln and Omaha senators who have horse tracks, not want to bring...keep that going and keep jobs and all those things going in your towns, but then you want to turn around and put a sales tax on the people there. I don't know how that can make sense in anyone's mind. And if this is such a great idea, then why are we messing around with half a percent? Why don't we go a percent or 2? Or you know what? If this is really about the voters, then let's take any limit off and let the city council decide what they want to try to float. If they need how many ever million, let them figure out what

### Floor Debate April 18, 2012

percentage that is and they can get it paid real quick. Well, no, that won't work. Well, I'm not sure why. But I still have to go back to rural people going places where we have to go to buy things that we can't get at home. There is a huge reason why Lincoln and Omaha and the I-80 corridor is pushing for this--so we all have to go through there and spend more tax money. I asked earlier, well, if I show my driver's license and say I'm not from your city, I shouldn't have to pay your sales tax, will that work? Well, of course, no, that won't work. I've heard that this helps rural people. Sure. I've heard that Exeter, which is in my district, built a swimming pool with the money they had. I think that's the main point there, they got it built with what they had. And I doubt it was all sales tax money. I don't understand why we don't give them more if it's all about that. I don't know why you can kill one bunch of jobs and say you don't want them because it's gambling, but then turn around and take money away from everybody, everybody, including people that don't have a right to vote in your city. I have never liked this bill. I won't like this bill. And I will not be voting to override this bill. Thank you, Mr. President. [LB357]

SPEAKER FLOOD: Thank you, Senator Karpisek. There are no lights on. Senator Ashford, you're recognized to close on your motion. [LB357]

SENATOR ASHFORD: Thank you, Mr. Speaker. Very briefly, what we are doing here is we are asking this body to reaffirm what it has done throughout the three debates, and that's to trust the people of Nebraska and all of its communities to decide for themselves how they want the future of their city to be or their community to be. Just as we restricted occupation taxes with the right to vote, we're restricting the ability to raise sales tax with the right to vote and, in addition to that, we are insisting upon collaboration. So with that, I strongly urge that this body to override the veto and to give the people the right to vote on these issues. Thank you. [LB357]

SPEAKER FLOOD: Thank you, Senator Ashford. You've heard Senator Ashford's closing on his motion. Members, the question before the body is, shall LB357 become law notwithstanding the objections of the Governor? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB357]

CLERK: (Record vote read, Legislative Journal pages 1553-1554.) 30 ayes, 17 nays, 2 present and not voting, Mr. President. [LB357]

SPEAKER FLOOD: The motion is adopted. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign the certificate that reads: LB357, having been returned by the Governor with his objections thereto, and after reconsideration having passed the Legislature by the constitutional majority, has become law on this 18th day of April 2012. (Visitors introduced.) Mr. Clerk, we now proceed to the next veto override motion. I believe it is LB1020. [LB357 LB1020]

CLERK: Mr. President, Senator Nordquist would move that LB1020 become law

Floor Debate April 18, 2012

notwithstanding the objections of the Governor. [LB1020]

SPEAKER FLOOD: Senator Nordquist, you're recognized to open on your motion. [LB1020]

SENATOR NORDQUIST: Thank you, Mr. President and members. I rise and make a motion to override the Governor's veto of LB1020. Obviously, this is one of the four big issues of the legislative session: local option sales tax, prenatal care, the horse racing, and school-based health centers. LB1020 creates a competitive grant program administered by the Nebraska Department of Education to support the capital construction and start-up costs for school-based health centers, \$200,000 a year for a two-year period, \$100,000 of that coming from the General Fund, \$100,000 coming from the Education Innovation Fund. I introduced this bill because I believe fundamentally that if children are not healthy they can't learn. Our state has had two very successful experiments with school-based health centers improving the educational experiences of children in our state. And LB1020 is a small step to making this innovative education strategy available to more school districts by helping them overcome the initial hurdle of the start-up costs. I'd like to take a moment to address the Governor's justification for his veto, which begins with his assertion that LB1020 expands the scope of the constitutionality directed use of lottery funds. First of all, since 2004, Article III, Section 24 of our constitution requires a certain percentage of lottery funds shall be used for education as the Legislature may direct; 20 percent of those funds currently go towards the Education Innovation Fund. The legislation that originally initiated the intent of the fund specifically said in the purpose of the Education Innovation Funds that it would include programs that address family and social issues impairing the learning productivity of students, okay again, programs that address family and social issues impairing learning productivity of students. Certainly providing healthcare falls under those provisions. This fund has been changed 26 times since its inception for new, innovative methods to improve educational outcomes and school-based health centers are that. We've seen the successes in Grand Island, we've seen them in Omaha, and this is an opportunity to expand it to other areas of the state. Clearly, children's health is related to their education. We know that. We know that research shows that school-based health centers lead to a reduction in absenteeism and tardiness, improved grade point average to those who are served, increased likeliness to stay in school, reduced emergency room utilization, and reduced Medicaid expenditures. Obviously, those first reasons, the reduced absenteeism and tardiness, improved grade point averages, and improved likeliness to stay in school, are very much education focused, and that's what this bill is. I want to read a portion of a statement which I distributed that our State Board of Education adopted in March 2010: The Nebraska State Board of Education believes that education and health are inextricably intertwined. Healthy children learn better. Children must be healthy, mentally, physically, and socially healthy. To achieve maximum success in schools...success, schools, families and communities must work together. A

Floo	r De	<u>ebate</u>
April	18,	2012

coordinated school health approach designed to coordinate services, to emphasize partnerships will promote the physical, social, and cognitive development of children, leading to increased academic success. It's inextricably intertwined, according to our State Board of Education. You can't separate these two issues. And that's why it certainly falls within our prerogative as the Legislature to direct those lottery funds. Again, we've seen great success in Omaha and Grand Island. In Omaha we have a great philanthropic community that's been willing to step up to the plate. But talking to other districts, I've had many conversations with school personnel in Lexington, I've had conversations with folks in other metro Omaha districts, I've had conversations with folks in Lincoln, and it's not certain that those...that same strong philanthropic support would be there. And it would take something like this to get these off the ground. Again, these funds are administered by the Department of Education. They go mainly toward school construction, to renovate space for a school-based health center. And we know that these services ultimately impact education. It is an education focused bill that, hopefully, we can find partners statewide. It's going to require local matches. So there is certainly components of local control and local effort that has to be put forward to get these school-based health centers off the ground. And ultimately research shows that it will save our state dollars in the long run through Medicaid expenditures and other methods. So with that, Mr. President, I would appreciate the support of the body in overriding the Governor's veto. Thank you. [LB1020]

SPEAKER FLOOD: Thank you, Senator Nordquist. Members, you've heard the opening on Senator Nordquist's motion. There are no lights on. Senator Nordquist, you're recognized to close. [LB1020]

SENATOR NORDQUIST: Thank you, Mr. President. I'll just reiterate the point one more time that this is completely education focused. So the justification that the Governor put forward does not hold up. And I would appreciate your green light on this so we can move forward and see over the next two years, with the dollars that we've appropriated, if we can expand school-based health centers to communities that have strong needs, communities like Lexington, where school districts have talked to us about doing it, communities potentially like Scottsbluff which has a federally qualified health center that could partner. It's been a great success in Grand Island and in Omaha. And certainly we can do more around the state. I've been asked several times, and I will clear this up one more time, about what services could be provided. These are essentially primary healthcare services, but in legislation there is specific prohibitions against anything related to abortion or dispensing, prescribing any form of contraceptive. So those issues are completely off the table. And this is about providing kids with much needed, timely, primary healthcare services so they can get back in the classroom and be successful there. Thank you, Mr. President. [LB1020]

SPEAKER FLOOD: Thank you, Senator Nordquist. This motion does require 30 votes. The question is, shall LB1020...the question is, shall LB1020 become law

# Floor Debate April 18, 2012

notwithstanding the objections of the Governor? All those in favor vote aye; all those opposed vote nay. Senator Nordquist, for what purpose do you rise? [LB1020]

SENATOR NORDQUIST: Mr. President, could I get a call of the house and a roll call vote in reverse order? [LB1020]

SPEAKER FLOOD: Members, there has been a request to place the house under call. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB1020]

CLERK: 42 ayes, 0 nays, Mr. President, to place the house under call. [LB1020]

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 Krist, Janssen, Bloomfield, please return to the floor and record your presence. The house is under call. Senators Krist and Bloomfield, please return to the floor and record your presence. The house is under call. Senator Krist, Senator Bloomfield, the house is under call. Please return to the Chamber and record your presence. (Visitors introduced.) Members, please take your seats. Senators Bloomfield and Krist have arrived. Senator Nordquist, all members are present or otherwise accounted for. It's my understanding you wanted a roll call vote in reverse order. [LB1020]

SENATOR NORDQUIST: Reverse. Thank you. [LB1020]

SPEAKER FLOOD: Members, the question is, shall LB1020 become law notwithstanding the objections of the Governor? Mr. Clerk, please read the roll in reverse order. [LB1020]

CLERK: (Roll call vote taken, Legislative Journal page 1555.) 27 ayes, 21 nays, Mr. President, on the motion to override. [LB1020]

SPEAKER FLOOD: The motion fails. I raise the call. [LB1020]

CLERK: Mr. President, I have a priority motion. Senator Council would move to reconsider the vote to override the veto of LB1020. [LB1020]

SPEAKER FLOOD: Senator Council, you're recognized to open on your motion. [LB1020]

SENATOR COUNCIL: Yes, thank you very much, Mr. President, colleagues. Yes, I rise to seek your reconsideration of the motion to override the veto of LB1020. If we reflect

Floor Debate April 18, 2012

back upon what was one of the priorities of this body this session, that was taking care of the children of the state of Nebraska. That was listed and our actions reflected that that was our priority. LB1020 fits within that priority. The objective of LB1020 is to enable school districts who would see the benefit of having school-based health clinics, provide them with the financial assistance to make those school-based health clinics a reality. The basis for the override of the veto had not to do with the \$100,000 from the General Fund. It had to do with the \$100,000 to be taken from the Education Innovation Fund, also known as lottery dollars. And I find it interesting that we begin our day talking about gambling, and here we are now protecting the proceeds of gambling from serving the very purpose that the fund was established to serve, and that was to provide a means by which we could address some of the familial and social issues impacting youngsters and their ability to learn. This body spent a tremendous amount of time on truancy and defining absenteeism. And in fact, the reason the truancy bill was amended was because of the concern expressed by members of this body that parents and children were being punished potentially for being absent due to illness. So we revised the entire truancy bill to address that very issue--absence due to illness. And yet we are willing to allow the override...a veto, excuse me, to stand, the intent of which is to provide the means for children to have their healthcare needs addressed and avoid being absent from school due to illness. If you've had an opportunity to visit any of the existing school-based health centers and talk to the young people who are served, I had the pleasure of being at the opening of the latest of the school-based health clinics in Omaha, and it was at a high school. And to talk to these high school juniors and seniors who came to you and told you that but for that healthcare clinic in that facility they would have missed a tremendous number of days of school. And we know that it's attendance that is one of the key factors leading to students dropping out of school. And yet we ignore our concern about dropouts. We passed legislation that made it even more difficult for young people to leave school, yet here we have an opportunity to provide a means for young people to stay in school, to have their healthcare needs addressed. Senator Nordquist referred to the research and the studies that show unquestionably the linkage between good health and academic achievement. This \$100,000 is not going to impair the innovative...the Education Innovation Fund, and I know that's the concern of some who voted against it. But if you look at the balance in that fund, this \$100,000, over a two-year period, is not going to place the reserve in that fund at any risk. And indeed, the numbers that were being addressed and discussed during the Education Committee's consideration of this didn't even take into account the additional revenues being generated in the lottery by all of the additional games, let's talk about expanded gambling, all of the additional games that have been added to the lottery and the increase in the cost of lottery tickets. So in terms of the financial issue, which as I understand the Governor's veto is the principal reason for the veto, it is a nonissue. We're talking about \$100,000 for two years, \$200,000 out of a fund that currently has a balance of over \$4 million. But we're willing to jeopardize the health and the academic success of our young people for that small amount of money. Again, I would urge you to place this in perspective, to consider it among this body's priorities for this session,

Floor Debate
April 18, 2012

which is taking care of the children of the state of Nebraska. And operating on that basis, I submit to you that you cannot help but conclude that this is the type of legislation that needs to be enacted. This small investment is the type of investment that we need to be making to ensure that our young people reach the fullest academic potential available to them. So with that, I would urge your reconsideration favorably of overriding the veto of LB1020. [LB1020]

### SENATOR LANGEMEIER PRESIDING

SENATOR LANGEMEIER: Thank you, Senator Council. You have heard the opening on the motion to reconsider the vote taken. Those wishing to speak: We have Senator Howard, Gloor, and Senator Burke Harr. Senator Howard, you're recognized. [LB1020]

SENATOR HOWARD: Thank you, Mr. President, members of the body. You were too fast the first time around. I didn't get my light on before we proceeded to vote. Overriding the veto on LB1020 is a fitting message for the end of this legislative session. This session we've discussed the issue of absenteeism, we've worked to ensure that more youth stay in school until they're 18 years old, we've focused on kids in foster care, we've discussed issues of children's mental health, and in all these things with an eye towards the state's bottom line. School-based healthcare centers represent a convergence of solutions for every one of these ideas. Health centers are proven to significantly reduce absenteeism and tardiness. Students, teachers, and parents at schools who have healthcare centers gave higher ratings to school engagement, safety, respect, and academic expectations. Health centers reduce Medicaid expenditures for emergency room visits, inpatient and drug treatment. Kids who are overweight use healthcare centers for nutritional help. Youth with mental health problems are 10 to 21 times more likely to seek treatment at a health-based...at a school-based healthcare center than a community health center network or an HMO. Students with depression or who have past suicide attempts report significantly more willingness to seek counseling services at school-based health centers. The bottom line is unhealthy kids can't learn. And unhealthy kids make other kids sick. Healthy kids can focus on reading, math and science rather than asthma, diabetes or depression. And not only do school-based healthcare centers provide services, they become medical homes teaching kids lifelong lessons about the importance of investing in health. Thank you for your consideration. And I urge you, I urge you to stand with us, with Senator Nordquist to override this veto. Thank you. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Howard. Senator Gloor, you're recognized. [LB1020]

SENATOR GLOOR: Thank you, Mr. President. The Grand Island program has been referenced a number of times. And I spoke on behalf of this bill when it was being presented and applauded Senator Nordquist, those individuals that are trying to make

Floor Debate
April 18, 2012

this happen. I can't tell you the number of times that I have had flashbacks to the time we started the student wellness center in the community of Grand Island and how some of those ghosts keep rearing their ugly heads, discouraging people to move forward in something that is commonsensical. And I know if we are not able to override this veto, when I go back to Grand Island I will be faced with constituents who will say, are you kidding me? The Legislature doesn't understand that this affects educational outcomes? That kids who show up and don't have their immunizations up to date because of a law this body passed that requires them to have their immunizations up to date in order to be in school, that we're not going to make it easier for some of those kids to get their immunizations to stay in school? Doesn't that affect educational outcomes? Are you kidding me that we don't see it in that light? And other stipulations that we put on families related to the wellness of their children in a state that ranks amongst some of the poorest when it comes to coverage of kids for primary healthcare services, certainly in outstate Nebraska let alone inner cities, and this small move of \$100,000 that we could allocate towards trying to address that problem, we're not going to do that? Are you kidding me? What's the plan we have if this isn't in place? We've been dealing with Health and Human Services problems this past two years without any help or plan that says how we're going to try and address some of the issues of access to both behavioral health as well as physical health issues. And these educational clinics, these health clinics will address both behavioral and physical health issues. Do we have a plan that's been brought to us by the department that makes us feel comfortable that we can just sit back and watch some of these problems addressed? Are you kidding me? [LB1020]

SENATOR LANGEMEIER: (Gavel) [LB1020]

SENATOR GLOOR: This bill shouldn't be that important, but I'm telling you it dredges up some of the false comments and accusations that were made in Grand Island that almost torpedoed a program, a program that eventually even the bishop had to stand up and say, are you kidding me? This is the right thing to do for the right reasons. And I know the ghost of that minister, pastor, bishop would ask that question, are you kidding me? This is the right thing to do, folks. And if not, be prepared this next session to get to work on how we're going to provide even a modicum, which this is, a modicum of health services to kids in our schools. It's the right thing to do for educational outcomes. And I urge the body to reconsider what I think was an off-the-cuff vote. I can't believe it, are you kidding me? That kind of vote for a program that's this miniscule in the grand scheme of things when we've got nothing else to put in its place? Thank you, Mr. President. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Gloor. Senator Burke Harr, you're recognized. [LB1020]

SENATOR HARR: Thank you, Mr. President. Somewhat difficult to follow a speech like

### Floor Debate April 18, 2012

that, that's very impassioned and very true. And what I'm about to say may shock some of you, but I want to congratulate the Governor. I think the Governor has done an outstanding job on education. What he has attempted to do on P-16 education is phenomenal. We have a major problem in education. It's called an achievement gap, and we need to address that issue. And we need to look at what is causing this achievement gap and what can we do to prevent that achievement gap? And I know he's gotten a lot of local...in the learning community in Omaha and Sarpy County, Douglas County together to talk about what we need to do. One of those is kids need to be in school. And we've done a good job. It's a start on truancy. But if kids are sick they can't be in school. Kids don't have healthcare, they're only going to get sicker and miss more days of school. Our Governor is also making a good stand on the importance of public-private relationships, that we need to work together. He's absolutely right. The private sector and the public sector need to work together with a common goal. And that common goal is to close the achievement gap and to make sure every child gets the education they deserve under the constitution. Now that's exactly what this bill does, which makes me all that more surprised, shocked, and appalled that our Governor vetoed this. So I went to the veto letter and read it, because I thought this was a no-brainer. And he made a point about this isn't...healthcare isn't education related. Well, we all got the handout earlier from the Department of Education, from the board, elected board that said, no, you can't separate one from the other. If a kid isn't healthy, a kid ain't learning, to paraphrase. And that's exactly right. We need healthy kids in order to learn. They also, as Senator Howard said, get other students sick. It's a snowball effect. We have private enterprise, nonprofits already involved. In Omaha, Douglas County we have the Charles Drew community Health Center, we have OneWorld, we have Children's Hospital and Medical Center, we have UNMC, we have Creighton Medical, we have Boys Town. The private sector has stepped up. Now it's our turn to step up, to do the right thing. Now there is concern that this money is coming from lottery. And we had two bills this year that came out of lottery proceeds. This one is a lot less, closer to the line than the other one. Again, we have the statements from the Nebraska Board of Education saying, you can't separate education and healthcare. If that kid isn't healthy, that kid isn't learning. So we've addressed that issue. The other issue the Governor said in his letter was this should remain a local responsibility. Well, again, I don't disagree it should remain a local responsibility. But if the locals don't have money, we aren't giving it to them on other issues. But this is what we should be doing. If it's right, it's right. And if the locals don't want to take advantage of it, no one is forcing it down their throat. I understand local control, that's why I voted the last way I did on the last veto override, because I do believe in local control. But, ladies and gentlemen, this is not denying local control. We aren't taking power from the local,... [LB1020]

# SENATOR LANGEMEIER: One minute. [LB1020]

SENATOR HARR: ...we're enhancing that power. We're allowing public and private to work together, to work better, to close the achievement gap so that we can no longer

	h at a
<u>Floor De</u>	<u>edate</u>
April 18,	2012
I ;	-

look at a kid, look at that kid's parents and the race of that child and pretty much determine what that kid's academic level is going to be and the result, the amount of money they spend or amount of money they make. That is wrong and that's what we need to address. That's our objective, that's the mission. It isn't about where the money comes from. It's about doing what's right. And so I would ask you to all think about...go back, take a couple of minutes, think about what is the right thing to do. How do we reach that goal? How do we close that achievement gap? And those who are already performing better, how do we make sure they can perform to the top level? And that's by being healthy and being in school. And that's exactly what this bill does. So I would ask you to please vote for the motion to override. Thank you. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Harr. Senator Mello, you're recognized. [LB1020]

SENATOR MELLO: Thank you, Mr. President, members of the Legislature. I rise in support of the reconsider motion. And I'd like to draw attention of the body to a press release that was sent out a little earlier today, dated April 18, from the Department of Health and Human Services, our own Department of Health and Human Services, that guotes First Lady Sally Ganem saying, improving the health of Nebraska's kids needs to be a priority in our state right now. Colleagues, that came from the First Lady of Nebraska this morning. If that doesn't draw your attention of what we're doing on LB1020, then I don't know what will because the conversations we've been having off the mike shows that a bill like LB1020 not only promotes public-private partnerships within our schools, but ultimately it makes fiscal sense of trying to save money in the long run, primarily, primarily for those children who are on SCHIP, who if we can provide an ounce of preventative care in our schools saves more money in the Medicaid budget. I'm sure Senator Heidemann will stand up and reiterate that, that saving money by getting kids who are in SCHIP that preventative care in our public schools saves more money through the appropriations process. So you have the First Lady of Nebraska stating today in a press release that the health of Nebraska's children need to be the state's priority. We know by providing preventative care to children it saves more money in the long run, primarily those who are concerned about possibly the fiscal note of \$100,000 a year of General Funds, the amount of money we could save by ensuring 100 kids who may get this care through their care, could save in the Medicaid budget. But as Senator Burke Harr just mentioned, this is a priority also of the State Board of Education. Healthcare and education are intrinsically linked together. You can't separate one from the other. Kids who aren't healthy can't learn and we know that. This is a bill that provides an opportunity for school districts who want to raise the money to provide preventative healthcare for their children, whether they're low-income children or any child for that matter, provide them the healthcare they need to ensure they can be successful in the classroom. I urge the body to reconsider this bill. Take a step back, listen to some of the arguments made today, and vote to reconsider it and move forward in overriding the Governor's veto. With that, I'd like to yield the remainder of my time to

Floor Debate April 18, 2012

# Senator Nordquist. [LB1020]

### SENATOR LANGEMEIER: Senator Nordquist, 2 minutes 30 seconds. [LB1020]

SENATOR NORDQUIST: Thank you, Mr. President. I think it speaks volumes that First Lady Sally Ganem, from her experience as a former principal, would talk about...when talking about school wellness, which is what that press release and that event was for, would say that health of our children needs to be a top priority right now. And again, I just want to clarify through some questions off the mike that I've had about what this is and what these centers are. And I can speak from the experiences in Grand Island and in Omaha. The funds that we're putting out here would be for renovating space essentially in a school building to make it a clinic-like setting. That's where the school's responsibility ends. So the funds would go to the district, they would create the space. Then they would enter into a partnership, with no financial overlays or no financial ties, with a partnering medical facility, and this is how it's worked in the past and certainly most likely would in the future, with either a hospital or a federally gualified health center, which is why places like Columbus or Scottsbluff or Norfolk that has federally qualified health centers could be great partners, anyplace with a hospital could be a great partner. And it would be up to that partner to essentially operate a clinic just in the school building. That's what we're talking about. It boils down simply to that. [LB1020]

#### SENATOR LANGEMEIER: One minute. [LB1020]

SENATOR NORDQUIST: There's always parental consent signed off. Usually at the beginning of the school year they go around and ask, do you want your child seen and sign off on a parental consent. In Grand Island and in Omaha the practitioners, the people who provide the service, call the parent before the kid comes in that day and then reports right back to the parent after the visit. So the parents are kept fully abreast of the services that are provided. So it boils down to getting kids the treatments that they need so they're not sitting out days of school, missing days of school to get into a primary care physician. They can get in, in a timely manner, get the treatment they need, and get back in the classroom so they can succeed. And that's what we need. And this bill is a good program to get those off the ground, to clear that first hurdle, which is the construction costs. Again, there is a local component, a 50 percent local match has to be made. Thank you, Mr. President. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Nordquist and Senator Mello. Senator Schumacher, you're recognized. [LB1020]

SENATOR SCHUMACHER: Thank you, Mr. President, members of the body. I think no one can really doubt that we are in the middle of a medical care situation in this country. And with or without the federal healthcare act, we have more money spent on healthcare than any other country. And depending on who you listen to, performance of

### Floor Debate April 18, 2012

our system somewhere between 5th in the world to 37th in the world. We've got a problem with it. Most of the progress in extending our age, our life expectancy in the last 100 years has come not from end of life or later year magical procedures and scanners and things like that, but from simple preventive medicine, public health and sanitation, and early detection. That is the embodiment of what is in this particular measure that treats all kids equally, gives kids access to that vehicle of medical care at a stage where it probably does the most bang for the buck. I don't want to take a lot of time. Let's just compare the miniscule amount of money that we're talking about here at \$100,000. That is three-quarters of a day of the tax cut we passed. We could afford that, no problem, all \$50 million a year down the road. But this is three-quarters of day. We talked about gambling, the evils of gambling. Yes, our players lose in Iowa \$10 a second. So this is about 2.7 hours of player losses in Iowa. This is an investment that will provide returns. It's a simple financial, health, and common-sense matter. This is one we should pursue. I'm really, as Senator Harr commented, a bit surprised that we're even dealing with it. Thank you. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Schumacher. Senator Adams, you're recognized. [LB1020]

SENATOR ADAMS: Thank you, Mr. President. Members, I'm not going to come to the mike to try to make an argument against this. You can look at your computer and I was (laugh) the only red in my committee, coming out with this, and stayed that way along the way. But in far less than five minutes, let me try to do something here that may be of assistance to you. Everything that you have heard thus far is valid and true. A healthier kid is going to learn better. We are not debating that here. That's not the issue, it is not. There is no question that we have issues, and they are not just in Omaha, they're probably everywhere in the state about a healthy kid coming into a classroom. I can't tell you how many times in my career I sent a kid to the nurse's office or to get a bagel or whatever so they were better prepared to learn. And we're probably talking about more serious things than that. All that aside, if it's of any assistance to any of you, let me cut to the quick, what I perceive to be the quick here, and I'm...Senator Nordquist, I'll yield you whatever time I have left that you can refute and respond. As you all know, I have had concerns since day one with the use of lottery dollars. And Senator Council, she is probably just as right as I am. We don't know right down to the dollar what that balance is that we've got to maintain in that fund. We don't know. But I get real concerned about that. And you've heard me, not just on this bill but on others, last year LB333 and bridges and this one. I just get concerned about the use. There's one other thing to consider. If you read the language of the bill, this is not about providing health services. This is about providing money for capital construction. All right? This is not about providing health service. We all know that's important, we all do. I'm not going to argue that for one minute. What this bill really boils down to, folks, is this. And I got a feeling most of you have made up your mind. That's fine, I have too. But if not, here's what it comes down to (a) should we use lottery dollars for this purpose? And again, let me

Floor Debate
April 18, 2012

reiterate I'm not sure who's right, whether Senator Council or I, (laugh) on how much needs to be in that Innovation Fund. That's...we could debate that forever. The other issue is this is for capital construction for schools. Is that a direction we want to start going? We have not in the past. Now I may stand corrected on that, but we have not in the past. So it really comes down to that. Take the emotion out of it. Do we want to take these monies, both lottery and General Fund dollars, and put them into start-up costs and capital construction? This is not to provide the services. It really comes down to that. And I would yield the rest of my time to Senator Nordquist if he'd like to have it. [LB1020 LB333]

SENATOR LANGEMEIER: Senator Nordquist, a minute 21 seconds. [LB1020]

SENATOR NORDQUIST: Thank you, Mr. President and members. I think just on the issue of the lottery funds, the fund is intended for innovative interventions in education. Since its inception we've amended it 26 times. I think this is in line with that. As new innovation, new approaches to improving educational outcomes come forward,... [LB1020]

SENATOR LANGEMEIER: One minute. [LB1020]

SENATOR NORDQUIST: ...we amend it. The current bottom line on this from the Fiscal Office after LB1079 has been signed into law, which was Senator Mello's bill, which took money out of this, in 2016 we are going to be sitting on \$4.5 million. If we take \$100,000 a year over two years, which is what this bill does, again it's a two-year program, we would be down at only \$4.3 million, so from \$4.5 million to \$4.3 million. Coming from the Appropriations office, we often certainly take cash funds to lower levels than that. For capital construction you can't provide the services if you don't have the facility. There is a local match, the schools have to come forward and put up local effort to be competitive or to receive these grants. So I think it's very much appropriate to use these funds at this time. Thank you. [LB1020 LB1079]

SENATOR LANGEMEIER: Thank you, Senator Nordquist. Senator Dubas, you're recognized. [LB1020]

SENATOR DUBAS: Thank you, Mr. President. Good afternoon, colleagues. You know, everything old is new again. You know not too many generations ago I think just about every school in the state had at least a school nurse. I can remember when I was in school, we had the school nurse. And what that meant to our teachers and administration to have a medical professional in the building I think went a long way. You know nowadays--my daughter is a teacher, I visited with other teachers--we rely on the paras most often to help take care of sick children. Some of those paras may be trained in the medical profession but I would guess that most of them are not. And so again I think it's been brought up the schools that used to have school nurses don't

# Floor Debate April 18, 2012

anymore because of funding, because they had to make cuts. And I know for some of the schools, this was probably a hard decision to make to eliminate that school nurse because they understood what that nurse meant to not only the health of that individual child but the health of their entire classroom, and just not to have to have that particular thing to worry about as a teacher went a long ways. And I understand that these dollars would be used for capital construction, but in light of HIPAA laws and other things that are in place now, we can't just use a school office or, you know, some small closet in the building to house a school nurse or medical profession to help with these children's issues. We do need to have a facility that can be private and secure and that will help our medical profession do the job that they need to do. I think this really is a no-brainer. I think the criteria that's been set out as far as who can qualify for these dollars really points to those areas of the state that are in medical...have a medical shortage. It's difficult for families to get their child to medical care in a timely fashion. You know, I feel very fortunate, in my community we have two medical clinics right in town, but not every smaller community has that available to them. So to have someone in the building that is a professional and that can help these children either kind of head anything major off at the pass or get the child the attention that they need when they need it I think is very critical to not only the learning environment but the health environment of the school. I'd be willing to yield the remainder of my time to Senator Nordquist should he need it. [LB1020]

SENATOR LANGEMEIER: Senator Nordquist, 2 minutes. [LB1020]

SENATOR NORDQUIST: Thank you, Mr. President, members. I just want to make one note about where this bill came from as far as the process it went through. It was introduced to be \$200,000 a year ongoing from Education Innovation Funds, modeled after legislation in Texas. Several other states have support grant programs for school-based health centers. After hearing the concerns of Senator Adams, I offered an amendment to the committee to take it down to \$100,000 in Education Innovation Funds and \$100,000 of General Funds just for a two-year period to see where that gets us, see which communities come forward, and an opportunity to evaluate the success of the program. I think every program should go through an evaluation and should likely have some sort of a time frame on it. So, you know, we tried to work with the Education Committee and to address some of their concerns. [LB1020]

SENATOR LANGEMEIER: One minute. [LB1020]

SENATOR NORDQUIST: Again, the funds we're taking this out of, the Fiscal Office, over the course of the next five years the lowest projected balance is \$3.55 million. That's at the bottom end, so I think there's plenty of cushion. You can talk to people from the banking and insurance industry and they would say that we take the cushion down on their fund significantly more than that. So I think that it is appropriate. It is an amount that's reasonable. It's a small down payment, I think, on seeing what blossoms

<u>Floor Debate</u> April 18, 2012

in communities around this state. And again in Omaha we've been able to do seven of them with philanthropic donations and if there was that kind of support around the state in the communities I've talked to, like Lexington, you know then we wouldn't have a need for this. But unfortunately, it doesn't seem like in some of those communities there is that much support. So this would be... [LB1020]

SENATOR LANGEMEIER: Time. [LB1020]

SENATOR NORDQUIST: ... an opportunity. Thank you. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Nordquist and Senator Dubas. Senator Council, you're recognized. [LB1020]

SENATOR COUNCIL: Thank you very much, Mr. President, and I certainly appreciate and respect the position of the Education Committee Chair. I serve on that committee and I certainly appreciate the consistency of the Chairman's positions on issues, even when I respectfully disagree with them. And I respectfully disagree with the Chairman on this issue from a funding perspective, did so in the committee and continue to do so now. And again, if you look at where the Education Innovation Fund is, what programs that are currently being funded out of that program that are scheduled to sunset, and the limited period of time that these funds are to be made available, this is a reasonable and sound investment in the health of the youngsters of the state of Nebraska. Senator Adams made the point that these dollars don't go to the actual provision of health services. He's absolutely correct. They don't go any more than the millions we appropriated for the Kearney nursing school, because you can't have the program without the facility. And most of these schools, in fact all seven of the schools in Omaha that have had school-based health clinics, have had to do construction in order to make the space available for the kind of health services that are being provided. I think Senator Dubas was talking about it's not a case of the traveling school nurse that can see a child in the principal's office. We're talking about examination rooms being necessary to address the healthcare needs that these youngsters present. Two years ago when I went to the opening of one of the elementary school-based health clinics in Omaha and it was shortly after the start of the school year, and Senator Schumacher referred to immunization, I was startled by the number of youngsters who, but for the presence of that clinic, would have been deprived of enrollment in kindergarten because they did not have the required immunizations. All of those children were able to secure those immunizations there in the building and did not miss a day of school. Now the focus is on the lottery funds. Well, I think we should also look at the General Funds and I think we ought to take into consideration the budget that this body approved, and this body approved a budget where there was a lot of negotiations that were undertaken to ensure that we passed a budget that would allow for the kind of tax-cut program that this body wanted to advance, and included in that agreement was the very \$100,000 coming out of this General Fund. So the guestion that we ought to be asking ourselves

<u>Floor Debate</u> April 18, 2012

is if the issue here is really the use of lottery funds, why did we have a veto of the entire bill and not just a line-item veto of the \$100,000 from the Education Innovation Fund? This program needs to go forward. And if the concern, again, was simply the source of the fund, that could... [LB1020]

SENATOR LANGEMEIER: One minute. [LB1020]

SENATOR COUNCIL: ...have been addressed. But by vetoing the bill in its entirety, the message it's sending, colleagues, is we really aren't serious about prioritizing the health of our children. And I think it's rather ironic that the First Lady has published this morning the very statement that I'm arguing should be the reason why we override the veto on LB1020: The health of our children and the impact it has on their educational attainment should be our number one priority. And for that reason, I again urge you to reconsider your vote to override the veto on LB1020. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Council. Senator Gloor, you're recognized. [LB1020]

SENATOR GLOOR: Thank you, Mr. President. I appreciate Senator Adams' reminder to us about what the bill does and doesn't do, although my response to that would be, to the body, that all of these issues, whether it's service provision, whether it's dollars of support, whether it's facilities, are intertwined, and I speak from 15 years ago helping put together one of these programs. You need three things to make this happen. You need a school with a need for these sorts of services and one who wants to be a willing participant in this process. You need healthcare providers, could be a nurse practitioner, physician's assistant, unlikely that it will be a doctor, but you need a healthcare provider and a team to support them and that can be hired by the school, it can be independently somebody who comes in to provide it. They can be volunteers, believe it or not. And thirdly, you need a facility. It's a three-legged stool. If you don't have any one of those three components in place, you're not going to have one of these clinics in place. In Grand Island's experience, the school saw the need before anybody else and saw its educational need and its potential impact on education learning of its students. They made facilities available, even did some remodeling to make these facilities available within the school itself, and came to the medical community for the support that they needed, both in terms of providing those healthcare providers and some financial support, and foundations got involved and ultimately the community came together. But it was all three of those. How this will come about isn't that somebody will build a facility with these dollars and then say, anybody want to take advantage of this? It will be the schools and it will be healthcare providers and it will be the use of these funds, and they will all come together at the same time, otherwise it won't be successful. It will take all three pieces. And what we are doing is assuring that there is an opportunity, not a guarantee, an opportunity there will be some dollars available so that when the schools and the healthcare providers and the community sit down and talk about instituting one

April 18, 2012
----------------

of these they have a resource available for that third leg of the stool for the facility that's necessary. Yes, it's about the facility, but that facility is just as important as having the school and that facility is just as important as having service providers to provide the healthcare services. They are intertwined. It is a three-legged stool. Thank you. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Gloor. Senator Louden, you're recognized. [LB1020]

SENATOR LOUDEN: Thank you, Mr. President and members of the body. As I look this bill over and we're all talking about healthcare and healthy children and all that, as Senator Adams pointed out, we're talking about buildings, and just because you build a building doesn't mean that the kids are going to be any healthier. One thing I noticed in there, that the Education...Department of Education gets to use 10 percent of that money for...to coordinate the plan. Also, the whole gist of the bill is on page 4, under Section 3, paragraph (5): The funds from a competitive grant received under the program may be only used for capital construction and start-up costs for school-based health centers and may not be used for ongoing operations, administration, or service delivery costs. In other words, you're going to have to build a structure with it. That's the way it is in the bill; that's that. And it goes on to say that within five years if you use that structure for something else you're going to have to pay the money back with interest. And so you have...the districts have to apply for it, put up 50 percent of it, and perhaps if they use that facility for something else they're going to have to pay the money back plus interest. I'm wondering what else can we do here that if we're going to talk about healthcare for students then let's talk about healthcare for students and do something about the healthcare. There's nothing in here that would say that they have to have a physician's assistant on call or how...are you going to set up a clinic in a schoolhouse or whatever. Many of the small towns have a clinic in the town and that's where anyone goes if they need any medical treatment of sorts. So I'm wondering, when we talk about healthcare of the students, this, to me, LB1020 doesn't address that at all. LB1020 just points out that you're going to build a facility, whether the school district goes ahead and builds a room, sets up a clinic in their schoolhouse, and that's another problem I have is we're pushing some social issues off on to the school districts. And usually when they talk about this vaccination program for kindergartners and stuff like that, that can be handled other ways. That's what your Department of Health is for. When I grew up, why, everybody had to be vaccinated for diphtheria. We all went to the school. That's where the county nurse came down and everybody lined up and they did your diphtheria shots back in those days. That was something that was deadly. That was done at the schoolhouse but it certainly wasn't any money appropriated from the school districts to do that. They just had the collection point for the kids, same way with smallpox. In about 1942, everybody had to be vaccinated for smallpox and that was the same thing. They came through the schools, vaccinated everybody in the school because that's where most of the people were collected at. So I don't see where we're gaining anything by

<u>Floor Debate</u> April 18, 2012
April 10, 2012

this other than we're building a building, taking some money out to authorize some structures to be built, and we don't even know for sure what they will use them for or if they will be used to help any of the healthcare of the students. If we're going to spend money for healthcare then I think there's other ways that can be done and we should do that through the Department of Health. Thank you, Mr. President. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Louden. Senator Avery, you're recognized. [LB1020]

SENATOR AVERY: Thank you, Mr. President. If you...some of you noticed that I voted red on the motion to override, and some of you may also have noticed on the committee statement that I voted yes to advance the bill from committee. I feel like I owe you an explanation as to why I voted red then on the motion to override. At the time that we were debating this bill in committee, we also had Senator Mello's bill, LB1079, educational bridge program, and both of these bills each were drawing the funding from the Education Innovation Fund. I was concerned that we might be drawing that reserve too low, so I voted for Senator Nordquist's bill in committee and then...and in part because it came up first, and then...and I debated that guite a bit in my own mind at the time, and then when we got to Senator Mello's bill I did not vote to advance. So then we get to the floor and I am persuaded to support both bills but still had the concern about the Education Innovation Fund and the reserve and drawing it too low. And Governor Heineman signs LB1079 and then we're faced with the veto of LB1020. I still have that concern so I...my vote not to override was a vote to protect the Education Innovation Fund. I still have that concern. We can argue and debate in here endlessly I suppose about how low can you go with that fund before it's a dangerously low balance. I am told that we're anticipating up to \$6 million and more annually in that fund because of the increase in the price of lottery tickets. We don't know that the increase in the price of lottery tickets will produce that kind of increase. I hope that it does. But until I see some evidence of this, I'm still going to be concerned about this fund. It's a very important fund. I'm not even sure it ought to be used for construction projects but should be used for programs and, in fact, that is what the Mello bill is doing. So my choice now between these two is similar as it was in committee. I think that the Mello bill, since it has now been signed into law, is enough for us to be dipping into that fund. I will listen to more of the debate and will try to keep an open mind, but at this point I probably will stick with my red vote. Thank you, Mr. President. [LB1020 LB1079]

SENATOR LANGEMEIER: Thank you, Senator Avery. Senator Council, you're recognized. [LB1020]

SENATOR COUNCIL: Thank you again, Mr. President. And again, I thank and appreciate my colleagues who have spoken on this issue and clearly articulated their positions. And what Senator Avery just said is correct. I mean reasonable minds are going to disagree on what is an appropriate balance in the Education Innovation Fund.

Floor Debate April 18, 2012

Now I guess where I disagree is whether or not the utilization of funds to make a facility available to provide a program or service is meeting an educational need. I maintain that it is. I also maintain that it is entirely consistent with the express purposes set forth when the Education Innovation Fund was created. As Senator Nordquist read, it spoke to programs addressing family and, to address Senator Louden's concern, social issues impacting children and their academic achievement. That's the purpose of the Education Innovation Fund; it's to remove barriers that prevent our young people from fulfilling their educational potential and those barriers may be in the form of social issues, may be in the form of health issues. And this fund was created to enable this body to allocate dollars to ameliorate those barriers and impediments. Yes, this involves construction. It says construction and start-up. That includes equipping these facilities. I don't know how many of you have been in your elementary, middle school or high schools lately and seen the nurse's office, and many of them, they are about the size of a closet. Under the school-based health clinic model, you actually provide a small health clinic that you can meet the healthcare needs that are presented by young people, and as Senator Dubas referred, that meets HIPAA requirements in terms of degree of privacy, and particularly when we're talking about high school students. And these clinics need to be available to students in our senior high schools because those are the students who are at greatest risk of absences due to illness leading to dropout. Look at the bill that this body passed with regard to compulsory education. The amendment that was adopted by this body says the only way you could even be considered to be allowed to withdraw after reaching age 16 is if you are required to provide financially for your family or a dependent child, or an illness absolutely prevents you from attending school. Well, with the school-based health clinic available to provide treatment, that could prevent a youngster from having to withdraw from school and would be achieving our objective of ensuring that all of our children complete high school with a high school diploma. This is an education issue. The Education Innovation Fund was expressly created to address such issues. The program and services to be rendered through school-based health clinics cannot occur unless the facilities exist to do so. It's no different than any other program that we have funded the construction of the facility to enable the delivery of the programs and services. And again, I'll just speak to the Kearney nursing program. Now, admittedly, those weren't education dollars. They didn't come out of the Education Innovation Fund. But what was argued in support of that was the need to provide that educational program, and the only way you could provide that educational program was with facility improvements. The same is sought to be accomplished under LB1020 to enable school districts who see the need, and that's the other thing. I mean this bill doesn't dictate or mandate that schools offer school-based health clinics. It just says if they see a need to do so and they can generate local funds to match the grant funds, they're eligible for the grant funds. Senator Louden expressed a concern about not being used. Well, that's the decision of the local school district. [LB1020]

SENATOR LANGEMEIER: Time. [LB1020]

Floor Debate April 18, 2012

# SENATOR COUNCIL: Thank you. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Council. Senator Nordquist, you're recognized. [LB1020]

SENATOR NORDQUIST: Thank you, Mr. President. I anticipate this will be the last time I speak on this. I just want to make sure we're clear. You know, this doesn't obligate any school district to do anything. It's for those communities that think it's right to provide healthcare and they feel that they have the need to do it. That's why the state school boards came in, in support of this at the hearing. They know it's not going to work for everybody, but they know it's going to work well for some, and that's what this is about. It's about giving schools the options to address this, to come in and to compete for a limited amount of dollars. It certainly isn't as much as I'd like to see and it certainly isn't as ongoing as I'd like to see. But I was willing to work with, address the concerns of Senator Adams and reduce the amount we're taking out of the Education Innovation Fund and make it only a two-year program to see the successes that...to replicate the successes that we've had in Grand Island and in Omaha. And on the Education Innovation Fund, I understand Senator Avery's concerns. Again, I was more than willing to bring that amount down to \$100,000 for each of two years, so \$200,000 total. That fund, it's anticipated, generates in the neighborhood of about \$6.5 million to \$6.7 million of lottery funds every year. The lowest amount we're going to have in that fund projected is \$3.5 million. That's almost a 50 percent cushion that we are leaving in that fund. There aren't a lot of cash funds that we transfer money out of that have that kind of cushion. And I realize lottery funds ebbs and flows, but a lot of tax...some of the tax funds that we have, cash funds ebb and flow too. That's a very large cushion for that amount of money and I think taking a one-time \$200,000 transfer is very sustainable. So I ask you to move forward with this bill so we can get a few more of these off the ground in school districts that absolutely need them. I know, I can tell you, I've had conversations with folks in Bellevue, in Ralston, in Lexington, in Lincoln, in federally qualified health centers in...the other federally qualified health centers in the state that are interested in partnering in places like Scottsbluff, Columbus, Norfolk. These are the places that want...that may want, as a community, to move forward with this but they need a partnership from us and it will be a partnership from the state level, from the local level, and from the provider community to move forward with it. So I'd appreciate your support of the motion to reconsider and then the motion to override. Thank you. [LB1020]

SENATOR LANGEMEIER: Thank you, Senator Nordquist. Seeing no other lights on, Senator Council, you are recognized on your motion to reconsider the last. [LB1020]

SENATOR COUNCIL: Thank you, Mr. President. I will be brief. The health and welfare of the children of the state of Nebraska has been an express priority of this body during

<u>Floor Debate</u> April 18, 2012

this session. LB1020 and the provisions thereof fit squarely within achieving those stated priorities, and that is providing the opportunity for children in school districts across this state, who see the need to provide for healthcare in the school building, to have access to funds to enable them to make those programs available. I would urge your favorable consideration of the motion to reconsider the override of the veto of LB1020. Mr. President, I would ask for a call of the house and a roll call vote in reverse order. [LB1020]

SPEAKER FLOOD PRESIDING

SPEAKER FLOOD: 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. Mr. Clerk, please record. [LB1020]

CLERK: 37 ayes, 0 nays, Mr. President, to place the house under call. [LB1020]

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 Mello, Avery, Janssen, Nelson, Schilz, Lautenbaugh, Larson, please return to the Chamber and record your presence. The house is under call. Senator Larson, Senator Lautenbaugh, please return to the Chamber and record your presence. The house is under call. Senator Larson, please return to the Chamber and record your presence. The house is under call. Senator Council, all senators are present or otherwise accounted for. Members, the question before the body is, shall the vote last taken be reconsidered? Pursuant to the rules, this does require 30 votes. Mr. Clerk, please read the roll in reverse order. [LB1020]

CLERK: (Roll call vote taken, Legislative Journal page 1556.) 27 ayes, 22 nays on the motion to reconsider, Mr. President. [LB1020]

SPEAKER FLOOD: The motion fails. I raise the call. Mr. Clerk, we now move to the next item which is the veto override on LB599. Mr. Clerk. [LB1020 LB599]

CLERK: Mr. President, Senator Campbell would move that LB599 become law notwithstanding the objections of the Governor. [LB599]

SPEAKER FLOOD: Senator Campbell, you're recognized to open on your motion. [LB599]

SENATOR CAMPBELL: Thank you, Mr. President and members of the Legislature. One week, we were here one week ago and a lot has happened in that week, a lot of newspaper, a lot of television, a lot of e-mail, a lot of "tweeting," but one thing has

# Floor Debate April 18, 2012

remained unchanged and that is the purpose and reason for LB599, and that is healthy babies. I want to remind everyone that it is the baby, the unborn child, who holds the eligibility. It is the unborn child that receives the benefit. For over 30 years the state of Nebraska covered these babies and 2 years ago the state received a letter from Medicaid indicating that we could not cover the babies under Medicaid and that we needed to look, if we chose to do so, a change in the funding mechanism and that we should look at CHIP, which is the Children's Health Insurance Program. And under that program there is a special carve out known as the unborn child option. This option was signed into law by President George W. Bush. It is important to keep the eligibility and the benefit, and what this bill is, is the unborn child option. Over and again I think all of us have been asked the question about what should the taxpayer be paying for and I want to be very clear here. The taxpayer, all of us, are now covering the following expenses. We are covering labor and delivery and we are covering the NICU, which is the intensive care unit. We are covering those through Medicaid and our tax dollars. During the month of March a woman appeared at one of our federal health clinics with a raging fever and delivered a child at 24 weeks. That baby weighed 1.6 ounces (sic) and that baby is still in the NICU unit, or a NICU unit I should say, in Omaha costing thousands and thousands of dollars, when only if that mother had gone in for prenatal a mere dollars would have covered the antibiotics for that fever. Last week, as some of us made some stops in Nebraska to talk about what LB599 meant, a physician in Grand Island took us aside, and I quote: The importance of prenatal care gives us information, gives us information about that unborn baby. If known prior to when that child is born, we can gather a lot of information. And she gave us an instant. She said that if she has information, if there was a prior pregnancy and that pregnancy was...ended in premature birth, they can now give medicine to that mother to help prolong that pregnancy and have that unborn child reach as close as possible to those 40 weeks. Again, with mere dollars we can provide medicine and prevent what may be a costly NICU visit. Prenatal care saves dollars. Yes, it does. In fact, some of the conservative businessmen that I've talked to lately said, I don't understand this; if the taxpayer can be saved dollars and babies' lives can be improved for a lifetime perhaps, why, why would we not look at this option? Colleagues, I have so much appreciated the questions and the commitment that you have had to address this issue and I certainly would encourage and appreciate your yes vote to override this veto. Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator Campbell. Senator Fulton, you are recognized. [LB599]

SENATOR FULTON: Thank you, Mr. President. Members of the body, this...trying to determine what it is that I or any others could say that would change one's mind on this bill is like trying to find a needle in a haystack. I've gone ahead and turned on my light because I want, perhaps for my last time, to make it known publicly why I hold the position that I do. Now with issues of this high import it is simply...it is going to happen,

# Floor Debate April 18, 2012

emotions are going to run. I know that's what is occurring. I think it's occurring outside the glass. I think it's occurring inside the glass. I was chatting with my friend, Senator Marian Price, who is visiting us and what I said to her is that at the end of the day there are two buttons I can push, either a green button or a red button, or I could choose not to push any button. It's amazing what pushing one of those buttons does to the opinion of other people toward one of us, each of us. We who have served in these offices know that occurs. Simply pushing a button can cause you to be the devil or something on the other side, good guy or bad guy. You can be Batman or you could be the Joker. I do not support this bill. I believe it's wrong minded. It is... I said on the first time I spoke on this, there are two issues. There are actually three issues as I see it, as I had time to contemplate this more. There is certainly the pro-life issue, which I respect and hold. There is the illegal immigration issue militating against passage of this bill. And there's a third and that is, what is the appropriate role of government? This care is being provided today. I understand that the care is not being provided as robustly as it was before 2010. I understand that. I think there's reasons for that, but I acknowledge that. I also know that I've been contacted by at least one clinic director who has indicated this is something we do by charity and I have read of two others. I think there is an opportunity here for the faith community and the private sector to stand up. Reasonable people can disagree about that. What I can't make myself do is to forcibly take tax dollars from someone to pay for the obligations of one who is breaking the law to be here. I get the arguments that we're taking tax dollars after the child has been born. I understand that. But there's...I'm being honest here, there's something of an injustice here. I experience it in a personal way but I also am able to contemplate it and think through it rationally. This issue that the Governor brought up in his veto, the Planned Parenthood issue, I will freely admit that I did not bring this up on General and Select because I didn't think of it. I apologize to the body. These are the types of things I usually see; I did not. But I will also remind that no others brought it up either: proponents of the bill, opponents of the bill, lobbyists, interest groups, what have you. I was opposed to this bill to begin with. When you throw that into the mix, it causes even deeper concern. [LB599]

# SPEAKER FLOOD: One minute. [LB599]

SENATOR FULTON: I have great respect for Senator Campbell. I've said this publicly, said it personally. It's true. I'm going to be gone from this place, as are a number of others. At the end of the day I can only push one of these buttons. I've thought through this. I've contemplated it. I've sought counsel. I have talked to many people, pro-life people, prominent pro-life people, and I can tell you that the pro-life community is not of one mind on this, regardless. I understand the interest groups are involved here. I've talked to longtime activists in the pro-life movement who do not understand why LB599 is of the high import that it is. But it is and at the end of the day we are not pro-life senators nor pro-choice senators. We are elected representatives who have to cast a vote. [LB599]

Floor Debate April 18, 2012

SPEAKER FLOOD: Time, Senator. [LB599]

SENATOR FULTON: Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator Fulton. Senator Nordquist, you're recognized. [LB599]

SENATOR NORDQUIST: Thank you, Mr. President and members. I've said on the first few rounds of debate, this is a moral imperative. And Senator Fulton spoke of an injustice and I think the injustice that comes out of this is that when prenatal care is denied we know that it's the baby, the unborn child, that bears the full cost of that tragic decision. It's not the person who broke the law to begin with. It's the unborn child, the most innocent of human life. That's where the injustice is, that it's that baby that will suffer when the mom can't afford to see the doctor or when the mom doesn't know what medications she can and can't take or what foods or chemicals she can and can't put in her body or when she doesn't know how to manage her diabetes or when they don't catch a genetic disorder in a timely fashion. That's where the injustice lies and that's the injustice that this bill will correct. And this certainly is a pro-life issue, certainly from a fundamental perspective of respecting that unborn child as a life, but also we've heard loud and clear from all other groups that have been involved. We all received a letter in February 2010 at the beginning of this issue from Right to Life, Nebraskans United for Life, and the Bishops' Pastoral Plan for Pro-Life Activities, and they warned us. They said in this letter, February 2010: We believe this would be a terrible injustice that could do great harm to the lives of children who will no longer receive critical care. What's worse, not receiving coverage for such care could be a decisive factor in leading to some pregnant women to choose abortion. Therefore, we consider it an urgent pro-life matter for the Legislature and the Governor to do whatever is necessary to ensure unborn children continue to receive prenatal care; an urgent pro-life matter and not receiving such coverage could be a decisive factor in leading to some pregnant women to choose abortion over childbirth, February 2010. March 2010 from the Omaha World-Herald article that says one pregnant woman at this time opted for an abortion three weeks ago because she felt she couldn't afford to pay for prenatal care. Now we can all sit back and judge whether that was the right or wrong decision but we heard, we heard the warning in February and we saw the tragic results in March. Now I can't stand here and treat these facts with callous indifference or utter disregard and not take action, and that's what this bill does, is it takes action, but not only are we seeing those tragic consequences of a woman, at least one--we've heard other reports but I don't have the articles on it--choosing to terminate the pregnancy, terminate an unborn child's life. But we also saw that babies have died just because of the lack of care. In July 2011 we saw a Journal Star article that identified and itemized some of these tragic situations. Lives are being lost because of this, rightly or wrongly, but lives are being lost and those are the facts. And I want to clarify the issue in the Governor's letter. I know Senator Campbell has looked into it and maybe if she would yield to a question I'd

### Floor Debate April 18, 2012

appreciate that. [LB599]

SPEAKER FLOOD: Senator Campbell, will you yield to a question from Senator Nordquist? [LB599]

SENATOR CAMPBELL: Yes, certainly. [LB599]

SENATOR NORDQUIST: Senator, I know the Governor...Senator Fulton mentioned the Governor's reference to Planned Parenthood in his letter and I know your office and staff had looked into that issue. Can you relay what it was that your office was able to come up with? [LB599]

SENATOR CAMPBELL: Senator Nordquist, first of all, in a contact with Planned Parenthood, they indicated that in the state of Nebraska they do not provide prenatal care. One of the important things about the... [LB599]

SPEAKER FLOOD: One minute. [LB599]

SENATOR CAMPBELL: ...unborn, thank you, Mr. President, about the unborn child option, and that's important for you to understand what option we chose to do, if you look carefully at the bill, the bill has been constructed very narrowly. That's number one. Anyone...we do not cover postpartum care. We do not say in LB599 that there will be any family planning. If there is postpartum care involved, it would have to be under a global fee. That means that labor, delivery, prenatal, postpartum all has to be together in one fee. It cannot be separated. And it has to be done by the same provider. [LB599]

SENATOR NORDQUIST: So if somebody doesn't provide prenatal care then they wouldn't be able to receive any of the funds. Is that right? [LB599]

SENATOR CAMPBELL: That's correct. [LB599]

SENATOR NORDQUIST: Thank you, Senator Campbell. Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Senator Krist, you're recognized. [LB599]

SENATOR KRIST: Thank you, Mr. President. Good afternoon, Nebraska and colleagues. It is an interesting, a very difficult question and it is going to result in one or the other, green or red. I would remind you of a dialogue that I tried to have with you on the mike during the actual debate. We are in this position today after having a successful prenatal program for 30 years in this state until the federal government notified us that we were using the wrong color money and they told us how to fix the problem. And it was the executive branch, the Governor, the CEO of the Department of

Floor Debate April 18, 2012

Health and Human Services and the Medicaid director, who I'm assuming in concert made a decision not to fix the problem the way it was suggested but to make out of this issue an immigration issue. I do not see it as an immigration issue. I see it as a Republican and as a pro-life person, and I don't mean to put any of you off guard, but I believe very strongly...nor do I want to lose my Democratic friends' vote--but I feel very strongly that when I looked at the platform and I became a Republican, I believe in that platform. And I will vote, because I've looked in the mirror and I saw Bob Krist, I did not see anyone else, I will vote the way I need to. "We believe that good government should guarantee to its individuals equality before the law regardless of race, creed, age, aender. national origin, or income level and that each person's ability, dignity, and freedom, as well as responsibilities, must be recognized and honored." That is part of the Republican Party platform in the state of Nebraska. What's going to happen when that young lady presents herself for prenatal care? She is going to start in the vein of documentation. She has to prove that she's of the 185 percent poverty level. She has to prove that she needs the care. She identifies herself as an individual in the state of Nebraska who may at that point still be undocumented. But you know what? She becomes documented and that platform tells me that I need to do what I need to do as a Republican to make sure that she's taken care of. "We believe that life begins at conception, and that all innocent human life is precious and should be protected. We support the reversal of Roe v. Wade and an amendment to the United States Constitution banning abortions except those genuinely needed to save the life of the mother." What part of that don't I understand? I understand it all--at conception. So when you're out knocking on doors trying to come here and represent this body and you present yourself as a pro-life Republican, remember that paragraph. As you present yourself and campaign for higher office remember, if you're pro-life and you're Republican, remember what your doctrine says. "The NEBRASKA REPUBLICAN PARTY recognizes that our country is enriched with the vast influence of immigrants from all over the world who have come to the United States for the unlimited opportunities, freedom, and prosperity offered to every working citizen. We support, welcome, and encourage the assimilation of all legal immigrants and others who are here by due process and are productive, law-abiding citizens. In fairness to them, we support stringent federal efforts to stem the tide of illegal immigration." [LB599]

#### SPEAKER FLOOD: One minute. [LB599]

SENATOR KRIST: I do not see that as a conflict because remember the other paragraph, at conception, that is now a future resident of the state of Nebraska, under the Fourteenth Amendment and of the United States Constitution, and of the United States. This is the platform I believe in. Again, I don't mean to alienate my Democratic friends, but if you're pro-life and you're Republican and you haven't read this document, vote the way somebody else would or look in the mirror and vote the way you think you need to. Thank you, Mr. President. [LB599]

Floor Debate April 18, 2012

SPEAKER FLOOD: Thank you, Senator Krist. Senator Harms, you're recognized. [LB599]

SENATOR HARMS: Thank you, Mr. President and colleagues. I rise supporting the override of LB599. And, colleagues, I have to tell you of all the bills that we've dealt with in the six years I've been a part of this body, this is a bill that has challenged my very core values. And I have struggled to a certain degree about those values and principles that I believe in and I've had people tell me that you should do this and do that and do this, and I still come back to what are your core values. What kind of man do you want to be? I mean what kind of man am I going to be? And because of that, I have been unable to walk away from this. I believe that a mother that's carrying a child, unborn child, should have every right and every responsibility to get prenatal care regardless, regardless of whether they're a citizen or not, because we know when this child is born it's going to be an American citizen. It's a U.S. citizen. And why don't we want to take care of the child early rather than have an expensive project at the end? Colleagues, this is not a Democratic or Republican issue for me. It's about what I stand for and the values and the core values that I'm trying to get my children and my grandchildren to understand that it's all right, it's all right to take a position as long as you don't violate the very values and the principles that you believe so strongly in. So as you wrestle with this decision, you're going to have to let your heart be the deciding factor of what kind of person do we want to be, what kind of a man am I going to be. I think I understand that now. It's up to you to decide that but I would urge you to support this override because I think it's critical to this great state and to every child who deserves to have the opportunity to have prenatal care and to come into a world that's healthy and can live a healthy life. Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator Harms. Senator McCoy, you're recognized. [LB599]

SENATOR McCOY: Thank you, Mr. President and members. I rise this afternoon in opposition to this motion to override the veto of LB599. I have opposed LB599 throughout its journey through our legislative process for a number of different reasons, some of which have already been mentioned by others here on the floor this afternoon, many of which I brought up in earlier rounds of discussion on this legislation in the last few weeks. I believe the information that potentially there are organizations that could receive dollars under this legislation that don't share the same belief system that I do in regard to the importance of being pro-life, which I am, is a concern that has a lot of merit. There are those that said, well, how come this concern about this money going to organizations that may provide abortion services, how come this wasn't raised earlier? It wasn't contemplated earlier. You might remember I stood up and supported an amendment that was adopted to an earlier piece of legislation, LB540, earlier in the session, and many of you voted for it, that prevented...that would have prevented--and we didn't end up dealing with that piece of legislation on Select File and Final

<u>Floor Debate</u> April 18, 2012
April 18, 2012

Reading--but that amendment was adopted on General File that would have prevented those who provide abortion services from receiving dollars under that legislation. Wasn't contemplated until last week that might be possible under this bill. I have sitting here an annual report from Planned Parenthood of the Heartland that talks about two clinics in Des Moines that provide prenatal care. Senator Campbell may be very well correct that currently Planned Parenthood doesn't provide prenatal service in Nebraska, but guess what? Nothing in LB599 prevents them from deciding to do that from here forward. That's greatly troubling to me. The last thing I'd mention to you...and my e-mails and calls from my constituents and the contacts that I've received are overwhelmingly, overwhelmingly against this legislation. But one contact I had from a constituent family jumped out at me throughout the multitude that there has been in the last couple of weeks and it was an e-mail from a young family, my legislative district, so within walking distance of our home, young family much like ours, maybe that's why it resonated with me, young business owner or I should say young family that has a business, much like ours, and he talked about in the current economic climate that we're in what a difficult time it has been to pay for healthcare for their family. The mother has had more than one job while taking care of their children; father has had two jobs. And he talked about how difficult of a time they've had, as they've added several children to their family in the last few years, how difficult it's been to pay for healthcare, to pay for these prenatal services that we're talking about. And they said how... [LB599 LB540]

SPEAKER FLOOD: One minute. [LB599]

SENATOR McCOY: Thank you, Mr. President...how can we justify that? We pay taxes. We're citizens of Nebraska. We're trying to work hard to take care of our family. How is this possible that these tax dollars could be used in this manner? That really resonated with me. And so with those two grave concerns riding with me, ever present in my mind, again I stand in opposition to this motion. Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator McCoy. Senator Mello, you're recognized. [LB599]

SENATOR MELLO: Thank you, Mr. President, members of the Legislature. And I rise in support of the motion to override and I find it fitting, I guess, to stand up after Senator McCoy to discuss a few of the issues he raised. With all due respect to Senator McCoy's alluding to an issue of an organization, so to speak, that may receive state funds from this bill if they provide abortions, I've yet to hear Senator McCoy or any other senator on this floor this entire session question a Medicaid bill in the budget or any other bill that's come out of HHS in regards to who is getting the funds. Colleagues, pro-life groups responded to this charge from the Governor and called it an eleventh hour red herring, because that is what it is. If people had the concern that Senator McCoy and the Governor just mentioned or Senator Fulton, they would have stood up on every single bill that had a dollar of Medicaid costs with it, stood up and said we've

#### Floor Debate April 18, 2012

got to make changes, and no one has. That argument, for that matter, is simply that, a red herring, and pro-life groups have acknowledged that. They actually suggested if we wanted to get to this issue, Senator Fischer introduced a bill in HHS. That was what they suggested if we want to deal with this issue, to pass her bill, a bill that created a tiered system that prioritized local other health departments to receive state and federal funding, but not to veto or not to not override LB599. The underlying issue is this: I can respect colleagues who just take a different view on this. If they feel it's an immigration issue, I can respect that. We may disagree but I can respect that view. But there are some facts that can't be overlooked. Senator Campbell mentioned in her opening this entire SCHIP Program was created by President George W. Bush and his administration. I'm going to read you a press release that his administration sent out in September of 2003: HHS approves Massachusetts' plan to expand prenatal care to pregnant women and unborn children. HHS Secretary Tommy G. Thompson today announced a Massachusetts' plan to expand health coverage to low-income pregnant women and their unborn children under the State Children's Health Insurance Plan, SCHIP. The state expects nearly 4,000 people to receive coverage as a result of the change. The new coverage will give thousands of children in Massachusetts a healthy start by providing access to prenatal care, Secretary Thompson said. Prenatal care is crucial to the health and well-being of both mother and child. Vital services during pregnancy can be a lifelong determinant of health and we should do everything possible to make this care available to everyone. Colleagues, I would argue that, one, this is not a partisan issue, it's not a ideological issue. I think Senator Harms said it best. We all can stand here on the floor and make our own rationales based on our own values, and at the end of the day we are the ones who will have to live with our decisions. Ultimately, like Speaker Flood, like Senator Campbell and those who have cosponsored and worked on this is issue, I err on the side of life. I always have on this issue. I have on other issues. I think it's interesting though the facts lay out the federal government no less than ten years ago said this was a pro-life issue to them to provide prenatal care to unborn children. You had right here Massachusetts was the fifth state in 2003 to request this waiver, provide this prenatal care to unborn children. It speaks volumes. There are some people who see this obviously as a pro-life issue, beyond President Bush and his administration. States that applied for this waiver saw it the same way. I pose to you... [LB599]

# SPEAKER FLOOD: One minute. [LB599]

SENATOR MELLO: ...to take a step back. We've seen the e-mails. We've seen the Governor talk around the state, radio programs and otherwise, trying to draw arguments that, frankly, are very tough for him to draw. At the end of the day, this is a good policy for unborn children and at the end of the day it's good fiscal policy. I can respect Senator McCoy's family who talked about why are we providing this care and I could say to that family we're providing this care because it saves you more tax dollars in the long run so we have less children born with low birthweights, less children born with

Floor Debate April 18, 2012

less birth defects, and less children born with major diseases and health problems when they become United States citizens. Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator Mello. Senator Wallman. [LB599]

SENATOR WALLMAN: Thank you, Mr. President. Members of the body, I appreciate everything what's been said. Pro-life doesn't just belong in the United States. That transcends country boundaries. It affects all women. And you take care of their babies, take care of their babies and they will grow up to be healthier, less expense for the government, and it's a win-win situation. The immigration thing here is we're going to tie this to immigration? It's not about immigration, folks. It's about pro-life. Take care of the babies. If we don't want to take care of the babies, I guess that's our choice in here. But when President Bush put this in law and it was passed, and we decided not to use it. So let's take care of their babies. Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator Wallman. Senator Howard. [LB599]

SENATOR HOWARD: Thank you, Mr. Speaker. We were on the floor dealing with this bill two years ago and I saved some of the information from that debate, one of which was an article that was handed out by Senator Mello, and I'm going to guote from that today: A Schuyler, Nebraska, doctor voiced frustration Wednesday as he described the fallout he has already seen from the loss of government-funded prenatal care for some low-income women. One pregnant woman opted for an abortion three weeks ago because she felt she couldn't afford to pay for prenatal care, said Dr. John Jackson of Memorial Hospital in Schuyler. A second patient is seriously considering terminating her pregnancy, although the doctor is trying to talk her out of it. Several pregnant women among his mostly Hispanic patients in the meat packing town have guit coming for prenatal visits because of the out-of-pocket costs, he said, and one asked if he would come to her house to deliver the baby. Jackson said that women are doing the math. With incomes as little as \$150 every two weeks, it's hard to pay for \$50 diabetes tests or the \$750 to \$1,000 cost of prenatal care. By comparison, an abortion at a Lincoln clinic costs \$500 to \$550. If you actually want to solve the immigration problem, solve that, the family physician said. Why am I putting a baby's life at risk? That's not right. Jackson spoke Wednesday, shortly after a bill was killed in the Nebraska Legislature that would have restored government funding prenatal care for low-income pregnant women, including many who are immigrants. Now I've gotten a number of--and I'm sure you all have--of e-mails on this issue and some of these are...here's one. The most important months of a person's life are the first ones and since that is when the brain is developing in its structure. The most effective way to protect a child's brain before birth is considered prenatal care beginning in the first trimester. The physician is able to spot the trouble before it becomes dangerous to the infant's development. Prenatal care is the best investment we can make in children's health, learning, and lifetime achievement. Please support LB599 and allow all of Nebraska's children to receive the

<u>Floor Debate</u> April 18, 2012

prenatal care every child deserves. And this was sent by a good friend of mine. Dr. Ann Coyne of the School of Social Work. Again, you don't have to come down on one side of the choice issue or the pro-life issue to understand the importance of prenatal care. And here's a letter that was sent to me by a constituent in my district: Please consider supporting LB599 that restores prenatal care through Medicaid. In 2010, low-income women lost this coverage. As a consequence, many expectant mothers lack prenatal care, have more stillbirths, and give birth to less healthy children. This leads to more heartache and more need for state expenditures to care for the sick and weak children as they grow. Not only is prenatal care the right thing to do, the moral, the ethical, just the thing to do, but it would also save the state money. LB599 is, well, at that time on General File. She wrote in here, I believe in life, liberty, and the pursuit of happiness for all, and I vote to save the life of the baby. And this was Joyce. A similar letter from Patty: Women in our community really need this service provided so their babies will have half a chance to live. I appreciate my constituents and my friends who have stood up with me on this issue. For me, there's no halfway on it. Protecting children is the most important thing we can do, and giving children a chance to be born healthy is certainly at the top of that list. [LB599]

SPEAKER FLOOD: One minute. [LB599]

SENATOR HOWARD: Thank you, Mr. President. I stand to override this veto. I hope we can stand together and I hope we can provide care for these children so that they do have half a chance at life. Thank you. [LB599]

SPEAKER FLOOD: Thank you, Senator Howard. Senator Bloomfield, you are recognized. [LB599]

SENATOR BLOOMFIELD: Thank you, Mr. President. I stand in opposition to the override of LB599. I voted against LB599 when it was in Health and Human Services Committee. Since that time I've been called everything, and I'm going to borrow one of Senator Council's phrases here, been called everything but one of God's little children. We have been beat up one side and down the other on this issue. I have seen nothing that's going to change my mind on it at this point. I do believe it to be an immigration issue, not a right-to-life issue, and I will be voting red on it. Thank you. [LB599]

SPEAKER FLOOD: Thank you, Senator Bloomfield. Senator Schilz, you're recognized. [LB599]

SENATOR SCHILZ: Thank you, Mr. President. Members of the body, good afternoon, 4:00 in the afternoon. You know, I sit here and I listen to this and I got to be honest with you, for folks in here to impugn other senators' pro-life feelings and everything else--absolutely I'm pro-life, I always have been--but we have to remember that nothing comes for free. In a perfect world we wouldn't have to worry about this because there

<u>Floor Debate</u> April 18, 2012

would be enough prenatal advice and prenatal medicine for all of these mothers. Unfortunately, it does cost money and we're the ones that have to write the check. Does it pain me to have to maybe turn people away for things? We do it every day, folks. Does it make it wrong? I don't know, maybe. I was wondering if Senator Campbell could answer a couple questions for me. Senator Campbell, if she could answer a question. [LB599]

SPEAKER FLOOD: Senator Campbell, will you answer a question from Senator Schilz? [LB599]

SENATOR CAMPBELL: Thank you, Mr. President. Yes, certainly. [LB599]

SENATOR SCHILZ: Thank you, Senator Campbell. I was just wondering and I'm really...I'm asking this question because I'm not sure how this works. We heard today that somebody who is going to apply for these prenatal services has to come in, and what's the procedure? How will that work? What will they have to show? What will they have to do in order to qualify for prenatal care? [LB599]

SENATOR CAMPBELL: Senator Schilz, what they're going to have to do is they're going to have to fill out that application and they're going to have to have a...applicants must list their address on the application. Information that must be provided and verified, such as income, will normally include a mailing address, which is an indicator of a residence. Moreover, the department may investigate and require proof of residency if information provided is questionable. And finally, it is our understanding, for the research that we've done, that HHS looks harder at immigrants applying for coverage for their children but Nebraska's Department of Health and Human Services is the final say on that application. [LB599]

SENATOR SCHILZ: Okay. Can you define "residence" for me? [LB599]

SENATOR CAMPBELL: Well, they have to list an address at which they're living, Senator Schilz. [LB599]

SENATOR SCHILZ: Okay. How long do they have to live there? [LB599]

SENATOR CAMPBELL: Well, they have to show that they have been there, I would assume, a period of time. They're asking... [LB599]

SENATOR SCHILZ: Right. [LB599]

SENATOR CAMPBELL: You have to be a Nebraska resident. [LB599]

SENATOR SCHILZ: Well, how do you become a Nebraska resident? [LB599]

SENATOR CAMPBELL: You reside at that address, Senator Schilz, and... [LB599]

SENATOR SCHILZ: Hmm. Could I move there yesterday? [LB599]

SENATOR CAMPBELL: You know, Senator Schilz, I don't think that you could. I think you would have to move into that residence, have that address. The department will review all of these applicants. [LB599]

SENATOR SCHILZ: Okay. So my question is, is that as I look at it I think that's a big question for me, is how do you prove residence. How is that going to happen? Has that been done before? Have we had people turned away because of this in the past? [LB599]

SENATOR CAMPBELL: The Department of Health and Human Services has a process in which people apply for eligibility and fill out an application and they would check that. They may ask for a utility bill or some other point which shows that address. But the department, Senator Schilz,... [LB599]

SPEAKER FLOOD: One minute. [LB599]

SENATOR CAMPBELL: ... is the one who determines it. [LB599]

SENATOR SCHILZ: Right. Okay. Well, my question is, if we're talking about...if we're talking about women that are under the poverty level or at 185 percent of the poverty level, may not, you know, may not have a residence that could be permanent perhaps. I'm just worried that, you know, we may run into the issues where there's people who are completely legal citizens of the United States that come into Nebraska to get this service because it's available to them. And I just wonder if that could be the case at all. I mean we've seen this happen before in Nebraska with Nebraska law a few years ago and I just don't want something like this to turn into another safe haven issue that we've seen in the past. There was completely unintended consequences. Everybody wants to do the right thing. [LB599]

SENATOR CAMPBELL: Senator Schilz, if I heard you correctly, I thought you said if they are a legal resident of the United States could they come to Nebraska. They would be eligible, if they met the qualifications, in any of the states because they would be covered under Medicaid. [LB599]

SPEAKER FLOOD: Time, Senators. [LB599]

SENATOR SCHILZ: Thank you very much. [LB599]

SPEAKER FLOOD: Thank you, Senator Schilz, Senator Campbell. [LB599]

SENATOR CAMPBELL: Thank you. [LB599]

SPEAKER FLOOD: Senator Carlson, you're recognized. [LB599]

SENATOR CARLSON: Thank you, Mr. President. Members of the Legislature, this is the only time I'm going to speak on this bill today. But in Nebraska a pregnant woman near delivery comes to a clinic, comes to a hospital, comes to an emergency room. There are two possibilities. They're either going to receive care or they're not going to receive care. What will happen in Nebraska? A woman, pregnant, ready to deliver: care will be provided regardless of immigration or financial status. And I'm thankful that I live in a state where this is what will happen. It is a fact there will be care and someone will pay. It may be the clinic accepting some of the responsibility, it may be the hospital accepting some of the responsibility, but there comes a limit to what they can provide. It may be policyholders that have insurance and those premiums are going to rise to take care of the uninsured--that's the way it is in vehicles, that's the way it is in health insurance to a certain extent--or it may be the state of Nebraska, but somebody is going to pay. But care will be provided. Now in this instance the care is going to be provided but there are two choices on how to do it. It can be by prenatal care or it can be delivery care only. We have a choice but we will pay. And our choice for prenatal care means that there are going to be more healthy babies and I believe less expensive. There's a choice of no prenatal care. There will be fewer healthy babies and they will be more expensive. Either way, we will pay. To me this bill is three-pronged. It can be viewed legitimately as an illegal immigration bill. It can be viewed as a bill that provides care for the unborn. It can be a bill that we treat with an economic decision. The unborn baby is a person, is legal, is innocent, is defenseless and needs protection, and that's why I support the override on LB599. Thank you. [LB599]

SPEAKER FLOOD: Thank you, Senator Carlson. Senator Council. [LB599]

SENATOR COUNCIL: Thank you very much, Mr. President. I rise in support of the motion to override the veto of LB599. I thank all of my colleagues who have previously stated their support of LB599 and its objectives. I also hear the suggestions in comments regarding ideological positions and perhaps deviating from positions when it relates to this particular issue. Allow me to make myself perfectly clear. I can't stand labels. I don't appreciate people labeling my thoughts, my ideas, my opinions, and I get labeled as not being pro-life because of my positions regarding women's reproductive rights, but those positions relate solely and exclusively to my position on women and the control of their reproductive rights. My pro-life position is probably more clear than many. I have consistently and routinely opposed the death penalty, which I view as a pro-life issue. And I view this issue as being consistent with the stated intent of legislation that was just enacted last year, LB1103, and in that legislation the legislative

<u>Floor Debate</u> April 18, 2012

intent is expressly stated and that being that this state has a compelling state interest in protecting the health of the unborn child, compelling state interest. Now it is difficult for me to find out how one can support LB1103 and that legislative statement of intent and be opposed to LB599, unless those who take the position in opposition to LB599 but supported LB1103 are selective in the lives of unborn children that they value. We cannot be in a position of carrying forth such a hypocritical agenda. If we believe firmly in providing for the health of unborn children then it shouldn't matter who the mother of that unborn child is. I'm also very concerned about the rhetoric, the falsehoods, the outright lies and distortions that are being advanced in support of the Governor's veto, including that by providing prenatal care that the mother of the child, if she is not properly admitted into this country, opens that mother up to receiving welfare benefits, food stamp benefits and every other; in fact, have gone so far as to suggest the mechanism by which that occurs, that once the child is born the child obtains a Social Security number and the undocumented immigrant mother then utilizes the child's Social Security number to access services that this body prevented them from accessing by the enactment of LB403. Now if you believe what... [LB599]

SPEAKER FLOOD: One minute. [LB599]

SENATOR COUNCIL: ...is being advanced and articulated on that issue then the entire system that was set up under LB403 is flawed, because if you can't verify that the holder of a Social Security card is six months old or seven months old or eight months old, then we've got a bigger problem than that which we think we are addressing by sustaining this veto. This veto needs to be overridden. We need to provide this prenatal care. We need to explain to taxpayers that we, in fact by this action, overriding this veto, are saving taxpayers' dollars, but more importantly we're saving the lives of unborn children. [LB599]

SPEAKER FLOOD: Thank you, Senator Council. Senator Nelson, you're recognized. [LB599]

SENATOR NELSON: Thank you, Mr. Speaker. Members of the body, I want to address this issue just once. I am standing in opposition to LB599, although I certainly respect all the advocates but...and their positions, but I do not feel this is a time when we should override a veto. Reference was made earlier by one of our senators about the party platform, Republicans, and equality before the law. I just want to suggest if we frame this as I think, that this is an illegal immigration issue, then what does equality before the law have to do with people who are here illegally and unlawfully? Our federal government has said that when a child is born of an illegal, they become an American citizen, so that is what we have to adhere to. But let's talk about some of the other things that so far have been said. Let me address the fact that someone I think said to give our children half a chance, our unborn children half a chance to life. This sounds like 50 percent of the children that are being admitted or given prenatal care are never

#### Floor Debate April 18, 2012

going to live. That is far from the truth, Yes, there will be occasions there may be birth defects, there may be underweight, things of this sort, but that happens to our general population, women that do not choose to get prenatal care. Let's talk about who should be giving protection to these unborn children. I don't hear anything about the mother, the illegal mother that is here. Why is she making a choice to do an abortion because of the difference of \$450 of cost for an abortion? Is she caring for the child? Is she making an effort to go to some of the clinics that are available? Let me point out, let's take OneWorld in Omaha for instance, no one is being turned away. For the last year and a half they have been finding a way to take care of these persons because they've been using private contributions and other sources and sometimes they've been bearing the costs. As Senator Fulton has said, it's not the optimum. They may have not been getting all that they could, but they are getting this care. And this is the way it should be done. We've heard that our national immigration law is broken. Well, it may be broken but our federal law still says that benefits shall not be provided for illegals, and that's what we have. And then they've come through with an exception that says, well, it's a little different if you have a child that's going to be born to an illegal. You have an option to take care of that child and give them prenatal care if you want to do it through the CHIP Program. A number of states have elected not to do that. We can elect not to do that as well. And I'm arguing that the Legislature should elect not to do that and not to force this cost and these payments on the taxpayers, a large majority of them who do not approve of this because they do think of it as an illegal immigration, immigrant, undocumented worker issue. Senator Mello spoke about the bill in Massachusetts for the unborn child and the pregnant mothers. Not once did I hear the word "illegal" mentioned there. I don't know whether Massachusetts' law covers illegals or not. [LB599]

SPEAKER FLOOD: One minute. [LB599]

SENATOR NELSON: Let me repeat that there are services available for these mothers if they choose to seek them out. It shouldn't be a matter of cost because the care will be provided if only on a basis of charitable contributions. And I think it is the place for our charities and our churches and those who are very concerned about life issues or prenatal care or the ability of the unborn child to proceed under normal healthcare to come forward and help with this. If a pregnant mother is having complications, as we have heard from Senator Carlson, she can go to the hospital and she can receive the help that she needs there. It may not be prenatal but she has a place to go and it will be paid for. So I stand in opposition to LB599 and I ask you to vote no for the override. Thank you very much, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator Nelson. Senator Price. [LB599]

SENATOR PRICE: Thank you, Mr. President and members of the body. A lot of words over the time, a lot of questions yet. We have a model here based on a thousand-plus clients who are purported to be--let's be clear--illegal immigrants. Undocumented is a

# Floor Debate April 18, 2012

nice word to cover up the actuality of illegal. And my question is, is it a thousand in one year or is it a thousand at a time? Is there...I mean, over a year is there only going be 1,000 that are going to be applicants or 1,100? But what's more a concern for me, if we have somebody, if we have the ability to know this number of people who are going to be utilizing service, that means our state government knows who is here illegally. And are they reporting it to the federal government? I'm sure the federal government will continue to fail at doing what they're supposed to do. But my question is, is there a duty or a burden, or whatever the correct term is, to report? If you have an illegal person and you know it, what's the duty to report on that? And then if we take the next logical step where we've been told...and, of course, I don't doubt that when you can provide a service and the outcomes are going to be better, we hope, because again as I've said before, not all women who get prenatal care have perfectly healthy babies, and nor do all women who receive no prenatal care have unhealthy babies. Those are your two extremes. But we're told we're going to save money. We're told there is \$600,000 spent on one case. Many times we've said, well, let's find out and track this, so let's do it. So I'm wondering are there going to any metrics kept. So on the 1,100 of individuals receiving this gratuity from our taxpayers, is there any requirement to track this through the end? Did we have a healthy outcome? Was the outcome...what was the outcome and how much did we save or can we build a model of how much did we save? That's something I never even heard talked of. They just, you know, we're going to have Medicaid open. It's going to say, now open for business. You know, I understand a lot of people who are here illegally have been here a long time, and some have not. And if a person travels...and, oh, by the way, not all or not even most illegal immigrants are from the country of Mexico. They're from a lot of places. But if you're willing to travel 1,000 miles or 1,500 miles to come to the land of milk and honey, which is the United States, the land of opportunity, I don't see it would be tough for you to travel 20 more. If you're in Council Bluffs and you go to a doctor and they don't...they can't provide you this care, they'll say, but you can go to Omaha. If you're in the surrounding states, traveling 20 miles more after traveling thousands is not a stretch. Obviously, if you've lived here a couple of generations--I don't even know how you can do that--but if you've been here for 10, 15 years, that could probably be more problematic. Again, are we tracking it? Are we reporting it? Is there a duty and a burden? And then I do believe, it was touched on by Senator Nelson a little bit, it is interesting how state's rights now apply. Now a state can do what they want to do above and beyond what the federal government has said, and this one this time. [LB599]

SPEAKER FLOOD: One minute. [LB599]

SENATOR PRICE: So I do believe that what we see there, the dichotomy, if you would, where no state rights, because we don't like it, state's rights now because we kind of like it, and I think that there is a lot to be looked at here in the following. I would hope that the members who are supporting this effort will bring forth legislation next year and work to say, let's look at the outcomes, let's track this. Let's follow this and see what the

true costs, not the model costs, are to the state of Nebraska and to our taxpayers. Thank you. [LB599]

SPEAKER FLOOD: Thank you, Senator Price. There are no lights on. Senator Campbell, you're recognized to close on your motion. [LB599]

SENATOR CAMPBELL: Thank you, Mr. President and colleagues. And I just want to make a point here, before I make several closing comments, that the figures that were used by this are actual figures because the Department of Health and Human Services--and this is to help Senator Price on his question--the Department of Health and Human Services, we use their figures. And, basically, those figures came from those emergency labor and delivery figures which would give us this population. I want to say that I very much appreciate the question about the charities and the faith community and the agencies and they're providing that care. And that's very true. They stepped up over the last year, physicians, medical facilities, all across the state of Nebraska. But one thing that I would like to add, and I very much appreciated Senator Pahls bringing forward the idea, and would encourage everyone to give a contribution. But in my regular job, what I call my day job, that's what I do, is I raise money for a charity. And I can tell you that that all sounds very well but year after year after year, sometimes that donor is not there. The other thing we have to keep in mind is that the donor can designate what they want done with that money. So while I heartily encourage that, I also don't want my colleagues to think that only donors can help us through this situation. They cannot. It seems to me over the past year, two years we've had more of a band-aid approach across the state to try to hold this together, to try to work very hard. If you talk to any one of those people in the clinics across, and as we traveled the state last week, they worked hard to just keep things going. But in the long term, we do, as the policy body for the state, we do have to make a determination on what our policy is in terms of helping healthy babies. One of the best parts about LB599 is it's our plan. It's not the federal plan. The federal plan says you have the flexibility to deliver...or to put your own plan together and that's exactly what we did. And we put it very narrowly because our belief was in helping the unborn child have a healthy beginning, because in the long term that's in the child's best interest and that certainly is in the citizens of the state. Two years ago when I stepped forward and said...and asked that we lay the bill over, I made the statement that what many people across Nebraska saw as "the right thing to do" did not prevail. I'm asking today that it shall prevail, and with your resolve we will override. Thank you, Mr. President. [LB599]

SPEAKER FLOOD: Thank you, Senator Campbell. Members, this motion does require 30 votes. The question is, shall LB599 become law notwithstanding the objections of the Governor? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB599]

CLERK: (Record vote read, Legislative Journal pages 1556-1557.) 30 ayes, 16 nays,

Mr. President, on the motion that LB599 become law notwithstanding the objections of the Governor. [LB599]

SPEAKER FLOOD: The motion is adopted. Mr. Clerk, LB599A. [LB599 LB599A]

CLERK: Mr. President, Senator Campbell would move that LB599A become law notwithstanding the objections of the Governor. [LB599A]

SPEAKER FLOOD: Senator Campbell, you're recognized to open on your motion. [LB599A]

SENATOR CAMPBELL: Thank you, colleagues. I will not spend a long time. I very much appreciated your vote on LB599 and I would hope that you would have the same resolve and commitment to the A bill. Thank you, Mr. President. [LB599A LB599]

SPEAKER FLOOD: Thank you, Senator Campbell. Members, you've heard the opening on Senator Campbell's motion. There are no senators wishing to speak. Senator Campbell, you're recognized to close. Senator Campbell waives her closing. Members, this motion does require 30 votes. The question is, shall LB599A become law notwithstanding the objections of the Governor? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB599A]

CLERK: (Record vote read, Legislative Journal page 1557.) 31 ayes, 14 nays, 4 present and not voting, Mr. President. [LB599A]

SPEAKER FLOOD: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign the certificates that read LB599 and LB599A, having been returned by the Governor with his objections thereto, and after reconsideration having passed the Legislature by the constitutional majority, have become law on this 18th day of April 2012. [LB599 LB599A]

PRESIDENT SHEEHY PRESIDING

PRESIDENT SHEEHY: Mr. Clerk, do you have items for the record?

CLERK: I do, Mr. President. I have certificates as filed by...signed by the presiding officer with respect to the overrides of LB599, LB599A, and LB357, as well as letters of transmittal on those pieces of legislation, as well as LB806, LB806A, LB1020, LB1020A, and LB862A. That's all that I have at this time, Mr. President. (Legislative Journal pages 1558-1560.) [LB599 LB599A LB357 LB806 LB806A LB1020 LB1020A LB862A]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Mr. Clerk, we will now move to legislative resolutions. The first legislative resolution is LR636. [LR636]

CLERK: LR636 offered by Senator Brasch. [LR636]

PRESIDENT SHEEHY: Senator Brasch, you're recognized to open on LR636. [LR636]

SENATOR BRASCH: It is a congratulatory resolution for Matthew Neiburg for achieving the rank of Eagle Scout. He passed all of his tests. He worked hard with his fellow Scouts and we are very proud and pleased that he achieved Eagle Scout. [LR636]

PRESIDENT SHEEHY: Thank you, Senator Brasch. We will now proceed to LR637. [LR637]

CLERK: LR637 is by Senator Brasch. [LR637]

PRESIDENT SHEEHY: Senator Brasch, you're recognized to open on LR637. [LR637]

SENATOR BRASCH: We are also very happy and pleased to congratulate Jonathan Reno for achieving the rank of Eagle Scout. He was diligent in achieving all of his ranks and his...supporting his fellow Scouts. We are pleased to provide this resolution congratulating him. [LR637]

PRESIDENT SHEEHY: Thank you, Senator Brasch. We will now proceed to LR638. [LR638]

CLERK: LR638 by Senator Heidemann. [LR638]

PRESIDENT SHEEHY: Senator Heidemann, you're recognized to open on LR638. [LR638]

SENATOR HEIDEMANN: LR638 congratulates the Nebraska State Fire School on its 75th anniversary. I have been out to the fire school in Grand Island. [LR638]

PRESIDENT SHEEHY: (Gavel) [LR638]

SENATOR HEIDEMANN: They do a lot...do good work with a lot of volunteer firefighters across the state. I urge you to support LR638. [LR638]

PRESIDENT SHEEHY: Thank you, Senator Heidemann. You've heard the opening of LR638. We will now proceed to LR639. [LR638 LR639]

CLERK: LR639 is offered by Senator Pirsch. [LR639]

PRESIDENT SHEEHY: Senator Pirsch, you're recognized to open on LR639. [LR639]

SENATOR PIRSCH: Thank you very much, Mr. President and members of the body. LR639 is a legislative resolution to congratulate the Boys Town High School basketball team for winning the 2012 Class C-1 state championship. Thank you very much. [LR639]

PRESIDENT SHEEHY: Thank you, Senator Pirsch. You've heard the opening of LR639. We'll now proceed to LR640. [LR639 LR640]

CLERK: LR640, a resolution offered by Senator Pirsch. [LR640]

PRESIDENT SHEEHY: Senator Pirsch, you're recognized to open on LR640. [LR640]

SENATOR PIRSCH: Once again, thank you, Mr. President and members of the body. It is also my honor to congratulate the Millard North High School boys' basketball team for qualifying for the 2012 Class A state championship. [LR640]

PRESIDENT SHEEHY: Thank you, Senator Pirsch. You've heard the opening to LR640. We will now proceed to LR641. [LR640 LR641]

CLERK: LR641 is offered by Senator Langemeier. [LR641]

PRESIDENT SHEEHY: Senator Langemeier, you're recognized to open on LR641. [LR641]

SENATOR LANGEMEIER: Mr. President and members of the body, LR641 is to honor Rex Amack for his 43 years of working for Game and Parks and spending the last 24 as the director of that agency. And we want to commend him for his many accomplishments, including the fish hatcheries at the Calamus, the upkeep of Mahoney State Park, and all the work that he's done. And we'd like to congratulate him. He is retiring here on April 29, and we would ask for your support in recognizing him for his accomplishments with Nebraska Game and Parks. [LR641]

PRESIDENT SHEEHY: Thank you, Senator Langemeier. You've heard the opening to LR641. Mr. Clerk, you have other LRs on your desk? Seeing no requests to speak, members, the question before the body is on the adoption of LR636, LR637, LR638, LR639, LR640, and LR641. All those in favor vote yea; opposed, nay. Mr. Clerk, you have a resolution on your desk? Record, Mr. Clerk. [LR636 LR637 LR638 LR639 LR640 LR641]

CLERK: 38 ayes, 0 nays, Mr. President, on the adoptions of LR636, LR637, LR638, LR639, LR640, and LR641. [LR636 LR637 LR638 LR639 LR640 LR641]

PRESIDENT SHEEHY: The legislative resolutions are adopted. [LR636 LR637 LR638 LR639 LR640 LR641]

CLERK: Mr. President, LR642, a new resolution offered by Senator Mello. Pursuant to its offering, I have a motion to suspend Rule 4, Section 6, to permit consideration of LR642 today. [LR642]

SENATOR MELLO: I'm sorry. (Laughter) [LR642]

PRESIDENT SHEEHY: Mr. Clerk, the...Senator Mello, you're recognized to open on LR642. [LR642]

SENATOR MELLO: Thank you, Mr. President and members of the Legislature. LR642 recognizes Dave Van Metre who is going to be inducted into the Nebraska High School Sports Hall of Fame. Mr. Van Metre is a longtime supporter of Omaha Public Schools, primarily philanthropically through their various high school athletic programs, and I urge the body to suspend the rules and adopt LR642. [LR642]

PRESIDENT SHEEHY: Thank you, Senator Mello. You've heard the opening on the motion for suspension of rules. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LR642]

CLERK: 36 ayes, 0 nays on the motion to suspend the rules, Mr. President. [LR642]

PRESIDENT SHEEHY: The motion on rules suspension is adopted. Senator Mello, you're recognized to open on LR642. [LR642]

SENATOR MELLO: Thank you, Mr. President and members of the Legislature. LR642, as I mentioned, recognizes Dave Van Metre in his soon to be induction in the Nebraska High School Sports Hall of Fame. I'd urge the body to adopt LR642. [LR642]

PRESIDENT SHEEHY: Thank you, Senator Mello. You've heard the opening to LR642. Member requesting to speak, Senator Cook. [LR642]

SENATOR COOK: Thank you, Mr. President and good afternoon, colleagues. No, I'm not going to talk for a long time, but I wanted to rise in strong support of this resolution, knowing Mr. Van Metre and the Van Metre family as I have since my time at Omaha Central High School. I'm very proud to vote in support of this and ask that you do also. Thank you very much, Mr. President. [LR642]

PRESIDENT SHEEHY: Thank you, Senator Cook. Seeing no additional requests to speak, Senator Mello, you're recognized to close. Senator Mello waives closing. The question before the body is on the adoption of LR642. All those in favor vote yea;

opposed, nay. Record, Mr. Clerk. [LR642]

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of LR642. [LR642]

PRESIDENT SHEEHY: LR642 is adopted. Next resolution, Mr. Clerk. [LR642]

CLERK: Mr. President, Senator Mello would offer LR643. Pursuant to its offer, he would move to suspend Rule 4, Section 6, to permit consideration of LR643 today. [LR643]

PRESIDENT SHEEHY: Senator Mello, you're recognized to open on your motion for suspension of rules. [LR643]

SENATOR MELLO: Thank you, Mr. President and members of the Legislature. I urge the body to suspend Rule 4, Section 6, to allow the adoption of LR643. LR643 recognizes a community project in south Omaha, a new dog park that has been recognized by the South Omaha Neighborhood Alliance, as well as Oscar Duran who is going to be recognized as a volunteer of the year award for various community neighborhood development projects that he and his neighborhood association has embarked on in the Omaha area. With that, I urge the body to adopt both the rules and the resolution. Thank you, Mr. President. [LR643]

PRESIDENT SHEEHY: Thank you, Senator Mello. You've heard the opening on the motion for rules suspension. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LR643]

CLERK: 30 ayes, 0 nays, Mr. President, to suspend the rule to permit consideration of LR643. [LR643]

PRESIDENT SHEEHY: The motion for rule suspension is adopted. Senator Mello, you're recognized to open on LR643. [LR643]

SENATOR MELLO: Thank you, Mr. President and members of the Legislature. As I mentioned, LR643 recognizes two community awards. The South Omaha Neighborhood Alliance will be presenting one to the new Hanscom Park Dog Park, a community collaborative project amongst a variety of nonprofit organizations, as well as the city of Omaha, as well as recognizing Oscar Duran, the neighborhood association president, for his community work he's done in engaging Omaha's youth in regards to community neighborhood development projects in the south Omaha area. With that, I urge the body to adopt LR643. [LR643]

PRESIDENT SHEEHY: Thank you, Senator Mello. You've heard the opening to LR643. Seeing no requests to speak, Senator Mello, you're recognized to close. Senator Mello waives closing. The question for the body is on the adoption of LR643. All those in favor

vote yea; opposed, nay. Record, Mr. Clerk. [LR643]

CLERK: 38 ayes, 0 nays, Mr. President, on the adoption of LR643. [LR643]

PRESIDENT SHEEHY: LR643 is adopted. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR642 and LR643. Speaker Flood, you are recognized for comments. [LR642 LR643]

SPEAKER FLOOD: Thank you, Mr. President, members. As is customary, the Speaker is afforded an opportunity at the end of each session to reflect on what we did the Second Session of the One Hundred Second Legislature. I want to start by recognizing this is the 75th anniversary of the meeting of the state's first Unicameral in January of 1937. Senator George Norris championed the concept of a nonpartisan and one-house Legislature in the belief that a one-house system would curb the abuse of conference committees and promote transparency in government proceedings. I believe that Nebraska's Unicameral, which requires a public hearing on every substantive bill, delivers the transparency that George Norris promoted, in addition to making the government process more understandable and accessible for our citizens to interact with their representatives. We had an exceptional year. I want to commend the Appropriations and Revenue Committees for dealing and wrestling with some exceptionally tough issues. But in it all we delivered a budget that is reasonable and balanced for the balance of this biennium. We funded a new veterinary diagnostic center, a \$50 million start on a cancer center in Omaha, a \$15 million appropriation for a nursing school in Kearney. We provided income tax relief. We addressed tax incentives and economic development opportunities in the state, the Judiciary Committee's focus on juvenile justice and YRTC, not to mention updating our truancy procedures. It has been a good year. In all, we passed 247 bills, and 44 bills were amended into those 247. I feel like we addressed the state's priorities and we did it in a way that respects each other and our people. I want to recognize the staff that have joined us here today. I would ask you to hold your applause until the end. I'd like them, as I call out the offices, to stand, briefly stand and be recognized. Again hold your applause. We'll start with the Clerk's Office which includes the Bill Room, transcribers, Unicameral Information Office, the Legislative Technology Center, the sergeants at arms, and our legislative pages. I'd also like to also recognize everybody in the Clerk's Office specifically and the Clerk himself. I'd also like to take a moment to thank the Nebraska State Patrol and the security, between troopers and security officers, that they provide in the State Capitol during the legislative session. Thank you. The Fiscal Office, led by Mike Calvert, had an unbelievable year of service to the Legislature. The Revisor's Office, and let me tell you, as we packed a lot of action into the last 20 days of session, they worked very hard to move those bills back to the floor so that we could work as quickly as we did. Legislative Accounting and Budgeting Office; the Legislative Research Division; the Legislative Audit Division; the Ombudsman's Office; all committee staff and individual senators'

<u>Floor Debate</u> April 18, 2012
April 16, 2012

staff. On behalf of all of us in the Legislature, we know what you provide to the citizens of this state and your service to us as individual members, and I think I speak for all of us when we say thank you. The final thing I want to say is that, as your Speaker, I really like soft landings for legislative sessions, and on this one we foamed the runway, folks. But any landing you walk away from is a good landing. (Laughter) Thank you.

PRESIDENT SHEEHY: Thank you, Speaker Flood. Senator Pahls, you're recognized for a motion.

SENATOR PAHLS: Thank you, Mr. President. I move that we proceed to the presentation of the legislative service awards.

PRESIDENT SHEEHY: You have all heard the motion. All those in favor say aye. Opposed, nay. Motion is adopted.

SPEAKER FLOOD: Members of the Legislature, I have the distinct pleasure of honoring the President of the Nebraska Legislature. We have come to know him as somebody that is as kind as you can be. He is thoughtful, he is a good listener, and he represents us to the public very well every day. I count him as a friend and a very good man, and Hastings has given us another good person. I want to take this opportunity to present Lieutenant Governor Rick Sheehy with an award for his service as President of the Nebraska Legislature. Please join me in congratulating him.

SENATOR NORDQUIST: As the former Chair of the prestigious Enrollment and Review Committee, I have the pleasure of honoring this year's Chair. You noticed he wasn't here when we started. And when Patrick asked me to give this, my first question was, I have to give him something, an award for being the E&R? I seem to remember that last year on consent calendar he may have been absent too, and it's quite a bit of work, but. And then I got to looking at the list and, if Tyson wasn't here, who would have been Enrollment and Review Chair in the last class, and it was Burke Harr. And we've all heard how Burke Harr as Enrollment and Review Chair goes. So thank you, Tyson, for your hard work, and thank you for serving.

PRESIDENT SHEEHY: Senator Cornett, would you come forward.

SENATOR CORNETT: It's amazing standing here and looking out over you. It's a different perspective than from being up at the mike stand. As I stand here though, I realize how fast the last eight years have gone. At the same time, I realize how funny that is because a lot of the days, individual days, seemed to last forever in here. During the time I've served here I've had many successes; I've also had a lot of failures. The one thing that that has taught me, though, is that there is always the other side to the argument. We sometimes become so focused on what we're doing, we forget that we aren't the only one with an opinion. I've come to realize how truly diverse, over the last

## Floor Debate April 18, 2012

eight years, this great state is, and the reason we are so great is that diversity. In my time here in the Legislature I've traveled across this state, meeting with city leaders and constituents. I've come to love many of the places that I have visited, and I look forward to seeing them again in my future. Having had the honor of serving as Revenue Chair, I have come to have a much better understanding of this state as a whole, including how important agriculture is to this state's well-being, and that Nebraska doesn't end at the metro area borders. I hear that from a number of my committee members regularly, and it sank home a long time ago that we are a great state because we have such diversity and we have to recognize and support that. Even though we are elected to represent individual districts, there is the word "state" before our title. That means doing what's best for the whole state, not just for our individual districts sometimes. I have come to love this building and the people that work in it. The word "service" doesn't even begin to describe the dedication I have seen from all of you and from all of the people that work here. There are many times on late nights that I have sat in my chair and I've looked under the balconies at our staff, and I've looked up front and I've seen Kitty and the pages, I've seen the Clerk and his officers here, and I wonder to myself, "Why do they do this?" They give up six months out of their lives every year to be here. They could have other jobs that pay the same. I've come to the conclusion that they do this job because they love it, they wouldn't be here otherwise, and I thank them for all that they do for us and for this state. With that said, I'd also like to thank my staff: Bill Lock, Stephen Moore, Matt Rathie, Brennen Miller. It is because of all of their hard work, every time I pass a bill I know it has happened because of them. I particularly want to thank my best friend, Brenda Larson, for everything she does. She's not just staff, she is my friend. As many of you know, I'm not always easy to get along with, but somehow she has managed to find a way to do that for 17 years, 8 years of that here in the Legislature as my legislative aide. I would like to thank my family, particularly my husband Mark and my children. There's a great sacrifice that we all commit to when we take this job. There are many times I've missed soccer, school plays, field days, or even just saying good-night to my children. If it was not for their support and sacrifices, I would never have had the opportunity to be here. Those who probably deserve the most thanks for my time are the people of the state and particularly my District 45 who gave me the opportunity to serve. It has been an experience that I will never forget and I am very grateful for. I'm a better person for having served this state and for having worked with all of you, and I look forward to working with you again. Thank you.

PRESIDENT SHEEHY: Senator Fischer, would you please come forward.

SENATOR FISCHER: Thank you so much. You know, I remember my first day here. We had a blizzard, and I walked by the glass doors and I looked in and I saw my name up on the voting board. And all of a sudden it hits you, because every time you hit a red or a green you affect somebody's life in this state. Every time you stand up and speak on the mike in opposition or in favor, or as some of you do, you just talk, but you are affecting everybody's life in this state. Every time you introduce a bill, every time you

## Floor Debate April 18, 2012

work hard on that bill to get it passed, every time you work with your colleagues to build a coalition, you affect somebody's life in this state. That made a deep impression on me and I know it does on all of you. We are so fortunate to work in this building. We are so fortunate to work in this body. I would like to thank the people who have worked with me over the years: Chris Keetle and Sarah Skinner, who I scared off as my legislative aides; Rochelle Mallett, who has been here and I believe is one of the best around. I've had three committee clerks: Pauline and Laurie and Jonna. I've had a couple AAs: Matt and now Pat, who has been with me six years, does a great job. And I have this young man, Dusty Vaughan, who showed up, I gave him his first job, and he is one of the best. He was my LA for two years and then committee counsel for six. I need to thank my family: my husband Bruce is hiding behind a column; our three sons, Adam, Morgan, and Luke, and my daughter-in-law Tisha. It is an honor to serve the state of Nebraska because, as Abbie said, we do serve the state here. We're sometimes parochial in serving our districts, but I challenge each of you to look at the broader picture, to look at the state as a whole. That's what makes this Unicameral a great place. It's an honor to serve with all of you. Thank you.

PRESIDENT SHEEHY: Senator Fulton, would you please come forward.

SENATOR FULTON: Well, I want to thank...it's like the Academy Awards. I want to give thank-you's to each of you for allowing me to serve with you, for your support, for your reprimands, and for everything else. The thank-you's: I want to thank the people of District 29, of course the people of Nebraska too, but the people of District 29. I've had a chance obviously to think about this, and in the interviews that we give to the media one thing I've tried to repeat and I'm trying to get across to people is that it's not lost on state senators, this great privilege that has been bestowed upon us. We are selected by our neighbors, by our friends, by our enemies to represent them in a method of governance by which we represent ourselves. And to be mowing your yard and have someone come by and say, hey, to you; or to be in a store and have someone say something to you; be on a soccer field and have someone say something to you, there's a tendency I think for each of us to perhaps have our pride massaged. But deep down I know each of you and what I experience is humility. It's a humbling thing to have been selected by your friends and neighbors. I've had a few legislative aides, Noelle Badeer and Taylor Gage have served me and the people of District 29, and Natalie Schunk, and I thank them for putting up with me. And then there's my legislative aide who was with me from the jump, and that's a gentleman named Joshua Shasserre--and they don't come any better than Josh. He's a great man and he's helped me immensely. Thank you. And then there's my wife and children. And you all know this but it's worth putting into the record: They didn't see enough of each of us--our spouses, our families. I tell people that...they'll offer to pray for me, and I ask them to pray for my wife too and thank her, for she is just as much a servant of the people of Nebraska as I am, and you all understand that. Now this is...you're all getting this handed out to you, and I was up late last night contemplating whether indeed I was going to share this. It may seem corny, it

#### Floor Debate April 18, 2012

may seem strange, but I don't care. I'm term limited so I'm sharing it with you. (Laughter) About the first part of ... well, it was the beginning of last year it dawned on me in a deep way that I'm going to be done pretty soon. I didn't know about the Secretary of State's ruling or the Attorney General's ruling or anything that happened here recently, but at the beginning of last year it dawned on me that I'm on my way out and there may not be another time. I mean, like you, I'm thinking maybe I might run for something else, but probably not. When I get back into the business, back with the family, this is it. This is curtains. And so in my work I deal with old people, with elderly people; we have within ourselves this ability to recall. Well, I know what happens when you get older: that ability starts to fade. And so I wanted to create memories that I could look back to. And so what I started doing, I started watching you people, and I had these little tear-off little notes. We write the notes, and so I jotted down little notes about each of you. And I didn't write down the bad stuff; I wrote down the good stuff, and I did that as a mechanism to keep this all in my mind. Someday when I'm older perhaps I won't recall. And I want to share this with you. And this is why I'm sharing this all with you: These are the things by which I will remember each of you, and every one of you is mentioned in here. I searched it all last night to make sure. But I want you to know that it changes the way you engage debate when you're looking for the redeeming qualities in your colleagues. If that's something that I could leave for this body, for you people, for people in the future, do something like this. There are times when I wanted to reach over and strangle Senator Mello (laughter), Senator Heidemann. But I engaged in this endeavor and I saw the good things in each of you, and I've jotted them all down. I'm sharing them with you. If it's a little corny, like I said, I don't care, I'm term limited. God bless all of you. I thank you for the opportunity of having served with you. I will never forget this time that I had with all of you. Thank you.

PRESIDENT SHEEHY: Senator Heidemann, would you please come forward.

SENATOR HEIDEMANN: Colleagues, in my eight years of being in the Legislature, I didn't spend a lot of time on the mike. I'm really not a public speaker and it will probably hold true to form on the very last time that I'm up here. It is hard to believe that it's been eight years. I remember one of the first few days we was in here it was time, for the first time, to make a vote. And I remember for some reason, I don't know why, we wasn't able to do it, and Patrick actually came back there and told us how we was supposed to vote. I think he said, "You need to press the green button." And for a long time I didn't even realize you could press the red button if you wanted to vote no. (Laughter) I want to spend a lot of my time thanking people because it's everybody that's in here that made it work for me. And, Patrick, you have no idea what you mean to this institution, and thank you for all that you do. And everybody else in this building, you make it work, you really do. I need to say thank you to the Fiscal Office and to Mike and Tom, who really helped me, made me be a good committee Chair, and it wouldn't have worked without them. And I'm going to try to go through, and I don't have it wrote down, but I want to thank each and every one of them because they mean that much to me: Doug

Floor Debate April 18, 2012

Gibbs, Phil Hovis, Kathy Tenopir, Jeanne Glenn, Scott Danigole, Wanda McNally, Susan--I can't remember Susan's last name. And then in the other room we have Liz Hruska, Sandy Sostad, Doug Nichols, Malick...and I could never say Malick's last name, and Mike Lovelace. Thank you very much for what you've done for me and what you do for the Legislature. My office: Tim, who has been with me for a couple of years, is doing...does a good job making sure I'm where I need to be when I need to be; Kim, who has got so good with the 1st District people don't even call me anymore, they just call her to get something done; and Anne who has been with me for all eight years, and she's always been a great sounding board and somebody that I could literally ask for advice and I take it very seriously. I want to thank my committee too. And Jeremy and Heath and Danielle, I'll start with you, because you're an important part, because when we hit the floor it was everybody's budget and it was everybody's budget because of you three. You made us all think. Senator Wightman, Senator Hansen, Senator Fulton, Senator Nelson, and especially Senator Harms, who there were times when things weren't going good. He didn't say much in committee but he knew when I needed a little bit of help and he would interject himself, and I really thank him for that. He was a great Vice Chair and a good friend. Going home: My mom and dad, my brother who stayed home and farmed when I wasn't there, my kids who...two of them graduated, all three of them got married. I've got two step-grandkids, two grandkids and another one on the way. That kind of leads you to believe how long you've been here. It's been longer than what we think. Sorry, I couldn't be there all the time; I will do better now. Going to Ogallala on Saturday to be with Miles Lavon, my youngest grandson, for his second birthday. I want to thank my wife who always encouraged me on the way out the door, and let me vent on the way in the door. A couple of years ago she came to a function. She didn't get to go to very many because she taught school. And we was going home and she said, "Heath Mello wasn't really that evil, was he?" (Laughter) It's been a good trip for a southeast Nebraska farm boy. I've been able to accomplish more than what I ever thought I could. I really want to appreciate all the support that all of my colleagues have given to me. This place means a lot to me. Sometimes I've heard, you know, people are concerned that there's a lot of leadership that are leaving. You'll be fine. I'm convinced that there are a lot of good people that are left in this body that are going to step up and take our places. And within the first ten days I don't think there's going to be a lot of talk about Flood and Fischer and Heidemann and Langemeier and the others. We will be forgotten, hopefully not totally. So with that, I...and I think we all leave with memories and friendships and, hopefully, respect. Thank you.

PRESIDENT SHEEHY: Senator Howard, would you please come forward.

SENATOR HOWARD: It's been quite a ride. My first bill, LB264, was to provide an early intervention program for infants who are at risk from harm and in danger of coming into the foster care system. My last vote was to restore a prenatal program to give all babies the chance to be born healthy. I have passed bills on antibullying, move over traffic safety, removed the home repair sales tax, and increased the penalty for dating

<u>Floor Debate</u> April 18, 2012

violence and for shaking the baby. I thank all of you who have stood with me on human services issues, and have forgiven, mostly, those who chose another path. While LR37 bills are both comprehensive and a positive step forward for children who find themselves in foster care, the work is only now beginning. I ask you to be vigilant and to continue your compassion for those in our state who rely on you to remember them. I've been so fortunate to serve with friends and have had a staff who stood with me no matter what, and I am so grateful to District 9 who gave me their vote, their votes in 2004 and again in 2008. And I cannot leave without thanking my daughters, Sara and, of course, Carrie, without whom I would have never been given this glorious opportunity. Thank you. [LR37]

PRESIDENT SHEEHY: Senator Langemeier, would you come forward please.

SENATOR LANGEMEIER: I'll make one request: All pay attention now. (Laughter) I've always kind of wanted to do that. (Laughter) Get back to a normal height here. I got that from Senator Coash when he making fun of me last year standing in the chair talking in the mike. Well, as I thought about today, I really didn't know what to say. I didn't know whether to say just, "Wow, they let me do this job?" or "Amen, it's over," or "Thank you." I don't really know where to start. But I started eight years ago, a husband and a dad to two little boys that really know nothing else than me being in the Legislature, and it's been quite a ride. You know, we've met people all across this state in Natural Resources, taking us from Rulo to Chadron, and from Newcastle to Bushnell, and we've been across and we've made so many friends along the way. And within this body we've made so many friends, and it's just been fabulous. You know, I've had the opportunity to work on biodiesel; I've had the opportunity to work on water and wind energy, which I thank Senator Haar for dragging me into that, just to name a few. It's been so great. And I talked a lot about I's at this point. I want to thank my staff. You know, the reality is, is we couldn't do this job without the people in this building. And my staff started with Peggy King in my first year down here; Craig Breunig; and then Peggy got a better job, and then I got Sarah Skinner and she too got a promotion to an LA, so. And then we moved to the committee staff: Laurie Lage, Barb Koehlmoos, and now Mandy Mizerski, and I thank them for their hard work--she's my newest one to my staff--and without them we'd be nothing here. I mean the hours they put in and it's just phenomenal. They make you look good, and for me that takes a lot of help. I remember my first year here my staff got me to keep me from getting lost in the building; you know, that's kind of what their job is, show you where the bathrooms are, also to advising you what the dress code is, because we got a lot of invitations to attend a lot of stuff. And when I came down here I only owned one suit. And so we had a lot of learning to do. I want to start off by thanking Patrick. As many of you know, I spent a lot of time presiding, sitting up there, before here, in my years here, and so you get to know these people up here pretty well. I also want to thank Diana, Carol, and Vicki. They sit up here and listen to everything we have to say without showing any emotion. You know, we kind of giggle or say, "What in the world did he just say or she just say?" (Laughter)

They sit up here and take it and sit here all day long as it goes forward. And so that's just unbelievable. To my classmates that I came in with: what a ride. We made some neat friends; that will continue. It's been fun. But to finally say the real thanks goes to Kerri, my wife, and my two little boys...I didn't think I'd get emotional. Without their sacrifice, I wouldn't be here. So thank you.

PRESIDENT SHEEHY: Senator Louden, would you please come forward.

SENATOR LOUDEN: Well, members of the Legislature, this will be my last time that I get to address you, and this will be the last time you'll probably hear my comments. And I want to greet the visitors and friends. My tenure in the Unicameral included five Legislatures and ten legislative sessions. In that time, I have served with 102 people to guide the destiny of Nebraska. My legislative service has been shared by many people that have supported, advised, helped, encouraged, and sometimes disagreed with my decisions and statements. I'm still amazed by the Internet service. (Laughter) Inside joke there. I first must thank my wife, SharonAnn, as she has been my campaign and political partner, my social secretary, my advisor, my sounding board, my wardrobe supervisor, driver, and confidante; and I also need to thank my family that operated the ranch during my tenure, because as I could be an advisor for the ranch but I could do very little hands-on labor when you're 370 miles away. My legislative staff that have worked with me over the years are to be congratulated and have been outstanding representatives for the 49th District. Beginning in 2003, Cynthia Monroe was my first staff member, and then there was Nick, Claudia, Barb, Jody, Laurie, Timoree, Mary, and Kate, and I wish to thank them all. There are many good people on the other side of the glass that have helped me, just a cowboy from the Sandhills, to introduce and get legislation enacted. I've introduced legislation that was enacted into the law that benefited people, cities and counties and state agencies; an occupation tax to improve tourist facilities in 2003; military license plates for state cemetery development; livestock brands on the ribs, which only a handful of you people here would understand the wisdom of that law (laughter); and protection for the Nebraska Forest Service; discount hunting and fishing permits for deployed personnel; exempt volunteer agricultural workers from workmen's compensation regulations, and that was a big one for those that rely on neighbors to help get your cattle branded; permit rotary or flashing lights on motor vehicles used to transport railroad train crew members. Now there probably isn't six of you in there that know anything about that, but a crew member that's out there trying to get on the highway at night when cars are whizzing by at 70 miles an hour seemed to have thought it was a big deal for them, anyway. (Laughter) LB996, the bill to begin and authorize a state veterans' cemetery at Alliance, Nebraska--a very big deal for western Nebraska, and they're quite proud of it out there; and we provided for Gold Star license plates; allow counties to implement half-cent sales tax for law enforcement; appropriated grant funds for the Indian Commission--and some of you realize that when I talk about that, that means the Whiteclay area and the Oglala Sioux Tribe in northwestern Nebraska and in southern South Dakota; legislation to control rodents and

## Floor Debate April 18, 2012

mountain lions: and legislation to move the Tourism and Travel Division to a cash-funded state agency, and that hasn't hit the floor yet but we'll see where that...that'll jar an earthquake when that all comes about. Ten years ago I came to the Legislature with an agenda to help the economy of Nebraska, and I said then that tourism is the most economical way to jump-start an economy. It doesn't take a lot of infrastructure. You create a simple sight interest. Invite tourists in, show them a good time, have places for them to spend money, and then they return home to their own school districts and sanitary improvement districts (laughter) or any other infrastructure system they may have. I believe Nebraska has...can make big strides in the promotion of tourist attractions in the state. We already have some of the best landmark locations possible that would interest a large variety of people. I've enjoyed working in the Legislature and the people in the legislative process here and in other states, and I am proud to explain our efficient Unicameral system. I have been proud to serve the people that voted to continue my terms in the Legislature. Many people helped me with my first election, as I had to circulate petitions to get on the general election ballot. Some of these people from ten years ago have passed on, such as Verda Musfelt and Paul Phaneuf, but some of those that are still around and help out are Jean Henkens, Mike Dafney, Dennis Ostendorf, and many other 49th District supporters. I again thank my family members that helped circulate the petitions at that time. That was a big deal when you go out and get 2,700 signatures out of about seven counties, and that's what had to be done then, so. And it was, when you stop and think about it, that was about half the campaigning right there. It has been an incredible ten years as a state senator, and I have tried to focus on being a statesman and less on a politician. My previous public office was 30 years elected as a school board member, and most of my education and experience has come from handling Hereford cows and cabling hay. The cabling hay experiences teaches one how to solve problems with few exceptions, and the experience of handling Hereford cows was guite useful when it comes to legislative planning and working with state agencies. (Laughter) However, now I look forward to corralling cattle instead of votes. I thank you all for the cooperation I have enjoyed in the Legislature. I thank the staff of the Legislative Chamber up here: Vicki, Carol, Diana, Dick, Patrick--and I'll miss his smiling countenance, I'm sure of that. (Laughter) And I thank them all. They helped me a great deal. When I didn't know what I needed to know, why, they always had it all figured out for me. And then as we used to say before Senator Janssen came on the scene, I remember when I was a kid, you know, whenever we got ready to leave, we always said "Adios."

PRESIDENT SHEEHY: Senator Pahls, would you please come forward.

SENATOR PAHLS: Thank you. I want to begin this retirement by talking about tax exemptions. (Laughter) No, in all honesty I will not tonight, because Senator Flood told me there's no food, so he wants me to get this thing moving so we don't have to go out and have the lobbyists give us any food. I just want to talk about a couple things. I want to take sort of a different slant on this because that's how I...when I read things, I look at

Floor Debate April 18, 2012

it at a different slant. I'm going to talk a little bit about myself and how you have affected me. My political career started as a shoeshine boy, shining the shoes of a state senator, Harm Voss, and he told me when I shined those shoes, this is--I am originally from Kansas--and I'd be shining those shoes. And I tell you, you made good money in that day. And he told me, he says, someday you could be just like me, a state senator. Little did I realize that that was in the cards. So but here it comes down, I get elected. I go to the doctor and I said I'm not feeling well, and I said my eyesight is going. And he said, well, we'll see you later on today because you need to have your eyes operated on. And that happened. Senator Lathrop, I don't know if you can recall earlier when I made a comment about somebody having a gun in the emergency room. I was in the emergency, so that is an actual fact. So I come down here with a patch over my eye. They probably wanted to know what the heck kind of guy this is, coming down, a new guy with a patch over his eye. And then I tried to leave the Legislature a couple years ago but God spit me back and told me that I still had some things to do. But what I do, I look on you differently. I have been trained to be an observer and an evaluator, because I was an administrator. So when I look at you individuals, I look at you...because I've dealt with children all the way from kindergarten to a graduate level, and I see all of you as kindergartners. And I try to imagine what you were like as kindergartners. You know, think about that. Because most of us, we are kids at heart; we just happen to be taller. That's simply that fact. (Laughter) So now I look like I'm a school administrator and I have to...these are two classes. I have to take a look at these classes because what you do, you sit down with the teachers and you start taking a look at all the students and you move them around so you have balance. Well, I'm looking at you guys and I don't know how a person can find balance in this group. And one reason why I'm saying that is because if I would have a classroom primarily of men or boys, the teachers would have gone wild. They say we need more women or more girls in these classes to have an equal balance. And then another...let's say I'm talking to a teacher here. I'm saying, hey, one of these is going to be your classes, and they'll say, no, Rich, that's unfair, because over here--because she can see into the future--I know there are going to be four attorneys over here and there's eight over here. That's unfair because they are always going to be arguing with each other, so the one who has eight over here is going to have a tougher life than the one over here. I could go on but I promise you I will not. One reason...somebody asked me one time, why did you not go into Education when you were down here? Why did you go into Banking? And I'll tell you, this is how experiences...and I know I've told this story to a couple...when I was a young kid, a couple bankers in my hometown saw, hey, there's a poor kid here. They took me by the hands and they did everything with me, so that's why I have the high respect for community bankers. Just...okay, I'll make one final thing here. As I look over this group, you all are high achievers. We never have to worry about dropouts in this group. I do need to thank...and get serious now a little bit...and I do need to thank my staff, as all of you have done this. Bill Marienau, Jan Foster, Ron Schroeder who have worked with me, and Stacy Anderson, who was part of the staff until we did have a reduction, I want to thank because they do make the difference, as we all said up here. And many of you

<u>Floor Debate</u> April 18, 2012

have taken philosophy classes, and some of us have taken too many, so what I tried to do is find a quote that would be appropriate, you know, a philosopher. And I...I mean I've done everything from Aristotle, Plato, you name it. But I did come up with a quote that I thought was appropriate: Be not sad that it is over. Be happy that it began. And I'm happy. And this famous philosopher was Dr. Seuss. Thank you. (Laughter)

PRESIDENT SHEEHY: Speaker Flood, would you please come forward.

SPEAKER FLOOD: Mr. President, members, it has been an honor to serve the 19th Legislative District and it has also been an honor to serve as your Speaker. What I believe makes this place special are the people that work here, and we've talked about that a lot today. But in the political world of the United States, and I'm sure the rest of the...you know, of the world, we are different and we are unique. We learn about it at conferences. We talk about it inside here. But every day I know, and there's no question in my mind, that each of you are here to do what you think is right. And I have a respect for that. And I think each of you, no matter how tough it gets some days, have a respect for each other. And it's that respect that makes this place work. It's that respect that lets us solve tough problems and move the state forward. Because even though you may disagree with somebody, and it happens often, we on the next issue could be right next to each other, and there's no way this place works without respect. We don't berate each other when we disagree. We debate the issues, not the people or the personalities. And people always ask me this year, will you miss the Legislature? And I give them my standard response. I say, yes, I'll miss the Legislature but I'll really miss the people. And they don't really ask me any more questions after that and I don't really offer much more. (Laughter) But let me tell you what I'll miss. I'll miss Burke Harr's last minute amendments. (Laughter) I'll miss Paul Schumacher's guick wit and sharp mind. I'll miss Jim Smith's laser focus on an issue. Tyson Larson, I'll miss his mischievous ways. I'll miss Dave Bloomfield's Pledge of Allegiance. I'll miss Tony Fulton's Latin and his good heart. I'll miss Colby Coash's passion for the most vulnerable. I'll miss Lydia Brasch's commitment to her district; Norm Wallman's love of family; Kate Sullivan's passion and vision for rural Nebraska. I'll miss Ken Haar's unique logic and flowcharts. (Laughter) I'll miss Mike Gloor's passion for healthcare; Kathy Campbell's' desire to tackle the big issues; Annette Dubas' tenacity and pursuit of a goal; John Harms's passion to learn and to do what's right. I'll miss Paul Lambert's friendly smile and his desire to work together as a team; Brenda Council's strong voice for north Omaha; Scott Lautenbaugh's ability to turn this place upside down in five minutes (laughter); Rich Pahls's passion for K-12 education. I'll miss Brad Ashford's open mind. He can call me at 7:00 in the morning and by 9:00 he's got a new idea, (laughter) and the entire day he's working on solving a problem and he's tenacious. I'm really going to miss Chris Langemeier's ability to earn people's trust and to sort out a Rubik's Cube-type problem and people respect him at the end of the day. I'm going to miss Steve Lathrop's advocacy, his lip-smacking next to me, but I'll really miss his willingness to get in and sort through a tough issue and work with everybody to try and find a solution. I'm going

#### Floor Debate April 18, 2012

to miss Abbie Cornett's ability to work better in crisis that I've ever seen anybody work in a crisis. I'm going to miss Amanda McGill's genuineness. As she sat behind me, I've learned a lot about her in the last couple of years, and I'm impressed. I'm going to miss Jeremy Nordquist's raised voice when he's angry (laughter), but he's always trying to make those numbers work. I am going to miss Pete Pirsch's dry sense of humor, and if you've sat with him for a couple of years you would know what I'm talking about, and we saw it the other night on display. I am going to miss John Nelson's face right after I saw him after he became a grandfather for the first time. I'm going to miss Greg Adams' tireless work as an Education Chair sorting through those problems. I'm going to miss Tom Carlson's strong convictions, sense of purpose, and passion for agriculture. I am going to miss Mark Christensen's devious smile and his ability to find controversy wherever he goes. (Laughter) I'm going to miss Ken Schilz's common sense and his love of life. I'm going to miss Beau McCoy's willingness to help others and try to make things better. I think I speak for all of us when I say we're going to miss Gwen Howard's genuinely big heart; Charlie Janssen's business acumen; John Wightman's country lawyer style and his love for numbers; Lavon Heidemann's honest, hardworking commitment to the state; Deb Fischer's fearlessness, her passion and her principles. I'm going to miss LeRoy Louden's summaries of events (laughter); Scott Price's passion for the armed forces; Tanya Cook's positiveness and humor; Galen Hadley's phone calls asking when dinner is served (laughter), but most of all his ability to work with people, and his charm. I'm going to miss the fact that I'm not going to learn about Bill Avery and his presence at every troop send-off or return. I think that's admirable. I'm going to miss Tom Hansen's "tell it like it is" attitude and smile. I'm going to miss Les Seiler's stories about growing up in Madison, Nebraska. I am, in a way, going to miss Heath Mello's letter writing ability (laughter), but I'm going to miss his passion for what he cares about. I'm going to miss Danielle Conrad's ability to be so darn articulate and hold people's feet to the fire; Bob Krist's quest to right wrongs that he sees; and I'm going to miss Russ Karpisek's ability to give me the business. (Laughter) You know, there are some days as Speaker and maybe as a state senator I feel like I backed the pickup over the fire hydrant, and on those days I have relied on the trusted counsel of Patrick O'Donnell. And I think this place is very well served with someone like that as our Clerk. I also would like to thank my staff. I started with Rochelle Mallett, I have now planted her as a mole in Senator Fischer's office (laughter)--it's worked well; Tiffany Bessmer, who started with me; Denise Pearce, who came to me and she came from Senator Beutler--and I had to teach her we take Sundays off, and she chose to go back to Senator Beutler as mayor. But I'm fortunate and this Legislature is fortunate to have Jeanette Thiem, Laurie Weber, and Matt Boever in that office over there. They really work hard and I think they do a good job for the state. Finally, while today is tough, there's something really good about to happen in my life. In a couple of hours I'm going to walk into my Norfolk home and two of the cutest kids you've ever seen are going to jump into their dad's arms, and my wife Mandi, who's been an absolute saint through this whole service down here, is going to have a full-time husband and a full-time father back in the house and home every day, and that's what matters most.

PRESIDENT SHEEHY: Senator Cornett, you are recognized for a motion.

SENATOR CORNETT: Thank you, Lieutenant Governor and members of the body. I move that all bills not otherwise disposed of, excluding bills on Final Reading and vetoed or line-item vetoed bills, on this date be indefinitely postponed.

PRESIDENT SHEEHY: You have heard the motion. All those in favor say aye. Opposed, nay. The motion is adopted. Senator Fischer, you're recognized for a motion.

SENATOR FISCHER: Thank you, Mr. President and members of the body. I move that the Chairpersons of all standing committees file with the Clerk of the Legislature all standing committee records so that a proper record may be made of the final disposition of all bills. Thank you, Mr. President.

PRESIDENT SHEEHY: You have all heard the motion. All those in favor say aye. Opposed, nay. The motion is adopted. Senator Louden, you're recognized for a motion.

SENATOR LOUDEN: Mr. President, I move that the Legislature approve the preparation and printing of the permanent Legislative Journal, Sessions Laws, and Indexes by Patrick J. O'Donnell.

PRESIDENT SHEEHY: You have heard the motion. All those in favor say aye. Opposed, nay. The motion is adopted. Senator Howard, you're recognized for a motion.

SENATOR HOWARD: I move that the Clerk of the Legislature be directed to send each member of the Legislature a copy of the permanent Journal and the Session Laws.

PRESIDENT SHEEHY: You have heard the motion. All those in favor say aye. Opposed, nay. The motion is adopted. Senator Heidemann, you're recognized for a motion.

SENATOR HEIDEMANN: I move that the Journal for the Sixtieth Day, as prepared by the Clerk of the Legislature, be approved.

PRESIDENT SHEEHY: You have heard the motion. All those in favor say aye. Opposed, nay. The motion is adopted. Senator Langemeier, you're recognized for a motion.

SENATOR LANGEMEIER: Mr. President, I move that the One Hundred Second Legislature, Second Session of the Nebraska Legislature, having finished all its business before it, now at 5:39 p.m., adjourn sine die.

# Floor Debate April 18, 2012

PRESIDENT SHEEHY: You have heard the motion. All those in favor say aye. Opposed, nay. I declare the One Hundred Second Legislature, Second Session, adjourned sine die.