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[LB19 LB53 LB221 LB295 LB311 LB328 LB344 LB378 LB447 A LB447 LB683 LB698 LB704 LB705 LB706 LB722 LB730 LB732 LB746 LB746A LB750 LB756 LB768 LB772 LB783 LB805 LB816 LB828 LB830 LB841 LB842 LB857 LB900A LB913 LB934 LB934A LB938A LB939 LB952 LB954 LB955 LB958 LB959 LB963 LB981 LB1000 LB1007 LB1008 LB1009 LB1011 LB1016 LB1022 LB1029 LB1034 LB1059 LB1067 LB1110 LR35 LR240 LR381 LR449 LR450 LR465 LR466 LR467 LR468 LR469]

PRESIDENT FOLEY PRESIDING

PRESIDENT FOLEY: GOOD MORNING, LADIES AND GENTLEMEN. WELCOME TO THE GEORGE W. NORRIS LEGISLATIVE CHAMBER FOR THE THIRTY-EIGHTH DAY OF THE ONE HUNDRED FOURTH LEGISLATURE, SECOND SESSION. OUR CHAPLAIN FOR TODAY IS REVEREND MICHAEL DAVIS OF THE ELGIN UNITED METHODIST CHURCH IN ELGIN, NEBRASKA, SENATOR SULLIVAN'S DISTRICT. PLEASE RISE.

REVEREND DAVIS: (PRAYER OFFERED.)

PRESIDENT FOLEY: THANK YOU, REVEREND DAVIS. I CALL TO ORDER THE THIRTY-EIGHTH DAY OF THE ONE HUNDRED FOURTH LEGISLATURE, SECOND SESSION. SENATORS, PLEASE RECORD YOUR PRESENCE. ROLL CALL. MR. CLERK, PLEASE RECORD.

CLERK: I HAVE A QUORUM PRESENT.

PRESIDENT FOLEY: THANK YOU, MR. CLERK. ARE THERE ANY CORRECTIONS FOR THE JOURNAL?

CLERK: I HAVE NO CORRECTIONS.

PRESIDENT FOLEY: THANK YOU, MR. CLERK. ARE THERE ANY MESSAGES, REPORTS, OR ANNOUNCEMENTS?

CLERK: ENROLLMENT AND REVIEW REPORTS LB722 AND LB857 TO SELECT FILE. A COMMUNICATION FROM THE GOVERNOR TO THE CLERK. (READ RE LB19 LB53, LB221, LB295, LB311, LB328, AND LB378.) THAT'S ALL THAT I HAVE, MR. PRESIDENT. (LEGISLATIVE JOURNAL PAGES 847-848.) [LB722 LB857 LB19 LB53 LB221 LB295 LB311 LB328 LB378]

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PRESIDENT FOLEY: THANK YOU, MR. CLERK. WHILE THE LEGISLATURE IS IN SESSION AND CAPABLE OF TRANSACTING BUSINESS, I PROPOSE TO SIGN AND DO HEREBY SIGN LR449 AND LR450. MEMBERS, BEFORE WE PROCEED TO THE FIRST BILL, I RECOGNIZE SPEAKER HADLEY FOR AN ANNOUNCEMENT. [LR449 LR450]

SPEAKER HADLEY: MR. PRESIDENT, MEMBERS OF THE BODY, I GAVE YOU A HANDOUT WHICH I SAID I WAS GOING TO DO THE FIRST DAY OF EVERY WEEK THAT SHOWS THE STATUS OF BILLS THAT WE HAVE. I THINK IF YOU LOOK AT LAST WEEK'S, WE DIDN'T MAKE A LOT OF PROGRESS. WE STILL HAVE A NUMBER OF BILLS LEFT IN COMMITTEES AND A NUMBER OF BILLS TO HEAR ON THE FLOOR. I JUST HAD A ROUGH ESTIMATE OF THE HOURS LEFT WE HAVE IN THE SESSION, WHICH IS ABOUT 155 HOURS FOR DEBATE ON GENERAL FILE, SELECT FILE, AND FINAL READING. SO YOU CAN SEE WHAT WE HAVE IN THE WAY OF BILLS THAT HAVE TO BE TAKEN CARE OF AND THE TIME THAT WE HAVE LEFT. SECONDLY, I WANT TO TALK AGAIN A LITTLE BIT ABOUT CONSENT CALENDAR. THURSDAY AT NOON, IF YOU WANT A BILL TO BE CONSIDERED FOR CONSENT, IT MUST HAVE BEEN READ ACROSS THE CLERK'S DESK BY NOON ON THURSDAY. IT CAN'T BE READ ACROSS THE CLERK'S DESK AFTER THAT. ON FRIDAY BY 5:00, A LETTER MUST BE IN MY OFFICE ASKING FOR CONSENT. I WANT TO REITERATE, CONSENT ARE BASICALLY BILLS THAT WILL NOT TAKE A GREAT DEAL OF DEBATE AS WE ONLY HAVE 15 MINUTES. SO THE BILL IS NONCONTROVERSIAL. THE BILL...THE TOPIC OPENS UP...THE TOPIC THAT IS OPENED UP IS NONCONTROVERSIAL. REMEMBER, THERE'S ONLY 15 MINUTES. THE BILL DOES NOT ADD A LOT OF CHANGES. IN ESSENCE, A BILL ADOPTING A NEW ACT OR MAKING SEVERAL CHANGES TO AN EXISTING LAW IS GENERALLY NOT CONSENT MATERIAL. AND WE DO THAT BECAUSE YOU JUST DO NOT HAVE TIME ON THE FLOOR TO EXPLAIN THE BILL AND PEOPLE, YOUR COLLEAGUES, DO NOT HAVE TIME FOR QUESTIONS ON BILLS THAT OPEN UP NEW ACTS AND BILLS THAT MAKE A LOT OF CHANGES. IT DOES NOT HAVE A GENERAL FUND IMPACT, AND BILL REPORTED TO GENERAL FILE. I JUST WANTED TO LET YOU KNOW THOSE ARE THE THINGS WE'RE LOOKING AT, AND WE WILL GET THEM GOING AS SOON AS WE CAN IF WE HEAR.

PRESIDENT FOLEY: THANK YOU, MR. SPEAKER. PURSUANT TO THE AGENDA, WE'LL NOW MOVE TO SELECT FILE, 2016 SENATOR PRIORITY BILLS. MR. CLERK.

CLERK: MR. PRESIDENT, LB683. SENATOR HANSEN, I HAVE NO AMENDMENTS TO THE BILL. [LB683]

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# PRESIDENT FOLEY: SENATOR HANSEN FOR A MOTION. [LB683]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB683 TO E&R FOR ENGROSSING. [LB683]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE THE BILL. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE BILL ADVANCES. MR. CLERK. [LB683]

CLERK: LB746. SENATOR, THERE ARE ENROLLMENT AND REVIEW AMENDMENTS FIRST OF ALL. (ER169, LEGISLATIVE JOURNAL PAGE 703.) [LB746]

PRESIDENT FOLEY: SENATOR HANSEN. [LB746]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADOPT THE E&R AMENDMENTS TO LB746. [LB746]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADOPT THE E&R AMENDMENTS. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE E&R AMENDMENTS ARE ADOPTED. [LB746]

CLERK: SENATOR CAMPBELL WOULD MOVE TO AMEND WITH AM2381. (LEGISLATIVE JOURNAL PAGE 844.) [LB746]

PRESIDENT FOLEY: SENATOR CAMPBELL, YOU'RE RECOGNIZED TO OPEN ON AM2381. [LB746]

SENATOR CAMPBELL: THANK YOU, MR. PRESIDENT. AM2381 HARMONIZES THE REQUIREMENTS FOR GUARDIANS AD LITEM AS ADOPTED BY THE LEGISLATURE AT THE LAST SESSION AND AS SET FORTH BY THE SUPREME COURT. AND THOSE CHANGES WERE BROUGHT TO OUR ATTENTION BY SEVERAL GUARDIANS AD LITEM IN THE STATE. THE SECOND MAJOR THING THAT AM2381 DOES IS IT INCORPORATES LB1034. LB1034 EXTENDS THE NEBRASKA CHILDREN'S COMMISSION THROUGH 2019 AND UPDATES THE DUTIES OF THE COMMISSION TO MORE ACCURATELY REFLECT THE WORK THEY HAVE BEEN DOING AND SOME WORK THE STATE HAS BEEN DOING ALSO. WITHOUT THIS BILL, THE CHILDREN'S COMMISSION WOULD TERMINATE IN JULY OF THIS YEAR. I WANT TO EXPLAIN THAT WHEN WE DID THE CHILD WELFARE PRIVATIZATION EFFORT UNDER LR37,

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ONE OF THE RECOMMENDATIONS BROUGHT FORTH AT THAT POINT WAS TO DEVELOP A CHILDREN'S COMMISSION, WHICH IS MADE UP OF REPRESENTATIVES FROM THE LEGISLATIVE BRANCH, THE JUDICIAL BRANCH, AND APPOINTMENTS BY THE GOVERNOR. THE JUDICIARY MEMBERS AND THE LEGISLATIVE MEMBERS ARE NONVOTING. AND THE PEOPLE THAT THE GOVERNOR APPOINTS, PRETTY WELL LAID OUT IN STATUTE, BUT THEY REPRESENT PEOPLE WHO, ACROSS THE SPECTRUM OF CHILD WELFARE, INTERACT WITH THAT SYSTEM, SUCH AS A COUNTY ATTORNEY, A GUARDIAN AD LITEM, A PROVIDER, A FOSTER PARENT, AND SO FORTH. THE CHILDREN'S COMMISSION HAS BEEN AN ACTIVE COMMISSION AND VERY HELPFUL TO THE LEGISLATURE. JUVENILE JUSTICE YOUTH WERE NOT ORIGINALLY INCLUDED IN THE PURVIEW OF THE COMMISSION BECAUSE AT THE TIME THEY WERE BEING SERVED IN THE CHILD WELFARE SYSTEM BY THE DEPARTMENT. IN 2013, THE YOUTH WERE MOVED FROM OJS TO THE JUDICIAL BRANCH IN LB561 AND WE'VE CERTAINLY HAD A GOOD DISCUSSION ON THAT ON THE FLOOR JUST THIS SESSION. THOSE YOUTH ARE NOW SERVED BY THE OFFICE OF PROBATION, JUVENILE SERVICES DIVISION. LB1034 AS AMENDED INTO LB746 GIVES THE CHILDREN'S COMMISSION THE EXPRESS AUTHORITY TO STUDY JUVENILE JUSTICE ISSUES. THIS IS IMPORTANT, EXTREMELY IMPORTANT, CONSIDERING THE NUMBER OF YOUTH PLACED OUT OF HOME BY JUVENILE PROBATION AND THE NEED FOR THE LEGISLATURE TO KNOW THOSE YOUTHS ARE BEING APPROPRIATELY CARED FOR AND WHERE THE FUNDING IS GOING AND TO GET GOOD DATA AND RECOMMENDATIONS ON WHAT THE FUTURE OF SUCH PROGRAMS SHOULD LOOK LIKE. INFORMALLY THE CHILDREN'S COMMISSION HAS ADDRESSED THE YOUTH IN THE JUVENILE JUSTICE SYSTEM AND HAS HAD MEMBERS FROM THE PROBATION OFFICE SIT IN ON THE COMMISSION MEETINGS AND BE VERY MUCH A PART OF ITS STRUCTURE, BUT THIS FORMALIZES IT. ALSO MAKES MINOR UPDATES TO THE STATUTES, INCLUDING CHANGES THE MANDATORY RESPONSIBILITY TO HIRE A CONSULTANT FOR DEVELOPING A STRATEGIC PLAN TO ONE OF A PERMISSIVE ALLOWANCE. AT THE RECOMMENDATION OF THE FOSTER CARE REVIEW OFFICE, THE BILL INCLUDES A REQUIREMENT FOR THE COMMISSION TO DEVELOP A SYSTEM OF CARE PLAN FROM PREVENTION THROUGH TREATMENT SERVICES FOR THE CHILD WELFARE SYSTEM, INCLUDING THE ANALYSIS OF CASE MANAGEMENT WORK FORCE ISSUES, AND A NO-EJECT, NO-REJECT REQUIREMENT. AT THE RECOMMENDATION OF THE CHILDREN'S COMMISSION STRUCTURE SUBCOMMITTEE, THE BILL ALIGNS PROCEDURES WITH OTHER COMMISSIONS TO AVOID CONFLICTS OF INTEREST BY BARRING MEMBERS OF THE COMMISSION AND ITS COMMITTEES FROM PROFITING FROM THE WORK. COLLEAGUES, WE HAD ORIGINALLY INTENDED FOR THE EXTENSION OF THE CHILDREN'S COMMISSION TO BE A CONSENT ITEM. BUT IT IS, IN REVIEWING THE

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FISCAL NOTES ATTACHED TO THE ORIGINAL BILL, THAT WE DECIDED THAT IT WAS MORE APPROPRIATE TO PUT IT IN LB746 BECAUSE IN LB746 WE REQUIRE THE CHILDREN'S COMMISSION TO PUT FORWARD A NORMALCY TASK FORCE. SO HOPEFULLY WE ARE TYING ALL THE LOOSE ENDS TOGETHER FOR YOU ON THIS AMENDMENT TO LB746. THANK YOU, MR. PRESIDENT. [LB746 LB1034]

PRESIDENT FOLEY: THANK YOU, SENATOR CAMPBELL. (VISITORS INTRODUCED.) DEBATE IS NOW OPEN ON AM2381. SENATOR BOLZ, YOU'RE RECOGNIZED. [LB746]

SENATOR BOLZ: THANK YOU, MR. PRESIDENT. AND THANK YOU, SENATOR CAMPBELL, FOR ALL OF YOUR GOOD, HARD WORK ON THE CHILDREN'S COMMISSION. I WANTED TO TAKE A MOMENT WHILE WE WERE DISCUSSING THE EXTENSION OF THE COMMISSION TO PREVIEW SOME OF THE ISSUES I THINK WILL COME OUT OF THAT COMMISSION AND BE BROUGHT TO THE LEGISLATURE NEXT LEGISLATIVE SESSION. THOSE THREE PRIORITY ISSUES IN MY MIND ARE DETENTION ALTERNATIVES FOR YOUNG PEOPLE IN THE JUVENILE JUSTICE SYSTEM, DISCUSSION OF HOW WE HELP PEOPLE TRANSITION FROM THE JUVENILE JUSTICE SYSTEM INTO ADULTHOOD MUCH LIKE WE HAVE WITH THE BRIDGE TO INDEPENDENCE PROGRAM THROUGH THE CHILD WELFARE SYSTEM. AND A DISCUSSION OF HOW WE RECRUIT AND RETAIN CASEWORKERS ACROSS THE JUVENILE JUSTICE AND CHILD WELFARE SYSTEM. I THINK THAT'S REALLY A LYNCHPIN IN IMPROVING QUALITY AND EFFICIENCY IN THESE SYSTEMS. SO I WHOLEHEARTEDLY SUPPORT AM2381. I THANK SENATOR CAMPBELL AND THE MEMBERS OF THE CHILDREN'S COMMISSION FOR THEIR HARD WORK. AND I ASK THE BODY THAT AS WE ADVANCE LB746 AND THE RELATED AMENDMENT, WE ALSO THINK ABOUT THE NEXT STEPS IN IMPROVING OUR CHILD WELFARE SYSTEM AND MAKING SURE EVERY KID SUCCEEDS. THANK YOU, MR. PRESIDENT. [LB746]

PRESIDENT FOLEY: THANK YOU, SENATOR BOLZ. SEEING NO OTHER MEMBERS WISHING TO SPEAK ON THE AMENDMENT, SENATOR CAMPBELL, YOU'RE RECOGNIZED TO CLOSE ON AM2381. [LB746]

SENATOR CAMPBELL: THANK YOU, MR. PRESIDENT. I WOULD LIKE TO ALSO ACKNOWLEDGE SENATOR BOLZ REPRESENTS THE APPROPRIATIONS COMMITTEE, SENATOR PATTY PANSING BROOKS REPRESENTS THE JUDICIARY COMMITTEE ON THE CHILDREN'S COMMISSION. I WOULD ASK FOR YOUR GREEN VOTE ON AM2381. THANK YOU, MR. PRESIDENT. [LB746]

PRESIDENT FOLEY: THANK YOU, SENATOR CAMPBELL. MEMBERS, YOU'VE HEARD THE DEBATE AND CLOSING ON AM2381. THE QUESTION IS THE ADOPTION OF THE AMENDMENT. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB746]

CLERK: 33 AYES, 0 NAYS ON ADOPTION OF SENATOR CAMPBELL'S AMENDMENT. [LB746]

PRESIDENT FOLEY: AM2381 IS ADOPTED. MR. CLERK. [LB746]

CLERK: I HAVE NOTHING FURTHER ON THE BILL, MR. PRESIDENT. [LB746]

PRESIDENT FOLEY: SENATOR HANSEN FOR A MOTION. [LB746]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB746 TO E&R FOR ENGROSSING. [LB746]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB746 TO E&R. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB746 ADVANCES. MR. CLERK. [LB746]

CLERK: MR. PRESIDENT, LB746A, NO E&Rs. SENATOR CAMPBELL WOULD MOVE TO AMEND WITH AM2424. (LEGISLATIVE JOURNAL PAGES 848-849.) [LB746A]

PRESIDENT FOLEY: SENATOR CAMPBELL, YOU'RE RECOGNIZED TO OPEN ON AM2424. [LB746A]

SENATOR CAMPBELL: THANK YOU, MR. PRESIDENT. COLLEAGUES, THE A BILL THAT YOU ARE ASKED TO VOTE ON TODAY REFLECTS A CHANGE IN THE FUNDING MECHANISM FOR THE CHILDREN'S COMMISSION. THERE ARE TWO PARTS TO THE FISCAL NOTE FOR LB746 AS AMENDED. THE FIRST IS THAT WE ADDED CASH FUNDS TO DEAL WITH THE JUDICIARY COMPONENT. THE SECOND PART IS WE HAD ORIGINALLY THOUGHT THAT THE CHILDREN'S COMMISSION WOULD BE COVERED BY CASH FUNDS AND NOTED AND FOUND AN ERROR THAT IT WOULD PROBABLY HAVE TO BE COVERED BY GENERAL FUNDS. LIZ HRUSKA, OF COURSE, AGAIN, ONCE AGAIN, CAME FORWARD AND SUGGESTED AN ALTERNATIVE, TO USE CARRYOVER FUNDS FROM THE CHILDREN'S COMMISSION <u>AS</u> WELL AS CARRYOVER FUNDS FROM THE HEALTH CARE CASH FUND THAT ARE <u>Floor Debate</u> March 07, 2016

DESIGNATED FOR USE BY THE HEALTH AND HUMAN SERVICES COMMITTEE. FROM THEN ON, ONCE WE REAUTHORIZE THE CHILDREN'S COMMISSION, THEN IT WILL CONTINUE TO GO THROUGH THE BIENNIUM BUDGET PROCESS AS IT HAS DONE IN THE PAST. SO THIS IS REALLY A BRIDGE TO GET TO THAT POINT. I WOULD URGE YOUR GREEN VOTE ON AM2424. THANK YOU. [LB746A LB746]

PRESIDENT FOLEY: THANK YOU, SENATOR CAMPBELL. DEBATE IS NOW OPEN ON AM2424. SEEING NO SENATORS WISHING TO SPEAK, SENATOR CAMPBELL, SHE WAIVES CLOSING. THE QUESTION IS THE ADOPTION OF AM2424. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB746A]

CLERK: 29 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADOPTION OF SENATOR CAMPBELL'S AMENDMENT. [LB746A]

PRESIDENT FOLEY: AM2424 IS ADOPTED. MR. CLERK. [LB746A]

CLERK: NOTHING FURTHER ON THE BILL, MR. PRESIDENT. [LB746A]

PRESIDENT FOLEY: SENATOR HANSEN FOR A MOTION. [LB746A]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB746A TO E&R FOR ENGROSSING. [LB746A]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB746A. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB746A ADVANCES. MOVING NOW TO SELECT FILE, 2016 COMMITTEE PRIORITY BILLS. MR. CLERK. [LB746A]

CLERK: MR. PRESIDENT, LB772, NO E&Rs. SENATOR LINDSTROM WOULD MOVE TO AMEND WITH AM2196. (LEGISLATIVE JOURNAL PAGE 697.) [LB772]

PRESIDENT FOLEY: SENATOR LINDSTROM, YOU'RE RECOGNIZED TO OPEN ON AM2196. [LB772]

SENATOR LINDSTROM: THANK YOU, MR. LIEUTENANT GOVERNOR AND MEMBERS OF THE BODY. AM2196 WOULD HAVE BEEN THE LEGISLATION BEFORE

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US TO ADOPT THE CORPORATE GOVERNANCE ANNUAL DISCLOSURE ACT. THIS ACT REQUIRES ALL INSURERS BASED IN NEBRASKA TO ANNUALLY FILE A CONFIDENTIAL DISCLOSURE REGARDING ITS CORPORATE GOVERNANCE PRACTICES WITH THE NEBRASKA DEPARTMENT OF INSURANCE. THE ACT IS INTENDED TO PROVIDE A GREAT AMOUNT OF FLEXIBILITY TO THE INSURERS IN THE FORMAT AND TYPE OF INFORMATION PROVIDED IN THE DISCLOSURE, AS LONG AS THE INSURER PROVIDES ENOUGH INFORMATION TO THE DEPARTMENT TO PERMIT IT TO GAIN AN UNDERSTANDING OF THE INSURER'S CORPORATE GOVERNANCE STRUCTURE, POLICIES, AND PRACTICES. THE ACT PROVIDES FOR STRINGENT CONFIDENTIALITY REQUIREMENTS BECAUSE THE DISCLOSURE WILL CONTAIN TRADE SECRETS AND PROPRIETY INFORMATION AND SO THAT THE INFORMATION CANNOT BE DISCLOSED BY THE DEPARTMENT EXCEPT TO SHARE WITH OTHER REGULATORS, THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS, AND ANY CONSULTANTS RETAINED BY THE DEPARTMENT. THIS AMENDMENT ALSO UPDATES THE RISK RETENTION ACT TO ADD GOVERNANCE STANDARDS FOR RISK RETENTION GROUPS COMMONLY REFERRED TO AS RRGs. THIS CHANGE ONLY APPLIES TO RRGS CHARTERED IN NEBRASKA, WHICH THE DEPARTMENT INFORMS ME IS CURRENTLY ZERO. THE DEPARTMENT LIKES TO KEEP THE RRG LAWS UP TO DATE SHOULD AN RRG DECIDE TO CHARTER IN NEBRASKA. I URGE YOU TO SUPPORT AM2196 AND THE UNDERLYING BILL, LB772. THANK YOU, MR. PRESIDENT. [LB772]

PRESIDENT FOLEY: THANK YOU, SENATOR LINDSTROM. DEBATE IS NOW OPEN ON AM2196. SENATOR CRAWFORD, YOU'RE RECOGNIZED. [LB772]

SENATOR CRAWFORD: THANK YOU, MR. PRESIDENT. I WONDER IF SENATOR LINDSTROM WOULD YIELD TO A QUESTION. [LB772]

PRESIDENT FOLEY: SENATOR LINDSTROM, WOULD YOU YIELD, PLEASE? [LB772]

SENATOR LINDSTROM: YES. [LB772]

SENATOR CRAWFORD: THANK YOU, SENATOR LINDSTROM. I APPRECIATE YOUR WORK ON MAKING SURE WE HAVE ACCOUNTABILITY AND TRANSPARENCY. I JUST WONDERED IF YOU WOULD...IF THIS AMENDMENT IN ANY WAY ELIMINATES ANYTHING THAT IS CURRENTLY AVAILABLE IN TERMS OF INSURANCE INDUSTRY RECORDS OR REPORTING REQUIREMENTS. [LB772]

SENATOR LINDSTROM: NO, THIS JUST...BRINGS IT UP TO DATE WITH WHAT WE'RE CURRENTLY...I GUESS IT BRINGS IT UP TO DATE. NOTHING DISAPPEARS WITH THIS AMENDMENT. [LB772]

SENATOR CRAWFORD: SO NOTHING THAT'S REQUIRED TO BE REPORTED NOW IS DROPPED OUT BY THIS UPDATE. [LB772]

SENATOR LINDSTROM: RIGHT. [LB772]

SENATOR CRAWFORD: THANK YOU. [LB772]

PRESIDENT FOLEY: THANK YOU, SENATOR CRAWFORD AND SENATOR LINDSTROM. SENATOR SCHUMACHER, YOU'RE RECOGNIZED. [LB772]

SENATOR SCHUMACHER: THANK YOU, MR. PRESIDENT, MEMBERS OF THE BODY. I RISE IN SUPPORT OF AM2196 AS PART OF THE CONTINUING EFFORT TO UPDATE OUR STATUTES AND EMPOWER OUR DEPARTMENT OF INSURANCE TO DO WHAT NEEDS TO BE DONE TO MAKE NEBRASKA ATTRACTIVE AS AN INSURANCE DOMICILE AND ALSO TO PARTICIPATE WITH THE NATIONAL ORGANIZATIONS IN THE REGULATION OF THE INSURANCE INDUSTRY. THANK YOU. [LB772]

PRESIDENT FOLEY: THANK YOU, SENATOR SCHUMACHER. SEEING NO OTHER MEMBERS WISHING TO SPEAK, SENATOR LINDSTROM, YOU'RE RECOGNIZED TO CLOSE ON AM2196. HE WAIVES CLOSING. THE QUESTION IS THE ADOPTION OF AM2196. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB772]

CLERK: 29 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADOPTION OF SENATOR LINDSTROM'S AMENDMENT. [LB772]

PRESIDENT FOLEY: AM2196 IS ADOPTED. MR. CLERK. [LB772]

CLERK: NOTHING FURTHER ON THE BILL, MR. PRESIDENT. [LB772]

PRESIDENT FOLEY: SENATOR HANSEN FOR A MOTION. [LB772]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB772 TO E&R FOR ENGROSSING. [LB772]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB772 TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB772 ADVANCES. NEXT BILL, MR. CLERK. [LB772]

CLERK: MR. PRESIDENT, LB1059. SENATOR, I DO HAVE E&R AMENDMENTS PENDING. (ER170, LEGISLATIVE JOURNAL PAGE 722.) [LB1059]

PRESIDENT FOLEY: SENATOR HANSEN. [LB1059]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADOPT THE E&R AMENDMENTS TO LB1059. [LB1059]

PRESIDENT FOLEY: YOU'VE HEARD THE MOTION TO ADOPT THE E&R AMENDMENTS. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE E&R AMENDMENTS ARE ADOPTED. MR. CLERK. [LB1059]

CLERK: SENATOR CRAWFORD WOULD MOVE TO AMEND WITH AM2323. (LEGISLATIVE JOURNAL PAGE 756.) [LB1059]

PRESIDENT FOLEY: SENATOR CRAWFORD, YOU'RE RECOGNIZED TO OPEN ON AM2323. [LB1059]

SENATOR CRAWFORD: THANK YOU, MR. PRESIDENT, AND GOOD MORNING, COLLEAGUES. AM2323 IS AN AMENDMENT DESIGNED TO ADDRESS CONCERNS THAT WERE BROUGHT TO MY OFFICE JUST PRIOR TO GENERAL FILE DEBATE BY REPRESENTATIVES FROM THE STATE CHAMBER OF COMMERCE. AS INTRODUCED, LB1059 WOULD REQUIRE THAT, PRIOR TO APPLYING TO RECEIVE LOCAL ECONOMIC DEVELOPMENT INCENTIVES, A BUSINESS HAD TO DISCLOSE WHETHER THEY HAD FILED OR INTENDED TO FILE AN APPLICATION TO RECEIVE STATE INCENTIVES UNDER THE NEBRASKA ADVANTAGE ACT FOR THE SAME PROJECT. AM2323 WOULD STRIKE THE REQUIREMENT THAT BUSINESSES PROVIDE A GOOD-FAITH ESTIMATE OF THE TOTAL AMOUNT OF TAX INCENTIVES THE BUSINESSES EXPECT TO RECEIVE AS PART OF THESE DISCLOSURES. AS I MENTIONED ON GENERAL FILE, THE CONCERN RAISED BY THE CHAMBER WAS THAT, AS WRITTEN, SOME BUSINESSES MAY BE TECHNICALLY UNABLE TO

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COMPLY WITH THE DISCLOSURES SOUGHT IN LB1059. SINCE BUSINESSES OFTEN APPLY FOR ONE TIER OF INCENTIVES UNDER NEBRASKA ADVANTAGE BUT THEN ULTIMATELY RECEIVE A LOWER TIER OF INCENTIVES, THE PRIMARY CONCERN IS THAT IT WOULD BE DIFFICULT FOR A BUSINESS TO PROVIDE A GOOD-FAITH ESTIMATE THAT WAS BOTH ACCURATE AND HELPFUL TO THE MUNICIPALITY. EVEN WITHOUT THE REQUIREMENT THAT BUSINESSES PROVIDE A GOOD-FAITH ESTIMATE, LB1059 WILL STILL ENSURE THE MUNICIPALITIES ARE AWARE THAT BUSINESSES APPLYING FOR LOCAL INCENTIVES ARE ALSO SEEKING STATE INCENTIVES AND, IN SOME CASES, MAY HELP START A DIALOGUE BETWEEN THE MUNICIPALITY AND THE BUSINESS REGARDING THE IMPACT THAT THE PROJECT MAY ULTIMATELY HAVE ON LOCAL OPTION SALES TAX DOLLARS IF THE BUSINESS ACCEPTS NEBRASKA ADVANTAGE ACT INCENTIVES THROUGH SALES TAX DOLLARS. I WOULD ASK FOR YOUR GREEN VOTE TO ADOPT AM2323. THANK YOU, MR. PRESIDENT. [LB1059]

PRESIDENT FOLEY: THANK YOU, SENATOR CRAWFORD. DEBATE IS NOW OPEN ON AM2323. SEEING NO MEMBERS WISHING TO SPEAK, SENATOR CRAWFORD, YOU'RE RECOGNIZED TO CLOSE ON AM2323. SHE WAIVES CLOSING. THE QUESTION IS THE ADOPTION OF THE AMENDMENT. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB1059]

CLERK: 30 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADOPTION OF SENATOR CRAWFORD'S AMENDMENT. [LB1059]

PRESIDENT FOLEY: AM2323 IS ADOPTED. MR. CLERK. [LB1059]

CLERK: NOTHING FURTHER ON THE BILL, MR. PRESIDENT. [LB1059]

PRESIDENT FOLEY: SENATOR HANSEN FOR A MOTION. [LB1059]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB1059 TO E&R FOR ENGROSSING. [LB1059]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB1059 TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB1059 ADVANCES. MOVING NOW TO LB730, MR. CLERK. [LB1059 LB730]

CLERK: LB730, SENATOR, I HAVE NO AMENDMENTS TO THE BILL. [LB730]

PRESIDENT FOLEY: SENATOR HANSEN FOR A MOTION. [LB730]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB730 TO E&R FOR ENGROSSING. [LB730]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB730 TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB730 ADVANCES. NEXT BILL, LB830. MR. CLERK. [LB730 LB830]

CLERK: LB830, SENATOR, I HAVE E&R AMENDMENTS FIRST OF ALL. (ER171, LEGISLATIVE JOURNAL PAGE 723.) [LB830]

PRESIDENT FOLEY: SENATOR HANSEN. [LB830]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADOPT THE E&R AMENDMENTS TO LB830. [LB830]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADOPT THE E&R AMENDMENTS. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE E&R AMENDMENTS ARE ADOPTED. MR. CLERK. [LB830]

CLERK: SENATOR BURKE HARR WOULD MOVE TO AMEND WITH AM2314. (LEGISLATIVE JOURNAL PAGE 831.) [LB830]

PRESIDENT FOLEY: SENATOR BURKE HARR, YOU'RE RECOGNIZED TO OPEN ON AM2314. [LB830]

SENATOR HARR: THANK YOU, MR. LIEUTENANT GOVERNOR, MEMBERS OF THE BODY. I AM HERE FOR AM2314. AM2314 PROVIDES CLARIFICATION FOR THE EMPLOYING AGENCY WHEN DETERMINING IF THE STATE EMPLOYEE'S REQUEST FOR VACATION LEAVE IS REASONABLE. THIS AMENDMENT ADDRESSES CONCERNS RAISED BY SENATOR SCHEER AND OTHERS AND PROVIDES THE EMPLOYING AGENCY DISCRETION IN DETERMINING REASONABLENESS WHILE TAKING INTO ACCOUNT VARIOUS RELEVANT FACTORS THAT WOULD IMPACT HER OR HIS DECISION TO GRANT LEAVE. THESE FACTORS INCLUDE THE NUMBER OF <u>Floor Debate</u> March 07, 2016

DAYS REQUESTED, THE NUMBER OF DAYS REMAINING PRIOR TO FORFEITURE IN WHICH THE EMPLOYEES COULD USE VACATION DAYS, NOTICE, EFFECTS ON PUBLIC POLICY, AND OTHER RELEVANT FACTORS AS DETERMINED BY THE AGENCY. SENATOR SCHEER HAS INDICATED THIS IS A WORKABLE SOLUTION TO HIS CONCERNS AND I WOULD ASK FOR YOUR SUPPORT ON AM2314. THANK YOU, MR. LIEUTENANT GOVERNOR. [LB830]

PRESIDENT FOLEY: THANK YOU, SENATOR HARR. DEBATE IS NOW OPEN ON AM2314. SEEING NO MEMBERS WISHING TO SPEAK, SENATOR BURKE HARR, YOU'RE RECOGNIZED TO CLOSE ON...AND HE WAIVES CLOSING. THE QUESTION IS THE ADOPTION OF AM2314. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB830]

CLERK: 28 AYES, 0 NAYS ON ADOPTION OF SENATOR HARR'S AMENDMENT. [LB830]

PRESIDENT FOLEY: AM2314 IS ADOPTED. MR. CLERK. [LB830]

CLERK: SENATOR KRIST WOULD MOVE TO AMEND WITH AM2290. (LEGISLATIVE JOURNAL PAGE 845.) [LB830]

PRESIDENT FOLEY: SENATOR KRIST, YOU'RE RECOGNIZED OPEN TO ON AM2290. [LB830]

SENATOR KRIST: THANK YOU, MR. PRESIDENT. GOOD MORNING, COLLEAGUES, AND GOOD MORNING, NEBRASKA. I HAVE BEEN ASSOCIATED WITH THE CONTRACT SYSTEM AT THE FEDERAL LEVEL NOW SINCE 2000 AND EVEN BEFORE THAT WHEN I WAS FLYING IN THE MILITARY, DEALING WITH CONTRACTORS, AND IN THE DEPARTMENT OF LABOR. AND THE ONE THING I HAVE LEARNED...ONE OF THE THINGS THAT I HAVE LEARNED AND I TAKE VERY SERIOUSLY IS THE FACT THAT PEOPLE NEED DOWN TIME. JUST LIKE BATTERIES NEED TO BE RECHARGED, PEOPLE NEED VACATION TIME. I THINK, IN GENERAL, THAT MOST OF THE FOLKS THAT SENATOR HARR WOULD BE TALKING ABOUT HERE SHOULD BE AFFORDED...SHOULD BE FORCED...THE SUPERVISOR SHOULD BE FORCED TO CONSIDER WHETHER DOWN TIME AND VACATION TIME IS MORE IMPORTANT THAN POTENTIALLY THE JOB THAT NEEDS TO BE DONE. SO I INTRODUCED AM2290 AND SENATOR HARR KNOWS THAT THE AMENDMENT IS COMING. WE'VE TALKED ABOUT IT. AND I'M WILLING TO COMPROMISE AND POTENTIALLY PUT A

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FLOOR AMENDMENT ON THE EXCLUSIONS. BUT IF YOU'LL LOOK AT 81-1316, WHICH IS THE STATE PERSONNEL SYSTEM EXEMPTIONS, THIS AMENDMENT, AM2290, EXEMPTS (a) THROUGH (s), AND I'LL JUST READ THOSE INTO THE RECORD: ALL PERSONNEL IN THE OFFICE OF THE GOVERNOR; ALL PERSONNEL IN THE OFFICE OF THE LIEUTENANT GOVERNOR; ALL PERSONNEL IN THE OFFICE OF THE SECRETARY OF STATE; STATE TREASURER; OF ATTORNEY GENERAL; AUDITOR OF PUBLIC ACCOUNTS; THE LEGISLATURE; ALL THE COURT SYSTEM; BOARD OF EDUCATIONAL LANDS AND FUNDS; PUBLIC SERVICE (COMMISSION); NEBRASKA BRAND COMMITTEE; COMMISSION OF INDUSTRIAL RELATIONS; STATE DEPARTMENT OF EDUCATION; BOARD OF TRUSTEES FOR THE NEBRASKA STATE COLLEGES; UNIVERSITY OF NEBRASKA; COORDINATING COMMISSION FOR POSTSECONDARY EDUCATION; GOVERNOR'S POLICY RESEARCH OFFICE; ALL PERSONNEL IN THE COMMISSION, PUBLIC ADVISORY (SIC--ADVOCACY); AND ALL AGENCY HEADS. AS I WENT DOWN THAT LIST, I WANT YOU TO IMAGINE THAT LIFE IS SO CRITICAL AND WE ARE IN SUCH AN EMERGENCY STATE THAT THE PEOPLE WHO WORK IN THOSE DEPARTMENTS WOULD BE FORCED TO WORK AND, THEREFORE, NOT TAKE VACATION TIME AND BE ABLE TO CASH IN THAT VACATION TIME. NONE OF THOSE AGENCIES, NONE OF THOSE PLACES, REALLY SHOULD NOT BE ... THEY SHOULD NOT BE DENIED VACATION TIME. THEY SHOULD BE AFFORDED THAT VACATION TIME. THAT'S WHAT THEY SIGNED UP FOR. NOW I BELIEVE VERY STRONGLY IN THIS, AS THE CHAIR OF YOUR EXEC BOARD, BECAUSE I SEE THE SCHEDULES OF YOUR OFFICE STAFF, YOUR PERSONNEL, THE DOWN TIME AND THE TIME THEY CAN TAKE AS THEIR OWN VACATION TIME AND THEIR OWN RECHARGE TIME. AND THE ONLY TIME I COULD SEE MYSELF DENYING ANYONE PERSONAL TIME, VACATION TIME, IS IF THERE'S A CRUNCH TIME HERE IN THE FIRST SIX MONTHS OF THE YEAR WHEN WE ARE IN SESSION, OR THE FIRST FOUR MONTHS OF THE YEAR IN A SHORT SESSION, POTENTIALLY. BUT THAT STILL LEAVES SIX MONTHS IN SOME CASES, OR EIGHT MONTHS IN OTHER CASES, WHERE THEY WOULD HAVE THAT QUALITY TIME. MY FLOOR AMENDMENT OR MY AGREEMENT THEN WITH SENATOR HARR IS SIMPLY TO EXEMPT ALL PERSONNEL IN THE LEGISLATURE AND ALL PERSONNEL IN THE COURT SYSTEM. I'D INVITE YOU TO LOOK AT 81-1316, IF YOU HAVE AN INTEREST. AND IF WE CAN'T GET THERE TODAY, I WILL BRING IT UP ON FINAL READING. WHICH I DON'T THINK IS NECESSARY. BUT I THINK THAT WHERE SENATOR HARR AND COMMITTEE HAS GONE IS NOBLE. IT'S UNDERSTANDABLE. I UNDERSTAND WHEN THERE IS A STATE CRISIS THAT WHAT'S REPRESENTED BACK HERE BY TWO STATE TROOPERS MAY NOT BE ALLOWED TO DO ANYTHING BUT SERVE THE STATE AND, THEREFORE, THEIR VACATION TIME SHOULD BE CARRIED OVER AND THERE SHOULD BE ALLOWANCES MADE FOR THAT. BUT ONCE AGAIN, THAT LIST OF PEOPLE THAT I READ FOR YOU, IF WE AS SUPERVISORS CAN'T GUARANTEE

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SOME DOWN TIME, VACATION TIME, I WILL USE THE TERM SHAME ON ME, NOT SHAME ON YOU, BUT SHAME ON ME IF I CANNOT AFFORD MY PERSONNEL THE TIME TO TAKE VACATION TIME AND RECHARGE. IT'S A HEALTH, SAFETY, WELFARE ISSUE, IN MY MIND, TO AFFORD THOSE FOLKS THE OPPORTUNITY TO TAKE DOWN TIME. WITH THAT, I'M SURE WE'LL HAVE A LITTLE DISCUSSION THIS MORNING AND I'LL PREPARE A FLOOR AMENDMENT THAT MAY BE MORE RECONCILIATORY TOWARDS THE EFFORTS, BUT I DO WANT TO MAKE SURE THAT WE AT LEAST ADDRESS THESE ISSUES AND ACKNOWLEDGE THE FACT THAT WITH EVERY OCCUPATION THAT WE'RE TALKING ABOUT HERE COMES A LITTLE STRESS. AND THAT STRESS NEEDS SOME DOWNTIME AND VACATION TIME. THANK YOU, MR. PRESIDENT. [LB830]

PRESIDENT FOLEY: THANK YOU, SENATOR KRIST. SENATOR BURKE HARR, YOU'RE RECOGNIZED. [LB830]

SENATOR HARR: THANK YOU, MR. LIEUTENANT GOVERNOR, MEMBERS OF THE BODY. I WANT TO THANK SENATOR KRIST FOR HIS DILIGENCE AND HARD WORK ON BOTH RAISING THIS CONCERN AND WITH HIS WILLINGNESS TO WORK ON A COMPROMISE. AS HE STATED, THIS WOULD APPLY ... WOULD NOT APPLY TO THOSE IN THE LEGISLATIVE AND JUDICIAL BRANCH, AND TO BE HONEST AND FRANK, THAT'S NOT WHERE THE PROBLEM IS, AND THAT'S NOT THE ISSUE WE'RE TRYING TO ADDRESS. AS A MATTER OF FACT, WHEN LOOKING AT THE NUMBER OF UNUSED VACATION DAYS, WE FOUND THAT THERE WERE, WITHIN THE LEGISLATIVE BRANCH, ONE-THIRD OF OUR GOVERNMENT, 14 UNUSED VACATION DAYS THAT WERE FORFEITED; SUPREME COURT, WITHIN THERE, THERE WERE 12, WHICH TELLS YOU THERE ISN'T A PROBLEM. YOU KNOW, WE WEREN'T ABLE TO...BECAUSE WE DON'T HAVE ACCESS TO THE RAW DATA, TO FIND OUT WHO THOSE EMPLOYEES WERE AND TO FIND OUT IN FACT IF THEY WANTED THAT VACATION AND WERE DENIED IT. MY ASSUMPTION -- AND YOU KNOW WHAT HAPPENS WHEN YOU ASSUME -- BUT MY ASSUMPTION IS THESE ARE HARD WORKERS WHO KNOW THAT THEY HAVE THAT VACATION TIME COMING TO THEM AND HAVE CHOSEN TO FORFEIT IT FOR WHATEVER REASON. THEY'RE TO BE COMMENDED AND THANKED BY THE STATE BECAUSE THEY'VE EARNED THOSE, WHAT IS IT, 26 DAYS OF VACATION, AND THEY'VE FORGONE THOSE. SO I WANT TO THANK THEM FOR THAT. BUT THERE ARE PROBLEMS IN OTHER BRANCHES, OR BRANCH IN THIS CASE, AND WE NEED TO FIND A WAY TO ADDRESS THOSE CONCERNS. IT HELPS BUILD GOODWILL. FOR INSTANCE, THERE WAS A JOURNAL STAR ARTICLE CITING THAT 66 PERCENT OF TECUMSEH CORRECTIONAL EMPLOYEES SAID THE LEGISLATURE DOES NOT VALUE THEM. THAT'S A BIG NUMBER. SO WHILE THIS MAY NOT DIRECTLY AFFECT THEM

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BECAUSE THEY HAVE SEPARATE RULES UNDER CIR AND COLLECTIVE BARGAINING, WE ARE SETTING POLICY THAT SAYS THAT STATE AGENCIES NEED TO LOOK AFTER THEIR EMPLOYEES AND THEIR VACATION AND MAKE SURE THAT THEY ARE PROPERLY MANAGED SO THAT WE DON'T HAVE A SITUATION WHERE WE HAVE NOW IN A COUPLE AGENCIES WHERE THEY HAVE VACATION TIME, THEY'VE EARNED IT, THEY TRY TO TAKE THAT TIME AND THEY'RE TOLD, NO, THEY CAN'T. SO I WANT TO THANK SENATOR KRIST AND I'M HOPING HE HAS DROPPED THE FLOOR AMENDMENT. HE'S WALKING BACK SO I ASSUME HE HAS. THANK YOU, MR. LIEUTENANT GOVERNOR. [LB830]

PRESIDENT FOLEY: THANK YOU, SENATOR HARR. MR. CLERK. [LB830]

CLERK: MR. PRESIDENT, SENATOR KRIST WOULD MOVE TO AMEND HIS AMENDMENT. MIGHT INDICATE TO THE MEMBERSHIP, IT SHOULD BE AVAILABLE ON YOUR LAPTOPS SOON. IT PROBABLY ISN'T JUST YET, BUT SHOULD BE VERY SOON. SENATOR, YOUR AMENDMENT WOULD STRIKE...WHAT I'VE DONE IS STRIKE SUBDIVISIONS (a) THROUGH (s) AND INSERTED INSTEAD "(g) AND (h)." (FA91, LEGISLATIVE JOURNAL PAGE 849.) [LB830]

SENATOR KRIST: THAT IS CORRECT. [LB830]

PRESIDENT FOLEY: SENATOR KRIST, YOU'RE RECOGNIZED TO OPEN ON THE FLOOR AMENDMENT. [LB830]

SENATOR KRIST: SO AS PREVIOUSLY DISCUSSED, MY AGREEMENT WITH SENATOR HARR WAS TO AT SOME POINT TAKE MY AMENDMENT AWAY, WHICH IS ESSENTIALLY WHAT WE HAVE DONE. AM2290 WOULD DISAPPEAR AND INSTEAD, IN ITS PLACE, THE ONLY EXEMPTIONS TO THIS WOULD BE THE LEGISLATIVE EMPLOYEES AS WELL AS THE EMPLOYEES OF THE COURT. AND I'D ASK YOU TO SUPPORT THAT ONCE IT COMES UP THERE AND YOU'RE ABLE TO LOOK AT IT. BUT ESSENTIALLY AGAIN IT GOES BACK TO THE SECTION THAT I SPOKE OF PREVIOUSLY, AND WHERE THE EXEMPTIONS LIE. SO IT WOULD BE FA91 HAS JUST APPEARED ON THE BOARD AND THAT'S WHAT YOU'RE VOTING ON OR YOU'D BE VOTING TO AMEND. AND THAT IS JUST THE LEGISLATIVE PERSONNEL AND THE PERSONNEL OF THE COURTS. THANK YOU, MR. PRESIDENT. [LB830]

PRESIDENT FOLEY: THANK YOU, SENATOR KRIST. SEEING NO SENATORS WISHING TO SPEAK ON FA91, SENATOR KRIST YOU'RE RECOGNIZED TO CLOSE. AND HE WAIVES CLOSING. THE QUESTION IS THE ADOPTION OF FA91. ALL THOSE IN

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FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB830]

CLERK: 34 AYES, 0 NAYS, MR. PRESIDENT, TO ADOPT THE AMENDMENT TO THE AMENDMENT. [LB830]

PRESIDENT FOLEY: THANK YOU, MR. CLERK. JUST FOR CLARIFICATION, AM2290 HAS NOW BEEN AMENDED WITH FA91. SEEING NO MEMBERS WISHING TO SPEAK, SENATOR KRIST, YOU'RE RECOGNIZED TO CLOSE ON AM2290. [LB830]

SENATOR KRIST: AND JUST TO REEMPHASIZE WHAT THE PRESIDENT HAS JUST TOLD YOU, AM2290 HAS BEEN AMENDED BY THE FLOOR AMENDMENT. SO PLEASE PUSH GREEN ON THIS AND LB830. [LB830]

PRESIDENT FOLEY: THANK YOU, SENATOR KRIST. MEMBERS, YOU'VE HEARD THE DEBATE ON AM2290. THE QUESTION IS THE ADOPTION OF THE AMENDMENT. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB830]

CLERK: 37 AYES, 0 NAYS ON ADOPTION OF THE AMENDMENT. [LB830]

PRESIDENT FOLEY: AM2290 IS ADOPTED. [LB830]

CLERK: I HAVE NOTHING FURTHER ON THE BILL, MR. PRESIDENT. EXCUSE ME. [LB830]

PRESIDENT FOLEY: SENATOR GROENE, YOU'RE RECOGNIZED TO SPEAK TO LB830. [LB830]

SENATOR GROENE: THANK YOU, MR. PRESIDENT. I HAVE A QUESTION FOR SENATOR HARR IF HE'D... [LB830]

PRESIDENT FOLEY: SENATOR BURKE HARR, WOULD YOU YIELD, PLEASE? [LB830]

SENATOR HARR: OF COURSE. [LB830]

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SENATOR GROENE: SENATOR HARR, YOU ALWAYS HAVE THE INSTANCE WHERE THERE'S, CALL IT SPIKING OR WHATEVER. SO AN EMPLOYEE SAYS, WELL, I KNOW I'M NOT GOING TO GET THE WEEK BETWEEN CHRISTMAS AND NEW YEAR'S OFF BECAUSE EVERYBODY WANTS IT AND THAT'S ALL I'M GOING TO ASK FOR. THEN I CAN SAY I WAS DENIED, DENIED, AND I'M GOING TO TAKE THE MONEY INSTEAD. HOW DO YOU SOLVE THAT PROBLEM? [LB830]

SENATOR HARR: THANK YOU FOR THAT QUESTION, AND I APPRECIATE IT FOR THE RECORD. AND THAT'S...IT'S A VERY VALID QUESTION AND A CONCERN. AND I THINK THAT'S PART OF WHAT SENATOR SCHEER WAS CONCERNED ABOUT. AND THAT'S WHERE WE CAME UP WITH THE AMENDMENT THAT WE ADOPTED EARLIER. I THINK IT'S 830. NO, IT'S NOT. BUT WHAT THAT DOES IS WE JUST PUT IN A REASONABLENESS CLAUSE. SO THERE IS A REASONABLENESS THAT THE EMPLOYEE HAS TO REQUEST IT WITHIN A REASONABLE TIME, LOOKING AT THE AMOUNT OF TIME LEFT IN THE YEAR AND MAKING A REASONABLENESS ASSUMPTION. IF EVERYONE WANTS IT OFF, OBVIOUSLY WE CAN'T DO THAT WEEK OFF AND SO THAT MANAGER WILL HAVE TO FIGURE OUT A PROPER WAY TO DO IT. BUT YOU CAN'T JUST AUTOMATICALLY GET THE MONEY. [LB830]

SENATOR GROENE: SO WHO MAKES THAT DECISION, IF IT WAS REASONABLE? [LB830]

SENATOR HARR: THAT WOULD BE A DECISION MADE BY THE DEPARTMENT HEAD. [LB830]

SENATOR GROENE: SO A DEPARTMENT HEAD HAS A BUDDY THAT WORKS UNDER HIM, AND HE SAYS, WELL, I COULD USE THE CASH. I REALLY DON'T WANT TO GO ON VACATION. SO THAT GUY JUST MAKES THE DECISION, THAT CAPTAIN AT THE STATE PEN? [LB830]

SENATOR HARR: WELL, I TRUST OUR DEPARTMENT HEADS MORE THAN THAT. [LB830]

SENATOR GROENE: AND ANYWAY, NO, I CAN SEE THE POINT OF THIS, ESPECIALLY IN CORRECTIONS. THEY CAN'T HIRE ANYBODY THE WAY IT IS AND THEY DON'T STAY AROUND BECAUSE WORKING AT CORRECTIONS IS LIKE...IT'S 24/7 AND YOU CAN'T CALL IN SICK. SOMEBODY HAS TO BE THERE AND THEY CAN'T HIRE ANYBODY. THEY HAVE TO SHOW UP EVEN IF THEY HAVE A VACATION PLANNED, <u>ESPECIALLY</u> IF THEY GET UP HIGHER IN RANK. BUT I JUST WANT TO MAKE SURE

WE DON'T END UP WITH A SPIKING SITUATION HERE AGAIN WHERE PEOPLE START SAYING I...AND THAT'S A GOOD QUESTION. I HAVE ONE MORE QUESTION FOR SENATOR HARR. [LB830]

PRESIDENT FOLEY: SENATOR HARR? [LB830]

SENATOR HARR: YES. [LB830]

SENATOR GROENE: IF THEY TOOK...IF THEY WERE ABLE TO TAKE THE PAY FOR THAT VACATION INSTEAD OF TAKING THE VACATION AND THEY'RE IN THEIR LAST TWO OR THREE YEARS BEFORE RETIREMENT, COULD THEY...IS THAT INCLUDED IN THEIR PAY? [LB830]

SENATOR HARR: NO, IT IS NOT. THAT WAS AN AMENDMENT WE BROUGHT ON--GOOD QUESTION AGAIN--ON GENERAL. AND THAT WAS A CONCERN OF CHAIRMAN KOLTERMAN AND THE RETIREMENT COMMITTEE. SO WE SPECIFICALLY PUT AN AMENDMENT IN THAT, NO, IT WOULD NOT, FOR SPIKING PURPOSES, APPLY. [LB830]

SENATOR GROENE: IT'S ANOTHER LINE ON THEIR W-2 OR WHATEVER, NOT PART OF THEIR PAY. [LB830]

SENATOR HARR: THAT IS CORRECT. [LB830]

SENATOR GROENE: ALL RIGHT. THANK YOU. THANK YOU, MR. PRESIDENT. [LB830]

PRESIDENT FOLEY: THANK YOU, SENATOR GROENE AND SENATOR HARR. SEEING NO OTHER MEMBERS WISHING TO SPEAK, SENATOR HANSEN, YOU'RE RECOGNIZED FOR A MOTION. [LB830]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB830 TO E&R FOR ENGROSSING. [LB830]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB830 TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY

NAY. LB830 ADVANCES. CONTINUING WITH THE AGENDA, SELECT FILE, 2016 COMMITTEE PRIORITY BILLS. NEXT BILL, MR. CLERK. [LB830]

CLERK: MR. PRESIDENT, LB704 ON SELECT FILE. I DO NOT HAVE E&Rs. SENATOR CRAWFORD WOULD MOVE TO AMEND WITH AM2274. (LEGISLATIVE JOURNAL PAGE 831.) [LB704]

PRESIDENT FOLEY: SENATOR CRAWFORD, YOU'RE RECOGNIZED TO OPEN ON AM2274. [LB704]

SENATOR CRAWFORD: THANK YOU, MR. PRESIDENT, AND GOOD MORNING AGAIN, COLLEAGUES. AM2274 WOULD ADD PROVISIONS OF LB705, AS AMENDED BY THE URBAN AFFAIRS COMMITTEE, INTO LB704. SINCE IT'S A LONG AMENDMENT, I'M JUST GOING TO REPEAT THAT AGAIN. IF YOU'D LIKE TO SEE THE COMMITTEE STATEMENT, THE AMENDMENT IS...THERE IS A COMMITTEE STATEMENT FOR LB705 AND THAT'S WHAT WE ARE AMENDING IN WITH AM2274. LAST YEAR, THE URBAN AFFAIRS COMMITTEE INTRODUCED LR240, AN INTERIM STUDY TO EXAMINE STATUTES IN CHAPTER 16 THAT GOVERNS CITIES OF THE FIRST CLASS. MUNICIPALITIES IN NEBRASKA ARE CLASSIFIED INTO FIVE DIFFERENT CATEGORIES BASED UPON POPULATION, WITH CITIES OF THE FIRST CLASS HAVING A POPULATION BETWEEN 5,000 AND 100,000. LB705 WAS THE PRODUCT OF LR240 AND AMENDS NUMEROUS SECTIONS OF STATUTE IN CHAPTER 16 TO MAKE A VARIETY OF CLEANUP CHANGES. MUCH OF THE CURRENT LANGUAGE IN THESE STATUTES HAS NOT BEEN AMENDED SINCE NEBRASKA STATUTES WERE RECODIFIED IN 1943, AND SOME MAY EVEN DATE BACK TO THE LATE 1800s. BECAUSE LB705 AMENDS MORE THAN 200 SEPARATE SECTIONS, I WILL NOT REVIEW THESE INDIVIDUAL CHANGES CONTAINED IN AM2274. THE CHANGES CONTAINED IN THE AMENDMENT ARE GENERALLY GROUPED INTO 11 CATEGORIES, AND A LIST OF THOSE CAN BE FOUND IN THE COMMITTEE STATEMENT FOR LB705. AMONG THE PRIMARY CHANGES THAT WERE INCLUDED IN LB705, THE AMENDMENT CHANGES AND CORRECTS TERMINOLOGY: FOR EXAMPLE, CHANGING "GOVERNING BODY" TO "CITY COUNCIL," "MUNICIPALITY" TO "CITY," AND "FIRST-CLASS CITY" TO "CITY OF THE FIRST CLASS." THE AMENDMENT ALSO CLARIFIES REFERENCES TO CITIES' EXTRATERRITORIAL ZONING JURISDICTIONS, OR ETJ. CURRENTLY STATUTES REFER TO THE ETJ IN SEVERAL DIFFERENT WAYS. SOME USE "EXTRATERRITORIAL ZONING JURISDICTION," SOME USE "ZONING JURISDICTION," SOME USE A LENGTHY REFERENCE TO "ALL PROPERTY LOCATED WITHIN THE TWO-MILE RADIUS OF CITY LIMITS." AM2274 CHANGES ALL REFERENCES TO THE ETJ TO USE THE TERMINOLOGY OF "EXTRATERRITORIAL

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ZONING JURISDICTION" AND AMENDS SECTION 16-901 TO DEFINE THE DEFAULT ETJ OF A CITY OF THE FIRST CLASS AS "THE UNINCORPORATED AREA TWO MILES BEYOND AND ADJACENT TO ITS CORPORATE BOUNDARIES." NEXT, THE AMENDMENT CLARIFIES REFERENCES TO LEGAL NEWSPAPERS. CURRENTLY DIFFERENT SECTIONS OF THE STATUTE REFER TO NEWSPAPERS USED FOR LEGAL PURPOSES IN DIFFERENT WAYS. SOME SAY LOCATED IN THE CITY, SOME SAY PUBLISHED IN THE CITY, SOME SAY OF GENERAL CIRCULATION IN THE CITY. ADDITIONALLY, ROUGHLY HALF THE STATUTES SPECIFY THAT NOTICES MUST BE PUBLISHED IN A LEGAL NEWSPAPER WHILE THE OTHER HALF JUST SPECIFY A NEWSPAPER. AM2274 WOULD USE THE SAME PHRASING IN ALL CASES, QUOTE, PUBLISHED FOR A PERIOD, X, IN A LEGAL NEWSPAPER IN OR OF GENERAL CIRCULATION IN THE CITY, END QUOTE. THE AMENDMENT USES THE TERM "LEGAL NEWSPAPER" SINCE THERE IS AN EXISTING STATUTORY DEFINITION OF LEGAL NEWSPAPER AND EVERY NEWSPAPER IN THE STATE OF NEBRASKA CURRENTLY MEETS THAT DEFINITION. MOST IMPORTANTLY, THE AMENDMENT REPLACES OR ELIMINATES ANTIOUATED OR OBSOLETE LANGUAGE IN A NUMBER OF PLACES. AMONG THE ANTIQUATED AND ARCHAIC LANGUAGE ELIMINATED UNDER AM2274 ARE REFERENCES TO HITCHING POSTS, WAGONS, STEAM-POWERED RAIL CARS, TIPPLING SHOPS, WORKHOUSES, POORHOUSES, FREELOADERS (SIC--FREEHOLDERS), AND IMPRISONMENT AT HARD LABOR. AM2274 ALSO MAKES A LARGE NUMBER OF ADDITIONAL TECHNICAL CHANGES, INCLUDING CORRECTING SUBJECT-VERB AGREEMENT, CLARIFYING REFERENCES TO IMPROVEMENT DISTRICTS, CORRECTING REFERENCES TO CITY OFFICIALS, CORRECTING GENDER REFERENCES, ELIMINATING RUN-ON SENTENCES, AND CORRECTING AND HARMONIZING STATUTORY REFERENCES. PRIOR TO INTRODUCTION, DRAFTS OF LB705 WERE REVIEWED MULTIPLE TIMES BY THE LEAGUE OF MUNICIPALITIES AND THEY WERE SUBMITTED TO THE CITY CLERK AND CITY ATTORNEY FOR EVERY CITY OF THE FIRST CLASS. A NUMBER OF SUGGESTED CHANGES FROM CITY OFFICIALS WERE INCORPORATED INTO THE UNDERLYING BILL AND THE COMMITTEE AMENDMENT AND SEVERAL ADDITIONAL CHANGES WERE INCORPORATED INTO AM2274 AT THE SUGGESTION OF THE BILL DRAFTER'S OFFICE. THIS UPDATE OF THE FIRST-CLASS STATUTE WAS A VERY ARDUOUS PROCESS AND I THANK LEGAL COUNSEL FOR URBAN AFFAIRS FOR ENGAGING IN THIS PROCESS AND DOING SUCH A THOROUGH JOB. LB705 RECEIVED NO OPPOSITION TESTIMONY AT THE HEARING AND WAS ADVANCED BY THE URBAN AFFAIRS COMMITTEE ON THE 6-0 VOTE WITH 1 MEMBER ABSENT. I WOULD ASK FOR YOUR GREEN VOTE TO ADOPT AM2274. THANK YOU, MR. PRESIDENT. [LB704 LB705 LR240]

PRESIDENT FOLEY: THANK YOU, SENATOR CRAWFORD. SEEING NO OTHER MEMBERS WISHING TO SPEAK, SENATOR CRAWFORD, YOU'RE RECOGNIZED TO CLOSE. AND SHE WAIVES. THE QUESTION IS ON THE ADOPTION OF AM2274. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD, PLEASE, MR. CLERK. [LB704]

CLERK: 31 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADOPTION OF SENATOR CRAWFORD'S AMENDMENT. [LB704]

PRESIDENT FOLEY: AM2274 IS ADOPTED. MR. CLERK. [LB704]

CLERK: I HAVE NOTHING FURTHER ON THE BILL, MR. PRESIDENT. [LB704]

PRESIDENT FOLEY: SENATOR HANSEN. [LB704]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB704 TO E&R FOR ENGROSSING. [LB704]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB704 TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB704 ADVANCES. MR. CLERK. [LB704]

CLERK: LB698, I HAVE E&Rs FIRST OF ALL, SENATOR. (ER172, LEGISLATIVE JOURNAL PAGE 735.) [LB698]

PRESIDENT FOLEY: SENATOR HANSEN. [LB698]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADOPT THE E&R AMENDMENTS TO LB698. [LB698]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADOPT E&R AMENDMENTS. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE E&R AMENDMENTS ARE ADOPTED. MR. CLERK. [LB698]

CLERK: SENATOR FOX WOULD MOVE TO AMEND WITH AM2359. (LEGISLATIVE JOURNAL PAGE 798.) [LB698]

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PRESIDENT FOLEY: SENATOR FOX, YOU'RE RECOGNIZED TO OPEN ON AM2359. [LB698]

SENATOR FOX: GOOD MORNING, COLLEAGUES. AM2359 INCORPORATES MY BILL, LB963, WHICH WILL UPDATE THE NEBRASKA COMMUNITY AGING SERVICES, AS WELL AS SOME CLEANUP LANGUAGE RECOMMENDED BY THE COMMITTEE INTO LB698. LB963 WAS BROUGHT TO ME BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND MAKES TWO CHANGES TO STATUTES REGARDING THE AREA AGENCIES ON AGING. FIRST, THE BILL CHANGES THE AREA AGENCY ON AGING AREA PLAN SUBMISSION TIME FRAMES TO MIRROR THOSE OF THE FEDERAL REGULATIONS. SECONDLY, THE BILL ALSO REPEALS AN OUTDATED MAINTENANCE-OF-EFFORT FUNDING REQUIREMENT FOR FOUR OF THE AREA AGENCIES ON AGING AND IN THE COMMUNITY AGING SERVICES ACT. CURRENTLY STATE STATUTE REQUIRES THE AREA AGENCY ON AGING TO SUBMIT AREA PLANS TO THE STATE UNIT ON AGING WITHIN THE DHHS EVERY FIVE YEARS. FEDERAL LAW OUTLINES TWO-, THREE-, AND FOUR-YEAR TIME FRAMES. LB963 WILL BRING NEBRASKA INTO COMPLIANCE WITH FEDERAL REGULATIONS. STATE LAWS PASSED IN THE 1980s REQUIRE THE FOUR AREA AGENCIES ON AGING IN EXISTENCE AT THE TIME TO OBLIGATE IN FUTURE YEARS THE SAME AMOUNT OF LOCAL FUNDING TO LIKE SERVICES. THIS REQUIREMENT DOES NOT TAKE INTO ACCOUNT CHANGES IN PRIORITIES DURING THESE PAST YEARS, NOR DOES IT IMPACT THE FOUR AREA AGENCIES ON AGING. THIS CHANGE WILL EQUALIZE HOW THE EIGHT AREA AGENCIES ON AGING FUND PROGRAMS LOCALLY. THESE CHANGES HAVE BEEN DISCUSSED WITH THE DIRECTORS OF THE AREA AGENCIES ON AGING, AND THEY ARE IN SUPPORT OF THESE CHANGES. IF THESE CHANGES ARE NOT MADE, NEBRASKA WILL BE OUT OF COMPLIANCE WITH FEDERAL REGULATIONS REGARDING AREA PLAN TIME FRAMES AND WILL BE ASKED TO SUBMIT LEGISLATIVE CHANGES AGAIN. LB963 PASSED THROUGH COMMITTEE UNANIMOUSLY AND HAS NO FISCAL IMPACT. I HAVE SPOKEN WITH SENATOR CAMPBELL AND SHE IS SUPPORTIVE OF ADDING LB963 TO LB698. I URGE MY COLLEAGUES TO SUPPORT BOTH AM2359 AND LB698. THANK YOU. [LB698 LB963]

PRESIDENT FOLEY: THANK YOU, SENATOR FOX. DEBATE IS NOW OPEN ON AM2359. SEEING NO SENATORS WISHING TO SPEAK, SENATOR FOX, YOU'RE RECOGNIZED TO CLOSE ON AM2359. AND SHE WAIVES CLOSING. THE QUESTION IS THE ADOPTION OF THE AMENDMENT. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED? RECORD PLEASE, MR. CLERK. [LB698]

CLERK: 29 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADOPTION OF SENATOR FOX'S AMENDMENT. [LB698]

PRESIDENT FOLEY: AM2359 IS ADOPTED. MR. CLERK. [LB698]

CLERK: I HAVE NOTHING FURTHER ON THE BILL, MR. PRESIDENT. [LB698]

PRESIDENT FOLEY: SENATOR HANSEN. [LB698]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB698 TO E&R FOR ENGROSSING. [LB698]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB698 TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB698 ADVANCES. MOVING NOW TO LB447. MR. CLERK. [LB698 LB447]

CLERK: LB447, SENATOR, I HAVE ENROLLMENT AND REVIEW AMENDMENTS FIRST OF ALL. (ER174, LEGISLATIVE JOURNAL PAGE 743.) [LB447]

PRESIDENT FOLEY: SENATOR HANSEN. [LB447]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADOPT THE E&R AMENDMENTS TO LB447. [LB447]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADOPT THE E&R AMENDMENTS. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE E&R AMENDMENTS ARE ADOPTED. MR. CLERK. [LB447]

CLERK: SENATOR KOLTERMAN WOULD MOVE TO AMEND WITH AM2344. (LEGISLATIVE JOURNAL PAGE 844.) [LB447]

PRESIDENT FOLEY: SENATOR KOLTERMAN, YOU'RE RECOGNIZED TO OPEN ON AM2344. [LB447]

SENATOR KOLTERMAN: THANK YOU, MR. LIEUTENANT GOVERNOR. COLLEAGUES, THE CHANGES INCLUDED IN AM2344 ARE TECHNICAL AND CLARIFYING CHANGES THAT WERE SUGGESTED BY THE REVISOR'S OFFICE BUT

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COULD NOT BE INCLUDED IN THE E&R AMENDMENT. I WOULD LIKE TO ADDRESS TWO OF THE CHANGES. THE LANGUAGE ON PAGE 1, LINES 1 THROUGH 21 OF THE AMENDMENT IS NOT NEW LANGUAGE. THIS SAME LANGUAGE WAS IN SECTION 46 OF AM1979. HOWEVER, THE REVISOR SUGGESTED MOVING THIS SECTION TO SECTION 48 OF THE BILL SO WHEN IT IS CODIFIED IT WILL BE INCLUDED IN THE PERB STATUTES. ALSO, THE LANGUAGE ON PAGE 1, LINES 25 AND 26, AND PAGE 2, LINES 1 THROUGH 6, IS A CLARIFYING REWRITE OF LB805 THAT WAS INCORPORATED INTO THE BILL AND REQUIRES POLITICAL SUBDIVISIONS TO CONDUCT AN EXPERIENCE STUDY AT LEAST EVERY FOUR YEARS. THE REWRITTEN LANGUAGE JUST CLARIFIES THE ORIGINAL LANGUAGE OF LB805. THE INTENT OF THE BILL HAS NOT CHANGED. I WOULD HOPE WE COULD GET A GREEN VOTE ON THAT AND A GREEN VOTE ON LB447. THANK YOU. [LB447 LB805]

PRESIDENT FOLEY: THANK YOU, SENATOR KOLTERMAN. DEBATE IS NOW OPEN ON AM2344. SEEING NO MEMBERS WISHING TO SPEAK, SENATOR KOLTERMAN, YOU'RE RECOGNIZED TO CLOSE ON AM2344. AND HE WAIVES CLOSING. THE QUESTION IS THE ADOPTION OF THE AMENDMENT. ALL THOSE IN FAVOR VOTE AYE; THOSE OPPOSED VOTE NAY. HAVE YOU ALL VOTED WHO CARE TO? RECORD PLEASE, MR. CLERK. [LB447]

CLERK: 31 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADOPTION OF SENATOR KOLTERMAN'S AMENDMENT. [LB447]

PRESIDENT FOLEY: AM2344 IS ADOPTED. MR. CLERK. [LB447]

CLERK: I HAVE NOTHING FURTHER ON THE BILL, MR. PRESIDENT. [LB447]

PRESIDENT FOLEY: SENATOR HANSEN. [LB447]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB447 TO E&R FOR ENGROSSING. [LB447]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB447 TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB447 ADVANCES. MOVING NOW TO LB447A. MR. CLERK. [LB447 LB447A]

CLERK: LB447A, I HAVE NO AMENDMENTS TO THE BILL, SENATOR. [LB447A]

# PRESIDENT FOLEY: SENATOR HANSEN. [LB447A]

SENATOR HANSEN: MR. PRESIDENT, I MOVE WE ADVANCE LB447A TO E&R FOR ENGROSSING. [LB447A]

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO ADVANCE LB447A TO E&R FOR ENGROSSING. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. LB447A ADVANCES. MOVING NOW TO GENERAL FILE, 2016 SENATOR PRIORITY BILLS, LB344. MR. CLERK. [LB447A LB344]

CLERK: MR. PRESIDENT, LB344 WAS A BILL ORIGINALLY INTRODUCED BY SENATOR KOLOWSKI RELATING TO NATURAL RESOURCES DISTRICTS. IT PROVIDES FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS. SENATOR KOLOWSKI PRESENTED HIS BILL LAST THURSDAY, MR. PRESIDENT. AT THAT TIME, HE OPENED ON HIS BILL. THE COMMITTEE AMENDMENTS WERE PRESENTED AS WELL FROM THE NATURAL RESOURCES COMMITTEE. WHEN WE LEFT THE ISSUE, SENATOR McCOY HAD PENDING AM2403 AS AN AMENDMENT TO THE BILL, MR. PRESIDENT. (LEGISLATIVE JOURNAL PAGE 832.) [LB344]

PRESIDENT FOLEY: THANK YOU, MR. CLERK. SENATORS KOLOWSKI AND McCOY, WOULD YOU LIKE TO TAKE A MINUTE EACH JUST TO REFRESH US ON WHERE WE ARE ON YOUR ACTIONS? [LB344]

SENATOR KOLOWSKI: WILL DO. THANK YOU, MR. PRESIDENT. LAST WEEK IN MY OPENING ON LB344, I TALKED ABOUT THE WATER SUSTAINABILITY FUND TASK FORCE THAT MET A NUMBER OF...THREE YEARS AGO NOW WHEN THAT STARTED AND THE WORK THAT WAS DONE ACROSS THE STATE OF NEBRASKA WITH MEETINGS, HEARINGS, AND GATHERING OF INFORMATION FROM MANY OF THE CITIZENS OF OUR STATE. THE EVENTUAL PASSAGE OF THE WATER SUSTAINABILITY FUND, ACT AND FUND, WERE THE FINAL RESULTS OF THAT PROCESS AND THAT IS AN IMPORTANT PIECE OF LEGISLATION FOR THE FUTURE OF THE WATER NEEDS IN OUR STATE. I INTRODUCED LB344 TO PROVIDE NRDs WITH A TOOL THAT CAN BE USED TO COMPLEMENT THE WATER SUSTAINABILITY FUND TO ADDRESS THE LITANY OF NEEDS THAT HAVE BEEN IDENTIFIED. THE LEGISLATION IS ESSENTIAL TO ENSURE THE WATER NEEDS ACROSS THE STATE, AND WE NEED TO CONTINUE THAT FUNDING AND PARTICIPATION WITH FUNDING IN MULTIPLE WAYS. ONE OF THOSE WAYS WOULD BE TO GIVE THE AUTHORITY FOR BONDING TO THE NRDs ACROSS THE STATE, WHERE IT ONLY CURRENTLY

EXISTS IN PAPIO NRD AMONG THE 23 NRDs IN OUR STATE. I'LL STOP RIGHT THERE AND TURN TO SENATOR McCOY FOR HIS WORDS. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR KOLOWSKI. SENATOR McCOY, WOULD YOU LIKE TO TAKE A MOMENT? [LB344]

SENATOR McCOY: THANK YOU, MR. PRESIDENT AND MEMBERS. WHAT AM2403 WOULD DO IS TO SAY THAT FOR PURPOSES OF THE GENERAL OBLIGATION BONDS THAT WOULD BE PART OF THIS BILL, THAT IT WOULD REQUIRE A VOTE OF THE PEOPLE IN ORDER TO MAKE THIS HAPPEN, BECAUSE REALLY WHAT THIS BILL DOES IS THREE DIFFERENT THINGS WHICH HAVE NEVER EITHER BEEN DONE BEFORE, OR THREE SUBSTANTIVE CHANGES: EXTENDS THE SUNSET DATE, IT GIVES GENERAL OBLIGATION BONDING WHERE ONLY SPECIAL OBLIGATION BONDING WAS ALLOWED IN THE PAST TO ALL OF THE NRDS. THOSE ARE THREE FAIRLY SUBSTANTIVE CHANGES. A VOTE OF THE PEOPLE, IN MY VIEW, IS NECESSARY. I THINK THAT'S JUST COMMON SENSE. THESE ARE GOING TO BE LARGE PROJECTS, AND THE INDIVIDUAL VOTERS OF THESE 23 NRDS THAT WE HAVE ACROSS OUR STATE SHOULD HAVE WEIGH-IN ON THIS ISSUE. THANK YOU. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR McCOY. (VISITORS INTRODUCED.) PROCEEDING NOW TO DEBATE ON LB344 AND RELATED AMENDMENTS. SENATOR BRASCH, YOU'RE RECOGNIZED. [LB344]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT, AND GOOD MORNING, COLLEAGUES. I WANT TO THANK SENATOR McCOY FOR INTRODUCING AM2403. HOWEVER, I DO REMAIN CONCERNED WHEN WE ARE ASKING FOR FURTHER TAXATION WITHIN OUR COUNTIES, WITHIN OUR COMMUNITIES TO HELP FUND WATER, WATER PROJECTS. AND IF IT WAS SIMPLY WATER AND WATER PROJECTS, YES, THAT IS IMPORTANT. HOWEVER, IN MY TIME HERE WE HAVE SEEN HOW OUR COUNTIES, HOW OUR STATE AGENCIES HAVE RESPONDED: EFFICIENTLY AND EFFECTIVELY AND DILIGENTLY IN RESPONDING TO FLOOD, IN RESPONDING TO DROUGHT AND OTHER NATURAL DISASTERS AND CATASTROPHIC EVENTS. THOSE AGENCIES DO REQUIRE TAX FUNDING AND THEY ARE BEING FUNDED. IN 2013 WE FUNDED MILLIONS OF DOLLARS TO THE WATER FUNDING TASK FORCE. WE...THERE'S MEMBERS, ONGOING MEMBERS, ONGOING FUNDING. IN 1972, THAT'S WHEN THE NRDS WERE CREATED, AND THEIR PURPOSE AND THEIR MISSION IS TO WISELY CONSERVE, MANAGE, ENHANCE SOIL, WATER, WILDLIFE, FOREST RESOURCES, AND I CONTINUE READING ON. AND WATER IS IMPORTANT,

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BUT REDUCING TAXES IS A PRIORITY, ESPECIALLY PROPERTY TAXES. I RECEIVED E-MAILS FOLLOWING OUR DEBATE AND I RECEIVED E-MAILS THAT HAVE SHOWN THAT, DESPITE THE LEGISLATION IN 2006, THE PROPERTY TAXES AND THE TAXES AND ASKING SPECIFICALLY BY THE NRDs ROSE OVER 50 PERCENT. LATER, IF THIS DEBATE CONTINUES. I WILL HAND OUT SUPPORTING DOCUMENTS AND MATERIALS. I BELIEVE WE NEED TO LOOK AT OUR PRIORITIES. AND WITH THE MONEY FROM OUR TAXES, UNDER PROPERTY TAX, UNDER WHAT IS ALLOCATED TO THE NRDs, UNDER MONIES WE ALREADY--MILLIONS OF DOLLARS--HAVE ALLOCATED THROUGH THE WATER TASK FORCE, THERE IS A BACKUP PLAN. THERE IS A COMMITTEE. THERE ARE INDIVIDUALS WHO ARE ON WATCH FOR WATER NEEDS. IF YOU DO LOOK AT THE NRD WEB SITES YOU WILL SEE THAT MANY OF THEIR PROJECTS, IN MY VIEW, GO INTO MORE LIKE GAME AND PARKS OR PARKS AND RECREATION. THERE'S FUNDING FOR THAT. AS TAXPAYERS, WE NEED TO SEE EXACTLY WHAT WE WANT AND EXACTLY WHAT WE NEED. IT IS MY VIEW THAT WE NEED TAX RELIEF AT THIS POINT. AND BY PUTTING A FURTHER BURDEN POTENTIAL. EVEN IF IT'S IN THE FUTURE. ON OUR COUNTIES ULTIMATELY DEFEATS THE PURPOSE OF REDUCING PROPERTY TAXES. I AM THANKFUL THAT THIS AMENDMENT IS BEING PUT ON HERE, BUT WILL IT BE EFFECTIVE IN HOLDING TAXES DOWN? I'M NOT CONFIDENT THAT WILL BE THE CASE. SO, COLLEAGUES, PLEASE DO YOUR RESEARCH ON THIS. [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR BRASCH: THIS IS IMPORTANT TO YOUR CONSTITUENTS THAT YOU SERVE WHEN YOU ARE IN YOUR COMMUNITIES OVER THE INTERIM PERIOD ON, DO THEY WANT TO ADD A FURTHER FISCAL OBLIGATION TO THEIR ALREADY...TAXES THAT THEY FIND CUMBERSOME. THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR BRASCH. SENATOR KOLOWSKI, YOU'RE RECOGNIZED. [LB344]

SENATOR KOLOWSKI: THANK YOU, MR. CHAIRMAN. THE CONCERN THAT I HAVE ABOUT THE AMENDMENT FROM SENATOR McCOY, WHEN WE TALKED ABOUT THIS LAST THURSDAY WHEN HE CAME TO ME HE SAID, LET'S JUST MOVE BACK TO THE 2009 BILL THAT WAS PRODUCED FOR THE PAPIO NRD. AND IF WE PUT THAT IN PLACE THEN IT WOULD MAKE IT THE SAME AS EVERYONE ELSE. ALL 22 OTHER NRD<sup>S</sup> WOULD BE UNDER THE SAME AUSPICES AS THE PAPIO NRD WOULD BE. IN LOOKING AT THE 2009 BILL, THE DIFFERENCE WITH SENATOR McCOY AND

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WHAT HE'S DONE HERE IS THAT WITH THE 2009, THE BOARD OF DIRECTORS FOR THE NRD, WITH A TWO-THIRDS SUPERMAJORITY VOTE, HAD THE RIGHT FOR UP TO A 1-CENT OVERRIDE WITHIN THEIR BUDGET. AND THEN IF THEY GO PAST THAT 1 CENT THEY NEED THE VOTE OF THE PEOPLE, A MAJORITY OF THE VOTE OF THE VOTERS ON THAT PARTICULAR DAY TO PASS THAT BONDING AUTHORITY. THE DIFFERENCE IS HE WANTS ONLY THE VOTE OF THE PEOPLE, NOT THE VOTE OF THE ELECTED MEMBERS OF THAT PARTICULAR BOARD, TO HAVE THAT RIGHT TO MAKE THAT DECISION ON THE 1 CENT WITHIN THEIR LEVY. I'M FINE WITH THE 2009 BILL, ORIGINAL BILL, AND I THINK THAT WOULD BE AN EXCELLENT WAY TO GO TO MOVE THAT FOR THE PEOPLE IN ALL THE OTHER 22 NRDs, HAVING THEIR ELECTED OFFICIALS BE THE ONES THAT MAKE THAT DECISION IF IT'S UNDER A PENNY WITHIN THEIR TAXING LIMITS. AND THEN IF THEY NEED MORE THAN THAT FOR A PROJECT OF WHATEVER SIZE, THEY WOULD HAVE THE ABILITY TO GO TO THE VOTE OF THE PEOPLE TO MAKE THAT HAPPEN. SO I WOULD OPPOSE WHAT SENATOR McCOY HAS PROPOSED BECAUSE IT IS NOT THE 2009 BILL THAT WAS PRODUCED FOR THE PAPIO NRD. AND HE HAS EXTENDED THAT AND MADE IT VERY DIFFICULT FOR A VARIETY OF REASONS THAT I'LL ADDRESS AT A LATER TIME. THANK YOU VERY MUCH. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR KOLOWSKI. SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB344]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. GOOD MORNING, COLLEAGUES. SENATOR McCOY'S AMENDMENT HELPS WHAT I CONSIDER TO BE A BAD BILL. NEBRASKA AGRICULTURE IS VIRTUALLY IN A TAILSPIN. COMMODITY PRICES HAVE DROPPED. LIVESTOCK PRICES HAVE DROPPED. THE IMMEDIATE FUTURE DOESN'T LOOK REAL ROSY. THE IDEA THAT WE GIVE ANYBODY ADDITIONAL POWER TO SPEND MONEY THAT THE STATE DOESN'T HAVE BY BONDING IS ABHORRENT TO ME. NEBRASKA IS KNOWN TO BE A STATE THAT PAYS AS IT GOES, AND YET WE WANT TO GIVE EVERYBODY--OR THE NRDs IN PARTICULAR IN THIS CASE--THE OPPORTUNITY TO BOND AND GO IN DEBT. AND YOU CALL IT WHAT YOU WANT, BUT THAT'S WHAT BONDING IS. YOU'RE TAKING ON DEBT. AND THE IDEA OF DOING THAT DURING AN ECONOMIC DOWNTURN, WHEN WE SHOULD BE CUTTING TAXES, NOT INCREASING SPENDING, JUST MAKES ABSOLUTELY NO SENSE TO ME. THANK YOU, MR. PRESIDENT. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR BLOOMFIELD. SENATOR STINNER, YOU'RE RECOGNIZED. [LB344]

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SENATOR STINNER: THANK YOU, MR. PRESIDENT, MEMBERS OF THE LEGISLATURE. I STAND TO TRY TO CLARIFY A FEW POINTS THAT HAVE BEEN EXPRESSED IN THIS BODY AND MAYBE SOME CONFUSION. BUT THE FIRST PART IS THAT THERE IS TWO MAJOR CATEGORIES OF MUNICIPAL BONDS, AND I THINK YOU SHOULD UNDERSTAND THE GENERAL BROAD CATEGORIES ARE OBLIGATION BONDS AND REVENUE BONDS. GENERAL OBLIGATION BONDS ARE DEBT INSTRUMENTS ISSUED BY STATE AND LOCAL GOVERNMENTS TO RAISE FUNDS FOR PUBLIC WORKS. WHAT MAKES GENERAL BONDS UNIQUE IS THAT THEY ARE BACKED BY THE FULL FAITH AND CREDIT OF THE TAXING AUTHORITY. IT PROVIDES BONDHOLDERS FIRST LIEN POSITIONS ON TAX REVENUES COLLECTED BY THE AUTHORITY. REVENUE BONDS ARE MUNICIPAL BONDS THAT FINANCE INCOME-PRODUCING PROJECTS AND ARE SECURED BY SPECIFIC REVENUE SOURCES. TYPICALLY, REVENUE BONDS CAN BE ISSUED BY GOVERNMENT AGENCIES THAT IS RUN IN A MANNER SUCH A BUSINESS, HAVING BOTH OPERATING REVENUES AND EXPENSES AND CASH FLOW. AND THERE ALSO HAS BEEN SOME COMMENTS, WELL, HOW ABOUT HOW BANK FINANCING? WELL, BANKS GENERALLY LIKE TO HAVE SECURITY, AND TO MY KNOWLEDGE ON PROJECTS OVER A LONG PERIOD OF TIME THE SECURITY THAT WOULD BE OFFERED WOULD BE THIS REVENUE STREAM. WELL, I DON'T THINK THAT THEY'RE ALLOWED TO DO THAT, PLUS BANK FINANCING ON AN TERM UNSECURED BASIS GENERALLY IS FROWNED ON IN MY INDUSTRY. BUT ONE OF THE MORE IMPORTANT THINGS THAT I WANT TO BRING UP TODAY WAS SENATOR FRIESEN MADE A REMARK ABOUT TIMING OF A BOND ISSUE AND THE PRACTICALITIES OF IT, AND IT REALLY SET ME BACK TO THINKING ABOUT MY EXPERIENCES ON BOND ISSUES. AND I WAS INVOLVED IN A COUPLE SCHOOL BOND ISSUES AND THE AMOUNT OF MONEY THAT IT TOOK, THE AMOUNT OF TIME, THE MISSIONARY WORK THAT WE HAD TO PUT TOGETHER EXTENDED WELL OVER A YEAR. SO WITH THE WATER SUSTAINABILITY FUND MY UNDERSTANDING IS THAT THEY ISSUE, THAT YOU PUT YOUR APPLICATION IN AND THE THEN WATER SUSTAINABILITY FUND SAYS YES TO YOUR PROJECT. YOU NEED TO DEMONSTRATE THAT YOU HAVE THE ABILITY TO EXECUTE ON THAT. AND THAT REALLY KIND OF MAKES IT CUMBERSOME AND I THINK WE NEED TO DISCUSS SENATOR McCOY'S BILL A LITTLE MORE. I'M AS SENSITIVE AS ANYBODY ABOUT WHEN YOU INCUR DEBT AND INCREASE PROPERTY TAX THAT THERE SHOULD BE SOME MECHANISM TO ASSURE THAT IT GOES THROUGH AN APPROPRIATE REVIEW AND A PROCESS THAT REALLY INVOLVES LOOKING AT THE PROJECT AND THE BENEFITS OF THE PROJECT. BUT I'M THINKING THAT WHEN YOU HAVE TO ACTUALLY EXECUTE THIS PROJECT, THAT IT MAY BE A VERY CUMBERSOME PROCESS. SO I THINK WE OUGHT TO TAKE A LOOK AT THAT. MAYBE THERE'S SOME LIMITATIONS THAT WE CAN INSTALL OR A NUMBER OF

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LIMITATIONS WE CAN INSTALL. OR CERTAINLY YOU NEED TO LOOK AT THE WATER SUSTAINABILITY FUND IN TERMS OF DO WE HAVE THE APPROPRIATE LANGUAGE THAT ALLOWS FOR A CONTINGENCY TO BE OUT THERE AND HOW MANY YEARS WOULD YOU ALLOW SOMEBODY, A DISTRICT, TO TRY TO GET THEIR BOND FUNDING IN PLACE. ANYHOW, THAT'S SOMETHING I HOPE THAT WE OPEN UP FOR DISCUSSIONS AS A PRACTICAL SIDE OF TRYING TO GO TO THE PEOPLE FOR A BOND ISSUE. AND IN MY ESTIMATION IT PROBABLY IS NOT PRACTICAL BASED ON THE WAY WE DO IT TODAY. THANK YOU. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR STINNER. SENATOR BRASCH, YOU'RE RECOGNIZED. [LB344]

SENATOR BRASCH: THANK YOU ONCE AGAIN, COLLEAGUES. THIS IS AN IMPORTANT ISSUE FOR YOU TO REVIEW AND REVIEW CLOSELY BECAUSE MANY OF YOU DO HAVE BILLS WITH FISCAL NOTES PERHAPS OF VARIOUS SIZES. AT THE END OF THE DAY, THOSE FISCAL NOTES ARE PAID BY TAXPAYERS. THEY'RE AVAILABILITY OF DOLLARS TO HELP SUSTAIN AND CREATE PROGRAMS. WHEN YOU IMPOSE FURTHER BONDING, A FURTHER OBLIGATION FINANCIALLY ON THOSE TAXPAYERS, THAT LESSENS THEIR ABILITY AND OUR FISCAL NOTES MOVING FORWARD. IT'S TAKING WATER IN ONE GLASS AND POURING IT INTO ANOTHER. AND AT THE END OF THE DAY YOU ONLY HAVE SO MUCH WATER, UNLESS YOU SPILL IT OR ... BUT WE ONLY HAVE SO MUCH MONEY AS WELL TO GO AROUND. AND I'M SPEAKING NOT AS A LEGISLATURE BUT AS A TAXPAYER AND ONE WHO REPRESENTS TAXPAYERS. I'M GOING TO SUPPORT AM2403 BECAUSE THE FEELING I'M HAVING RIGHT NOW IS ... AND LISTEN CLOSELY, YOU'RE DARNED IF YOU DO AND DARNED IF YOU DON'T, BECAUSE WE DO WANT SOME PROTECTION AND AN ABILITY TO TAKE THIS TO VOTERS, BUT HISTORY AND RECEIPTS SHOW US THAT THE PROTECTION ONCE VOTED FOR TO TRY TO KEEP TAXPAYERS' DOLLARS AT A MINIMUM, KEEP PROPERTY TAX AT MINIMUM DID NOT DO WHAT WE HAD HOPED AND EXPECTED IT TO DO. SO ONCE AGAIN OUR SPENDING MILLIONS OF DOLLARS ON THE WATER TASK FORCE COMMITTEE, THE PROJECT, TO MOVE FORWARD, TO LOOK AT FLOODING, TO LOOK AT DROUGHTS, DRINKING WATER...PULL UP THE WEB SITE. IT WAS VERY THOROUGH AND CLEAR ON WHAT THESE 16 MEMBERS OF THIS COMMISSION WILL DO. THEIR TOP PRIORITY ARE WATER PROGRAMS. AND THEY HAVE FUNDING FOR SPECIFIC WATER PROGRAMS, ALL THE WAY FROM DRINKING WATER, WATER PRODUCTIVITY, WATER QUALITY, PROTECTION, MITIGATION. AND SEEING THAT THE STATE OF NEBRASKA, THE TAXPAYERS, HAD SPENT SIGNIFICANT INVESTMENTS ALREADY IN THE FLOOD THAT OCCURRED IN 2011, I'M CONFIDENT THAT WE HAVE INFRASTRUCTURE IN PLACE TO PROTECT US, OUR AIRPORTS,

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OUR METROPOLITAN AREAS FROM FUTURE FLOODING. HOPEFULLY THAT WAS A 500-YEAR FLOOD OR SO WE THINK, BUT AT THE SAME TIME WE HAVE INVESTED DOLLARS. WE HAVE EXPERIENCE MOVING FORWARD. BY HAVING FURTHER TAXING AUTHORITY THAT I BELIEVE SIMPLY BOILS DOWN TO, I WANT TO BE ABLE TO TAX MORE; I'M GOING TO ASK FOR MORE MONEY WHETHER IT'S THE NRD OR ANY ENTITY. AND IN MY VIEW, AND PROBABLY MOST OF YOU HERE AS WELL, AN IMPORTANT QUESTION IS, HOW CAN WE REDUCE TAXES, SPECIFICALLY OUR PROPERTY TAXES,... [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR BRASCH: ...WHICH ARE DISPROPORTIONATE, AND EVEN INCOME TAXES? SO ONCE AGAIN, AM2403 DOES GIVE IT SOME RESTRICTIONS. BUT THE BEST POSSIBLE SOLUTION WOULD BE TO SAY LET'S REDUCE TAXES FIRST AND THEN TALK BONDING LAST. THANK YOU, MR. PRESIDENT. THANK YOU, COLLEAGUES. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR BRASCH. SENATOR JOHNSON, YOU'RE RECOGNIZED. [LB344]

SENATOR JOHNSON: THANK YOU, MR. LIEUTENANT GOVERNOR. LOOKING AT THE MAP THAT JUST CAME OUT ON THE BACK OF...I BELIEVE SENATOR SCHNOOR SENT THAT OUT, I HAVE A QUESTION AND PROBABLY MAYBE ADDRESS TO SENATOR KOLOWSKI IF HE WOULD YIELD TO A QUESTION. [LB344]

PRESIDENT FOLEY: SENATOR KOLOWSKI, WOULD YOU YIELD TO A QUESTION, PLEASE? [LB344]

SENATOR KOLOWSKI: YES, SIR. [LB344]

SENATOR JOHNSON: LOOKING AT THE MAP AND THE--I HAVE THREE DISTRICTS, NRD DISTRICTS, WITHIN MY JURISDICTION--AND I'M LOOKING AT LOWER PLATTE NORTH. AND I LIVED THROUGH THE EXPANSION OF LAKE WANAHOO, WHICH WAS BUILT SOLELY WITHIN THE LOWER PLATTE NORTH NRD. IF THERE'S A PROJECT THAT IS A MULTIDISTRICT PROJECT THAT'S APPROVED BY SUSTAINABILITY, IF WITHOUT McCOY'S AMENDMENT, BOTH DISTRICTS OR ALL DISTRICTS WOULD HAVE TO AGREE TO THAT. WOULD THIS GO TO A VOTE IF McCOY'S DISTRICT...SENATOR McCOY'S AMENDMENT WAS ADDED TO THAT?

WOULD THAT MEAN, LET'S SAY IT'S LOWER ELKHORN AND LOWER PLATTE NORTH NEEDED TO PUT SOMETHING TOGETHER. BOTH COMMUNITIES OR BOTH DISTRICTS WOULD HAVE TO VOTE. WHAT HAPPENS IF ONE VOTES YES AND ONE VOTES NO? [LB344]

SENATOR KOLOWSKI: THAT'S AN EXCELLENT QUESTION, SENATOR JOHNSON. WE WOULD...MY FIRST GUESS IS THEY WOULD LOOK AT IT AS THE VOTING POPULATION OF BOTH DISTRICTS AND THE MAJORITY THAT WOULD SHOW UP ON THAT DATE TO VOTE WOULD BE THE WAY THAT VOTE WOULD GO. [LB344]

SENATOR JOHNSON: THANK YOU. SENATOR McCOY, WOULD YOU YIELD TO A QUESTION? [LB344]

PRESIDENT FOLEY: SENATOR McCOY, WOULD YOU YIELD, PLEASE? [LB344]

SENATOR McCOY: I WOULD. [LB344]

SENATOR JOHNSON: I THINK YOU PROBABLY FOLLOWED WHAT I WAS GOING FOR THERE. DO YOU BELIEVE THAT IT WOULD BE A COMBINED VOTE WHERE MAYBE ONE WOULD SUPPORT, ONE WOULD NOT SUPPORT, BUT THE MAJORITY WOULD RULE? HOW WOULD THAT FIT IN WITH YOUR AMENDMENT? [LB344]

SENATOR McCOY: I APOLOGIZE, SENATOR JOHNSON. I WAS HAVING A CONVERSATION WITH A STAFF MEMBER A MOMENT AGO AND I MISSED THE FIRST PART OF WHAT YOU ASKED SENATOR KOLOWSKI. IF YOU'D BE SO KIND AS TO REPEAT IT, I'D APPRECIATE IT SO I CAN PROPERLY ANSWER YOUR QUESTION. [LB344]

SENATOR JOHNSON: YOU BET. MOST OF THE TIME WE'RE TALKING ABOUT ONE DISTRICT, ONE NRD DISTRICT THAT'S DOING A PROJECT. BUT UNDER SUSTAINABILITY, IT COULD BE MORE THAN ONE DISTRICT THAT WOULD BE INVOLVED IN A MAJOR PROJECT AND MORE THAN ONE DISTRICT WOULD BE VOTING BY THE BOARDS OR VOTING BY YOUR AMENDMENT. IF THIS WAS THE CASE SENATOR KOLOWSKI SAID IT MIGHT BE PUT TOGETHER THAT IF THERE'S TWO DISTRICTS, ALL THE VOTES WOULD BE ADDED TOGETHER, MAJORITY OF BOTH DISTRICTS WOULD CARRY. OR IF ONE DISTRICT APPROVED IT AND ANOTHER DISTRICT DID NOT, HOW WOULD YOUR AMENDMENT LOOK IF THAT WAS THE CASE? [LB344]

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SENATOR McCOY: WELL, I DON'T THINK THAT MY AMENDMENT, SENATOR JOHNSON, PER SE...ADDRESSES WHAT YOU'RE OUTLINING AS A HYPOTHETICAL, PER SE. I THINK IT JUST SAYS IT REQUIRES A VOTE OF THE PEOPLE. AND I WOULD ASSUME THAT THE NATURAL EXTENSION OF THAT WOULD BE THAT EACH NRD WOULD BE VOTING IN THAT CASE BECAUSE EACH OF THOSE INDIVIDUAL NRDs THAT WOULD BE INVOLVED IN A CO-OP PROJECT LIKE THIS, BOTH OR MULTIPLE, HOWEVER MANY NRDs IT COULD BE, THE VOTERS IN THOSE DISTRICTS, THE TAXPAYERS IN THOSE DISTRICTS ARE GOING TO HAVE TO ADDRESS AND PAY FOR THOSE GENERAL OBLIGATION BONDS. SO IT WOULD BE NATURAL TO ASSUME THEY WOULD ALL VOTE ON THOSE. [LB344]

SENATOR JOHNSON: SO IF...LET'S SAY THERE WAS TWO AND ONE SUPPORTED IT AND ONE DIDN'T. WOULD THE BOND PROPOSITION THEN FAIL BECAUSE BOTH OF THEM DID NOT SUPPORT IT? [LB344]

SENATOR McCOY: WELL, I THINK WE OPERATE UNDER... [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR McCOY: ...A MAJORITY RULE TYPE OF A SITUATION IN SOMETHING LIKE THIS. IF IT'S ONE, ONE-VOTE MAJORITY CARRIES THE DAY, SENATOR JOHNSON, I WOULD THINK THEN SOME RULES WOULD HAVE TO BE ESTABLISHED AS TO EITHER THE NUMBER OF VOTERS. OR IN THE CASE OF MULTIPLE, BEYOND TWO, NUMBERS OF NRDs OR THREE NRDs AND TWO NRDs' VOTERS VOTED TO APPROVE IT AND ONE DID NOT, THEN I'M SURE THE PROJECT WOULD GO FORWARD. I DON'T KNOW ON THE RAMIFICATIONS OF THAT WHEN YOU'RE TALKING MULTIPLE NRDs. I JUST BELIEVE FUNDAMENTALLY, SENATOR JOHNSON, THAT THE VOTERS OF NEBRASKA SHOULD SPEAK. WHEN WE'RE TALKING ABOUT GENERAL OBLIGATION BONDS, THAT IS A SERIOUS UNDERTAKING FOR US TO CONSIDER HERE. [LB344]

SENATOR JOHNSON: THANK YOU. NO FURTHER QUESTIONS. THANK YOU, MR.... [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR JOHNSON. SENATOR KOLOWSKI, YOU'RE RECOGNIZED. [LB344]

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SENATOR KOLOWSKI: THANK YOU, MR. CHAIRMAN. THE ISSUE THAT CAME UP CONCERNING THE OVERLAPPING OF TWO NRD DISTRICTS, WE'LL PROBABLY HAVE TO GET A RULING ON THAT SOMEWHERE AS FAR AS HOW THAT WOULD PLAN OUT AND BE CARRIED OUT. THE POSSIBILITIES OF GOING TO THE MAJORITY NUMBER WITHIN THOSE TWO NRDs WOULD BE ONE WAY. ANOTHER WAY WOULD BE, YOU HAVE TO PASS IT WITHIN YOUR OWN NRD DISTRICT BEFORE IT COULD JOIN WITH AND PARTICIPATE IN A SUSTAINABILITY FUNDING PROJECT WITH A NEIGHBORING DISTRICT. OR IT COULD BE THREE OR FOUR. DEPENDING ON THE SIZE OF THE PROJECT INVOLVED, AND SPREADING OUT SOME OF THE COSTS AMONG A NUMBER OF NRDs AS THEY MOVE AHEAD ON THAT. THE IMPORTANT THING ON THIS ISSUE AND FOR THIS PROCESS AS A WHOLE IS THAT IT'S ABOUT WATER. WHAT WE ARE MISSING AND WHAT HAS HAPPENED, AND I KNOW SENATOR BLOOMFIELD WAS HERE WHEN WE WENT THROUGH THOSE REPORTS AND THE EARLY FUNDING FOR THE WATER SUSTAINABILITY PROJECT AND FUNDING FOR THE PROJECTS, THAT WAS EXCELLENT MATERIAL, A LONG DISCUSSION, AND A CONFIRMATION OF THE WORK THAT WAS DONE BY THE WATER SUSTAINABILITY GROUP TO BRING THAT FORWARD FOR THE STATE OF NEBRASKA. WHAT WE ARE MISSING AND WHAT WE MISS WITH TERM LIMITS PROBABLY OVER TIME IS THE IMPORTANCE OF THAT PARTICULAR DECISION, THAT PROCESS, AND THAT PRODUCT TO THE STATE OF NEBRASKA FOR ALL NEW SENATORS TO COME IN AND UNDERSTAND AS WELL. THERE ARE THINGS THAT CARRY OVER. IF IT'S A PRISON ISSUE, WE UNDERSTAND THAT. IF IT'S A HEALTHCARE ISSUE, WE UNDERSTAND THAT. IF IT'S A WATER ISSUE, WE SHOULD UNDERSTAND THAT AS WELL. WORK WAS DONE, MANY PEOPLE WERE INVOLVED IN THAT PROCESS, AND DECISIONS WERE MADE WITH THE WATER SUSTAINABILITY FUND TO WORK ON THESE PROJECTS ACROSS THE STATE OF NEBRASKA. IN THIS SECTION OF THE STATE WHERE WATER IS PLENTIFUL AND SOMETIMES IN EXCESS, TO THE MID PART OF THE STATE TO THE WESTERN PART OF THE STATE, IT IS EXTREMELY IMPORTANT FOR THE SUCCESS OF FARMING AND RANCHING AND ALL THE CITIES AND TOWNS THAT MAKE THIS AREA UP. I HOPE WE'LL BE ABLE TO LOOK AT THIS WITH THE BIGGEST SET OF POSSIBILITIES, WHERE WE MIGHT GO, WHAT WE MIGHT DO. WHAT I'M ASKING FOR IS DEFEAT OF SENATOR McCOY'S AMENDMENT AND MOVING ON AN AMENDMENT THAT I'VE PUT IN WHICH MAKES IT EQUAL TO THE 2009 BILL THAT WAS PASSED FOR THE PAPIO NRD TO TREAT ALL 23 NRD DISTRICTS EQUALLY ACROSS THE BOARD AND GIVE THEM AN EQUAL CHANCE TO PARTICIPATE IN THIS PROCESS OF ASSURING WATER FOR THE FUTURE OF NEBRASKA. THANK YOU. [LB344]

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PRESIDENT FOLEY: THANK YOU, SENATOR KOLOWSKI. SENATOR SCHNOOR, YOU'RE RECOGNIZED. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR. THIS...SENATOR KOLOWSKI SAID THIS IS ABOUT WATER, AND THAT IS TRUE. BUT IT'S ALSO ABOUT TAXATION. IT'S ABOUT THE GROWTH OF GOVERNMENT AND IT'S ABOUT GIVING MORE TOOLS TO SPEND MONEY. AND IT IS A TOOL, AND THAT'S NOT TO SAY THAT EVERYBODY IS GOING TO USE IT, BUT IT IS A TOOL NONETHELESS. LIKE I TALKED LAST WEEK, WE DEBATE SCHOOL ISSUES. IT'S BEEN PRETTY INTERESTING, BUT WE TALK ABOUT THE TOOLS THAT THE ADMINISTRATORS HAVE AND WHAT THEY'RE ALLOWED TO USE AND HOW THEY'RE ALLOWED TO USE THEM. AND THEN THE DEBATE STARTS OF WHETHER THEY'RE BEING USED FOOLISHLY OR NOT, BUT NONETHELESS THEY ARE TOOLS THAT THEY ARE GIVING. SO WE WILL BE GIVING THE NRDs TOOLS TO SPEND MORE MONEY. SENATOR KOLOWSKI, WILL YOU YIELD TO A QUESTION, PLEASE? [LB344]

PRESIDENT FOLEY: SENATOR KOLOWSKI, WOULD YOU YIELD, PLEASE? [LB344]

SENATOR KOLOWSKI: ABSOLUTELY. [LB344]

SENATOR SCHNOOR: WHEN WAS THE WATER SUSTAINABILITY FUND PUT INTO PLACE? [LB344]

SENATOR KOLOWSKI: APPROXIMATELY TWO YEARS AGO AFTER THE TASK FORCE FINISHED ITS WORK WHICH TOOK ABOUT A YEAR AND A HALF GOING ACROSS THE STATE AND HOLDING MEETINGS AND PUTTING TOGETHER THE CENTERPIECE PART OF THE PROPOSAL FOR THE WATER SUSTAINABILITY FUND ACT THAT WE DID PASS. [LB344]

SENATOR SCHNOOR: OKAY. SO APPROXIMATELY TWO YEARS AGO? [LB344]

SENATOR KOLOWSKI: APPROXIMATELY. [LB344]

SENATOR SCHNOOR: THAT'S CLOSE ENOUGH. CAN YOU TELL ME--AND I DO NOT KNOW THIS--CAN YOU TELL ME HOW MANY PROJECTS HAVE BEEN FUNDED THROUGH THE WATER SUSTAINABILITY FUND? [LB344]

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SENATOR KOLOWSKI: THEY'RE IN THE PROCESS AT THIS TIME. I DON'T KNOW THE NUMBER THAT HAVE BEEN HANDED IN, BUT I KNOW SOME DOLLAR AMOUNTS. WE HAVE ABOUT \$32 MILLION IN THE WATER SUSTAINABILITY FUND AT THIS TIME. IT WAS ABOUT \$21 (MILLION) AND \$11 (MILLION) COMBINED, AND WE'RE PUTTING IN \$11 MILLION A YEAR...WE'RE SUPPOSED TO BE PUTTING IN \$11 MILLION ON TOP OF THAT. SO THERE'S ABOUT \$31 (MILLION), \$32 MILLION IN THE FUND AT THIS POINT IN TIME. AND I UNDERSTAND THERE'S OVER \$50 (MILLION) OR \$55 MILLION IN PROJECTS THAT HAVE BEEN SUBMITTED. THEY HAVE NOT BEEN ACTED ON. THAT DECIDING GROUP HAS NOT MET AND DETERMINED THOSE FINAL WINNERS AT THIS POINT IN TIME. [LB344]

SENATOR SCHNOOR: OKAY. SO THERE'S \$11 MILLION PER YEAR, \$31 (MILLION) OR \$32 MILLION CURRENTLY IN THE FUND, BUT NOTHING HAS BEEN FUNDED OUT OF THE WATER SUSTAINABILITY FUND AS OF YET. DID I UNDERSTAND THAT CORRECT? [LB344]

SENATOR KOLOWSKI: THAT'S CORRECT. IT'S STILL TO BE DECIDED. [LB344]

SENATOR SCHNOOR: OKAY. THANK YOU, SENATOR KOLOWSKI. SO I HOPE YOU HEARD THAT. WE HAVE WATER SUSTAINABILITY FUND IN PLACE THAT CURRENTLY HAS NOT EVEN BEEN USED, AND NOW WE'RE ALREADY GRANTING ANOTHER TAXING AUTHORITY TO THE NRDs FOR MORE MONEY. THAT'S AN IMPORTANT NOTE. WE'RE ALREADY ALLOWING, WITHOUT EVER HAVING USED THE FUND, WE'RE GOING TO ALLOW AN INCREASE IN SPENDING. SO I DID HAND OUT THAT PAPER ABOUT THE COST OF INFLATION, AND I SEE THAT SENATOR HUGHES IS BACK. SO, SENATOR HUGHES, WILL YOU YIELD TO A QUESTION, PLEASE? [LB344]

PRESIDENT FOLEY: SENATOR HUGHES, WOULD YOU YIELD, PLEASE? [LB344]

SENATOR HUGHES: OF COURSE. [LB344]

SENATOR SCHNOOR: YOU FARM... [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

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SENATOR SCHNOOR: THANK YOU. YOU FARM OUT WEST. DO YOU OWN LAND IN UPPER REPUBLICAN OR... [LB344]

SENATOR HUGHES: YES. [LB344]

SENATOR SCHNOOR: ... OR FARM ... YOU DO? [LB344]

SENATOR HUGHES: YES. [LB344]

SENATOR SCHNOOR: DO YOU HAVE TO PAY AN EXTRA TAX ALREADY ON YOUR IRRIGATED GROUND? [LB344]

SENATOR HUGHES: I DO. [LB344]

SENATOR SCHNOOR: COULD YOU SAY HOW MUCH THAT IS PER ACRE? [LB344]

SENATOR HUGHES: TEN DOLLARS PER IRRIGATED ACRE. [LB344]

SENATOR SCHNOOR: OKAY. [LB344]

SENATOR HUGHES: PER YEAR. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR. THAT'S ALL I NEEDED. SO WE ALREADY HAVE EXTRA TAXATION THAT'S GOING ON FOR PROJECTS. AND THAT IS FOR THE N-CORPE PROJECT OUT IN WESTERN NEBRASKA IN THE REPUBLICAN RIVER BASIN. SO THERE'S ALREADY TAXES THERE THAT PEOPLE ARE UNAWARE OF AND WE'RE GOING TO ADD ANOTHER TAXING AUTHORITY WHEN WE'RE LOOKING AT ONE OF THE BIGGEST DOWNFALLS IN AGRICULTURE THAT WE'VE EVER SEEN. AND IT'S JUST AROUND THE CORNER. THANK YOU, SIR. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR SCHNOOR. SENATOR WILLIAMS, TO BE FOLLOWED BY SENATOR HUGHES, SCHUMACHER, McCOLLISTER, BRASCH, BLOOMFIELD, AND FRIESEN. SENATOR WILLIAMS. [LB344]

SENATOR WILLIAMS: THANK YOU, MR. PRESIDENT, AND GOOD MORNING, MEMBERS OF THE LEGISLATURE, AND GOOD MORNING TO THE NEBRASKANS THAT ARE LISTENING. I WANTED TO REEMPHASIZE A COUPLE OF THINGS THAT

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SENATOR STINNER MENTIONED ABOUT BANK FINANCING. AND THE TERM "TOOLS" HAS BEEN USED A LOT THIS MORNING CONCERNING HOW DIFFERENT GROUPS HAVE THE ABILITY TO EITHER FINANCE OR NOT FINANCE PROJECTS INTO THE FUTURE. AND TRADITIONAL BANK FINANCING IS AN OPTION BUT A REMOTE OPTION ON PROJECTS LIKE WE ARE TALKING ABOUT HERE THIS MORNING FOR A COUPLE OF REASONS. ONE IS BANKS TRADITIONALLY ARE LOOKING AT HARD ASSETS TO USE AS SECURITY FOR THEIR LOANS, AND THE NRDs DO NOT HAVE THE ABILITY OF PLEDGING HARD ASSETS IN MOST OF THESE CASES. ALSO, BANKS ARE NOT USED TO OR CAPABLE OFTENTIMES OF PROVIDING THE LONG-TERM FINANCING THAT WOULD BE COMPARABLE TO THE LONG-TERM FIXED-RATE FINANCING AVAILABLE THROUGH ISSUING BONDS, ESPECIALLY BONDS THAT WOULD BE SECURED BY THE GENERAL OBLIGATION OF THE TAXING ENTITY. SO I JUST WANTED TO EMPHASIZE THAT USING THAT AS AN ALTERNATIVE IS PROBLEMATIC. ALSO WE'VE TALKED AT SOME LENGTH ABOUT THE TIMING OF ISSUES, THE IMPORTANCE OF BEING ABLE TO USE THE WATER SUSTAINABILITY FUND AND TRYING TO HAVE A VOTE OF THE PEOPLE IN THE SAME TIME IN A TIMELY MANNER AND MAKING THAT WORK IN SUCH A WAY THAT IT DOES NOT BECOME BASICALLY A STOPPING POINT FOR THE NRDs. AND I AM VERY CONCERNED THAT HAVING TO GO TO A VOTE ON ALL OF THESE PROJECTS LEADS TO WHAT IS, IN ESSENCE, A STOPPING OF THESE PROJECTS GOING FORWARD. WE'VE ALSO TALKED THIS MORNING VERY LOOSELY ABOUT OUR STATE'S NUMBER ONE INDUSTRY, AGRICULTURE. THE TERM WAS USED THAT AGRICULTURE IS IN A TAILSPIN. IT MAY BE IN A SHORT-TERM TAILSPIN TODAY, BUT AGRICULTURE IN OUR STATE IS VERY STRONG. AGRICULTURE IN OUR STATE HAS A GREAT FUTURE. AS WE SEE THE POPULATION OF OUR COUNTRY AND OUR WORLD CONTINUE TO INCREASE, WE HAVE THE ABILITY IN OUR STATE TO BE A LEADER IN AGRICULTURE AND A LEADER WITH OUR NUMBER ONE INDUSTRY. SO I SUGGEST THAT EVEN THOUGH THE SHORT TERM IS DOWN RIGHT NOW, THE LONG TERM IS VERY POSITIVE. BUT ONE OF THE MOST CRITICAL INGREDIENTS OF THE LONG-TERM SURVIVAL AND THRIVING OF AGRICULTURE IS WATER. AND WHAT WE'RE TALKING ABOUT IS QUALITY AND QUANTITY OF WATER WHEN WE'RE TALKING ABOUT OUR NRDs AND THEIR ABILITY TO LOOK LONG TERM AT PROJECTS THAT WILL BENEFIT AGRICULTURE AND, THEREFORE, OUR STATE'S ECONOMY LONG TERM. IT'S INTERESTING THAT THE AG PRODUCERS THAT HAVE CONTACTED ME ON LB344 ARE IN FAVOR OF LB344 BECAUSE THEY LOOK AT THEIR NRDs AS THE ORGANIZATION THAT IS PROTECTING THEIR MOST PRECIOUS NATURAL RESOURCE. THEREFORE, I AM PERSONALLY VERY SKEPTICAL OF THE TIMING ISSUES CONCERNING SENATOR McCOY'S AMENDMENT REQUIRING VOTING. I DO LIKE THE CONCEPT THAT SENATOR KOLOWSKI TALKED ABOUT, ABOUT WHEN THERE IS A VOTE OF A SUPERMAJORITY VOTE... [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR WILLIAMS: ...OF THE NRD BOARD. SO WITH THAT, I WOULD CONTINUE TO ENCOURAGE EVERYONE TO LISTEN TO THE DEBATE. THINK ABOUT THE IMPORTANCE OF AGRICULTURE IN OUR STATE. THINK ABOUT WHERE AGRICULTURE IS GOING, AND BELIEVE CONSISTENTLY IN THE NUMBER ONE INGREDIENT THAT THEY NEED US TO PRESERVE, WHICH IS WATER. THANK YOU, MR. PRESIDENT. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR WILLIAMS. (VISITORS INTRODUCED.) SENATOR HUGHES, YOU'RE RECOGNIZED. [LB344]

SENATOR HUGHES: THANK YOU, MR. PRESIDENT. GOOD MORNING, COLLEAGUES. A COUPLE OF THINGS, I WANT TO THANK SENATOR SCHNOOR FOR BRINGING ME INTO THE CONVERSATION. I DID NOT QUITE FINISH AFTER I SAID IT COSTS ME AN EXTRA \$10 PER ACRE EVERY YEAR AS AN OCCUPATION TAX THAT GOES TO MY NRDs TO PAY FOR THE AUGMENTATION PROJECTS THAT ALLOW ME TO KEEP IRRIGATING. THAT'S A VERY SMALL PRICE TO PAY. I DO APPRECIATE THE FACT THAT MY NRD THAT I LIVE IN AND IN CONJUNCTION WITH OTHER NRDs IN THE REGION IN THE REPUBLICAN RIVER BASIN HAD THE FORESIGHT AND THE ABILITY TO BOND TO MAKE THOSE AUGMENTATION PROJECTS POSSIBLE. WE'VE GOT A PAGE THAT'S WORKING FOR US THIS YEAR--HE'S IN THE BODY, I WON'T POINT HIM OUT--THAT HIS MOTHER TELLS ME HE'S LOOKING AT WATER LAW. I CERTAINLY HOPE HE SEES THE LIGHT AND WANTS TO GO HOME AND FARM BECAUSE WE NEED YOUNG, BRIGHT MINDS ON THE FARM. BUT THE FACT THAT THE NRDS HAD THAT BONDING AUTHORITY AND THE FACT THEY DIDN'T HAVE TO GO A VOTE OF THE PEOPLE WAS CRITICAL TO THEIR SUCCESS. ANYTIME A GOVERNMENT ENTITY GETS INVOLVED IN ACOUIRING PROPERTY AND IT BECOMES PUBLIC, THE PRICE ESCALATES VERY QUICKLY. AND HAVING TO GO TO A VOTE OF THE PEOPLE IS NOT ONLY CUMBERSOME AND TIME-CONSUMING, BUT IT CAN ALSO BE VERY COSTLY TO THE TAXPAYERS. THE AMOUNT OF GOOD THAT HAS COME FROM BONDING IN SOUTHWEST NEBRASKA AND IN THE OMAHA AREA--ONE, DEALING WITH NOT ENOUGH WATER; ONE DEALING WITH EXCESS WATER--HAS PROVEN ITSELF TO BE A VERY GOOD INVESTMENT ON BOTH AREAS. WE NEED TO REMEMBER THAT NRD BOARD MEMBERS ARE ELECTED OFFICIALS. ARE WE MICROMANAGING? WE AS INDIVIDUALS IN OUR OWN OPERATIONS, OUR OWN BUSINESSES DO NOT LIKE TO BE MICROMANAGED. ELECT GOOD PEOPLE, GIVE THEM THE TASK, AND LET THEM DO THEIR JOB WITH MINIMAL OVERSIGHT. THAT WAS MY PHILOSOPHY ON THE SCHOOL BOARD. THAT'S MY PHILOSOPHY IN MY BUSINESS. IF THERE'S A MISTAKE MADE, ADDRESS IT. LET THE PEOPLE DO

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THEIR JOB. YES, THERE ARE TIMES THAT MISTAKES ARE MADE, BUT LET THEM DO THEIR JOB. AND IT'S THE VOTERS THAT NEED TO MAKE SURE WE ELECT THE RIGHT PEOPLE TO THESE POSITIONS. THE BONDING THAT OCCURRED OUT IN THE REPUBLICAN RIVER VALLEY SAVED THE STATE A LOT OF MONEY. WE WERE BEING SUED BY KANSAS FOR NOT HAVING ENOUGH WATER DELIVERED. THE RIVER AUGMENTATION PROJECTS HAVE KEPT HALF A MILLION IRRIGATED ACRES IN SOUTHWEST NEBRASKA IN PRODUCTION. YOU LOOK AT THE ROLLOVER OF THOSE DOLLARS FROM IRRIGATED ACRES, THE INCOME TAX THAT IS DERIVED FROM THAT, THE SEED, THE FERTILIZER, THE EQUIPMENT, THOSE DOLLARS ROLLOVER IN OUR LOCAL COMMUNITIES. THEY'VE KEPT THE STATE IN GOOD SHAPE. AND PERSONALLY, IF I WASN'T PAYING THAT EXTRA \$10 AN ACRE AND I COULDN'T IRRIGATE, TWO-THIRDS OF THE VALUE OR MORE OF A SIGNIFICANT PART OF MY OPERATION WOULD EVAPORATE. IT WOULD BE GONE. SO THERE ARE GOOD THINGS THAT THE NRDs DO. [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR HUGHES: THERE ARE GOOD PEOPLE THAT ARE ON THOSE BOARDS. AND LOOKING LONG TERM, THE THING THAT WE NEED TO BE FOCUSED ON IN THIS STATE IS WATER AND MAKING SURE THAT NO EXCESS WATER LEAVES THIS STATE. WATER IS GOING TO BE VERY CRITICAL. IT'S CRITICAL TODAY AND IT WILL BE EVEN MORE CRITICAL IN THE FUTURE. WE NEED TO FIND WAYS TO KEEP EVERY DROP OF WATER THAT ENTERS THE STATE AND FALLS IN THE STATE STORED IN THE STATE UNTIL WE NEED IT. THANK YOU, MR. PRESIDENT. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR HUGHES. SENATOR SCHUMACHER, YOU'RE RECOGNIZED. [LB344]

SENATOR SCHUMACHER: THANK YOU, MR. PRESIDENT. YOU KNOW, SENATOR BRASCH IS ALWAYS SO PROPER. SHE STRESSED THAT WE WOULD BE DARNED IF WE DID AND DARNED IF WE DIDN'T. WELL, I THOUGHT TO MYSELF, WE'RE TALKING ABOUT WATER HERE AND STREAMS. AND WHAT DO YOU DO WITH WATER AND STREAMS? WE'D BE "DAMMED" IF YOU DID AND "DAMMED" IF YOU DIDN'T. (LAUGHTER) BUT ON A MORE SERIOUS NOTE, WE'RE ALSO TALKING ABOUT AND PROBABLY WILL BE TALKING MORE THIS SESSION AND SESSION AFTER SESSION AFTER THAT ABOUT THE DISCONNECT BETWEEN LOCAL GOVERNMENT DOING WHAT IT BELIEVES NEEDS TO BE DONE IN THE PUBLIC GOOD AND THE LOCAL TAXPAYER FEELING THAT PROPERTY TAXES ARE JUST TOO HIGH. AND THAT'S A PROBLEM THAT'S FACED NEBRASKA FOR A LONG,

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LONG TIME. AND WE PROBABLY WON'T BE THE FIRST LEGISLATURE TO NOT FIND A MAGIC BULLET OR EVEN A MEANINGFUL BULLET IN FIGURING OUT HOW TO LIMIT PROPERTY TAXES. BUT WHAT WE CAN DO IS FOCUS ON THE EXPENDITURE SIDE AT THE LOCAL LEVEL. YES, MANY OF THESE PROJECTS, WHETHER IT'S NRDs OR OTHER TAXING DISTRICTS, ARE LOGICAL THINGS. MANY OF THEM MAKE SENSE. BUT WHEN THE LOCAL VOTER, THE LOCAL TAXPAYER, THE LOCAL PERSON WHO GOES TO THE COFFEE HOUSE OR THE BAR AND TALKS ABOUT IT ARE NOT INVOLVED IN THE DECISION-MAKING PROCESS WHERE LOTS AND LOTS OF THEIR MONEY IS COMMITTED TO A GOOD PROJECT FOR MANY, MANY YEARS, THEN I THINK THAT CONTRIBUTES TO THE MASSIVE DISCONNECT THAT WE ARE EXPERIENCING AND THEIR FRUSTRATIONS WITH LOCAL GOVERNMENT. AND THEN WHEN LOCAL GOVERNMENT HAS PASSED SOMETHING AND IMPOSED A TAX FOR A LONG TIME, COMING TO THE LEGISLATURE, LOOKING FOR SOMEHOW US TO DO MAGIC. WE'RE TALKING DEBT HERE, AND WE'RE NOT TALKING LITTLE PROJECTS OF PUTTING OUTHOUSES AROUND SOME FACILITY. WE'RE TALKING ABOUT MAJOR DEBT IMPOSED FOR A LONG PERIOD OF TIME. AND EVEN UNDER SENATOR McCOY'S AMENDMENT, THERE'S ONLY 18 MONTHS THAT YOU'D HAVE TO GO WITHOUT AN ELECTION TO APPROVE IT. SENATOR BLOOMFIELD IS RIGHT. WE ARE HEAVILY LADEN WITH DEBT. WE HIDE IT WELL. WE SAY NEBRASKA HAS NO DEBT, BUT WE'VE GOT A WHOLE BUNCH OF DEBT SQUIRRELED AWAY IN MANY, MANY LOCAL GOVERNMENTS EACH TAKING A SMALL, SEQUENTIAL BITE OUT OF THE TAXPAYER. THESE ARE NOT SMALL BONDS. THESE ARE NOT THINGS TO FACILITATE ONE LITTLE PROJECT HERE BECAUSE A SMALL TOWN DOESN'T HAVE ENOUGH MONEY TO FLOAT A PROJECT TO PUT A NEW WELL IN. THESE ARE BIG, BIG TICKET ITEMS AND REPRESENT THE KIND OF THING WHERE THE VOTERS SHOULD BE INVOLVED IN THE PROCESS SO THAT THEIR ONLY INVOLVEMENT ISN'T JUST LOOKING AT AN INCREASING PROPERTY TAX BILL AND SCREAMING THAT THINGS ARE OUT OF CONTROL. I'M NOT SO SURE THAT SENATOR McCOY DOESN'T HAVE A GOOD SOLUTION. IT DOES FORCE MAYBE A LITTLE MORE EXPENSE ON THESE BIG PROJECTS, BUT NOT HUGE IN PERCENTAGE OF THE PROJECT, TO EXPLAIN THINGS TO THE VOTERS. AND IF THEY ARE SO VERY, VERY GOOD FOR THE COMMUNITY AND FOR THE NRD AND THE DISTRICT, THEN UNLESS WE BELIEVE THE VOTERS ARE STUPID, THE VOTERS WILL AGREE WITH THE BOARD. [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR SCHUMACHER: BUT THAT CONNECTION NEEDS TO BE MADE IN OUR SOCIETY BETWEEN, PARTICULARLY AT LOCAL GOVERNMENT, WHERE SPENDING RELIES AND WILL HAVE TO CONTINUE TO RELY ON THE PROPERTY TAX FOR

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YEARS AND YEARS TO COME SO THAT THE VOTERS KNOW THAT IT ISN'T SOME ARBITRARY ACTION BY AN ADMINISTRATOR CONVINCING A LOCAL BOARD JUST TO GO SPEND THEIR MONEY. THESE ARE BIG PROJECTS. THEY INVOLVE EVERYONE'S PROPERTY FOR A LONG PERIOD OF TIME. MANY ARE GOOD, MANY ARE WISE BECAUSE OF THE LOW INTEREST RATES. BUT THEY ARE SOMETHING THAT IS WORTH THE SMALL INVESTMENT TO ASK THE PEOPLE ABOUT. THANK YOU. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR SCHUMACHER. SENATOR McCOLLISTER, YOU'RE RECOGNIZED. [LB344]

SENATOR McCOLLISTER: YEAH, THANK YOU, MR. PRESIDENT. GOOD MORNING, COLLEAGUES, FOR ANOTHER 13 MINUTES OR SO. FROM WHAT I UNDERSTAND, THIS DEBATE IS REMINISCENT OF A DEBATE THAT OCCURRED IN 2009 WITH SENATOR FISCHER WHEN SHE WAS HERE WITH REGARD TO THE PAPIO NRD. IN FACT, THE SOLUTION THAT THEY FINALLY CAME UP WITH IS WHAT THE SOLUTION IS THAT WE'RE LOOKING AT THIS MORNING. I WONDERED IF SENATOR KOLOWSKI WOULD YIELD TO A FEW QUESTIONS. [LB344]

PRESIDENT FOLEY: SENATOR KOLOWSKI, WOULD YOU YIELD, PLEASE? [LB344]

SENATOR KOLOWSKI: YES, SIR. [LB344]

SENATOR McCOLLISTER: ISN'T IT TRUE, SENATOR KOLOWSKI, THAT THE BILL IS VERY SIMILAR TO THE BILL THAT WAS FINALLY PASSED BY THE LEGISLATURE IN 2009? [LB344]

SENATOR KOLOWSKI: YES, MY BILL THAT I HAVE SUBMITTED IS EXACTLY A COPY OF THE 2009; THAT'S DIFFERENT THAN SENATOR McCOY'S. [LB344]

SENATOR McCOLLISTER: YES, SIR. AND I WOULD ASSUME THAT PASSED AND PASSED EASILY. [LB344]

SENATOR KOLOWSKI: IT PASSED. YES, IT DID. AND WE'VE BEEN USING THAT IN THE OMAHA VICINITY WITH THE PAPIO NRD SINCE THAT TIME AND IT SUNSETS IN 2019. [LB344]

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SENATOR McCOLLISTER: AND THE SAME CHECK AND BALANCES THAT YOU CREATED IN THAT BILL EXIST IN THIS BILL. IS THAT CORRECT? [LB344]

SENATOR KOLOWSKI: IN MY BILL WITH THE AMENDMENT THAT I HAVE FILED, YES. [LB344]

SENATOR McCOLLISTER: THAT'S GOOD. THANK YOU, SENATOR KOLOWSKI. I APPRECIATED THE COMMENTS OF BOTH SENATOR STINNER AND SENATOR WILLIAMS WITH REGARD TO THE BONDING LIMITATIONS. THERE CAN BE A TIMING ISSUE WITH REGARD TO BONDS AND IT'S CERTAINLY EXPENSIVE. SO I'M THINKING SOME OF THOSE BONDING PROBLEMS ARE UNNECESSARY AND UNPRODUCTIVE. THEY'RE AN UNPRODUCTIVE BARRIER WITH REGARD TO THE WATER ISSUES THAT WE'RE LOOKING AT. I ALSO APPRECIATED THE COMMENTS OF THE OTHER RURAL SENATORS THAT I KNOW. SENATOR FRIESEN AND SENATOR HUGHES HAVE EXPERIENCE WITH WATER ISSUES, AND THEIR COMMENTS ON THIS BILL ARE RELEVANT TO ME. AS I LOOK AT WHAT WE HOPE TO DO OUT WEST WITH OUR WATER ISSUES, THE EFFORT TO BUILD WATER TABLE OUT IN WESTERN NEBRASKA AND BALANCE THE YEARS OF ABUNDANCE WITH YEARS OF DROUGHT IS A VERY GOOD THING. AND LASTLY, THE NRD SYSTEM IS A GOOD SYSTEM, AND THEY'VE DONE AN ADMIRAL JOB OF WATER CONTROL IN THIS STATE, FAR BETTER THAN MOST ANY STATE THAT I'M FAMILIAR WITH--OKLAHOMA, TEXAS, CALIFORNIA. SO LET'S GIVE THEM THE TOOLS THEY NEED. WITH THAT, I WILL YIELD THE BALANCE OF MY TIME TO SENATOR KOLOWSKI. [LB344]

PRESIDENT FOLEY: THANK YOU, McCOLLISTER. SENATOR KOLOWSKI, 2:18. [LB344]

SENATOR KOLOWSKI: THANK YOU, MR. PRESIDENT. THANK YOU, SENATOR McCOLLISTER. I THINK IT'S ALSO IMPORTANT TO NOTE THAT SENATOR HUGHES HAS SUBMITTED A BILL THAT WAS LOOKING AT THE INVASIVE SPECIES THAT HAVE BEEN SUCKING WATER OUT OF OUR RIVERS AND STREAMS ACROSS THE STATE. AND THERE HAS BEEN SPRAYING IN THE LAST FIVE YEARS THAT HAS TAKEN CARE OF A LOT OF THE GROWTH AND LOSS OF WATER THAT HAS HAPPENED WITH THOSE INVASIVE SPECIES: PHRAGMITES, RUSSIAN OLIVE TREES, AND MANY OTHERS. THAT HAS INCREASED THE STREAM FLOW IN A NUMBER OF CREEKS, RIVERS AND HAS MADE A BIG DIFFERENCE IN THE REPUBLICAN AREA AS THAT WATER GOES TO KANSAS AND ALSO UP NORTH IN STREAMS ALL ACROSS OUR STATE. THAT IS AN IMPORTANT ASPECT OF WATER

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SUSTAINABILITY. DON'T LET IT BE SUCKED UP BY INVASIVE SPECIES THAT ARE INVADING OUR STATE AND GETTING IN THE WAY OF THE WATER USAGE AND CONSUMPTION. WE HAVE THAT TO BE THANKFUL FOR. WE ALSO...I THINK IT'S VERY IMPORTANT THAT WE LOOK AT, WE'RE NOT TRYING TO INCREASE THE TAX BECAUSE... [LB344]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR KOLOWSKI: ...THIS WILL BE UNDER THE LEVY LIMITS. THANK YOU. [LB344]

PRESIDENT FOLEY: THAT WAS ONE MINUTE, SENATOR. [LB344]

SENATOR KOLOWSKI: OH, THANK YOU. I WOULD HOPE WE WILL CONTINUE TO LOOK AT, WITHIN THE PROPERTY TAXES OF THE NRDS, THE GENERAL OPERATION IS AT 4.5 CENTS PER \$100 AND THE GROUNDWATER MANAGEMENT IS THE 1 CENT PER \$100 THAT WE'RE TALKING ABOUT. TO HAVE THAT 1 CENT ADDED FOR THESE PROJECTS IS A HUGE BOOST TO GET THE TASK DONE AND TO MAKE A DIFFERENCE IN OUR WATER SUSTAINABILITY ACROSS THE STATE OF NEBRASKA. SENATOR SCHNOOR ASKED ABOUT THE MONEY IN THE FUND AT THE CURRENT TIME. THIS IS THE FIRST YEAR. NOTHING ELSE HAS BEEN ALLOCATED BECAUSE NRDS WOULD HAVE TO SUBMIT TO THE PROJECT AND ADD ONTO THAT AS THEY ARE OKAYED BY THE WATER SUSTAINABILITY GROUP. [LB344]

PRESIDENT FOLEY: TIME, SENATOR. [LB344]

SENATOR KOLOWSKI: THANK YOU. [LB344]

PRESIDENT FOLEY: THANK YOU, SENATOR KOLOWSKI. SENATOR BRASCH, YOU'RE RECOGNIZED. THIS IS YOUR THIRD OPPORTUNITY, SENATOR. [LB344]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. WE HAVE HAD SOME VERY IMPORTANT DISCUSSION HERE. AND I DO WANT TO THANK SENATOR SCHUMACHER FOR BEING PERFECTLY CLEAR THAT WHEN IT COMES TO WATER I MAY NOT HAVE TO USE THE WORD "DARN," BUT I WILL STAY WITH THE WORD "DARN" IN THIS CASE. WHEN IT COMES TO NRDS, ONE SIZE DOES NOT FIT ALL; DEFINITELY, ONE SIZE DOES NOT FIT ALL. IF YOU LOOK AT THE NRD MAP YOU CAN SEE THE GEOGRAPHY AND THE WATER

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NEEDS ACROSS NEBRASKA IS SIGNIFICANTLY DIFFERENT, AS IT IS DIFFERENT IN IOWA VERSUS OUR NEIGHBORING STATE, COLORADO. BUT WATER IS CRITICAL AND THAT'S WHY WE FULLY FUNDED AND SUPPORTED AND HAD A TASK FORCE DEVELOPED POST-FLOODING ALONG THE MISSOURI RIVER AND ALSO POST-DROUGHT. AND AS YOU JUST HEARD. THOSE MILLIONS OF DOLLARS ARE THERE FOR NEEDED PROJECTS AND THE SCOPE OF THOSE PROJECTS DO VARY. THEY DO VARY INTO THE ENVIRONMENTAL, INTO THE AGRICULTURAL, INTO INFRASTRUCTURE, URBAN. THEY DO VARY AND THAT IS WHAT THAT MONEY IS THERE FOR. AND I BELIEVE THAT IT WAS SENATOR SCHUMACHER, AND PERHAPS IT WAS SENATOR BLOOMFIELD, MADE A VERY IMPORTANT POINT THAT LOCAL GOVERNMENT, THEY ARE IMPORTANT; HOWEVER, WHEN THEIR DOLLARS ARE SHORT, PROPERTY TAXES HAVE GONE UP AND IT DOES COME BACK TO THE BODY HERE. IT COMES TO THE LEGISLATURE. WE HAVE SPENT HOURS, WE HAVE SPENT WEEKS, WE HAVE SPENT A LOT OF TIME IN JOINT COMMITTEES TALKING ABOUT REVENUE AND EDUCATION. WE'RE TALKING ABOUT A CRISIS IN PROPERTY TAX, AND WE'RE TALKING ABOUT A CRISIS OF TAXPAYERS' DOLLARS. ONE OF THE BILLS THAT IS ON THE TABLE IS LB958 WHERE THE MUNICIPALITIES CAME IN PROTEST SAYING, WE NEED OUR BONDING AUTHORITY. WE NEED THAT MONEY. WITHOUT THAT MONEY, WE STAND IN GREAT HARM. SO WE'RE HEARING THE MUNICIPALITIES NEED BONDING. THAT'S TAXPAYERS' DOLLARS. NOW WE'RE GOING INTO THE NRDS AND THE NRDS WANT TO HAVE IT JUST IN CASE OR FOR A SPECIFIC PROJECT WHEN WE TOOK OUR GENERAL FUND AND WE ALLOCATED DOLLARS SPECIFICALLY INTO WATER NEEDS. AGAIN, AM2403 IS JUST A MEASURE TO MAKE SURE THAT THERE IS SOME LIMITATIONS AND IT DOES GO TO A VOTE LOCALLY. HOWEVER, I DID HAND OUT DOCUMENTS THAT HAVE SHOWN IN THE PAPIO-MISSOURI NRD WHERE THE FIVE COUNTIES ARE GEOGRAPHICALLY SO MUCH DIFFERENT IN GEOGRAPHY AND IN POPULATION THAT A VOTE OF THE PEOPLE DID NOT HELP THEM AVOID A TAX INCREASE. THAT IS ONE OF THE BILLS I TRIED TO ADDRESS, TRYING TO SPLIT THAT INTO THREE RURAL COUNTIES AND TWO URBAN COUNTIES, BUT IT TAKES A VOTE OF THE BOARD TO HAVE THAT MOVE FORWARD. AND THE RURAL COUNTIES ARE IN A MINORITY OF THE VOTE OF THE BOARD, SO IT WON'T HAPPEN UNLESS IT COMES TO LEGISLATION. BUT THIS IS SOMETHING WE CAN PREVENT. THIS IS SOMETHING THAT... [LB344 LB958]

PRESIDENT FOLEY: ONE MINUTE. [LB344]

SENATOR BRASCH: ...WE CAN BE STEWARDS OF TAXPAYERS' DOLLARS AND ENSURE THAT WHEN YOU NEED FUNDING THAT YOU ASK FOR IT THEN AND THERE. AND THAT IS WHY WE RESPOND WITH THE GENERAL FUND. THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. [LB344] <u>Floor Debate</u> March 07, 2016

PRESIDENT FOLEY: THANK YOU, SENATOR BRASCH. ITEMS FOR THE RECORD, MR. CLERK? [LB344]

CLERK: THANK YOU, MR. PRESIDENT. YOUR COMMITTEE ON BUSINESS AND LABOR. CHAIRED BY SENATOR BURKE HARR. REPORTS LB841 TO GENERAL FILE: LB828, GENERAL FILE WITH AMENDMENTS; LB1029 AND LB1110 TO GENERAL FILE WITH AMENDMENTS. REVENUE, CHAIRED BY SENATOR GLOOR, REPORTS LB756 AND LB913 TO GENERAL FILE WITH AMENDMENTS. HEALTH, CHAIRED BY SENATOR CAMPBELL, REPORTS LB1011 TO GENERAL FILE; LB1034 TO GENERAL FILE WITH AMENDMENTS. GOVERNMENT, CHAIRED BY SENATOR MURANTE, REPORTS LR381 AND LR35 TO GENERAL FILE. BUSINESS AND LABOR, SENATOR HARR REPORTS LB981 TO GENERAL FILE WITH AMENDMENTS. AND THE TRANSPORTATION COMMITTEE REPORTS LB732 TO GENERAL FILE; LB783 TO GENERAL FILE WITH AMENDMENTS. CONFIRMATION REPORTS FROM HEALTH AND HUMAN SERVICES COMMITTEE. I HAVE A NEW A BILL. (READ LB900A BY TITLE FOR THE FIRST TIME.) NEW RESOLUTIONS: SENATOR McCOLLISTER, LR465; SENATOR STINNER, LR466; SENATOR McCOY, LR467. THOSE WILL ALL BE LAID OVER. I HAVE AN ATTORNEY GENERAL'S OPINION ADDRESSED TO SENATOR MURANTE (RE LB955). AN ANNOUNCEMENT, MR. PRESIDENT: REVENUE WILL HAVE AN EXECUTIVE SESSION AT 1:00 TODAY IN ROOM 1524. SENATOR CHAMBERS WOULD LIKE TO ADD HIS NAME TO LB1000; SENATORS DAVIS, KOLOWSKI, KOLTERMAN, GROENE TO LB447. (ALSO, SENATOR SCHUMACHER, AN AMENDMENT TO LB1022, LEGISLATIVE JOURNAL PAGES 850-877.) [LB841 LB828 LB1029 LB1110 LB756 LB913 LB1011 LB1034 LR381 LR35 LB981 LB732 LB783 LB900A LR465 LR466 LR467 LB955 LB1000 LB447 LB1022]

MR. PRESIDENT, A PRIORITY MOTION: SENATOR SULLIVAN WOULD MOVE TO RECESS THE BODY UNTIL 1:30 P.M.

PRESIDENT FOLEY: MEMBERS, YOU'VE HEARD THE MOTION TO RECESS. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. WE ARE IN RECESS.

RECESS

SENATOR COASH PRESIDING

# SENATOR COASH: GOOD AFTERNOON, LADIES AND GENTLEMEN, AND WELCOME TO THE GEORGE W. NORRIS LEGISLATIVE CHAMBER. THE AFTERNOON SESSION

IS ABOUT TO RECONVENE. SENATORS, PLEASE RECORD YOUR PRESENCE. MR. CLERK, PLEASE RECORD.

CLERK: I HAVE A QUORUM PRESENT, MR. PRESIDENT.

SENATOR COASH: THANK YOU, MR. CLERK. DO YOU HAVE ANY ITEMS FOR THE RECORD?

CLERK: NEW A BILL. (READ LB938A BY TITLE FOR THE FIRST TIME.) THAT'S ALL THAT I HAVE. (LEGISLATIVE JOURNAL PAGE 878.) [LB938A]

SENATOR COASH: MR. CLERK, WE'LL PROCEED TO THE ITEM LEFT AT THE NOON RECESS, LB344. THOSE WISHING TO SPEAK: SENATORS BLOOMFIELD, FRIESEN, KOLOWSKI, AND OTHERS. SENATOR BLOOMFIELD, YOU ARE RECOGNIZED. [LB344]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. GOOD AFTERNOON, COLLEAGUES. COLLEAGUES, I WANT TO DIVERT FROM THE DISCUSSION FOR JUST A MOMENT. PRESIDENT OBAMA HAS ORDERED THE FLAGS DROPPED TO HALF STAFF UNTIL THE BURIAL OF NANCY REAGAN IS COMPLETED. I WOULD LIKE TO TAKE A MOMENT FOR EVERYBODY TO REMEMBER THE PASSING OF MRS. REAGAN, FORMER FIRST LADY, AND I WOULD ASK FOR A BRIEF MOMENT OF SILENCE. THANK YOU, COLLEAGUES. AND AS WE GO FORWARD, LET'S TRY TO REMEMBER THE DIGNITY AND THE GRACE THAT MRS. REAGAN SHOWED AND SEE IF WE CAN CONTINUE TO DO THAT ON THE FLOOR OF THE LEGISLATURE, AND IT WOULD BE NICE IF WE COULD DO IT IN POLITICS IN GENERAL AS WE GO FORWARD THIS YEAR. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR BLOOMFIELD. SENATOR FRIESEN, YOU'RE RECOGNIZED. [LB344]

SENATOR FRIESEN: THANK YOU, MR. PRESIDENT. WHEN LB962 WAS FIRST PASSED, ONE OF THE MAJOR ISSUES WITH IT WAS FUNDING. AND FINALLY WHEN THE WATER SUSTAINABILITY FUND WAS CREATED TWO YEARS AGO, IT PROVIDED THAT FUNDING FOR THESE PROJECTS THAT WE'LL HOPEFULLY SEE THAT WILL HELP US IN TIMES OF DROUGHT DOWN THE ROAD. SO I THINK THIS BILL IS IMPORTANT. LB344 NEEDS TO MOVE FORWARD. WE CAN DISCUSS THE BONDING PORTION OF IT AND HOW WE WANT TO APPROACH IT, BUT I STILL

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THINK IT'S A TOOL THAT THE NRDS WILL NEED DOWN THE ROAD. AS WE LEARN MORE ABOUT THE PROJECTS THAT ARE CHOSEN THIS AUGUST, WE WILL LEARN MORE ABOUT HOW MUCH OF THE LOCAL FUNDING MATCH WILL BE NEEDED. HOW MANY PROJECTS ARE PUT OUT THERE. BUT THEY NEED THESE TOOLS IN PLACE BEFORE THOSE PROJECTS ARE RELEASED THIS AUGUST. SO IF WE APPROACH IT WITH SENATOR McCOY'S AMENDMENT, WHICH WOULD JUST PUT IT ON A VOTE OF THE PEOPLE, WHEN THEY APPROVE THE PROJECTS THIS AUGUST, THEY WOULD HAVE--THE WAY I UNDERSTAND IT--THEY WOULD HAVE UNTIL SEPTEMBER 1 TO PLACE THE ISSUE ON THE NOVEMBER BALLOT, AND WHICH WOULD BE A VERY TIMELY WAY TO VOTE ON IT. BUT THEN FOR NEXT YEAR IN 2017, IF THE PROJECTS ARE AGAIN RELEASED IN AUGUST, THEY WOULD HAVE TO WAIT UNTIL THE SPRING PRIMARY IN ORDER TO PLACE AN ISSUE ON THE BALLOT. AND TO ME, AGAIN, THE TIMING IS A LITTLE BIT WRONG. WHEN WE GET TO THAT POINT, IF NRDs ARE GOING TO DO PROJECTS THAT REQUIRE DIRT MOVING AND THINGS LIKE THAT, TYPICALLY YOU LIKE TO BID THOSE PROJECTS IN JANUARY OR FEBRUARY WHEN THE DIRT MOVERS ARE STILL LOOKING FOR WORK AND THINGS TO DO AND YOU DON'T REALLY WANT TO WAIT UNTIL MAY OR JUNE TO BID A PROJECT BECAUSE EVERYBODY IS BUSY BY THEN. SO I HAVE A LITTLE PROBLEM WITH THE TIMING OF THAT AND HOW WE WOULD APPROACH THAT. YOU KNOW, WE...CITIES ARE ALLOWED TO DO BONDING FOR STREET PROJECTS AND THINGS LIKE THAT AND WE DON'T REQUIRE A VOTE OF THE PEOPLE. I'M KIND OF TORN ON ONE AMENDMENT WHETHER OR NOT WE SHOULD HAVE A VOTE. I AM VERY MUCH CONCERNED ABOUT OUR PROPERTY TAX SITUATION. I AGREE WE HAVE SCHOOL DISTRICTS NOW THAT HAVE PROPERTY TAXES UP IN THAT \$100 AN ACRE RANGE AND I AM CONCERNED ABOUT THAT. BUT I HAVE NEVER BEEN OVERLY CONCERNED ABOUT WHAT THE NRD HAS BEEN CHARGING ME OR THE COUNTIES. I STILL THINK THEY HAVE BEEN VERY PRUDENT IN MOST CASES. I WON'T SPEAK OF ALL OF THEM, BUT MY NRD HAS BEEN VERY CAUTIOUS WITH ITS TAX DOLLARS. AND SO I'M QUESTIONING WHETHER OR NOT WE NEED A VOTE OF THE PEOPLE OR WHETHER OR NOT WE SHOULD FIND SOME WAY OF MAYBE REQUIRING A HEARING SO PEOPLE HAVE MORE INPUT IN THESE PROJECTS BEFORE THEY'RE EVEN BROUGHT TO THE WATER SUSTAINABILITY FUND. BUT EITHER WAY, I DO THINK IT'S EXTREMELY IMPORTANT AS WE GO FORWARD. THE STATE IS FINALLY MEETING SOME OF ITS OBLIGATION, I FEEL, IN DEALING WITH WATER ISSUES. AND WE DID WANT A LOCAL MATCH IN THERE. I WANTED TO HAVE THE LOCAL NRDs, THE LOCAL AREAS WITH SKIN IN THE GAME, SOME MONEY ON THE TABLE WHEN THEY PICK THESE PROJECTS. AND SO IF BONDING IS ONE OF THE TOOLS THEY NEED TO DO THAT, I THINK WE NEED TO GIVE IT TO THEM. MOST NRDs PROBABLY WOULD NOT NEED THIS TOOL AND THEY WOULDN'T USE IT, BUT IT SHOULD BE

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AVAILABLE IN CASE THEY DO. WE DON'T KNOW WHAT KIND OF WATER PROJECTS ARE GOING TO COME UP NEXT, HOW LARGE THEY MIGHT BE, WHAT ISSUES WE MIGHT FACE. SO, I THINK IT'S A GOOD TIME TO JUST PUT THE PROCESS IN PLACE. WE DO HAVE SOME CONTROLS. I STILL HAVE SOME QUESTIONS DOWN THE ROAD ON WHAT THE LIMITS ON THE BONDING AUTHORITY ARE, BUT THOSE CAN BE DONE ON SECOND ROUND. I'M OKAY WITH THAT. BUT I LOOK AT THE BILL NOW AND I'M A LITTLE BIT TROUBLED WITH MAKING IT GO TO A VOTE OF THE PEOPLE. I'M...I UNDERSTAND THE PROCESS, BUT THE TIMING OF IT... [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR FRIESEN: ...THE TIMING OF IT LEADS TO SOME ISSUES THAT I DON'T THINK THAT ARE HELPFUL IN HOLDING DOWN COSTS AND THOSE TYPES OF THINGS. SO, I'M LOOKING FORWARD TO MORE DISCUSSION, BUT I AM IN FAVOR OF LB344 WITH AM2112 AS AN AMENDMENT. AND I THINK IT PUTS ENOUGH RESTRICTIONS IN PLACE THAT IT'S GOING TO GO TO A GOOD CAUSE AND WE DO HAVE SOME ISSUES OUT THERE THAT WE NEED TO ADDRESS. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR FRIESEN. SENATOR KOLOWSKI, YOU'RE RECOGNIZED. [LB344]

SENATOR KOLOWSKI: THANK YOU, MR. CHAIR. I THANK SENATOR FRIESEN FOR HIS COMMENTS AS WELL AND I HOPE AS WE MOVE AHEAD AND LOOK AT THE VARIETY OF OPPORTUNITIES THAT WE'LL HAVE FOR VERY KEY PROJECTS TO BE DONE IN OUR STATE THAT WE WON'T HAVE THE HANDS OF THE NRDs TIED. AS YOU HAD YOUR LISTING OF LEVY AMOUNTS THAT I PASSED OUT TO YOU LAST THURSDAY, TOTAL PROPERTY TAX REQUIREMENTS AND THEN THE LEVY AMOUNTS THAT EACH OF THE NRDs, ALL 23 OF THEM ON THAT SINGLE PAGE, I WANT TO POINT OUT A VERY IMPORTANT PIECE HERE THAT NEEDS TO BE RECOGNIZED. A LOT, AS SENATOR FRIESEN SAID, A LOT OF THE SMALLER DISTRICTS WILL HAVE A MUCH MORE DIFFICULT TIME TO COME UP WITH LARGER AMOUNTS OF MONEY DEPENDING ON THE PROJECT INVOLVED. THREE OF THEM--THE CENTRAL PLATTE NRD, THE LOWER PLATTE NRD, AND THE PAPIO-MISSOURI RIVER NRD--HAVE MUCH LARGER BUDGETS. WHAT WE DON'T WANT TO SEE HAPPEN IS TO ELIMINATE ANY NRD FROM THE PROCESS THAT WOULD ASSIST THEM IN SECURING THAT PARTICULAR MONEY IN THEIR DISTRICT AND SURROUNDING SUPPORT IN THEIR REGION WITHIN THEIR NRD OR OVERLAPPING INTO NEIGHBORING NRDs SO THEY WOULD HAVE THE CHANCE TO COMBINE A

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VARIETY OF MONEY TO MEET THE NEEDS FOR THE PARTICULAR PROJECT THAT WAS CHOSEN BY THE WATER SUSTAINABILITY GROUP AND OKAYED FOR FUNDING. THAT BECOMES A VERY IMPORTANT PIECE FOR OUR FUTURE THAT WE DON'T WANT...IF WE DIDN'T HAVE THIS BONDING AUTHORITY AVAILABLE TO THOSE NRDs, THE VAST MAJORITY OF THE MONEY WOULD FLOOD TO THE WEST ... EXCUSE ME, BACK TO THE EAST PART OF THE STATE RATHER THAN BEING USED IN MID STATE OR FOR THE FAR WESTERN AREAS. WE DON'T WANT THAT TO HAPPEN. I'M AN EASTERN REPRESENTATIVE ON THAT GROUP THAT MET AND WE HEARD THE NEEDS IN THE WEST, THE MIDWEST PART OF THE STATE, AS WELL AS THE EASTERN PART OF THE STATE. THE EAST HAS TOO MUCH WATER. IT LEADS TO PROBLEMS. IT LEADS TO PROPERTY DAMAGE. IT LEADS TO POSSIBLE DEATH DEPENDING ON FLOODING AND EVERYTHING ELSE THAT COULD HAPPEN IN THOSE PARTICULAR AREAS. SO THE CONCENTRATION ON LEVEES, THE CONCENTRATION ON THE RESERVOIRS THAT SLOW DOWN THE WATER RELEASE ARE VERY IMPORTANT IN THE OMAHA METROPOLITAN AREA AS A WHOLE. OTHER COMMENTS HAVE BEEN MADE ABOUT THE OTHER COUNTIES WITHIN THE PAPIO NRD. THEY HAVE PROJECTS OF THEIR OWN THAT WE WORKED WITH BUILDING RESERVOIRS AND OTHER GAINS OVER TIME THAT HAVE BEEN EXTREMELY IMPORTANT FOR THOSE COMMUNITIES AS WELL. I HOPE WE'LL KEEP IN MIND WATER, WATER, WATER. THAT'S WHAT THIS IS ALL ABOUT, AND TO TRY TO GET AS MANY PLAYERS INTO THE GAME AS POSSIBLE FOR THE SUCCESSFUL COMPLETION OF PROJECTS THAT WILL MAINTAIN THIS WATER QUALITY AND QUANTITY FOR OURSELVES FOR THE FUTURE. KEEP ANOTHER THING IN MIND. WHY ARE WE THE NUMBER TWO...NUMBER ONE CATTLE FEEDER IN THE COUNTRY? IT'S BECAUSE THE STATES TO THE SOUTH DO NOT HAVE ADEQUATE WATER OR FEED, THE FIELDS AND ALL THE REST WHERE THEY COULD GRAZE. WE ALSO ARE NUMBER TWO IN ETHANOL PRODUCTION. A BY-PRODUCT OF THE ETHANOL PRODUCTION IS THE CATTLE FEED. THE CATTLE ARE HERE. THE FEED IS HERE. IT'S HAD GREAT IMPACT UPON OUR ECONOMY AS A WHOLE AND WE WANT TO CONTINUE THAT AND NURTURE THAT AND MAKE THAT POSSIBLE. SO IT HAS GREAT IMPACT. DOLLARS IMPACT ACROSS OUR ENTIRE STATE AND WE HOPE THAT WE WILL BE ABLE TO USE THE VERY UNIQUE, THE ONLY STATE THAT HAS THEM, AND MANY WISH THEY HAD NRDs IN THEIR STATE. IT'S AN ELECTED POSITION FOR PEOPLE... [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR KOLOWSKI: ...WITH GREAT CONSCIOUSNESS AND DEDICATION TO THE LAND ARE THE PEOPLE THAT HAVE MADE A DIFFERENCE IN OUR STATE OVER THIS TIME. THANK YOU VERY MUCH. [LB344]

SENATOR COASH: THANK YOU, SENATOR KOLOWSKI. SENATOR GROENE, YOU'RE RECOGNIZED. [LB344]

SENATOR GROENE: THANK YOU, MR. PRESIDENT. I STAND OPPOSED TO LB344, AM2112 I'M OPEN-MINDED, AND STAND IN FAVOR OF AM2403, RIGHT NOW WHILE WE'RE DEBATING THIS, THE REVENUE COMMITTEE AND THE EDUCATION COMMITTEE, WHICH I'M ON, ARE DEBATING LB958, LB959. A BIG PORTION OF THAT IS TO TRY TO REIN IN LOCAL GOVERNMENT SPENDING OF PROPERTY TAXES. AND HERE I STAND UP HERE LOOKING AT A WAY TO EXPAND LOCAL SPENDING OF PROPERTY TAXES. SOMETHING DON'T ADD UP. NATURAL RESOURCES DISTRICTS HAVE BEEN ABLE TO GET BY. MOST OF THEM DON'T EVEN CHARGE THE TOTAL AMOUNT THAT THEY CAN, THE LEVY. TO ME THIS IS ONE DISTRICT, PAPIO, THAT WANTS THIS. THEY ALREADY HAVE AN EXCEPTION TO THE RULES AND THEY HAVEN'T MAXED OUT ON IT. IF WE WANT TO FIX LEVEES AROUND OFFUTT, WHICH THIS ALL STARTED ABOUT, IF YOU WANT LOCAL CONTROL THEN PAPIO SHOULD DO IT. WHY DO WE HAVE \$13.7 MILLION IN OUR GENERAL FUND BUDGET? SENATOR HUGHES HIT ON EARLIER ABOUT WHAT THE CRISIS WE HAD OUT WEST. I TOTALLY DISAGREE WITH THE METHOD WE CAME TO SOLVE IT WITH THE N-CORPE PROJECT, PUMPING PRECIOUS GROUNDWATER 110 SQUARE MILES, A FOOT DEEP, INTO A CREEK, BUT WE SAVED OUR IRRIGATED FARMING, WHICH IS A HUGE, HUGE ECONOMIC IMPORT FOR THE STATE. BUT DO YOU KNOW WHO PAID FOR THAT? NOT ALL THE PROPERTY TAXPAYERS IN THE REPUBLICAN RIVER BASIN. THE FARMERS STEPPED UP AND THEY ARE PAYING FOR IT. THEY'RE THE ONES THAT PROFIT DIRECTLY. THEY'RE PAYING \$10 AN ACRE OCCUPATION TAX FOR THAT PROJECT. I DON'T KNOW ... THE STATE WASN'T INVOLVED AT ALL. YES, THE STATE SOLVED A LAWSUIT WITH KANSAS OVER SURFACE WATER, \$5.5 MILLION AND THEN THEIR LEGAL FEES, BUT THAT WAS STATE TO STATE. I GUESS US RURAL FOLK TAKE CARE OF OUR OWN PROBLEMS. IF YOU WANT TO HAVE A BILL HERE WHERE YOU LET PAPIO DISTRICT GO OVER WITH THEIR VALUATION, THEIR VALUATION NUMBERS, 2 CENTS, AND THEY'D HAVE THE THING PAID FOR, THE \$14 MILLION. LET'S GIVE IT TO THEM. LET THEM GO OVER THE 4.5 CENTS UP TO 6.5 (CENTS), 7 CENTS FOR A COUPLE OF YEARS AND THEY CAN PAY FOR IT. THEY DON'T EVEN HAVE TO BOND IT. THAT'S HOW MUCH EVALUATION THEY HAVE IN THEIR DISTRICT. NOBODY IS EVEN CLOSE TO THEM: \$57,595,000,000 OF VALUATION. THAT'S AMAZING COMPARED TO EVERYBODY ELSE. THE HIGHEST OTHER ONE IS \$15 (BILLION). THEY'VE GOT THE PROPERTY TAX BASE. IT'S THEIR PROBLEM. IT'S THEIR ECONOMIC DEVELOPMENT. IT'S THEIR AIR FORCE BASE. THE JOBS ARE THERE. LET'S CALL LOCAL CONTROL. HERE'S ANOTHER THING I FOUND DOWN HERE. WE TALK LOCAL CONTROL UNTIL THEY HAVE TO PAY FOR IT. THEN THEY RUN TO

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THE STATE, THEN THEY RUN TO THE APPROPRIATIONS COMMITTEE, AND THEY WANT US TAXPAYERS OUT IN WESTERN NEBRASKA TO HELP PAY FOR A LEVEE, WHILE THEY WERE TAKING THEIR AUTHORITY AND BUILDING PONDS SO DEVELOPERS COULD BUILD HOUSES AROUND IT. THE SAME THING WHAT'S GOING ON STATEWIDE. WE DON'T FIX POTHOLES ANYMORE. WE DON'T FIX OUR LEVEES, WHY WE CREATED THE NRDS. IT'S ECONOMIC DEVELOPMENT. WE BUILD PONDS SO HIGH-PRICED HOMES CAN BE BUILT AROUND THEM AND THEY DON'T FIX THE LEVEE. THERE'S AN OLD WIVES' TALE ABOUT STICKING A FINGER IN THE LEVEE, RIGHT? [LB344 LB958 LB959]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR GROENE: I WISH THEY'D USE THEIR OWN FINGER TO PLUG THAT LEVEE, BUT THEY DON'T. YOU KNOW, SENATOR SCHUMACHER HIT ON IT. WE PRIDE OURSELVES IN THIS STATE THAT WE...OUR STATE GOVERNMENT DOESN'T HAVE ANY DEBT. WELL, WE DUMP IT DOWN ON THE LOCALS. AND EVERY TIME WE COME UP, WE COME UP WITH ANOTHER EXCUSE TO ALLOW THE LOCALS TO GO DEEPER IN DEBT. BILLION AND BILLIONS IN SCHOOL BONDS. BILLIONS IN BONDS, CITIES, BUT BY GOSH, THE STATE STANDS THERE. ANYWAY, IF PAPIO HAS GOT A PROBLEM, LET'S GIVE THEM THE AUTHORITY TO FIX IT THEMSELVES. WE FIXED OURS OUT WEST AND WE NEVER CAME CRYING TO THE REST OF THE TAXPAYERS TO HELP. SO THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR GROENE. SENATOR SCHNOOR, YOU'RE RECOGNIZED. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR. SENATOR GROENE, PAPIO DID FIX THEIR PROBLEM. THEY CAME TO THE APPROPRIATIONS COMMITTEE AND ASKED FOR THE MONEY TO FIX THE LEVEE AND IT WAS GRANTED. SO IT WAS FIXED. OH, I GOT A BUNCH OF NOTES HERE OF COMMENTS THAT EVERYBODY HAS MADE. YOU KNOW, A LOT OF THAT TOOK PLACE THIS MORNING. SENATOR WILLIAMS SAID THAT THE VOTERS WILL STAND IN THE WAY OF IMPORTANT PROJECTS. THAT IS THEIR RIGHT. IT'S THEIR RIGHT TO LOOK AT THESE ISSUES AND DECIDE IF THEY WANT TO PAY FOR IT. SO, I BELIEVE, YES, THEY SHOULD STAND IN A WAY AND HOLD PEOPLE ACCOUNTABLE. LET'S GO BACK TO THE LEVEE AT OFFUTT AIR FORCE BASE. THAT'S KIND OF WHAT GOT THIS ALL STARTED, AT LEAST IN MY PERSPECTIVE IN WHAT I WAS TOLD. THAT IF THE LEVEE WAS NOT FIXED, NOT ONE INCH OF CONCRETE WOULD GET POURED TO FIX THE RUNWAY, AND THAT IS TRUE. THAT IS 100 PERCENT TRUE. BUT LIKE SENATOR GROENE JUST

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SAID, THERE ARE OTHER WAYS TO GET THIS MONEY INSTEAD OF JUST GIVING BLANKET AUTHORITY TO EVERYBODY. IN EVERY SCHOOL ISSUE, A BOND REOUIRES THE VOTE OF THE PEOPLE. SO WHAT'S SO HARD WITH ALLOWING THE VOTE OF THE PEOPLE FOR THIS? IT WAS BROUGHT UP ABOUT A COST OF THE ELECTIONS TO HAVE THIS BOND ELECTION. BUT THE ELECTIONS ARE ALREADY TAKING PLACE. IT SAID THAT IN THE AMENDMENT. SO THERE'S NO EXTRA COST BECAUSE THAT COST IS ALREADY THERE. WHEN YOU HAVE A BOND AT A SCHOOL, YES, IT COSTS MONEY BECAUSE IT IS OUTSIDE OF THE NORMAL ELECTION PROCESS. SENATOR KOLOWSKI SAID THIS IS NOT AN INCREASE IN TAXES. BUT YET WE'RE GIVING AUTHORITY TO LEVY MORE TAXES. BUT IF IT'S WITHIN THE LEVY LIMIT, THEN IT'S NOT AN INCREASE? AN INCREASE TO LEVY MORE TAXES IS A TAX INCREASE. I WILL ALWAYS GO BACK AND REMIND EVERYBODY THE WATER SUSTAINABILITY FUND PUT IN PLACE TWO YEARS AGO HAS NEVER BEEN USED FOR ANY PROJECTS. THERE'S ALL KINDS OF PROJECTS IN PLANNING, BUT IT HAS NEVER BEEN USED. WE HAVEN'T EVEN GIVEN IT TIME TO SEE IF IT WORKS, AND NOW WE'RE GOING TO AUTHORIZE THE LEVYING OF MORE MONEY. REMEMBER, THIS IS NOT ONLY ABOUT WATER, IT'S ABOUT TAXATION. YOU HAVE A HANDOUT, TALKS ABOUT THE IMPACTS OF AM2415, WHICH WE HAVEN'T EVEN GOTTEN TO YET. [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR. IF I RUN OUT OF TIME, I WILL GO OVER IT A LITTLE MORE. BUT THIS IS A...IT SHOWS THE PERCENTAGE OF INCREASE SHOULD WE GET TO SENATOR KOLOWSKI'S AMENDMENT OF WHAT 1 CENT DOES FOR EVERY NRD. SOME OF IT, IT INCREASES THEIR TAXATION BY 50 PERCENT. ONE OF THEM IT INCREASES IT 60 PERCENT. SO ONE PENNY DOESN'T SOUND LIKE MUCH, BUT IT ADDS UP TO A LOT. SO THIS ISN'T JUST ABOUT WATER. THIS IS ABOUT AN INCREASE IN TAXES WHEN WE'RE TRYING TO REIN THEM IN. THANK YOU, SIR. [LB344]

SENATOR COASH: THANK YOU, SENATOR SCHNOOR. (VISITORS INTRODUCED.) SENATOR HANSEN. [LB344]

SENATOR HANSEN: CALL THE QUESTION. [LB344]

SENATOR COASH: THE QUESTION HAS BEEN CALLED. DO I SEE FIVE HANDS? I DO. THE QUESTION IS, SHALL DEBATE CEASE? ALL THOSE IN FAVOR VOTE AYE; ALL THOSE OPPOSED VOTE NAY. SENATOR HANSEN. [LB344]

SENATOR HANSEN: CALL OF THE HOUSE. [LB344]

SENATOR COASH: 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; OPPOSED VOTE NAY. RECORD, MR. CLERK. [LB344]

CLERK: 21 AYES, 0 NAYS, MR. PRESIDENT, TO PLACE THE HOUSE UNDER CALL. [LB344]

SENATOR COASH: THE HOUSE IS UNDER CALL. SENATORS, PLEASE RECORD YOUR PRESENCE. 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 KINTNER, SCHUMACHER, GARRETT, HILKEMANN, STINNER, SMITH, GLOOR, BURKE HARR, KEN HAAR, SCHEER, AND SULLIVAN, PLEASE RETURN TO THE CHAMBER AND RECORD YOUR PRESENCE. SENATOR SULLIVAN, KEN HAAR, SCHEER, MELLO, COOK, BURKE HARR, SMITH, STINNER, HILKEMANN, DAVIS, BRASCH, KINTNER, AND SCHUMACHER, PLEASE RETURN TO THE CHAMBER AND RECORD YOUR PRESENCE. SENATOR KEN HAAR, PLEASE CHECK IN. SENATOR MELLO, PLEASE CHECK IN. SENATOR SCHUMACHER, PLEASE CHECK IN. MEMBERS, THE QUESTION BEFORE THE BODY IS, SHALL DEBATE CEASE? SENATOR HANSEN, ARE YOU ACCEPTING CHECK-INS...CALL-INS? [LB344]

SENATOR HANSEN: CALL-INS, YES. [LB344]

SENATOR COASH: CALL-INS. [LB344]

CLERK: SENATOR BOLZ VOTING YES; SENATOR SEILER VOTING YES; SENATOR KEN HAAR VOTING YES; SENATOR SULLIVAN VOTING YES; SENATOR EBKE VOTING NO; SENATOR DAVIS VOTING YES. [LB344]

SENATOR COASH: RECORD, MR. CLERK. [LB344]

CLERK: 25 AYES, 3 NAYS TO CEASE DEBATE, MR. PRESIDENT. [LB344]

SENATOR COASH: DEBATE DOES CEASE. SENATOR McCOY, YOU'RE RECOGNIZED TO CLOSE ON YOUR AMENDMENT. [LB344]

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SENATOR McCOY: THANK YOU, MR. PRESIDENT, MEMBERS. WHAT AM2403 DOES, FOR THOSE THAT MAY HAVE BEEN IN AND OUT OF THE CHAMBER, IS PRETTY SIMPLE. IT JUST PUTS IN PLACE THE MECHANISM BY WHICH THIS NEW TERRITORY WE WOULD BE ENTERING INTO FOR THE NRDs ACROSS THE STATE, AND THAT IS THE ABILITY TO LEVY GENERAL OBLIGATION BONDS. THAT THEY WOULD REQUIRE A VOTE OF THE PEOPLE. FAIRLY SIMPLE, MUCH THE SAME WAY OUR SCHOOL DISTRICTS AND OTHER GOVERNMENTAL ENTITIES THAT WANT TO USE BONDS PUT THEM TO A VOTE OF THE PEOPLE. I HAVE A LOT OF CONFIDENCE IN THE PEOPLE OF NEBRASKA. AND I THINK IF THESE PROJECTS ARE WORTHWHILE, I THINK OFTENTIMES THEY WOULD BE, THAT THE PEOPLE OF NEBRASKA WOULD HAVE NO PROBLEM SUPPORTING THEM. BUT THIS BILL GOES A LONG WAYS IN MY VIEW. IT DOES THREE MAJOR THINGS. IT EXTENDS THE SUNSET, WHICH WAS PUT IN PLACE BY THE ORIGINAL ENDING DATE BY LB160 IN 2009, A LONG WAYS OUT INTO THE FUTURE. PRIOR TO WHAT LB344 PROPOSES TO DO, THE PAPIO-MISSOURI NRD IS THE ONLY NRD THAT EVEN HAD THE ABILITY TO LEVY SPECIAL OBLIGATION BONDS. NOW WE'RE TALKING ABOUT ALL NRDs. BEING ABLE TO USE EVEN ONE STEP HIGHER, IN MY VIEW, IN THE SERIOUSNESS LEVEL, AND THAT IS GENERAL OBLIGATION BONDS. I THINK IT SHOULD GO TO THE VOTE OF THE PEOPLE. IT SEEMS TO ME TO BE PRETTY SIMPLE, BUT THERE MAY BE THOSE WHO DISAGREE WITH ME. I THINK THE PEOPLE OF NEBRASKA ARE ALWAYS WELL SERVED IN AN ISSUE LIKE THIS TO HAVE THE OPPORTUNITY TO WEIGH IN BECAUSE I THINK ALL OF US KNOW WHEN ANYONE, BUT PARTICULARLY VOTERS, HAVE THE OPPORTUNITY TO WEIGH IN, THEY OFTENTIMES BUY-IN TO WHAT'S BEING PROPOSED. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR McCOY. MEMBERS, YOU'VE HEARD THE CLOSING TO AM2403. THE QUESTION BEFORE THE BODY IS, SHALL AM2403 BE ADOPTED? ALL THOSE IN FAVOR VOTE AYE; OPPOSED VOTE NAY. SENATOR McCOY. [LB344]

SENATOR McCOY: MR. PRESIDENT, I WOULD LIKE TO REQUEST A ROLL CALL VOTE, PLEASE, REGULAR ORDER. [LB344]

SENATOR COASH: THERE'S BEEN A REQUEST FOR A ROLL CALL VOTE IN REGULAR ORDER. MR. CLERK, PLEASE READ THE ROLL. [LB344]

CLERK: (ROLL CALL VOTE TAKEN, LEGISLATIVE JOURNAL PAGES 878-879.) 23 AYES, 16 NAYS, MR. PRESIDENT, ON THE AMENDMENT. [LB344]

SENATOR COASH: AM2403 IS NOT ADOPTED. RAISE THE CALL. MR. CLERK, NEXT ITEM. [LB344]

CLERK: MR. PRESIDENT, SENATOR KOLOWSKI WOULD MOVE TO AMEND THE COMMITTEE AMENDMENTS WITH AM2415. (LEGISLATIVE JOURNAL PAGE 879.) [LB344]

SENATOR COASH: SENATOR KOLOWSKI, YOU'RE RECOGNIZED TO OPEN ON AM2415. [LB344]

SENATOR KOLOWSKI: THANK YOU, MR. PRESIDENT. THANK YOU FOR THE VOTES THIS LAST TIME. I LOOK AT THIS BILL AND, AGAIN, I SAY THIS IS ALL ABOUT WATER. AND IT'S AN EXTREMELY IMPORTANT ONE FOR PLANNING CONTINUATION AND CONTINUITY WITH WHAT HAS TAKEN PLACE WITH THE WATER SUSTAINABILITY FUND, ALL THE WORK THAT WENT INTO THAT WITH 18 MONTHS WITH 40-SOME PEOPLE, AND MOVING TO MAKE A DIFFERENCE IN OUR STATE FOR THE FUTURE OF WATER. THIS TAKES PLANNING, AS I SAID AT A PREVIOUS TIME AT THE MIKE. IF IT'S A PRISON ISSUE, WE WANT AND NEED TO DEAL WITH IT. IF IT'S A HEALTHCARE ISSUE IN OUR STATE, WE WANT AND NEED TO DEAL WITH THAT AS WELL. WITH THE WATER ISSUE, WE DON'T WANT TO GET BEHIND THE EIGHTBALL ON WATER ISSUES. WE WANT TO DO THE THINGS WE NEED TO DO TO SUSTAIN THE WATER SUSTAINABILITY IN THE AQUIFER THAT IS SO IMPORTANT FOR THE STATE OF NEBRASKA AND IS ONE OF OUR TRUE, TRUE TREASURES. THE AMENDMENT THAT I HAVE BEFORE YOU IS THE SAME ONE THAT TOOK PLACE IN 2009. IT HAS EXACTLY THE SAME PIECES TO IT. AND THAT IS TO HAVE THE ELECTIONS WITH ... EXCUSE ME, TO HAVE THE DECISION MAKING WITH THE LOCAL LEVEL, MEMBERS OF THE NRDs THAT WERE ELECTED TO THAT POSITION TO MAKE SUCH DECISIONS. THAT'S EXTREMELY IMPORTANT FOR US AS WE MOVE AHEAD. IF THEY ARE STAYING WITHIN THEIR 1-CENT LEVEL OR LESS, THEY CAN MAKE THAT DECISION WITH A SUPERMAJORITY OF THEIR BOARD AT THAT LOCAL LEVEL. IF THEY NEED MORE THAN 1 CENT BECAUSE OF WHERE THEY ARE AND WHAT THEY NEED TO DO AS FAR AS THE PROJECTS THAT THEY HAVE APPLIED FOR, THEY THEN GO TO THE VOTE OF THE PEOPLE. WE HAVE ALL THE FAITH IN THE WORLD IN OUR ELECTED OFFICIALS AND WE HOPE TO CONTINUE THAT WITH THIS PARTICULAR DIRECTION. ON OUR SHEETS WITH THE LEVY INFORMATION AS WELL AS PROPERTY TAX INFORMATION THAT WAS PASSED OUT TO YOU, THE LEVY ISSUE, IF A NRD DISTRICT IS WORKING ON THE MATERIALS, ON THE PROJECTS WITHIN THEIR TERRITORY AND KEEP UNDER THAT LEVY LID, THEY ARE REALLY NOT INCREASING TAXES IN THE SENSE THAT A DEFINITE DIRECT TAX BACK TO THE PEOPLE INVOLVED. IT'S THE BEST WAY TO

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FUND THESE KIND OF PROJECTS TO HAVE THE ABILITY AND THE LESS EXPENSE OF A BONDING ISSUE TO BE ABLE TO CARRY THAT OUT OVER A LONG PERIOD OF TIME AND TO MAKE A DIFFERENCE IN THEIR PLANNING AND IN THEIR LOCAL COMMUNITIES. AGAIN, THIS LANGUAGE IS THE SAME THAT WAS PASSED IN THE PAPIO-MISSOURI RIVER BONDING AUTHORITY IN 2009. WHY IS THIS DIFFERENCE IMPORTANT? BECAUSE, AS WE HEARD TODAY, REQUIRING A BOND ELECTION HAS BOTH THE EXPENSES AND THE ISSUES WITH TIMING WITH THE WATER SUSTAINABILITY FUND. TO ISSUE BONDS WOULD REQUIRE A TWO-THIRDS VOTE, AS I SAID, OF THE BOARD OF DIRECTORS. THIS WOULD HELP THE NRDs AND KEEP THEM FROM BORROWING DIRECTLY FROM BANKS AT A HIGHER INTEREST RATE; HENCE, CREATING A GREATER EXPENSE FOR THE TAXPAYERS. AGAIN, MY AMENDMENT REQUIRES A VOTE OF THE PEOPLE IF THE NRD WISHES TO GO BEYOND THE 1-CENT LEVEL OF ABILITY. MY AMENDMENT KEEPS THE TWO-THIRDS VOTE REQUIREMENT WITH THE NRD BOARD. AND WE LOOK AT THIS AMENDMENT OF HAVING GREAT TIMING FOR THE PROJECTS THAT WE'RE INVOLVED WITH. SENATOR SCHNOOR MENTIONED THAT WE HAVEN'T HAD ANY USE OF THAT MONEY. WELL, WE HAVEN'T PLANNED ON THAT USE OF THE MONEY UNTIL THIS YEAR. SO WE NEED TO KNOW THE TIME LINE WE'RE TALKING ABOUT AND HOW THIS ALL CAME ABOUT AS WELL. MY BILL OR AMENDMENT DOES NOT GIVE ANY ADDITIONAL TAXING AUTHORITY TO THE NRDs. PASSING THIS BILL WITH MY AMENDMENT WILL FUND IMPORTANT WATER PROJECTS ACROSS OUR STATE. THANK YOU VERY MUCH, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR KOLOWSKI. MEMBERS, YOU'VE HEARD THE OPENING TO AM2415. THE FLOOR IS NOW OPEN FOR DISCUSSION. (VISITORS INTRODUCED.) SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB344]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. COLLEAGUES, WE KEEP HEARING THAT NRDs ARE ALL ABOUT WATER, WATER, WATER, FLOOD PREVENTION, WATER. WE HAVE JUST BUILT RECENTLY UP IN MY DISTRICT A BEAUTIFUL FACILITY THE NRD WAS INVOLVED IN. WHEN THEY WERE PUSHING FOR IT, THEY TOLD ME IT WAS TO PROTECT THE TOWN OF HUBBARD FROM BEING FLOODED. I HAVE LIVED WITHIN 50 MILES OF HUBBARD FOR 60 YEARS AND NEVER SEEN THE TOWN FLOODED. WHAT WE REALLY BUILT, AND WE CALLED IT FLOOD CONTROL, THEY'RE NOW CALLING RECREATIONAL AREA OPENS IN HUBBARD, NEBRASKA. IT'S KRAMPER LAKE. IT'S A BEAUTIFUL FACILITY. I HOPE MAYBE NEXT YEAR WHEN I AM NOT DOWN HERE, MAYBE I'LL BE ABLE TO GO THERE AND DO A LITTLE FISHING, BUT THE IDEA THAT IT IS FLOOD CONTROL IS BELIED BY THE FACT THAT DOWNSTREAM OF IT, WHILE IT WAS FILLING, THE LEVEES BROKE. MAYBE WE SHOULD HAVE FIXED THE LEVEES

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INSTEAD OF BUILDING THIS RECREATIONAL AREA THAT'S 45 MINUTES FROM SIOUX CITY, LESS THAN TWO HOURS FROM OMAHA, BUILT WITH NRD MONEY UNDER THE PRETENSE IT WAS FLOOD CONTROL. NRDs ARE A GREAT THING, BUT THEY'RE NOT INFALLIBLE. AND TO GIVE THEM BONDING AUTHORITY TO SPEND MONEY WHEN WE'RE IN AN ECONOMIC DOWNTURN IS, I BELIEVE, A SERIOUS MISTAKE. I THINK WE WILL SEE LARGE INCREASES IN PROPERTY TAX IN AN ERA WHEN WE ARE TRYING TO CUT BACK ON PROPERTY TAX. THIS JUST DOESN'T MAKE SENSE TO ME THAT WE'RE EVEN LOOKING AT THIS. I DON'T KNOW WHAT TO SAY TO IT, THIS IDEA SEEMS SO PREPOSTEROUS TO ME. BUT I WILL CONTINUE TO OPPOSE LB344. I GUESS LONG ABOUT 5:00 THIS AFTERNOON WE'LL PROBABLY MAKE A DECISION ON IT. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR BLOOMFIELD. SENATOR GROENE, YOU'RE RECOGNIZED. [LB344]

SENATOR GROENE: THANK YOU, MR. PRESIDENT. SEEMS THIS COUNTRY IS ADDICTED TO DEBT, AND WE'RE CATCHING IT IN NEBRASKA. WE HEAR ABOUT THE NATIONAL DEBT. WE KEEP HEARING ABOUT HOW WE JUST CAN'T AFFORD ALL THIS. WHAT DO WE DO? WE COME UP WITH ANOTHER BILL WE CAN PUT THE NEXT GENERATION IN DEBT. WE WILL GO DOWN IN HISTORY, MY GENERATION OF BABY BOOMERS, THE MOST SELFISH GENERATION THAT EVER LIVED IN AMERICA. WE GOT TO HAVE IT NOW. WE GOT TO FIX THE PROBLEM NOW. WE CAN'T LEAVE ANYTHING FOR THE NEXT GENERATION TO FIX. WE'VE GOT TO DO IT NOW BECAUSE WE'RE LIVING NOW. SO LET'S DO IT NOW, AND WE'LL PUT THE NEXT GENERATION IN DEBT. HERE'S ANOTHER EXAMPLE WITH THE NRDs. WE PAY AS WE GO. PAY AS WE GO. WE USED TO DO THAT WITH THE HIGHWAY FUND, TOO, BUT THAT'S DISAPPEARING TOO. BECAUSE THIS GENERATION SAYS WE GOT TO FIX IT TODAY. THE WORLD IS GOING TO COME TO AN END BY THE TIME WE...I GUESS WHEN WE DIE, IT IS TO AN END, ISN'T IT? IT'S GOT TO STOP. WE'RE GOING TO PUT THOSE YOUNG PEOPLE IN FRONT OF US, THE PAGES, IN DEBT BECAUSE WE WANT TO FIX IT NOW. IF THE PAPIO-MISSOURI RIVER NRD HAS A LOCAL PROBLEM WITH A LEVEE, THEY SHOULD FIX IT LOCALLY. ALL WE HAVE TO DO IS AMEND SECTION 2-3226.1 WHICH STATES IN OUR STATUTES THAT A NATURAL RESOURCES DISTRICT ENCOMPASSING A CITY OF THE METROPOLITAN CLASS, UPON AN AFFIRMATIVE VOTE OF TWO-THIRDS OF THE MEMBERS OF THE BOARD OF DIRECTORS, MAY ISSUE NEGOTIABLE BONDS. WE CAN AMEND THAT TO JUST SAY FOR ONE PROJECT AND ONE PROJECT ONLY, A LEVEE IN A CERTAIN POSITION NEAR AN AIR FORCE BASE, THAT THEY CAN GO INTO DEBT AND EXCEED THEIR 4.5 CENTS. THEY HAVE SO MUCH VALUATION THAT THEY COULD PAY FOR THAT LEVEE WITH LESS THAN A 2.4-CENT INCREASE. THAT WOULD PUT

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THEM AT...THEY'RE AT 3.8 CENTS NOW, THEY'RE UNDER THE LIMIT OF 4.5, THAT WOULD PUT THEM AT, WHAT, 6.2? THEY WOULD PAY FOR IN IT ONE YEAR, ONE YEAR AT 2.4 CENTS. BUT NO, NO, WE'RE GOING TO STICK IT TO THE WHOLE STATE. WE'RE GOING TO MAKE THE WHOLE STATE PAY FOR THAT LEVEE THROUGH THE GENERAL FUND. THAT'S WHERE THIS BILL CAME FROM, IT'S ABOUT THE LEVEE. I WANT THE AIR FORCE BASE HERE TOO. I ALSO WANT IRRIGATED AGRICULTURE HERE, BUT WE TOOK CARE OF IT OURSELVES OUT WEST. WE'RE PAYING...WHAT IS IT? LAST YEAR WAS \$12.6 MILLION. ONE YEAR. \$12.6 MILLION. WE COULD HAVE ABOUT BUILT THAT LEVEE IN THE \$10 OCCUPATION TAX. THAT'S A \$10 OCCUPATION TAX ON EVERY IRRIGATED ACRE ON TOP OF THE 60, 70 BUCKS AN ACRE THEY PAY FOR PROPERTY TAXES. BUT THEY DIDN'T MIND DOING THAT BECAUSE THEY WERE THE ONE THAT PROFITED. IT WAS LOCAL CONTROL. BUT LOCAL CONTROL ONLY COUNTS SO FAR WHEN IT COST. AND THEN WE RUN TO THE STATE. AND WE SAY, WE GIVE SPEECHES ABOUT HOW WE'RE DOING RURAL HELP AND RURAL HELP AND RURAL AGRICULTURE BY DOING THIS. THERE'S ONLY ONE DISTRICT THAT WANT'S THIS--PAPIO. THEY BROUGHT IT, THEIR SENATOR BROUGHT IT. HE DID A GOOD JOB FOR THEM, BROUGHT THE BILL FOR THEM. PLEASE DON'T DRAG US INTO IT. WE'RE TAKING CARE OF OUR SITUATION OUT WEST, AND WE'RE PAYING FOR IT. I WOULD EXPECT THE SAME FROM MY BRETHREN AND MY FELLOW CITIZENS ACROSS THE STATE. IF IT'S YOUR PROJECT, YOU PAY FOR IT. IT'S ONLY 2.4 CENTS, ONE YEAR. IMAGINE A BOND OF 15 TO 20 YEARS. THAT WOULDN'T COST YOU THREE-TENTHS OF A CENT. THAT'S TOO MUCH FOR YOU TO PAY. YOU'RE GOING TO TAKE IT TO US, THE REST OF THE STATE, TO PAY FOR IT. WHERE IS THE RATIONALE THERE? WHERE IS THE CAMARADERIE THERE BETWEEN URBAN AND RURAL? WE PAID OUR OWN BILLS. WE PAID FOR OUR OWN PROJECTS, AND YOU CAN'T. WHERE'S THE JOBS FROM OFFUTT? GUESS WHAT? THEY'RE IN THE PAPIO NRD DISTRICT. I'M ALL FOR KEEPING THEM. [LB344]

## SENATOR COASH: ONE MINUTE. [LB344]

SENATOR GROENE: I WANT THEM THERE, JUST LIKE I WANTED IRRIGATED AGRICULTURE IN MY AREA. LIKE I SAID, I WISH WE HAVE...WE'RE WORKING ON A BETTER ANSWER, BUT WE SOLVED IT FOR NOW, BUT WE PAID FOR IT. JUST BUCK IT UP. LET'S PUT AN AMENDMENT ON THIS THING THAT PAPIO NRD CAN RAISE THEIR MILL LEVY FOR ONE PROJECT OVER AND ABOVE 4.5 CENTS. THEY CAN EITHER BOND IT OR THEY CAN PAY FOR IT OUTRIGHT, AND THEN IT GOES AWAY. THAT'S HOW YOU FIX SITUATIONS LIKE THAT, NOT BY HIDING BEHIND EVERY RURAL AREA ABOUT IRRIGATION AND SAYING WE CLAIM WE NEED IT OUT WEST. WE CAN TAKE CARE OF OURSELVES. THANK YOU. [LB344]

SENATOR COASH: THANK YOU, SENATOR GROENE. SENATOR SCHNOOR, YOU'RE RECOGNIZED. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR. I JUST HEARD ONE OF THE MOST AMAZING COMMENTS A FEW FOLKS AGO. THAT BONDING IS NOT A TAX INCREASE. AS LONG AS THEY STAY WITHIN THEIR LEVY LIMIT, IT'S NOT A TAX INCREASE. SO IF MY SCHOOL DISTRICT IS AT 85 CENTS AND IF THEY GO AHEAD AND CHOOSE TO RAISE TAXES AT ANOTHER 10 CENTS, IT'S NOT A TAX INCREASE? THAT'S FUZZY MATH AS FAR AS I'M CONCERNED. NOW REVERT BACK TO THE HANDOUT ON SENATOR KOLOWSKI'S BILL. WHAT HE IS REFERRING TO THAT ISN'T A TAX INCREASE, INCREASES CENTRAL PLATTE'S VALUATION BY 26 PERCENT. THIS BOND THAT'S NOT A TAX INCREASE INCREASES LEWIS AND CLARK'S LEVY 47 PERCENT. BUT REMEMBER, IT'S NOT A TAX INCREASE BECAUSE IT'S WITHIN THEIR LEVY LIMIT. CENTRAL PLATTE IS AT 3.8 CENTS RIGHT NOW AND THEY CAN GO UP TO 4.5, BUT THAT WOULDN'T BE A TAX INCREASE IF WE STAY WITHIN THAT LIMIT. BUT REMEMBER, THIS IS ALL ABOUT WATER. THIS HAS NOTHING TO DO WITH TAXES, SO I GUESS IT'S NOT A TAX INCREASE. FOLKS, THIS HAS EVERYTHING TO DO WITH TAXES. THIS HAS EVERYTHING TO DO WITH SLOWING DOWN OUR SPENDING. SO I WILL BE OPPOSED TO THIS AMENDMENT AND I WILL ASK EVERYBODY ELSE TO BE OPPOSED TO IT AS WELL BECAUSE IT IS A TAX INCREASE. IT'S ALLOWING THE NRDs TO LEVY MORE TAXES, PLAIN AND SIMPLE. THE FACTS ARE THERE RIGHT IN FRONT OF YOU, AND THAT'S NOT FUZZY MATH. THOSE ARE THE ACTUAL FACTS OF WHAT 1 CENT OF INCREASE, JUST 1 CENT, DOESN'T SOUND LIKE MUCH, BUT 1 CENT, WHAT THAT DOES TO INCREASE EVERY NRD. LOWER NIOBRARA WOULD INCREASE IT 58 PERCENT. UPPER ELKHORN WOULD INCREASE 60 PERCENT. UPPER NIOBRARA WHITE WOULD INCREASE IT 53 PERCENT. AND WE WON'T ALLOW THE PEOPLE TO SAY ANYTHING,... [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR SCHNOOR: ...SINCE WE DIDN'T PASS THE OTHER AMENDMENT. BUT I GUESS SINCE THIS ISN'T REALLY A TAX INCREASE, ACCORDING TO SENATOR KOLOWSKI, IT DOESN'T REALLY MATTER. I WILL BE OPPOSED TO THIS AMENDMENT. I'M GOING TO ASK EVERYBODY ELSE TO VOTE NO BECAUSE OF WHAT'S HAPPENING HERE. WE HAVE TO SLOW THINGS DOWN. WE WON'T GIVE THE PEOPLE THE RIGHT TO SAY ANYTHING, SO RIGHT NOW THE DECISION IS HERE. SO WHEN WE GET TO THIS VOTE, I ASK THAT YOU ALL VOTE NO. THANK YOU, SIR. [LB344]

SENATOR COASH: THANK YOU, SENATOR SCHNOOR. SENATOR McCOY, YOU'RE RECOGNIZED. [LB344]

SENATOR McCOY: THANK YOU, MR. PRESIDENT. WILL SENATOR KOLOWSKI YIELD, PLEASE? [LB344]

SENATOR COASH: SENATOR KOLOWSKI, WILL YOU YIELD? [LB344]

SENATOR KOLOWSKI: CERTAINLY. [LB344]

SENATOR McCOY: THANK YOU, SENATOR. I, TOO, HEARD OR AT LEAST THOUGHT I HEARD SOMETHING SIMILAR TO WHAT SENATOR SCHNOOR IS REFERENCING. BUT JUST TO MAKE SURE THAT MY HEARING WAS CORRECT, I'D LOVE TO GIVE YOU THE OPPORTUNITY TO REITERATE. DID I HEAR YOU CORRECT THAT IN YOUR VIEW, YOUR OPINION, SENATOR, WHEN AN NRD HAS A LEVY LID, WHATEVER IT IS, AND THEY ARE GOING TO RAISE THEIR LEVY, BUT THEY'RE STILL WITHIN OR BELOW, AT OR BELOW THE LID, THAT THAT IS NOT A TAX INCREASE? DID I HEAR YOU CORRECT? [LB344]

SENATOR KOLOWSKI: WHAT I...I DID SAY THAT AND IT'S PROVEN ACCURATE IN THE SENSE THAT FOR ABOUT THE LAST 10 OR 12 YEARS, ONLY IN THIS LAST YEAR HAS THE...TO USE THE EXAMPLE OF THE PAPIO NRD, HAVE THEY GONE UP IN THEIR LEVY BECAUSE OF THE GROWTH WITHIN THE PAPIO NRD LAND IN TOTAL HAD INCREASED THE AMOUNT OF MONEY BROUGHT IN AND LOWERED OR FROZE AT THE SAME LEVEL THEIR LEVY FOR THOSE ENTIRE 10 OR 12 YEARS. IT WAS NOT A TAX INCREASE. [LB344]

SENATOR McCOY: I UNDERSTAND THAT, BUT I THINK WE ALL UNDERSTAND THE ROLE THAT INCREASED VALUATIONS PLAY, SENATOR KOLOWSKI, IN TAXATION. THE LEVY CAN STAY THE SAME, BUT YET MORE TAX REVENUE IS BROUGHT IN DUE TO INCREASED VALUATIONS. BUT THAT'S NOT WHAT YOU WERE REFERRING TO, I DON'T BELIEVE, WHEN YOU STATED THAT EARLIER. WE'RE ACTUALLY HERE UNDER YOUR PROPOSED AM2415 TALKING ABOUT THE ABILITY FOR AN NRD, ANY NRD IN NEBRASKA, TO INCREASE THEIR ACTUAL LEVY AMOUNT, NOT JUST DEALING WITH INCREASED VALUATIONS. AND FROM WHAT YOU SAID, YOU BELIEVE THAT'S NOT A TAX INCREASE. BUT I WOULD SUBMIT TO YOU, AS A FAMILY WHO, AS MANY OF US ARE, WHO HAVE QUITE A BIT OF AGRICULTURE ACRES IN PRODUCTION, NOT JUST HERE BUT A LOT OF MY FAMILY IN EASTERN <u>CO</u>LORADO AS WELL AND IN NORTHWEST KANSAS, BUT JUST SO HAPPENS <u>Floor Debate</u> March 07, 2016

WE'RE TALKING ABOUT NEBRASKA, OF COURSE, HERE. I WOULD SUBMIT TO YOU, SENATOR KOLOWSKI, AND CORRECT ME IF I'M WRONG, BUT IF AN NRD INCREASES UP TO A PENNY WITHOUT A VOTE OF THE PEOPLE, THE ACTUAL LEVY, BUT STILL IS BELOW THEIR LID, THAT IS, IF NOT DE JURE, DE FACTO TAX INCREASE, IS IT NOT? [LB344]

SENATOR KOLOWSKI: AFTER DESCRIBING IT, YES, BUT THEY ALSO MAY HAVE CHANGES IN THE LEVY WITH THE PRICES OR THE COSTS THAT ARE TIED INTO THE LEVY FOR THE INDIVIDUAL TAXPAYER WHICH COULD INCREASE THE AMOUNT OF MONEY AND PERHAPS EVEN LOWER THE TAXES OF THE INDIVIDUAL TAXPAYER. [LB344]

SENATOR McCOY: YOU'RE GOING TO HAVE TO REPEAT THAT LAST BIT. SAY AGAIN, YOU'RE SAYING THAT COULD RESULT IN LOWER TAXES? HOW SO? [LB344]

SENATOR KOLOWSKI: AS I SAID WITH THE...WHAT HAPPENED IN THE PAPIO FOR ALMOST A DECADE, FOR OVER A DECADE, WAS THE RISE TO PROPERTY VALUES, AND THAT PROVIDED MORE TAX DOLLAR OUT OF THE SAME OR LOWER LEVY WITHIN THEIR BOUNDARIES. [LB344]

SENATOR McCOY: BUT THAT'S, AGAIN, NOT WHAT WE'RE TALKING ABOUT, SENATOR KOLOWSKI. [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR McCOY: WE'RE TALKING ABOUT ACTUALLY RAISING THE LEVY. THAT'S WHAT AM2415 SAYS THAT AN NRD COULD DO WITHOUT GOING TO A VOTE OF THE PEOPLE. IT'S NOT TALKING ABOUT USING INCREASED VALUATIONS. IF YOU RAISE THE LEVY, EVEN IF IT IS BELOW THE LEVY LID, THAT IS STILL A TAX INCREASE, ABSOLUTELY. I DON'T KNOW HOW YOU COULD INTERPRET IT ANY OTHER WAY. IF INCREASED VALUATIONS TAKE PLACE AS THEY OFTENTIMES DO IN MANY PARTS OF THE STATE, BUT THE LEVY STAYS THE SAME, AS A TAXPAYER, WE'RE ALL PAYING MORE TAXES, OUR TAXES WENT UP, BUT THEY DIDN'T GO UP BY AN ACTION BY A TAXING AUTHORITY. THEY WENT UP BECAUSE OF VALUATIONS. THAT'S NOT WHAT'S BEING DONE UNDER AM2415. THANK YOU, MR. PRESIDENT. [LB344]

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SENATOR COASH: THANK YOU, SENATOR McCOY. SEEING NO OTHER LIGHTS ON, SENATOR KOLOWSKI, YOU'RE RECOGNIZED TO CLOSE ON AM2415. [LB344]

SENATOR KOLOWSKI: THANK YOU, MR. PRESIDENT. THE OPTION BEFORE US IS ONE I FELT IMPELLED TO BRING TO OUR BODY AS A WHOLE BECAUSE OF THE WORK OF THE WATER SUSTAINABILITY FUND AND THAT COMMITTEE THAT MET FOR OVER 18 MONTHS. IT'S A VERY IMPORTANT BILL IN THE SENSE OF THE POSSIBILITIES OF WHAT THEY MIGHT BE ABLE TO DO IN THE FUTURE WITH THE PROJECTS THAT WOULD BECOME IDENTIFIED AND THEN OKAYED BY THE WATER SUSTAINABILITY FUND PROCESS. THIS, TO KEEP IN MIND, AGAIN, IS AN IMPORTANT PIECE FOR ALL THE NRDs IN THE STATE AND THERE'S BEEN A CONCENTRATION OF DISCUSSIONS ON THE PAPIO. THE PAPIO HAS HAD THIS BONDING AUTHORITY SINCE 2009. TO GIVE THE OPPORTUNITY TO ALL NRDs WITH THEIR LOCAL CONTROL, WITH THEIR DECISION MAKING BY THAT BOARD OF DIRECTORS, IS THE MOVE THAT I AM TRYING TO GET WITH THIS PARTICULAR AMENDMENT AND WITH THIS BILL. I WOULD REMIND YOU THAT THERE'S VERY LITTLE OPPORTUNITY FOR OUTSTATE NRDs, SMALLER ONES ESPECIALLY, TO HAVE THE FINANCIAL CAPABILITY TO MAKE A DIFFERENCE TO JOIN SOME OF THIS ACTIVITY THAT WOULD BE GOING ON WITH WATER SUSTAINABILITY PROJECTS. THE NATURAL DEFAULT WILL BE TO THE EAST. IF YOU WANT TO MAKE MORE MONEY AVAILABLE, MORE MONEY THAT COULD FLOOD TO THE PAPIO NRD OR THE OTHER TWO THAT WERE THE MAJOR SIZE ON THE LIST, THE LOWER PLATTE NRD, OR THE CENTRAL PLATTE NRD, THAT'S THE OPTIONS THAT ARE BEFORE US. I AM AN EAST GUY FROM THE STATE TALKING ABOUT OUR FRIENDS IN THE MID-PART OF THE STATE AND THE WESTERN PART OF THE STATE. WE'RE TRYING TO OPEN THE DOORS FOR EQUAL OPPORTUNITY TO HAVE THE FUNDING AND THE PROJECTS DONE IN THEIR LOCALES TO MAKE A DIFFERENCE FOR WATER SUSTAINABILITY. THAT'S IT, PLAIN AND SIMPLE. GET THE SAME BILL THAT WE HAD IN 2009 IN THIS AMENDMENT TO MOVE IT FORWARD AND HAVE THE OPPORTUNITY AND TRUST IN THOSE LOCALLY ELECTED OFFICIALS TO MAKE THEIR DECISIONS. THEY CAN MAKE THEIR DECISION FOR A PENNY OR LESS WITHIN THEIR OWN BOARD DECISION, OR IF IT'S OVER A PENNY THEN THEY HAVE TO, AND WOULD NEED TO, GO TO THE VOTE OF THE PEOPLE, WHICH IS FINE. THAT'S THE WAY IT SHOULD BE. IT'S EXACTLY THE SAME BILL AS THE 2009 BILL THAT WE MOVED ON. THIS WILL GIVE THOSE NRDs AN EQUAL CHANCE TO BE EFFECTIVE AND EFFICIENT IN WHAT THEY TRY TO DO AND WHAT THEY NEED TO DO IN THEIR OWN LOCALES. SO, THE VOTE IS SIMPLE. DO WE WANT TO SHARE THE OPPORTUNITY WITH ALL THE NRDS TO HAVE THE ABILITY TO HAVE EQUAL...AN EQUAL CHANCE TO MAKE A DIFFERENCE IN THEIR LOCALE? OR WILL WE HAVE IT SET UP IN SUCH A WAY THAT THEY WILL NOT BECOME

PLAYERS, NOT BECOME PARTNERS, NOT BECOME PARTICIPANTS IN WHAT WE'RE TRYING TO DO AS FAR AS WATER SUSTAINABILITY AND WATER POTENTIAL IN OUR STATE? THAT'S WHERE WE ARE. I SEEK YOUR GREEN LIGHT ON THIS PARTICULAR... [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR KOLOWSKI: ...AMENDMENT AND I HOPE YOU'LL SEE THE BIGGER PICTURE. COMMENTS HAVE BEEN MADE ABOUT THE OFFUTT LEVEE. IT'S NOT ABOUT JUST THE OFFUTT LEVEE. IT'S NOT ABOUT THE PAPIO NRD. IT'S NOT ABOUT ANYTHING BUT 23 NRDs IN OUR STATE. LET'S GIVE THEM ALL AN EQUAL CHANCE TO DO WHAT THEY NEED TO DO AS YOU HAVE TALKED VERY POSITIVELY, MANY OF YOU, ABOUT THE EXPERIENCES YOU'VE HAD WITH NRDs AND THE DIFFERENCES THEY'VE MADE IN YOUR COUNTIES, IN YOUR WATERSHEDS, IN YOUR COMMUNITIES. I THANK YOU IN ADVANCE FOR YOUR VOTE ON THIS PARTICULAR ISSUE. THANK YOU. [LB344]

SENATOR COASH: THANK YOU, SENATOR KOLOWSKI. MEMBERS, YOU'VE HEARD THE CLOSING TO AM2415. THE QUESTION IS, SHALL AM2415 BE ADOPTED? ALL THOSE IN FAVOR VOTE AYE; OPPOSED VOTE NAY. 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; OPPOSED VOTE NAY. RECORD, MR. CLERK. [LB344]

CLERK: 22 AYES, 0 NAYS TO PLACE THE HOUSE UNDER CALL. [LB344]

SENATOR COASH: THE HOUSE IS UNDER CALL. SENATORS, PLEASE RECORD YOUR PRESENCE. UNEXCUSED SENATORS OUTSIDE THE CHAMBER PLEASE RETURN TO THE CHAMBER, RECORD YOUR PRESENCE. ALL UNAUTHORIZED PERSONNEL PLEASE LEAVE THE FLOOR. THE HOUSE IS UNDER CALL. SENATOR KOLOWSKI. [LB344]

SENATOR KOLOWSKI: COULD I HAVE A ROLL CALL VOTE ALSO IN REVERSE ORDER? THANK YOU. [LB344]

SENATOR COASH: SENATOR SULLIVAN, SCHEER, GLOOR, BOLZ, BURKE HARR, SMITH, DAVIS, BRASCH, MURANTE, KINTNER, SCHUMACHER, AND GARRETT, PLEASE RETURN TO THE CHAMBER AND RECORD YOUR PRESENCE. SENATOR

BRASCH, PLEASE CHECK IN. SENATOR DAVIS. MEMBERS, THE QUESTION BEFORE THE BODY IS, SHALL AM2415 BE ADOPTED? THERE HAS BEEN A REQUEST FOR A ROLL CALL VOTE IN REVERSE ORDER. MR. CLERK, PLEASE READ THE ROLL. [LB344]

CLERK: (ROLL CALL VOTE TAKEN, LEGISLATIVE JOURNAL PAGE 879.) 28 AYES, 3 NAYS, MR. PRESIDENT, ON THE AMENDMENT TO THE COMMITTEE AMENDMENTS. [LB344]

SENATOR COASH: AM2415 IS ADOPTED. RAISE THE CALL. RETURN TO DISCUSSION ON THE COMMITTEE AMENDMENT. SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB344]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. I GUESS I HAVEN'T CHANGED MY MIND ABOUT LB344, WITH OR WITHOUT AMENDMENTS. I WONDER IF SENATOR KOLOWSKI WOULD YIELD TO A COUPLE QUESTIONS. [LB344]

SENATOR COASH: SENATOR KOLOWSKI, WILL YOU YIELD? [LB344]

SENATOR KOLOWSKI: CERTAINLY. [LB344]

SENATOR BLOOMFIELD: THANK YOU, SENATOR. I WANT TO GO BACK AND TALK ABOUT THE PAPIO-MISSOURI NRD A LITTLE BIT. HOW MANY BOARD MEMBERS ARE THERE ON THAT BOARD? [LB344]

SENATOR KOLOWSKI: I BELIEVE IT'S STILL 11, AS I WAS ON THAT BOARD AT A TIME. [LB344]

SENATOR BLOOMFIELD: OKAY. THANK YOU. DO YOU HAPPEN TO KNOW HOW MANY OF THOSE DON'T HAVE OMAHA ADDRESSES? [LB344]

SENATOR KOLOWSKI: NOT WITHOUT THE LIST IN FRONT OF ME. AND WHERE THE NEWER PEOPLE WHO HAVE BEEN ELECTED MIGHT LIVE, I DON'T HAVE THAT KNOWLEDGE. [LB344]

SENATOR BLOOMFIELD: I BELIEVE THE NUMBER IS ONE. [LB344]

## SENATOR KOLOWSKI: THAT HAVE OMAHA ADDRESSES, SIR? [LB344]

SENATOR BLOOMFIELD: THAT DOES NOT HAVE AN OMAHA ADDRESS. [LB344]

SENATOR KOLOWSKI: DOES NOT. OKAY. [LB344]

SENATOR BLOOMFIELD: PAPIO-MISSOURI IS MADE UP OF DAKOTA COUNTY, PARTS OF THURSTON, BURT, WASHINGTON, DOUGLAS, AND SARPY. THAT'S A LOT OF AREA OUTSIDE OF OMAHA TO HAVE ONLY ONE REPRESENTATIVE. MAYBE IT DOESN'T HAVE ANYTHING TO DO WITH LB344, BUT MAYBE IT DOES, BECAUSE GIVEN THE AG PROPERTY VALUES AND WHAT THEY'VE DONE, IT AFFECTS THE PEOPLE IN DAKOTA COUNTY, THURSTON COUNTY, BURT, AND WASHINGTON COUNTY, BUT THEY HAVE ONE MEMBER TO REPRESENT THEM. SOMEHOW THAT DOESN'T QUITE SEEM RIGHT, COLLEAGUES. SO, I DON'T KNOW WHERE WE GO FROM HERE. LB344, WE'RE TOLD, DOESN'T INCREASE TAXES. SOMEHOW IT SPENDS, GIVES THE ABILITY TO SPEND \$22 MILLION. MAYBE WE NEED TO GET THOSE GOOD FOLKS INTO OUR ACCOUNTING DEPARTMENT HERE IF WE CAN SPEND \$22 MILLION WITHOUT HAVING TO RAISE IT SOMEWHERE, WE SHOULD MAYBE HAVE THEM ON APPROPRIATIONS. BUT THE IDEA OF RAISING THAT KIND OF MONEY WITH THAT KIND OF REPRESENTATION IN THE PAPIO IS JUST WRONG. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR BLOOMFIELD. SENATOR MURANTE, YOU'RE RECOGNIZED. [LB344]

SENATOR MURANTE: THANK YOU, MR. PRESIDENT. MEMBERS, GOOD AFTERNOON. I WANTED TO CLARIFY. SENATOR BLOOMFIELD IS CORRECT WHEN HE TALKS ABOUT THE NRD BOARD RELATIVE TO THE NUMBER OF REPRESENTATIVES ON THE PAPIO DISTRICT WHICH HAVE OMAHA ADDRESSES, BUT IT'S IMPORTANT TO NOTE THAT THE MEMBERS OF MY LEGISLATIVE DISTRICT WHO ARE REPRESENTED BY, WHO I BELIEVE IS NOW THE CHAIRMAN OF THE PAPIO NRD BOARD, DAVE KLUG, IS ONE OF MANY CONSTITUENTS OF MINE WHO HAVE OMAHA ADDRESSES, BUT THEY ALL LIVE IN SARPY COUNTY. THEY DON'T LIVE IN THE CITY OF OMAHA. THEY CAN'T VOTE FOR OMAHA'S MAYOR. THEY CAN'T VOTE FOR THE CITY COUNCIL IN OMAHA, BUT THEY HAVE OMAHA ADDRESSES STRICTLY BECAUSE OF POST OFFICE DESIGNATIONS. AND WE WORK VERY HARD IN THE GOVERNMENT, MILITARY AND VETERANS AFFAIRS COMMITTEE WHEN IT COMES TO ESTABLISHING ELECTION POLICY WHICH CONFORMS ESPECIALLY TO THE 1960s SUPREME COURT CASE MANDATING A ONE

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PERSON, ONE VOTE. AND ALTHOUGH I SHARE SENATOR BLOOMFIELD'S CONCERNS ABOUT THE NUMBER OF REPRESENTATIVES ON THE PAPIO NRD BOARD WHICH COME FROM OMAHA, THE FACT REMAINS THAT IT IS REDISTRICTED WITH A MANDATE OF ONE PERSON, ONE VOTE, AND THERE ARE ROUGHLY COMPARABLE AMOUNTS OF PEOPLE WITHIN EACH DISTRICT AND THAT IS THE STANDARD BY WHICH THOSE DISTRICTS ARE DRAWN. AND JUST BECAUSE SOMEONE HAS AN OMAHA ADDRESS DOESN'T MEAN THEY LIVE IN THE CITY OF OMAHA. AND IN MANY CASES IN MY DISTRICT THEY MOVED TO SARPY COUNTY SO THAT THEY WOULD NOT BE IN THE CITY OF OMAHA, SO THEY COULD HAVE THE SERVICES, THE QUALITY OF EDUCATION AND OTHERWISE WHICH HAVE DRAWN IN THE SARPY COUNTY. SO I JUST WANTED TO MAKE THAT CLARIFYING POINT. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR MURANTE. SENATOR BRASCH, YOU'RE RECOGNIZED. [LB344]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. I APOLOGIZE, I DID NOT FULLY HEAR WHAT SENATOR MURANTE HAD MENTIONED, BUT I DID HEAR SENATOR BLOOMFIELD. AND THE ARGUMENT THAT HE MADE, IF YOU FIND A TRANSCRIPT, I TOOK IT BEFORE THE NATURAL RESOURCES COMMITTEE WHILE I WAS VICE CHAIR AT THAT POINT, AND THE FACT REMAINS THAT WHEN THIS NRD, THIS PARTICULAR ONE WAS FORMED, AND WE'RE SPEAKING OF THE PAPIO-MISSOURI NRD, LAND VALUES WERE NOT WHERE THEY ARE TODAY. AND THE TAX BASE WAS VERY SMALL. AND THE TAX BASE 20-SOME YEARS AGO WAS LARGER IN OMAHA, OR IN DOUGLAS AND SARPY COUNTY. AND SO, YES, THEY FORMED TRYING TO POOL FUNDS TO WORK ON PROJECTS THAT WERE NEEDED. HOWEVER, AS TIME WENT ON, THERE IS ENOUGH TAX BASE IN THOSE COUNTIES TO BECOME THEIR OWN NRD. HOWEVER, THAT'S NOT BEING MADE POSSIBLE BECAUSE THE MAJORITY OF THE SITTING BOARD MEMBERS ARE NOT FROM RURAL AREAS. THE MAJORITY ARE FROM SARPY OR DOUGLAS COUNTY AND THE REPRESENTATION IS NOT EVENLY DISTRIBUTED. SO, BASICALLY, THE ARGUMENT THAT IN SEPARATING IT IS THAT THERE'S SO MUCH GEOGRAPHY TO BE COVERED, SO MUCH LAND, WATER, WHAT WAS ORIGINALLY THE INTENT OF THE NRDs WHEN THEY WERE FORMED COULD NOW HAVE ITS OWN NRD. AND WHEN WE BROUGHT THAT TO THE COMMITTEE FOR A PUBLIC HEARING, OTHERS FROM LANCASTER COUNTY EXPRESSED THE SAME CONCERN THAT THEIR INTERESTS WERE NOT SPECIFIC TO THEIR NEEDS. AND WITH THIS BILL, BACK TO PROPERTY TAX AND LEVIES AND DOLLARS THAT ARE NEEDED FOR THE MUNICIPALITIES, WHICH WE HAD A PUBLIC HEARING RECENTLY SAYING THAT, YOU KNOW, WITHOUT THEIR LEVIES, OUR CITIES,

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TOWNS, AND OMAHA AND LINCOLN CAME AND TESTIFIED, YOU KNOW, THEY WOULD BE IN DIRE STRAITS. THOSE MAYORS OR THEIR REPRESENTATIVES WERE THERE. MY ARGUMENT FROM THE VERY BEGINNING IS, THIS LEGISLATURE HAS ALREADY INVESTED VERY, VERY HEAVILY MILLIONS AND MILLIONS OF DOLLARS INTO WATER. WE HAVE THE WATER TASK FORCE, WATER NATURAL RESOURCES, FOOD FOR WATER INSTITUTE. LOOK IT UP. WE ARE NOT SHY DOLLARS SHOULD WE RUN INTO AN EVENT THAT NEEDS MORE WATER OR LESS WATER. WHAT WE NEED IS LEGISLATION THAT PROTECTS TAXPAYERS' DOLLARS FROM NEEDLESS SPENDING ON SOMETHING THAT WE'VE ALREADY VOTED ON AND HAVE DEDICATED MUCH OF OUR TAX BASE TO. THAT IS WHY I HAVE STOOD IN OPPOSITION TO LB344. LET'S LOOK AT OUR NEEDS, OUR IMMEDIATE NEEDS AND THE CRISIS THAT WE ARE HAVING IN PROPERTY TAX, SPECIFICALLY AG LAND VALUES. [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR BRASCH: THE NATURAL RESOURCES, THE NRDs, WE SPENT HOURS DEDICATED TO FUNDING THOSE ENTITIES, AND THOSE DOLLARS ARE IN PLACE. THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. [LB344]

SENATOR COASH: THANK YOU, SENATOR BRASCH. SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB344]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. WE'RE SOON GOING TO GO TO A VOTE ON LB344. AGAIN, I WANT TO MAKE IT CLEAR THAT I OPPOSE THIS IDEA. I HOPE YOU WILL ALSO OPPOSE IT. AND TO SENATOR MURANTE'S STATEMENT. HE'S CORRECT. THERE IS ONE INDIVIDUAL THAT HAS AN OMAHA ADDRESS THAT IS INVOLVED IN AGRICULTURE. THAT BRINGS IT UP TO A GRAND TOTAL OF 2 OF THE 11 THAT ARE INVOLVED IN AGRICULTURE. BUT WHOSE PROPERTY TAX IS GOING TO TAKE THE HIT...THE BRUNT OF THE HIT INDIVIDUALLY? AGAIN, WE'RE TALKING AN AREA THAT RUNS FROM OMAHA UP TO AND TOUCHING DIXON COUNTY. COLLEAGUES, THAT'S A LOT OF AREA AND WE'RE LOOKING IT FROM BLAIR NORTH TO DIXON COUNTY WITH ONE REPRESENTATIVE. I SAID WHEN I STARTED TALKING ABOUT THE PAPIO, IT DOESN'T HAVE AN OVERLY HEAVY BEARING ON THIS PARTICULAR BILL, BUT IT DOES HAVE SOME IN HOW THE MONEY IS SPENT AND WHO DECIDES HOW MUCH MONEY IS GOING TO BE SPENT ON WHAT PROJECTS. WASHINGTON COUNTY, I BELIEVE, PAYS IN ROUGHLY A MILLION DOLLARS A YEAR PROPERTY TAX TO THE NRDs AND THEY GET BACK \$250,000, \$300,000. ARE THEY WELL-REPRESENTED? I

DON'T THINK SO, BUT THEY DON'T HAVE THE VOTES. SO, I GUESS, IN THE LANGUAGE OF NRDS, THEY DON'T MUCH MATTER. COLLEAGUES, LET'S PLEASE KILL THIS BILL. THANK YOU. [LB344]

SENATOR COASH: THANK YOU, SENATOR BLOOMFIELD. SENATOR FRIESEN, YOU'RE RECOGNIZED TO CLOSE ON THE COMMITTEE AMENDMENT. [LB344]

SENATOR FRIESEN: THANK YOU, MR. PRESIDENT. WHAT AM2112 DOES TO LB344 IS PUT IN PLACE ALL OF THE OBLIGATIONS NOW THAT TIE IT TO THE WATER SUSTAINABILITY FUND. THIS AMENDMENT WOULD ENSURE THAT THE NATURAL RESOURCES DISTRICTS WILL ONLY BE AUTHORIZED TO ISSUE GENERAL OBLIGATION BONDS IF THOSE CONDITIONS ARE MET. IT WOULD STILL REQUIRE TWO-THIRDS OF THE BOARD TO APPROVE THE ISSUANCE OF THE BONDS IF THEY'RE UNDER 1 CENT, THE WAY IT'S AMENDED. THE NRD MUST HAVE A PROJECT IN FRONT OF THE WATER SUSTAINABILITY FUND, SO THAT MEANS IT HAS TO BE APPROVED. AND IF THAT APPLICATION IS FUNDED, WHICH THEN WILL BE FUNDED AT 60 PERCENT FUNDING FROM THE WATER SUSTAINABILITY FUND. THE NRDS IN QUESTION, IF THERE WERE ONE OR MULTIPLE NRDS, WOULD BE ALLOWED TO BOND UP TO 40 PERCENT OF THAT COST. THE NRDs ARE REQUIRED TO HAVE MATCHING FUNDS AND THAT'S WHERE THESE DOLLARS WOULD COME FROM. AND IF THEY CHOSE NOT TO BOND THEM, THEY STILL WOULDN'T BE REQUIRED TO BOND IT IF THEY COULD WORK IT UNDER THEIR LID LIMIT. THEY COULD STILL JUST FUND IT AS THEY WOULD ORDINARILY. THE ANNUAL TAX LEVY TO PAY THE BOND DEBT MUST NOT EXCEED THE NRD'S TAX LEVY LIMIT. IF A PROJECT IS NOT SELECTED FOR FUNDING FROM THE WATER SUSTAINABILITY FUND, OR IF ISN'T APPROVED FOR THE AMOUNT REQUESTED, THE NRD MAY ISSUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED 60 PERCENT OF THE PROJECT COST. IF A PROJECT IS SELECTED FOR FUNDING, THE NRD MAY ISSUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED 40 PERCENT OF THE PROJECT COST. BONDS MUST BE ISSUED WITHIN FOUR YEARS FROM THE DATE THE APPLICATION IS SELECTED OR NOT SELECTED FOR FUNDING. AND IT SUNSETS ON DECEMBER 31 OF 2025. SO WHAT THIS AMENDMENT DOES IS TAKES LB344 WHICH JUST ALLOWS NRDs THE AUTHORITY TO BOND WITH NO RESTRICTIONS, AND THIS PLACES SOME RESTRICTIONS IN PLACE. FROM WHAT I UNDERSTAND, THE WATER SUSTAINABILITY FUND THIS YEAR, THERE'S APPROXIMATELY \$30 MILLION IN THAT FUND AND IT DEPENDS ON THE SIZE OF PROJECTS THAT ARE CHOSEN HOW MANY NRDs WOULD EVEN POTENTIALLY BE ABLE TO USE THIS AS A TOOL. SO I LOOK AT THIS AS A ... STILL AS A TOOL THAT CAN BE USED. WE'VE TALKED A LOT ABOUT WATER ISSUES IN THE PAST AND, FINALLY, AFTER ALL THESE YEARS, THE STATE OF NEBRASKA IS FINALLY GOING

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TO PUT A LITTLE MONEY INTO WATER ISSUES. I THINK THIS IS A VERY IMPORTANT ASPECT THAT WE SHOULDN'T LOSE SIGHT OF. IN THE PAST, THE STATE HAS NOT SPENT A LOT OF MONEY MANAGING WATER. THAT HAS ALL BEEN DONE AT THE LOCAL LEVEL WITH LOCAL PROPERTY TAXES. THIS IS THE FIRST TIME THAT THE STATE HAS REALLY BEEN WILLING TO STEP UP AND WORK ON ISSUES IN ORDER TO STABILIZE AND TO SUSTAIN OUR WATER SUPPLIES INTO THE FUTURE. SO I LOOK AT THIS AS A PART OF THE PROCESS THAT'S NEEDED. THERE'S STILL ISSUES MAYBE WE NEED TO ADDRESS IN THIS, BUT I THINK THIS BILL SHOULD GO FORWARD. AND THIS AMENDMENT, I ASK YOU TO VOTE GREEN AND SUPPORT THIS INTO LB344. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR FRIESEN. MEMBERS, YOU'VE HEARD THE CLOSING TO THE COMMITTEE AMENDMENT. THE QUESTION BEFORE THE BODY IS, SHALL AM2112 BE ADOPTED? ALL THOSE IN FAVOR VOTE AYE; OPPOSED VOTE NAY. RECORD, MR. CLERK. [LB344]

CLERK: 25 AYES, 2 NAYS ON ADOPTION OF COMMITTEE AMENDMENTS, MR. PRESIDENT. [LB344]

SENATOR COASH: THE COMMITTEE AMENDMENTS ARE ADOPTED. RETURN TO DISCUSSION ON LB344. SEEING NO ONE WISHING TO SPEAK...EXCUSE ME, SENATOR SCHNOOR, YOU'RE RECOGNIZED. [LB344]

SENATOR SCHNOOR: THANK YOU. I GOT THAT IN AT THE LAST MINUTE. YOU KNOW, WE'VE BEEN TALKING ON THIS FOR, I DON'T KNOW, CLOSE TO FOUR HOURS. AND WHAT IT COMES DOWN TO IS ALLOWING THE NRDs TO LEVY MORE TAXES. IT'S ABOUT... YES, IS IT ABOUT WATER? OF COURSE IT IS, NO DOUBT ABOUT THAT. BUT IT TAKES TAXES TO DO THAT. AND TO DATE THEY'VE BEEN ABLE TO DO THIS WITHOUT BONDING AUTHORITY. AND TO DATE NOTHING HAS BEEN TAKEN OUT OF THE WATER SUSTAINABILITY FUND THAT IT WAS DESIGNED FOR, NOT ONE PENNY. SO LB344 IS NOT NEEDED. IF THERE ARE EXTREME MEASURES. SUCH AS A LEVEE AROUND OFFUTT, THE NRDs HAVE THE ABILITY, JUST AS THEY HAVE PROVEN, TO COME AND GET AN APPROPRIATION, OR AT LEAST ASK FOR IT. SO THEY'VE BEEN ABLE TO DO EVERYTHING THAT THEY HAVE NEEDED WITHOUT BONDING AUTHORITY. THE TAXES IN A RURAL AREA ARE OUTRAGEOUS AND WE NEED TO SLOW IT DOWN. IS THIS ANOTHER TOOL? OF COURSE IT IS, JUST AS IN THE SCHOOL DISTRICTS, THEY'RE USING THE TOOLS THAT THEY HAVE. ANY MORE MONEY THAT THEY LEVY IS A TAX INCREASE. WE'RE NOT USING COMMON CORE MATH. THIS IS REAL MATH. IT'S A TAX

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INCREASE, PLAIN AND SIMPLE. SO, I AM OPPOSED TO THIS. AND BEFORE YOU PRESS THAT BUTTON ONE WAY OR THE OTHER, STOP AND THINK OF WHAT WE'RE REALLY DOING. STOP AND THINK OF WHAT IS BEING SAID IN RURAL NEBRASKA. AND STOP THIS FROM HAPPENING AND CONTINUING. I SAID IN THE VERY BEGINNING, I BECAME VERY GOOD FRIENDS WITH A LOT OF THE DIRECTORS OF THE NRDS. AND THEY HAVE SAID THIS IS A TOOL IN THEIR TOOLBOX. I'M VERY GOOD FRIENDS WITH MANY SCHOOL ADMINISTRATORS AND THEY TALK ABOUT THE TOOLS IN THEIR TOOLBOX, THE TOOLS THAT THEY CAN USE. BUT WE HAVE THE ABILITY RIGHT NOW TO STOP THAT, TO SLOW IT DOWN, TO STOP IT FROM HAPPENING. [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR SCHNOOR: FOR EVERY PENNY THAT'S LEVIED, IT IS MORE TAXES, PLAIN AND SIMPLE. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: SENATOR GROENE, YOU'RE RECOGNIZED. [LB344]

SENATOR GROENE: THANK YOU, MR. PRESIDENT. I HAVEN'T HAD A CHANCE TO READ IT, BUT I KNOW THE ... I JUST GOT IT NOW, THAT THE WATER SUSTAINABILITY FUND COMMISSION CAME UP WITH THEIR ELIGIBILITY, WHAT'S SUSTAINABILITY. WE'RE GETTING INTO ONE OF THOSE ISSUES AGAIN. WHAT IS THE DEFINITION OF SUSTAINABILITY, JUST LIKE ON TAX INCLEMENT FINANCING WHAT IS BLIGHTED AND SUBSTANDARD. ANYMORE, WE'VE BEEN USING PRESIDENT CLINTON'S DICTIONARY, WHAT THE DEFINITION OF IS, IS. BUT TO ME, THE SUSTAINABILITY IS TO MAKE SURE YOU HAVE WATER, PERIOD. AND YOU HAVE WATER AS YOU HAD IT IN THE PAST. SO, WHAT...WHAT FUNDS...WHAT ARE WE GOING TO FUND WITH THIS WATER SUSTAINABILITY, AND DOES ANYTHING GO? YOU WANT TO BUILD A LEVEE SOMEWHERE OR FIX ONE THAT'S EXISTING? IT'S SUSTAINABILITY...I UNDERSTAND IT'S SUPPOSED TO BE SUSTAINABILITY ON WATER SUPPLY, NOT SUSTAINABILITY ON MAKING SURE SOME AREA DOESN'T GET FLOODED. AT LEAST THAT'S WHAT I WAS TOLD, LED TO BELIEVE WHEN WE DID THIS. EVEN OMAHA GOT IN ON THE ACT AND THEY GOT SOME OF THE MONEY BECAUSE THEY HAD SUSTAINABILITY ON THEIR CLEAN WATER TO DRINK IN THEIR CITY, SO THEY GOT SOME OF THE MONEY. THAT MADE SENSE. THIRTY MILLION DOLLARS AND ELEVEN MILLION DOLLARS EXTRA EVERY YEAR, THAT'S A PRETTY GOOD CHUNK OF MONEY THAT THE STATE THREW IN AND THEY WERE INTENT. THE INTENT WAS THAT THEN THE NRD WOULD MATCH IT. I THINK IT SAYS 40 PERCENT HERE ON THE LOCAL MATCH REQUIREMENT. BUT

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THAT'S...WE'VE ALWAYS PAID AS WE'VE GONE WITH NRDs. DO YOU UNDERSTAND WHEN YOU BORROW MONEY, NOW MONEY IS GOING TO GO FOR INTEREST? HAVE YOU EVER BORROWED ON A HOME? HAVE YOU BORROWED EVEN AT 4 OR 5 PERCENT? IN THE PAST, WE GOT DIRT MOVED, LEVEES BUILT, DAMS BUILT, DOLLAR FOR DOLLAR, BECAUSE WE BUILT AS WE GO. BUT, NO, NOW WE'RE GOING TO TAKE THE ... FORCIBLY TAKE THE PROPERTY TAX DOLLARS FROM THE FARMER IN WASHINGTON COUNTY AND SAY, NO, WE'RE GOING TO PAY INTEREST ON THIS ALSO. BECAUSE, SEE, THIS GENERATION NEEDS IT NOW. WE NEED IT TODAY. WE CAN'T, SLOWLY BUT SURELY, BUILD ON WHAT WE'VE DONE, REPAIR WHAT WE HAVE. WE GOT TO HAVE IT TODAY. MAYBE IT'S GLOBAL WARMING, MAYBE WE'RE EXPECTING A FLOOD. MAYBE WE'RE GOING TO BE AN INLAND SEA AGAIN AND WE'VE GOT TO DIKE THE STATE. I DON'T KNOW WHAT THEY'RE AFRAID OF, BUT. WE ARE GOING BORROW MONEY AND NOW MONEY ON TAXES THAT USED TO BE, DOLLAR FOR DOLLAR, USED BY FISCALLY CONSERVATIVE MEMBERS OF NRDs TO SPADE THE DIRT TO BUILD SOMETHING IS NOW GOING TO BE USED FOR INTEREST. I DON'T CALL THAT SUSTAINABLE. I DON'T CALL IT COMMON SENSE. AND THIS ALL STARTED BECAUSE OF ONE ISSUE, A LEVEE AROUND AN AIR FORCE BASE, WHICH I LOVE OFFUTT AIR FORCE BASE, GREAT FOR THE STATE, BUT IT'S PAPIO'S PROBLEM AND 57...I WAS LOOKING AT THAT AGAIN, \$57 BILLION IN ASSESSED VALUATION. YOU CAN JUST ... IF YOU THROW OUT ONE OTHER ONE THAT'S 26, YOU CAN ADD UP THE OTHER 21, PROBABLY, NRDs, AND THEY DON'T COME WITH THE VALUATION OF PAPIO. SO, THE BIG GUY ON THE BLOCK WANTS SOMETHING AND, AGAIN, HE GETS IT. IS THAT WHAT WE'RE DOING HERE? I...BESIDES THE LEVEE AROUND OFFUTT, DID ANY OF YOU SENATORS...DID YOUR TAXPAYERS TELL YOU, BOY, WE JUST NEED TO HAVE BONDING AUTHORITY, WE NEED TO HAVE OUR NRDS GO INTO DEBT, IT'S JUST A CRISIS OUT HERE? [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR GROENE: THIS NEEDS TO GO AWAY. IT NEEDS TO DISAPPEAR. WE ARE FIGHTING PROPERTY TAXES. IT'S THE BIGGEST ISSUE HERE. AND SOME OF MY OWN ALLIES, WHO DON'T LIKE PROPERTY TAXES, WANT MORE. I DON'T UNDERSTAND IT. EITHER WE WANT TO REIN IN PROPERTY TAXES, EITHER WE WANT TO CONTROL SOME OF THE LOOPHOLES IN PROPERTY TAXES THAT LB959 AND LB958 ARE TRYING TO ADDRESS, OR WE DON'T, BECAUSE THIS IS ANOTHER LOOPHOLE. IT'S LIKE WE'RE BIPOLAR. OR DID I INSULT SOMEBODY THAT'S BIPOLAR? I DON'T KNOW. ANYWAY, FOLKS, THIS THING NEEDS TO GO AWAY. WE DON'T NEED DEBT ANYMORE, PUT THE PROPERTY TAXPAYERS MORE IN DEBT. SO, THANK YOU. [LB344 LB959 LB958]

SENATOR COASH: THANK YOU, SENATOR GROENE. MR. CLERK. [LB344]

CLERK: SENATOR SCHNOOR MOVE TO AMEND, AM2446. (LEGISLATIVE JOURNAL PAGE 880.) [LB344]

SENATOR COASH: SENATOR SCHNOOR, YOU'RE RECOGNIZED TO OPEN ON YOUR AMENDMENT. [LB344]

SENATOR SCHNOOR: THANK YOU. WHENEVER ANYBODY MISPRONOUNCES MY NAME, I HAVE TO STOP FROM LAUGHING. MY AMENDMENT SIMPLY...IT'S PRETTY SIMPLE. IT CHANGES THE SUNSET DATE FROM 2025 TO 2023. AND JUST SAYING THAT, THAT'S...WE'RE TALKING 2025. I REMEMBER WATCHING MOVIES THAT YOU NEVER THOUGHT THAT THAT YEAR WOULD EVER ROLL AROUND. BUT, IT JUST ADDS A LITTLE MORE PROTECTION SHOULD THIS GO THROUGH. AND I KIND OF START BACK FROM THE BEGINNING. WE'RE AUTHORIZING NRDs THROUGHOUT THE STATE OF NEBRASKA TO ISSUE GENERAL OBLIGATION BONDS WITHOUT A VOTE OF THE PEOPLE WHEN THE BIGGEST ISSUE THAT WE HEAR IS PROPERTY TAXES, OR THE MORE CORRECT TERM IS REAL ESTATE TAXES. AND WE'RE GOING TO ALLOW THE NRDs THE ABILITY TO LEVY MORE TAXES. BUT WE'VE HEARD THAT'S NOT A TAX INCREASE. IF THEY STAY WITHIN THEIR LEVY. IT'S NOT A TAX INCREASE. BUT THE MAN OR THE WOMAN THAT'S WRITING THE CHECK DOESN'T THINK SO AND THAT'S WHO WE'RE HERE FOR. WE'RE HERE FOR THE TAXPAYERS. SO I'M ADDING JUST A LITTLE BIT MORE PROTECTION. IT'S ALWAYS IMPORTANT, I FEEL, TO HAVE A SUNSET DATE ON THESE. IT FORCES US TO RELOOK AT IT. YOU KNOW, FOR THAT MATTER, IT'S JUST WHY SENATOR KOLOWSKI IS LOOKING AT THIS BECAUSE THE PAPIO-MISSOURI NRD IS LOSING THEIR ABILITY. SO THIS FORCES US... OR NOT US BECAUSE WE WON'T BE HERE, IT FORCES FUTURE LEGISLATORS TO RELOOK AT THIS. BUT THE FACT OF THE MATTER IS. THIS WILL RESULT IN AN INCREASE IN TAXES. YOU'VE SEEN THE AMOUNTS OF THE SHEETS THAT I'VE HANDED OUT. YOU'VE SEEN HOW MONEY IS BEING SPENT. YOU'VE SEEN HOW JUST 1 CENT INCREASES BUDGETS IN AN NRD, OR I SHOULDN'T SAY BUDGET. IT INCREASES THE LEVIED AMOUNT OF DOLLARS BY HALF. SOME ARE MORE: SOME ARE LESS. BUT REMEMBER WHO WE'RE HERE FOR. AND IT SEEMS LIKE EVERYTHING THAT WE DEBATE ENDS UP BEING ABOUT MONEY. THAT'S ALWAYS WHAT IT COMES DOWN TO IS MONEY. AND WE HAVE MORE OF THAT COMING DOWN THE PIKE HERE TO THE TUNE OF BILLIONS OF DOLLARS OR \$1 BILLION. WE'RE GOING TO HEAR THAT, EVENTUALLY. BUT THIS WILL BE A TAX INCREASE BECAUSE WE ARE GIVING THEM THE ABILITY TO DO THAT. SOME WILL, SOME WON'T, BUT WE NEED TO FIGHT FOR THAT TAXPAYER, THAT INDIVIDUAL THAT HAS TO SIT DOWN AND WRITE THE CHECK. WE NEED TO

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STAND BY THEM. WE NEED TO SHOW THEM THAT WE ARE HERE TO SUPPORT THEM, AND THAT WE DO NOT WANT TO SEE THEIR TAXES GO UP ANYMORE. I TELL THE FOLKS BACK HOME THAT IF THEY WANT...IF THEY'RE EXPECTING TO SEE THEIR TAXES OR THEIR TAX BILL TO BE LESS NEXT YEAR, I TOLD THEM, DON'T HOLD THEIR BREATH. IF WE'RE LUCKY, WE'LL BE ABLE TO STOP THE BLEEDING, BUT THIS DOESN'T DO THAT. IT DOESN'T STOP THE BLEEDING. IT ALLOWS FOR MORE BLEEDING, FOR MORE BLOODSHED. SO THINK REAL HARD ABOUT THIS. DO WE WANT TO WALK AWAY THIS SESSION AND MAKE A DIFFERENCE? DO WE WANT TO MAKE THINGS BETTER, OR DO WE WANT TO MAKE THINGS WORSE? BECAUSE RIGHT NOW, I FEEL THAT'S WHAT WE'RE DOING. WE'RE MAKING MATTERS WORSE. IT HAS BEEN PROVEN THAT I'VE SAID TIME AND TIME AGAIN THAT THE NRDS HAVE THE ABILITY TO FUND THEIR PROJECTS WITHOUT BONDING. LAKE WANAHOO AROUND WAHOO, PRIME EXAMPLE, THEY DID IT WITHOUT BONDING. THE LEVEE AROUND OFFUTT AIR FORCE BASE, PRIME EXAMPLE, THEY DID IT WITHOUT BONDING. SO WHY CAN'T THE OTHER NRDS DO THE SAME THING? THE PRECEDENCE HAS BEEN SET THAT WE DON'T NEED THIS. SO WHY DO WE NEED TO PUSH THIS THROUGH? WHY DO WE NEED TO ALLOW A TAX INCREASE, OR A POSSIBLE TAX INCREASE, THROUGHOUT THE ENTIRE STATE? WE NEED TO STOP IT. SOMEWHERE ALONG THE LINE, WE NEED TO SAY NO. WE'RE IN FOR BIG TROUBLE AHEAD. I AM POSITIVE. WITH THE FARM ECONOMY THE WAY IT IS, THERE ARE TOUGH TIMES AHEAD. IT HAS HAPPENED ALREADY IN THE LIVESTOCK SECTOR, AND I ATTEST TO THAT FIRSTHAND. SO LET'S NOT MAKE IT WORSE FOR EVERYBODY. LET'S STOP THIS FROM HAPPENING. LET'S SLOW DOWN THE SPENDING. LET'S GET THINGS UNDER CONTROL BEFORE THEY GET OUT OF CONTROL. WE'RE ALREADY AT A DEFICIT, AS I UNDERSTAND IT. WE STARTED AT \$150 MILLION, I THINK THE LAST REPORT WAS \$13 MILLION. [LB344]

SENATOR COASH: ONE MINUTE. [LB344]

SENATOR SCHNOOR: THANK YOU. BUT WE DIDN'T MAKE UP THE \$150 MILLION. WE'RE STILL AT A DEFICIT. IS THIS GOING TO AFFECT IT THIS YEAR? NO, BUT IT EFFECTS IT IN OTHER YEARS. SO, LET'S HELP THE TAXPAYERS. LET'S NOT MAKE IT WORSE FOR THEM. LET'S SLOW THINGS DOWN. LET'S LET THE PEOPLE OF THE STATE KNOW WE'RE HERE TO MAKE A DIFFERENCE. THANK YOU, MR. PRESIDENT. [LB344]

SENATOR COASH: THANK YOU, SENATOR SCHNOOR. MR. CLERK. [LB344]

CLERK: SENATOR KINTNER WOULD MOVE TO AMEND SENATOR SCHNOOR'S AMENDMENT. (FA92, LEGISLATIVE JOURNAL PAGE 880.) [LB344]

SENATOR COASH: SENATOR SCHNOOR...OR EXCUSE ME, SENATOR KINTNER, YOU ARE RECOGNIZED TO OPEN ON FA92. [LB344]

SENATOR KINTNER: WELL, THANK YOU, MR. PRESIDENT. I LOOKED AT SENATOR SCHNOOR'S AMENDMENT. I THINK HE'S KIND OF A SOFTY OVER THERE AND I THOUGHT, NO. WHAT IT DOES IS IT TAKES HIS AMENDMENT FROM 2023, TAKES IT DOWN TO 2021. I JUST THINK SENATOR SCHNOOR IS A LITTLE SOFT. HE HAS BEEN AT THIS TOO LONG, HE'S WEARING DOWN. HE'S NOT AT THE TOP OF HIS GAME. I THOUGHT I WOULD HELP HIM A LITTLE BIT HERE. I JUST DON'T WANT SENATOR SCHNOOR GOING SOFT AND I THINK WE CAN SUNSET THIS AT ABOUT 2021. AND I HAVEN'T SAID A WHOLE LOT ON THIS, BUT, YOU KNOW, I GOT TO THINKING ABOUT WHERE WE ARE AND HOW WE GOT TO WHERE WE ARE. NOW, THIS IS MY FOURTH YEAR, AND I HAVEN'T BEEN SHY ABOUT SAYING THIS, BUT WE HAVE NOT DONE A SINGLE BROAD-BASED TAX RELIEF WHERE WE REDUCED A TAX RATE YET. WE HAVEN'T DONE THAT. WE'VE DONE SOME TAX RELIEF AND I'M PROUD TO BE PART OF THAT AND BE A COSPONSOR OF THAT STUFF, BUT WE HAVEN'T GOT TO THE POINT WHERE WE'RE CUTTING TAX RATES PERMANENTLY FOR THE PEOPLE OF THE STATE. AND I...AS I SAID EARLIER IN THIS DEBATE, ALMOST EVERY ONE OF US KNOCKED ON DOORS AND TOLD PEOPLE THAT WE WANT LOWER TAXES. THERE MIGHT HAVE BEEN A COUPLE OF PEOPLE IN SOME LINCOLN DISTRICT LOADED WITH LIBERALS THAT SAID, NO, I WANT TO INCREASE SPENDING. BUT MOST OF US SAID, WHEN WE GOT ASKED ABOUT TAX RELIEF, I AM FOR TAX RELIEF. I WANT TO CUT YOUR TAXES. AND SOMEHOW, MAGICALLY, WE COME DOWN HERE AND WE FIND OURSELVES SPENDING MORE MONEY. AND I JUST ... I DON'T THINK THAT'S WHAT VERY MANY OF US CAME DOWN HERE TO DO, BUT HERE WE ARE DOING IT. AS A MATTER OF FACT, WE RAISED THE TAX LAST YEAR AND I'M NOT GOING TO BRING THAT BACK UP. THAT'S DONE, IT'S OVER WITH. I'M NOT HERE TO BEAT ANYBODY UP ON THAT. EVERYBODY VOTED WHERE THEY THOUGHT THEY HAD TO BE ON THAT. SO, LAST YEAR WE ACTUALLY RAISED A TAX. THIS IS GOING TO BE A TAX INCREASE. IT'S THE WORST KIND. THERE'S NOBODY ACCOUNTABLE FOR THIS TAX INCREASE, REALLY. IT DOESN'T GO TO A VOTE OF THE PEOPLE. THIS IS A GENERAL OBLIGATION BOND. THIS IS JUST NOT GOOD POLICY. IF YOU CAN'T LET THE PEOPLE TAKE A LOOK AT THIS, AND DECIDE IF THEY WANT TO DO IT, PEOPLE ARE HOPPING MAD OUT THERE. GET OUT OF THIS CHAMBER. QUIT LISTENING TO PEOPLE BEHIND THE GLASS AND GO TALK TO PEOPLE IN YOUR DISTRICT. I ASSURE YOU, IF YOU TOOK A VOTE IN MOST DISTRICTS IF YOU

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SHOULD DO THIS OR NOT, IT WOULD BE OVERWHELMINGLY NO, NO, AND DOUBLE NO. YOU GOT TO GET OUT OF LINCOLN. YOU GOT TO GO SPEND TIME IN YOUR DISTRICT. YOU GOT TO TALK TO THE PEOPLE WORKING HARD AND PAYING TAXES. THERE ARE CERTAINLY GOOD PROJECTS THAT THIS WILL FUND, BUT YOU OWE IT TO THE PEOPLE TO TAKE IT TO THEM AND LET THEM OKAY IT. THIS IS BEYOND WHAT WE SHOULD DO. AND IN LIGHT OF THE TAX INCREASES, AND OUR INABILITY TO CUT TAXES OVER THE LAST THREE SESSIONS, THIS IS THE FOURTH SESSION, TAX RATES, TAX RATES, I MEAN, IF YOU PUT IT IN THAT LIGHT, THIS IS TOUGH. THIS IS AN UP YOURS TO VOTERS, THIS IS AN UP YOURS TO THE TAXPAYERS TO DO SOMETHING LIKE THIS TO THEM. I JUST DON'T THINK THAT WE ARE WELL-SERVED WHEN WE QUIT LISTENING TO THE PEOPLE THAT SENT US HERE AND WE START TELLING THEM, YOU'RE HERE TO SERVE US. YOU EARN THAT MONEY, WE'LL SPEND IT. THAT'S THE WRONG, WRONG, WRONG WAY TO DO IT. I DON'T WANT TO HAVE ANYTHING TO DO WITH THIS. I'M DRAWING A LINE IN THE SAND RIGHT HERE. AND I THINK THAT THOSE OF US WHO STAND STRONG FOR THE TAXPAYERS WILL CERTAINLY BE REWARDED BY OUR CONSTITUENTS. THERE IS NO DOUBT IN MY MIND THAT WE ARE GOING DOWN THE WRONG ROAD HERE. WE HAD A CHANCE TO FIX THIS BILL EARLIER WITH A VOTE OF THE PEOPLE ON THIS, AND YOU DIDN'T WANT TO DO IT. YOU JUST DIDN'T WANT TO DO IT BECAUSE WE'RE JUST SO SMART HERE. WE CAN JUST SPEND THE TAXPAYERS' MONEY BETTER THAN THEY CAN, RIGHT? IS THAT WHAT WE'RE SAYING? THAT WE'RE SMARTER THAN THE GUY EARNING THE MONEY? I AM QUITE FRUSTRATED AT THIS POINT, AND I'LL BE HAPPY TO STAND WITH THE TAXPAYERS OF THIS STATE AGAINST THE PEOPLE WHO WANT TO SPEND THEIR MONEY WITHOUT A VOTE. THANK YOU, MR. PRESIDENT. [LB344]

# SPEAKER HADLEY PRESIDING

SPEAKER HADLEY: THANK YOU, SENATOR KINTNER, FOR YOUR OPENING ON FA92. THOSE IN THE QUEUE ARE SENATOR EBKE, KINTNER, BLOOMFIELD, KOLOWSKI, BRASCH, AND OTHERS. SENATOR EBKE, YOU'RE RECOGNIZED. [LB344]

SENATOR EBKE: THANK YOU, MR. PRESIDENT. I STOOD TO DISCUSS LB344, BUT NOW WE'VE GOT A COUPLE OF AMENDMENTS UP. AND I HAVE TO SAY THAT I AM DEFINITELY IN FAVOR OF SENATOR SCHNOOR'S AMENDMENT, AM2446, BUT I LIKE SENATOR KINTNER'S AMENDMENT, FA92, EVEN MORE. I THINK THAT MORE OF WHAT WE DO OUGHT TO INCLUDE SOME SUNSET PROVISIONS. YOU KNOW, I'VE BEEN OUT IN THE DISTRICT QUITE A BIT. I'VE HAD, I DON'T KNOW, THREE OR FOUR DIFFERENT TOWN HALL MEETINGS IN THE LAST MONTH. AND THE THING

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THAT I HEAR ABOUT THE MOST FREQUENTLY ARE PROPERTY TAXES. I HEAR ABOUT PROPERTY TAXES NOT ONLY AT TOWN HALL MEETINGS, BUT I HEAR ABOUT PROPERTY TAXES WHEN I GO TO WALMART. I HEAR ABOUT PROPERTY TAXES WHEN I GO TO MY SON'S 7th GRADE BASKETBALL GAMES. A COUPLE WEEKS AGO ON A SATURDAY MORNING MY HUSBAND AND I WERE STANDING--I TRY TO STAY OUT OF THE GENERAL...THE GENERAL VICINITY OF THE CROWDS--LIKE WE WERE STANDING UP ON THE DECK, AND SOMEBODY SAW ME AND CAME UPSTAIRS, AND SAID, SENATOR, WHAT ARE YOU GOING TO DO ABOUT PROPERTY TAXES? I BLAMED IT ON THE REVENUE COMMITTEE. BUT THE BOTTOM LINE IS, WE ARE HERE TO DO SOMETHING ABOUT PROPERTY TAXES THIS YEAR. WE NEED TO DO SOMETHING ABOUT PROPERTY TAX RELIEF. THIS WEEKEND, I, LIKE MANY OF YOU, SENT OUT SOME ... AN E-NEWS LETTER TO MY CONSTITUENTS FOR WHOM I HAVE E-MAIL ADDRESSES. AND I TRY TO PROVIDE A REVIEW OF WHAT HAPPENED THE PREVIOUS WEEK, AND TALK A LITTLE BIT ABOUT WHAT'S COMING UP THE NEXT WEEK. AND SINCE WE LEFT OFF LAST THURSDAY WITH LB344. I MENTIONED THIS PARTICULAR THING. THIS PARTICULAR BILL AND SUGGESTED THAT MAYBE IT WAS GOING TO HAVE A LITTLE BIT OF TROUBLE THIS WEEK. AND I RECEIVED AN E-MAIL BACK FROM ONE OF MY CONSTITUENTS FROM THE WILBER AREA. AND HERE'S WHAT MY CONSTITUENT SAID. QUOTE: IT'S FUNNY HOW THE LEGISLATURE WILL CONSIDER PROPERTY TAX RAISING BILLS LIKE LB344 BUT NOT PROPERTY TAX LOWERING BILLS. THIS ONLY HELPS FUEL THE FESTERING ANGER TOWARDS TAXING AUTHORITIES, LIKE SCHOOLS, CITIES, ETCETERA. UNQUOTE. I TEND TO AGREE. WE NEED TO ... WE NEED TO GET A HOLD OF THIS. WE NEED TO TAKE A STAND ON PROPERTY TAXES. WE NEED TO FIGURE OUT HOW TO DEAL WITH THIS ISSUE. BECAUSE WHILE IT'S EASY TO SAY ... I WAS ON THE SCHOOL BOARD IN CRETE FOR 12 YEARS, AND MY SUPERINTENDENT AND MY COLLEAGUES SAID, HEY, LAURA, WHILE YOU'RE RUNNING FOR THE LEGISLATURE, YOU CAN SAY THAT YOU DECREASED TAXES WHILE YOU WERE ON THE CRETE SCHOOL BOARD. I SAID, WELL, YES, BUT THAT'S JUST THE LEVY. THE TAXES THAT PEOPLE ARE PAYING ARE STILL GOING UP. SO WE NEED TO BE SENSITIVE TO THAT, MY COLLEAGUES, AND WE NEED TO GRAPPLE WITH THIS A LITTLE BIT AND SEE IF WE CAN FIGURE OUT A WAY FOR...TO CREATE SOME REAL PROPERTY TAX RELIEF THIS YEAR. WITH THAT, IF SENATOR SCHNOOR WOULD LIKE THE REMAINDER OF MY TIME, I'D BE HAPPY TO YIELD TO HIM. [LB344]

SPEAKER HADLEY: SENATOR SCHNOOR, YOU'RE YIELDED 1:25. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR, AND THANKS, SENATOR EBKE. FOR ME THIS ALL STARTED BACK WITH THE LEVEE PROJECT AROUND OFFUTT. I'M AN AIR

FORCE VET. I RETIRED 16 YEARS AGO, HARD TO BELIEVE, BUT I KNOW THE IMPORTANCE OF HAVING THAT BASE THERE. NOW I LOOK AT IT MORE... [LB344]

SPEAKER HADLEY: ONE MINUTE. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR...MORE OF THE IMPORTANCE OF THE FINANCIAL VALUE TO THE STATE BECAUSE EVERYTHING WE DEAL...NOT EVERYTHING BUT MOST EVERYTHING WE DEAL WITH HERE IS ABOUT MONEY. AND I'M GOING TO RUN OUT OF TIME AND THE NEXT TIME I'M UP IN THE QUEUE I'LL FINISH THIS. BUT IN ORDER TO GET THIS...IN ORDER TO SWAY ME TO VOTE FOR THIS, SENATOR KOLOWSKI GAVE ME A LETTER...ACTUALLY NOT A LETTER. IT'S AN ARTICLE WRITTEN BY PAUL HAMMEL IN THE <u>WORLD-HERALD</u> DATED SUNDAY, FEBRUARY 7, 2016. [LB344]

SPEAKER HADLEY: TIME, SENATOR. [LB344]

SENATOR SCHNOOR: THANK YOU, SIR. [LB344]

SPEAKER HADLEY: THANK YOU, SENATOR EBKE AND SENATOR SCHNOOR. SENATOR KINTNER, YOU'RE RECOGNIZED. [LB344]

SENATOR KINTNER: WELL, THANK YOU, MR. PRESIDENT. WOULD SENATOR GROENE YIELD TO A QUESTION? [LB344]

SPEAKER HADLEY: SENATOR GROENE, WILL YOU YIELD TO A QUESTION? [LB344]

SENATOR GROENE: YES, I WILL, MR. PRESIDENT. [LB344]

SENATOR KINTNER: THANK YOU, SENATOR GROENE. THANK YOU, MR. PRESIDENT. SENATOR GROENE, WHEN YOU GO TO YOUR DISTRICT, BACK IN YOUR DISTRICT, WHAT DO PEOPLE SAY ABOUT TAXES? WHAT ARE YOU HEARING THERE? [LB344]

SENATOR GROENE: WHEN I BANGED ON DOORS, IT'S ALL I HEARD WAS PROPERTY TAXES, PROPERTY TAXES, PROPERTY TAXES. AND FROM THE FARMERS WHO, BY THE WAY, I RAN AGAINST THE N-CORPE PROJECT AND I WON THE RURAL DISTRICTS, TOO, BECAUSE OF A \$10 AN ACRE OCCUPATION TAX. SENATOR

KINTNER, IT'S...THOSE OF US WHO PAY TAXES, AND PAY MORE TAXES THAN WE TAKE IN GOVERNMENT BENEFITS, ARE UPSET. [LB344]

SENATOR KINTNER: HAVE YOU HAD ANYONE SAY, YOU KNOW WHAT, I THINK GOVERNMENT NEEDS MORE TAXING AUTHORITY? SENATOR GROENE, CAN YOU GIVE ME SOME...CAN YOU GIVE GOVERNMENT MORE TAXING AUTHORITY? HAVE YOU HAD ANYONE COME TO YOU AND SAY THAT? [LB344]

SENATOR GROENE: NO, SENATOR KINTNER, NOBODY HAS EVER ASKED ME THAT THEY TRUST GOVERNMENT SO MUCH THAT THEY WANT TO TURN THEIR LIVES AND THEIR POCKETBOOK OVER TO THEM. [LB344]

SENATOR KINTNER: SO, SENATOR GROENE, WHO DO YOU THINK WANTS THIS TAXING AUTHORITY? IS IT GOVERNMENT, OR WHO WANTS THIS ADDITIONAL BONDING AUTHORITY, YOU THINK? [LB344]

SENATOR GROENE: WHO? USUALLY GOVERNMENT BUREAUCRATS WHO WANT MORE MONEY TO SPEND. THEY'RE BUILDING EMPIRES. THEY START THINKING LIKE ALL HUMAN NATURE IS, THAT IT'S THEIRS. IT'S THEIR NRD, IT'S THEIR PUBLIC SCHOOL, IT'S BECAUSE THEY WERE HIRED TO RUN IT. BUT THEN WHEN THEY RETIRE AND THEY WAKE UP ONE DAY AND THEY SAY, OH, THE TAXES ARE TOO HIGH AND THEY MOVE TO MISSOURI. [LB344]

SENATOR KINTNER: WOULD YOU SAY IT'S SAFE TO SAY THAT WE'RE KILLING OUR TAXPAYERS, DEATH BY A THOUSAND CUTS, A LITTLE HERE, A LITTLE THERE? AND ALL OF A SUDDEN BY THE TIME YOU ADD IT UP, WHICH I THINK YOU WERE ALLUDING TO, IT'S A LOT OF TAXES. [LB344]

SENATOR GROENE: YES, IT IS, AND I DON'T KNOW ABOUT KILLING THEM, BUT WE'VE GOT BROAD SHOULDERS, THOSE OF US THAT HAVE A WORK ETHIC. BUT THE LOAD IS GETTING AWFUL HEAVY AND THEY KEEP PUTTING IT ON THE SAME FOLKS. WE DON'T GO ASK FOR THESE PROGRAMS. WE DON'T GO ASK THAT THE NRD NEEDS TO DO SOMETHING FOR US OR ANY OTHER ENTITIES. WE JUST ACCEPT WHAT THEY DO, AND WE PAY FOR IT. [LB344]

SENATOR KINTNER: DO YOU SEE AN ATTITUDE THAT I SEE HERE OF MEMBERS OF THIS BODY AND UNELECTED BUREAUCRATS THAT IN EFFECT ARE SAYING, YOU

KNOW, MR. TAXPAYER, WE CAN SPEND YOUR MONEY BETTER THAN YOU? DID I GET THAT RIGHT OR AM I SEEING THE RIGHT THING HERE? [LB344]

SENATOR GROENE: I AGREE. [LB344]

SENATOR KINTNER: IS THERE ANYONE IN YOUR DISTRICT THAT YOU'VE RUN INTO--I'M CIRCLING BACK AROUND--HAVE YOU FOUND ANYONE YET THAT WANTS ADDITIONAL TAXING AUTHORITY? HAVE YOU SEEN ONE TAXPAYER THAT THINKS SOMETHING LIKE THIS IS A GOOD IDEA? THERE MIGHT BE ONE OUT THERE. I HAVEN'T FOUND ONE YET. [LB344]

SENATOR GROENE: I HAVE NEVER HAD ANYBODY ASK ME TO GIVE GOVERNMENT MORE AUTHORITY OVER THEIR POCKETBOOK. [LB344]

SENATOR KINTNER: THANK YOU, SENATOR GROENE. MR. PRESIDENT, HOW MUCH TIME DO I HAVE LEFT? [LB344]

SPEAKER HADLEY: 1:50. [LB344]

SENATOR KINTNER: ONE MINUTE AND 50 SECONDS. WELL, YOU KNOW, IT KIND OF GETS TO WHERE WE ARE TODAY IN THAT WE HAVE A BODY HERE THAT'S DEBATING ABOUT WHETHER TO ALLOW ADDITIONAL TAXES ON PROPERTY, WHICH ABSOLUTELY BLOWS MY MIND. AND I HAVE GOTTEN TO THE POINT WHERE THERE'S NOT MUCH THAT SURPRISES ME. WOULD SENATOR SCHNOOR YIELD TO A QUESTION? [LB344]

SPEAKER HADLEY: SENATOR SCHNOOR, WILL YOU YIELD? [LB344]

SENATOR SCHNOOR: FOR YOU, BILL, OF COURSE. [LB344]

SENATOR KINTNER: SENATOR SCHNOOR, YOU KNOW, I SAW YOUR AMENDMENT AND YOU SUNSETTED THIS THING AT 2023. I ACCUSED YOU OF GOING SOFT ON ME AND I THOUGHT 2021 WOULD BE A LOT MORE TAXPAYER FRIENDLY. HOW DID YOU GET DOWN TO 2023? WHERE DID YOU GET THAT NUMBER FROM? [LB344]

SENATOR SCHNOOR: WELL, WE JUST PICKED IT OUT OF THE HAT. IT WAS SOMETHING...IT'S A COUPLE OF YEARS LESS. IT PUTS A LITTLE MORE

CONSTRAINTS ON IT. SHOULD THE ECONOMY GO SOUTH, IT GIVES US AN EARLIER CHANCE TO RIGHT THE SHIP BY TAKING AWAY A LITTLE MORE AUTHORITY. [LB344]

SENATOR KINTNER: DO YOU THINK MAYBE FROM THIS POINT ON YOU MIGHT BE ABLE TO CHECK WITH ME BEFORE YOU THROW SOME CRAZY DATE OUT THERE? I MEAN, I'VE BEEN DOING THIS NOW FOR FOUR YEARS TRYING TO STOP THIS KIND OF STUFF. [LB344]

SENATOR SCHNOOR: IF THAT WILL MAKE YOU FEEL BETTER AND MAKE YOU SLEEP BETTER AT NIGHT, I WILL. [LB344]

SENATOR KINTNER: WELL, I WANT YOU TO FEEL BETTER AND YOU SLEEP BETTER. THANK YOU, SENATOR SCHNOOR, AND THANK YOU, MR. PRESIDENT. [LB344]

SPEAKER HADLEY: THANK YOU, SENATOR KINTNER. SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB344]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. I DON'T BELIEVE THERE IS ANY BIG SECRET AS TO WHY THESE TWO WONDERFUL AMENDMENTS WERE INTRODUCED. I DON'T KNOW WHAT WE'RE GOING TO DO WITH THOSE. PERSONALLY, I'M GOING TO THROW ONE IN THAT SAYS 2017. BUT, COLLEAGUES, WE'RE TALKING ABOUT BONDING, GENERAL BONDING. WE'VE RESISTED THAT WITH ROAD BUILDING. WE RESIST IT FOR VIRTUALLY EVERYTHING IN STATE OF NEBRASKA BECAUSE, AS I SAID BEFORE, WE CLAIM TO BE A PAY AS YOU GO STATE. BONDING FOR WATER ISSUES OR FOR RECREATIONAL PLACES IS NOT PAY AS YOU GO. LET'S BE, AGAIN, EXTREMELY CAREFUL. WE SURVIVED THE LAST BUDGET DOWNTURN BECAUSE WE HAD OUR FISCAL HOUSE IN ORDER. LET'S NOT GO IN DEBT TO DO THINGS THAT WE CAN DO OTHER WAYS FOR WHEN THE NEXT DOWNTURN COMES. AND I FEAR IT'S NOT VERY FAR AWAY. ALL THE AG PEOPLE IN HERE KNOW, THREE YEARS AGO WE WERE LOOKING AT \$7 TO \$7.50 CORN. WE'RE NOW LOOKING AT \$3.25, \$3.50 ON A REALLY GOOD DAY. WE'VE CUT THE PRICE OF GRAINS IN HALF. WE'VE CUT THE PRICE OF LIVESTOCK CONSIDERABLY. THE AG ECONOMY IS NOT WHAT IT WAS 2 OR 3 YEARS AGO. SENATOR WILLIAMS MENTIONED THAT HE IS VERY OPTIMISTIC ABOUT IT GOING FORWARD. SO AM I. THAT'S THE GENERAL NATURE OF A FARM PERSON. WE WERE OPTIMISTIC ALL THE WAY THROUGH THE '70s, THROUGH THE LAST HALF OF THE '70s AND THE EARLY '80s. AND, FINALLY, WAY AFTER THE LAST HALF OF THE '70s,

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THINGS TURNED AROUND FOR A WHILE AND EVERYBODY MADE A LITTLE MONEY. THEY'RE NOT MAKING THAT MONEY ANYMORE. LET'S NOT GO IN DEBT. WE'VE RESISTED IT ON VIRTUALLY EVERY OTHER THING THAT THE STATE DOES. WHY WOULD WE MAKE THIS EXCEPTION HERE? SENATOR SCHUMACHER HAS BEEN SITTING BACK THERE WAY TOO QUIET, WAY TOO LONG. I'D LIKE TO YIELD HIM THE REMAINDER OF MY TIME. [LB344]

SPEAKER HADLEY: SENATOR SCHUMACHER, YOU'RE YIELDED 2:22. [LB344]

SENATOR SCHUMACHER: THANK YOU, MR. SPEAKER. IS THAT PERMITTED BY THE RULES? (LAUGHTER) I WAS GOING TO SIT QUIETLY BECAUSE I KIND OF FIGURED THAT ONCE WE VOTED DOWN THE PROPOSITION THAT THE FOLKS HAVE TO VOTE ON THIS JUST LIKE THEY HAVE TO DO IN SCHOOL ELECTIONS AND JUST LIKE THEY DO IN CITY ELECTIONS FOR BONDING, I CAN SEE NO JUSTIFICATION FOR MAKING A SPECIAL RULE FOR NRD BONDING, PARTICULARLY WHEN THOSE BONDS ARE LIABLE TO BE HUGE IN NUMBER. I VERY WELL COULD HAVE BEEN SUPPORTIVE IF WE HAD HAD A VOTE OF THE PEOPLE, LET THE PEOPLE DECIDE, BRING THE DECISION MAKING TO THE PEOPLE LEVEL. AND IF IT'S A GOOD CAUSE AND A WORTHY CAUSE, LIKE WATER OFTEN IS, I'M SURE THE PEOPLE HAVE THE COMMON SENSE TO DO WHAT THEY NEED TO DO. HOWEVER, WHEN YOU START PUTTING IT ... THE DECISION MAKING AT THE ADMINISTRATIVE LEVEL, INFLUENCING A BOARD WHO IS NOT NECESSARILY EXPERT IN THE FIELD, AND ALLOWING TWO-THIRDS OF THAT BOARD TO MAKE DECISIONS THAT WILL ENCUMBER PROPERTY FOR A LONG PERIOD OF TIME, THE PEOPLE SHOULD BE PART OF THAT DECISION-MAKING PROCESS. SO, I'VE KIND OF MADE UP MY MIND ON THIS BILL. ONCE WE VOTED DOWN A VOTE OF THE PEOPLE, BECAUSE I DON'T THINK THAT LEAVES US WITH ANY ALTERNATIVE BUT TO DO WHAT HASN'T WORKED OUT SO WELL IN SOME OTHER AREAS AND THAT IS, WE TAKE ON DEBT, LOTS OF DEBT, AND THEN COMPLAIN ABOUT PROPERTY TAXES AND EXPECT THE LEGISLATURE TO SOMEHOW FIND MAGIC WAYS TO REDUCE PROPERTY TAXES WITHOUT INCREASING SALES OR INCOME TAXES. AND SO FAR, WE'RE NOT HAVING VERY MUCH LUCK IN DOING THAT. SO, I AM OUIET BECAUSE I'VE RESOLVED IN MY MIND WHAT SHOULD BE DONE AND I GUESS EVERYBODY ELSE HAS GOT TO RESOLVE IN THEIR MIND WHAT SHOULD BE DONE. WE DISMISSED THE EASY WAY OUT OF THE PREDICAMENT BY SAYING THAT WE WANT A BOARD TO MAKE THESE DECISIONS AS OPPOSED TO THE PEOPLE WHO ARE GOING TO PAY THE TAXES. THANK YOU. [LB344]

SPEAKER HADLEY: SENATOR BRASCH, YOU'RE RECOGNIZED. [LB344]

SENATOR BRASCH: THANK YOU, MR. SPEAKER, AND THANK YOU, COLLEAGUES. WOULD SENATOR SCHUMACHER YIELD TO A QUESTION, PLEASE? [LB344]

SENATOR SCHUMACHER: ARE WE GOING TO TALK ABOUT THOSE DAMS AGAIN? (LAUGHTER) [LB344]

SENATOR BRASCH: DARN. WERE YOU ABLE TO FINISH YOUR THOUGHT THERE ON YOUR TIME, THE SECONDS YOU WERE ALLOWED? [LB344]

SENATOR SCHUMACHER: YEAH, I WAS ABLE TO FINISH. [LB344]

SENATOR BRASCH: WOULD YOU LIKE ME TO YIELD YOU MORE TIME? [LB344]

SENATOR SCHUMACHER: NO. [LB344]

SENATOR BRASCH: THANK YOU. COLLEAGUES, IN SUCH A SHORT PERIOD OF TIME, I BELIEVE WHAT I HEARD WAS AT THE END OF THE DAY, AT THE END OF THIS BIENNIUM WHICH IS JUST IN THE 20s DAYS AWAY, WHAT WE CANNOT FUND HERE, WHAT TAXES WE CANNOT SAVE, WHAT ISSUES WE DO NOT COVER, WHAT IS NOT SPENT BY THE LEGISLATURE, OR SPENT BY THE LOCAL SUBDIVISIONS, BY THE NRDs, IT IS YOUR DOLLARS THAT COME ... THAT ARE PART OF THE SECOND HOUSE. THOSE WHO ARE LISTENING TODAY, FACES WE MAY NOT HAVE MET, PEOPLE WE DON'T KNOW, SOME WE DO, BUT WHEN WE LEAVE HERE IN 20-SOME-ODD DAYS, THE OUESTION WILL COME BACK ON WHAT TAXES WERE WE ABLE TO REDUCE. AT THE END OF THEIR FISCAL YEAR, AT HOME, FOR MOM AND POP AND GRANDMA AND GRANDPA AND WHO ELSE, HOW MUCH MONEY WILL THEY BE ABLE TO SEE THAT THEY SAVED BECAUSE OF US HERE? THE COMMENT WAS MADE EARLIER, I THOUGHT, SAYING THAT WE HAVE NOT SPENT MONEY FOR WATER, AND I THOUGHT THAT'S WHAT I SAID ALL MORNING IS WHAT WE HAVE APPROPRIATED THROUGH THE WATER SUSTAINABLE TAX FUND. AND WHEN YOU LOOK AT THE COMMITTEE STATEMENT FOR THIS SPECIFIC BILL, IT DOES SAY THAT THE NRDs DO HAVE APPLICATIONS TO THAT FUND FOR NONINCOME-BEARING TAX PROJECTS. WHEN IT COMES TO SPENDING MONEY ON WATER, I BELIEVE NEBRASKA IS VERY BLESSED IN THE SENSE THAT WE HAVE CONSIDERED THIS A PRIORITY, OR WE WOULDN'T HAVE FORMED THE NRDs IN THE FIRST PLACE. BUT WE NEED TO BE VERY CAUTIOUS WITH ALL OF OUR SUBDIVISIONS. THE SMALL GOVERNMENTS WE HAVE FORMED, BECAUSE WE DON'T HAVE ENOUGH OF A POPULATION TO COVER ALL THE WANTS MOVING FORWARD. HOWEVER, THE STATE DOES PROVIDE FOR THE NEEDS, THE

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IMMEDIATE NEEDS, THROUGH VARIOUS POCKETS OF GOVERNMENT. WE PROBABLY HAVE COVERED MORE THAN WE HAVE EVER DREAMT OF BECAUSE WE DO SIT ON TOP OF THE NATION'S LARGEST AQUIFER AND WE HAVE ISSUED LEGISLATION AND BILLS. I PULLED UP THE WEB PAGE FOR THE DEPARTMENT OF NATURAL RESOURCES, AND IF YOU DO THAT, YOU CAN SEE THAT PART OF THEIR PROGRAMS IS THE INTEGRATED WATER MANAGEMENT. AND THEY HAVE ASKED AND THEY HAVE BEEN ALLOCATED APPROPRIATIONS FOR WATER AS WELL. THE FEDERAL GOVERNMENT, THEY SPEND MILLIONS UPON MILLIONS, MOST LIKELY BILLIONS, TO THE CORPS OF ENGINEERS AND OTHERS TO PROTECT WATERS, MANAGE WATERS. MANY OF US WOULD AGREE IT'S OVERPROTECTION AND IT'S OVERREGULATION, AND IT IS INTERFERING WITH OUR AGRICULTURE AND OUR FREEDOM AND RIGHTS TO FARM IN OUR STATE. [LB344]

SPEAKER HADLEY: ONE MINUTE. [LB344]

SENATOR BRASCH: SO, BY ADDING ANOTHER OBLIGATION, AN OBLIGATION BOND, WHEN YOU DO GO BACK DURING THE INTERIM PERIOD AND YOU CAN LOOK YOUR CONSTITUENTS IN THE EYE, ONE WAY OR THE OTHER, ON HOW MUCH MONEY DID YOU SAVE THEM THIS FISCAL YEAR, LET'S NOT ADD ONE MORE DEBT TO THEIR OVERFLOWING FINANCIAL BUCKET. THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. [LB344]

SPEAKER HADLEY: THANK YOU, SENATOR BRASCH. SENATOR KOLOWSKI, YOU'RE RECOGNIZED. [LB344]

SENATOR KOLOWSKI: THANK YOU, MR. CHAIRMAN. I THINK IT'S REALLY IMPORTANT THAT WE UTILIZE OUR TIME FOR THE VERY BEST THAT WE CAN DO HERE TO GET THE JOB DONE AND WHEN WE HAVE THE REALITIES OF VOTING ON EACH OF THESE ISSUES AS WE GO THROUGH THE...A BILL SUCH AS THIS ONE, I THINK IT'S IMPORTANT THAT YOU UNDERSTAND SOMETHING THAT WE'RE DOING HERE WITH THIS PARTICULAR BILL THAT IMPACTS THE ENTIRE STATE. I LONG AGO DIVORCED MYSELF FROM THE EMOTIONALISM ON THIS PARTICULAR BILL KNOWING THE DIFFICULTY IT MAY HAVE, AND THE CHALLENGE IT WOULD HAVE TO BRING IT TO THE BODY AND TRY TO GET THIS PASSED. I'M A MESSENGER, PURELY A MESSENGER ON THIS BILL. WHERE THE BODY IS AT THIS CURRENT TIME AND WHERE WE ARE IN THE TIME WE SPEND ON THIS HAS TRULY BEEN MUCH LONGER THAN NEEDED, AND BECAUSE OF THAT, THE FINAL RESULTS TO OUR FRIENDS IN THE WESTERN PART OF THE STATE, I HOPE YOU REMEMBER WHAT HAPPENED TODAY AND WHERE WE'RE GOING TO BE IN THE FUTURE AS

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THE DOLLARS, THE POTENTIAL DOLLARS FOR THE WATER SUSTAINABILITY FUND BASICALLY TEND TO BE FLOWING TOWARD THE EAST ON THE PROJECTS THAT WILL BE COMING UP. AND FOR THAT PURPOSE, I'D LIKE TO TURN TO THE BODY, AND IF PATRICK COULD READ MY LAST NOTE, PLEASE. THANK YOU. [LB344]

SPEAKER HADLEY: MR. CLERK. [LB344]

CLERK: MR. PRESIDENT, SENATOR KOLOWSKI WOULD ASK UNANIMOUS CONSENT TO BRACKET LB344 UNTIL APRIL 20 OF 2016. [LB344]

SPEAKER HADLEY: WITHOUT OBJECTION, SO ORDERED. ITEMS FOR THE RECORD. [LB344]

CLERK: MR. PRESIDENT, YOUR COMMITTEE ON HEALTH AND HUMAN SERVICES, CHAIRED BY SENATOR CAMPBELL, REPORTS LB842 TO GENERAL FILE; LB750, GENERAL FILE WITH AMENDMENTS; LB816, GENERAL FILE WITH AMENDMENTS; LB939, GENERAL FILE WITH AMENDMENTS. I HAVE A HEARING NOTICE FROM THE NEBRASKA RETIREMENT SYSTEMS COMMITTEE. NEW RESOLUTION, LR468 BY SENATOR GARRETT, WILL BE LAID OVER. AN AMENDMENT TO BE PRINTED FROM SENATOR BAKER TO LB722. AND, MR. PRESIDENT, A COMMUNICATION OF THE GOVERNOR TO THE CLERK. (READ RE LB954 AND LB1016.) THAT'S ALL THAT I HAVE, MR. PRESIDENT. (ALSO, LB952 REPORTED TO GENERAL FILE WITH AMENDMENTS, LEGISLATIVE JOURNAL PAGES 880-889.) [LB842 LB750 LB816 LB939 LR468 LB722 LB954 LB1016 LB952]

SPEAKER HADLEY: MR. CLERK, WE'LL RETURN TO THE GENERAL FILE, LB1009. [LB1009]

CLERK: MR. PRESIDENT, LB1009, A BILL INTRODUCED BY SENATOR WILLIAMS. (READ TITLE.) THE BILL WAS INTRODUCED JANUARY 15 OF THIS YEAR, REFERRED TO THE JUDICIARY COMMITTEE, ADVANCED TO GENERAL FILE. THERE ARE JUDICIARY COMMITTEE AMENDMENTS PENDING, MR. PRESIDENT. (AM1960, LEGISLATIVE JOURNAL PAGE 522.) [LB1009]

SPEAKER HADLEY: SENATOR WILLIAMS, YOU'RE RECOGNIZED TO OPEN ON YOUR BILL. [LB1009]

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SENATOR WILLIAMS: THANK YOU, MR. PRESIDENT, AND GOOD AFTERNOON, COLLEAGUES. AND GOOD AFTERNOON TO THE ENTIRE STATE OF NEBRASKA. AND I APPRECIATE THE FACT THAT EVERYBODY HAS BEEN AROUND TODAY AND WE HAVE ALL DELVED INTO WHAT HAS BEEN A LEVEL OF FRUSTRATION. AND TODAY I BRING YOU A BILL THAT IS TRYING TO END SOME LEGISLATIVE FRUSTRATION THAT WE HAVE HAD IN THIS BODY OVER THE LAST NUMBER OF YEARS WHEN DEALING WITH SYNTHETIC DRUGS, COMMONLY ON THIS FLOOR CALLED K2 OR SYNTHETIC MARIJUANA. YOU WILL ALL RECALL THAT OVER THE PAST YEARS, THE FRUSTRATION HAS ARISEN BECAUSE EACH YEAR WE HAVE SOME KIND OF LEGISLATION THAT CHANGES THE CHEMICAL COMPOUND OF THIS DANGEROUS DRUG. AND AS SOON AS WE DO THAT, SOMEONE MAKES A CALL TO THE SECRETARY OF STATE OR TO THE ATTORNEY GENERAL'S OFFICE AND ASKS THE OUESTION, WHAT ARE YOUR NEW COMPOUNDS, BECAUSE WE INTEND TO CHANGE THAT COMPOUND A LITTLE BIT SO THAT YOUR LAW CANNOT CATCH OUR NEW SYNTHETIC DRUG. THIS FRUSTRATION WAS EVIDENT LAST YEAR WHEN WE PASSED THE UPDATED LAWS. AND BASED ON THAT FRUSTRATION, THIS PAST SUMMER A TASK FORCE WAS PUT TOGETHER, AND I WOULD SPECIFICALLY LIKE TO THANK SENATOR BEAU McCOY FOR BEING PART OF THE ORIGINAL ESTABLISHMENT OF THAT TASK FORCE. AND THE PAGES HAVE HANDED OUT SOME INFORMATION THAT LISTS THE NAMES OF THE PARTICIPANTS IN THAT TASK FORCE. AND IT IS A LITTLE INTERESTING BECAUSE WE BROUGHT IN NEARLY 20 PEOPLE AND ORGANIZATIONS THAT REPRESENTED MANY OF THE DISCIPLINES THAT HAVE BEEN INVOLVED WITH THE DRUG ISSUE ON...IN OUR STATE. WE BROUGHT IN THE JUDICIARY GROUP. WE BROUGHT IN THE LAW ENFORCEMENT GROUP, BOTH THE STATE PATROL, THE COUNTIES, AND SOME CITY PEOPLE. WE BROUGHT IN PROSECUTORS. WE BROUGHT IN DEFENSE COUNSEL. WE BROUGHT IN THE AG'S OFFICE. WE BROUGHT IN THE PHARMACEUTICAL INDUSTRY. WE BROUGHT IN THE STATE CRIME LAB AND OTHER STAKEHOLDERS THAT WERE AFFECTED BY THIS ISSUE, BECAUSE WHAT WE KEPT HEARING DURING PREVIOUS DEBATE WAS, WHERE IS THAT SILVER BULLET? WHEN ARE YOU GOING TO FIND THE ANSWER TO THE K2 ISSUE OTHER THAN JUST SIMPLY UPDATING THE CHEMICAL COMPOSITION EACH YEAR? WHEN THE GROUP GOT TOGETHER AND DISCUSSED OUR GOALS, WE CAME UP WITH THREE THINGS THAT WE WANTED TO ACCOMPLISH. FIRST OF ALL, WE WANTED TO BE SURE THAT WE HAD THE ABILITY FOR LAW ENFORCEMENT TO GET K2 OFF THE SHELVES OF RETAILERS. AND SECOND OF ALL, WE WANTED TO GIVE LAW ENFORCEMENT THE ABILITY TO KEEP IT OFF THE SHELVES OF RETAILERS, AND WE WANTED TO DO THIS WITHOUT INCREASING THE PENALTIES TO THOSE PEOPLE, IN PARTICULAR THOSE YOUNG PEOPLE THAT MIGHT HAVE BEEN IN POSSESSION OF K2. YOU KNOW, IT WAS JUST LAST APRIL HERE IN LINCOLN,

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NEBRASKA, THAT THERE WERE 120 TRIPS TO THE EMERGENCY ROOM BASED ON A VERY SMALL HANDFUL OF RETAILERS SELLING THIS HIGHLY DANGEROUS PRODUCT TO OUR KIDS AND SOME OF OUR GRANDKIDS. OUR TASK FORCE TOOK THIS ON AND WE LOOKED AT STARTING WITH DOING SOME SPECIAL RESEARCH. AND WE FOUND THAT THE STATES IN PARTICULAR OF ALASKA AND INDIANA HAD SPENT TIME AND DEVELOPED A NEW APPROACH TO LOOKING AT THE SYNTHETIC DRUG ISSUE. THEN WE STARTED IN THE DRAFTING STAGE AND DRAFTING WAS BEING DONE BY DIFFERENT PEOPLE AND WE WOULD BRING TOGETHER THOSE DRAFTS, TEAR THEM APART, LOOK WHAT FIT NEBRASKA THE BEST, AND CONTINUED TO REVISE OUR APPROACH. AT THE END OF THE DAY, WE'VE ENDED UP WITH LB1009. AND I WOULD LIKE TO POINT OUT THAT THIS WAS THE RESULT OF A LOT OF PEOPLE'S WORK. IT'S NOT A BILL THAT I WOULD CALL MY BILL. IT'S NOT A BILL THAT WOULD BE THE ATTORNEY GENERAL'S BILL. THIS IS A BILL PUT TOGETHER BY MANY. LOOKING DIRECTLY AT LB1009, THE NEW APPROACH IS COMING UP WITH A DEFINITION OF SOMETHING CALLED A LOOK-ALIKE SUBSTANCE. AND LB1009 ADDS AND DEFINES THE TERM "LOOK-ALIKE SUBSTANCE" SO THAT IT BECOMES A PART OF THE CONTROLLED SUBSTANCE ACT. IT ALSO CREATES A NEW OFFENSE RELATED TO THE SALE OR MARKETING OF THIS LOOK-ALIKE SUBSTANCE. IT BECOMES A CLASS IV FELONY. IN ADDITION TO THAT, IT GIVES LAW ENFORCEMENT THE ABILITY TO SEIZE THIS LOOK-ALIKE SUBSTANCE IF THEY FIND IT ON THE SHELVES OF A RETAILER. AND THEN FINALLY, LB1009 ADDS "LOOK-ALIKE SUBSTANCE" TO THE UNIFORM DECEPTIVE TRADE PRACTICES ACT, UDAP, WHICH ALLOWS US TO TAKE THE RETAILERS AND PENALIZE THEM FINANCIALLY FOR PUTTING OUR PEOPLE AT RISK. SO THERE ARE SIGNIFICANT CHANGES IN THE APPROACH OTHER THAN WHAT WE HAVE DONE BEFORE BY SIMPLY TRYING TO UPDATE THE SUBSTANCE LIST. I'D LIKE TO TALK IN PARTICULAR ABOUT THE IMPORTANCE OF WHAT IT MEANS TO GIVE LAW ENFORCEMENT THE ABILITY IN THESE CASES TO SEIZE THIS PRODUCT. WHAT WE'VE HAD HAPPEN OVER THE YEARS IS LAW ENFORCEMENT WILL GO INTO ONE OF THE SMOKE SHOPS AND, SORT OF IN AN UNDERCOVER MANNER, HAVE TO PURCHASE K2 AND THEN SEND IT TO THE CRIME LAB TO HAVE IT ANALYZED. THAT PROCESS TAKES SOMEWHERE BETWEEN THREE AND FOUR WEEKS. AND BY THE TIME THEY FIND OUT FROM THE CRIME LAB THAT, YES, THIS IS K2 AND, YES, YOU CAN GO GET IT, THEY GO BACK TO THE SMOKE SHOP AND IT'S GONE. UNDER LB1009, WHEN THEY WALK INTO THE SMOKE SHOP AND THAT NOW DEFINED LOOK-ALIKE SUBSTANCE IS ON THE SHELF, AND I'VE SHOWN YOU SOME PICTURES OF HOW THIS IS PACKAGED, THEY CAN IMMEDIATELY SEIZE IT, TAKE IT OFF THE SHELVES, CHARGE A CLASS IV FELONY, AND ALSO CHARGE UNDER THE UDAP REGULATIONS. BACK TO OUR GOAL: GET IT OFF THE SHELVES, KEEP IT OFF THE SHELVES, AND NOT CREATE AN

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ADDITIONAL PENALTY FOR THE PEOPLE. THE HEARING WAS VERY POSITIVE ON THIS BILL. WE HAD LAW ENFORCEMENT, PROSECUTORS, DEFENSE COUNSEL, AND OTHERS TESTIFY IN FAVOR. WE HAD NO OPPOSITION TESTIMONY. AND I FIND IT REFRESHING WHEN PROSECUTORS, DEFENSE COUNSEL, AND THE JUDICIARY ALL STOOD THERE TOGETHER TO SOLVE A PROBLEM AND THEN ALL SUPPORTED THAT SOLUTION AT THE HEARING. THIS WAS VOTED OUT OF COMMITTEE WITH NO NEGATIVE VOTES. I SINCERELY APPRECIATE SENATOR NICOLE FOX FOR PRIORITIZING THIS BILL. IT'S VERY IMPORTANT THAT THIS BILL GET LOOKED AT THIS YEAR, AND WITHOUT HER PRIORITY THAT MAY NOT HAVE HAPPENED. I ALSO WANT TO, ONCE AGAIN, THANK SENATOR MCCOY IN HIS LEADERSHIP WITH THE TASK FORCE AND ALL OF THOSE MEMBERS WHO CAME TOGETHER AND WORKED HARD TO SEE THAT THIS HAPPENED. I WILL TELL YOU, IT'S NOT MAYBE THE SILVER BULLET THAT YOU WOULD LIKE TO HAVE -- AND I'LL TALK MORE ABOUT THAT ON CLOSING--BECAUSE WE WILL BE BACK AT SOME POINT IN TIME TO CONTINUE TO UPDATE THOSE CHEMICAL COMPOUNDS. BUT THIS GIVES US THE ABILITY TO LOOK FORWARD. RATHER THAN IN THE REARVIEW MIRROR, TO SOLVE THIS PROBLEM WHICH IS IMPORTANT FOR OUR STATE. WITH THAT, I KNOW WE HAVE COMMITTEE AMENDMENTS, AND CHAIRMAN SEILER WILL BE TALKING ABOUT THOSE WHICH ARE MINOR IN NATURE. I HOPE WE CAN COUNT ON YOUR GREEN VOTE ON LB1009. THANK YOU, MR. PRESIDENT. [LB1009]

SPEAKER HADLEY: THANK YOU, SENATOR WILLIAMS. AS THE CLERK STATED, THERE ARE COMMITTEE AMENDMENTS. SENATOR SEILER, AS CHAIR OF THE JUDICIARY COMMITTEE, YOU'RE WELCOME TO OPEN ON THE COMMITTEE AMENDMENTS. [LB1009]

SENATOR SEILER: MR. SPEAKER AND MEMBERS OF THE LEGISLATURE, LB1009, WITH AM1960, ADVANCED FROM JUDICIARY COMMITTEE WITH A FAVORABLE VOTE OF SIX MEMBERS, WITH TWO MEMBERS PRESENT AND NOT VOTING. AM1960 WOULD MAKE THE FOLLOWING CHANGES. AND YOU REMEMBER THE OTHER DAY, I TOLD YOU THAT WOULD BE THE SHORTEST PRESENTATION I'D MAKE? WRONG. THIS WILL BE. THIS...THE ONLY CHANGE WAS MADE BY THE COMMITTEE WAS THE DEFINITION OF LOOK-ALIKE SUBSTANCE, AND IT IS NOW AGREEABLE WITH ALL MEMBERS. AND WE INSERTED A NEW SECTION TO ADD THE SEVERABILITY CLAUSE AND WE ADDED A NEW SECTION TO ADD AN EMERGENCY CLAUSE. I ASK YOUR SUPPORT OF AM1960 TO LB1009. THANK YOU. [LB1009]

SPEAKER HADLEY: THANK YOU, SENATOR SEILER. SENATOR FOX, YOU'RE RECOGNIZED. [LB1009]

SENATOR FOX: THANK YOU, MR. PRESIDENT. COLLEAGUES, I RISE TODAY IN SUPPORT OF LB1009 AND ASK FOR YOUR GREEN LIGHT ON BOTH THE BILL AND THE COMMITTEE AMENDMENT. SENATOR WILLIAMS APPROACHED ME ABOUT PRIORITIZING THIS BILL AND I COULD NOT AGREE MORE, THE SIGNIFICANCE IT WOULD HAVE ON PROTECTING NEBRASKA CITIZENS FROM POTENTIAL LIFE-THREATENING HARM FROM SYNTHETIC MARIJUANA, POPULARLY KNOWN AS K2 OR SPICE. I'VE DISCUSSED THIS ISSUE WITH LAW ENFORCEMENT IN MY DISTRICT AND THEY CONCUR THAT K2 IS A PROBLEM. IT IS EASILY ACCESSIBLE TO KIDS AND YOUNG ADULTS AND IS WIDELY USED. I COMMEND THE PRIOR WORK OF THIS NEBRASKA LEGISLATURE TO OUTLAW SYNTHETIC DRUGS, PARTICULARLY SENATORS McCOY, SCHILZ, AND DAVIS AND THEIR STAFF. BUT UNFORTUNATELY, AS MY COLLEAGUE SENATOR WILLIAMS HAS STATED, ONCE INGREDIENTS USED TO MAKE THESE PRODUCTS HAVE BEEN IDENTIFIED, DEFINED, AND UPDATED, MANUFACTURERS QUICKLY CHANGE THE COMPOUNDS AND EASILY CREATE NEW PRODUCTS AS A MEANS TO SIDESTEP THE LEGAL PROCESS, POTENTIALLY RESULTING IN THE CREATION AN EVEN MORE HARMFUL AND MORE LETHAL PRODUCT. UNLIKE PREVIOUS SIMILAR BILLS, LB1009 DEFINES A LOOK-ALIKE SUBSTANCE UNDER THE UNIFORM CONTROLLED SUBSTANCES ACT AND PREVENTS MANUFACTURERS AND RETAIL BUSINESSES FROM SELLING ANY LOOK-ALIKE SUBSTANCES MEANT TO MIMIC THE EFFECTS OF A CONTROLLED SUBSTANCE. MERCHANTS WOULD BE CHARGED WITH A CLASS IV FELONY FOR DISTRIBUTING THEM. LB1009 WOULD ALSO ALLOW NEBRASKA LAW ENFORCEMENT TO SEIZE LOOK-ALIKE SUBSTANCES, JUST AS THEY DO NARCOTICS AND DRUG PARAPHERNALIA, AND ALLOW THE ATTORNEY GENERAL TO PURSUE CIVIL DAMAGES AGAINST RETAILERS. NOW THERE ARE SOME RESPONSIBLE STORE OWNERS WHO ARE TAKING LOOK-ALIKES OFF THEIR SHELVES, BUT UNFORTUNATELY THEY ARE THE OUTLIERS. POISON CONTROL CENTERS, HEALTH DEPARTMENTS ACROSS THE COUNTRY, AND THE CENTERS FOR DISEASE CONTROL HAVE REPORTED EPIDEMIC CASES OF ADVERSE SIDE EFFECTS, AS WELL AS DEATHS, AND CHARACTERIZE K2 OVERDOSE AS A SERIOUS HEALTH PROBLEM. RIGHT HERE IN LINCOLN UP TO 12 K2 OVERDOSES HAVE BEEN HANDLED BY PARAMEDICS IN A SINGLE DAY AND OVER 100 K2 OVERDOSES HAVE BEEN HANDLED IN A SINGLE WEEK, AGAIN, THIS IS A SERIOUS PROBLEM. IN SOME CASES OF OVERDOSE, INDIVIDUALS MAY BECOME SO VIOLENT AND SO UNPREDICTABLE, SERIOUS INJURY TO OUR EMERGENCY SERVICE PROVIDERS COULD RESULT, AND THESE INDIVIDUALS DESERVE OUR PROTECTION TOO. LB1009 IS SUPPORTED BY OUR LAW ENFORCEMENT AND

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EMERGENCY SERVICE PROVIDERS, THE STATE BOARD OF HEALTH, THE NEBRASKA PETROLEUM MARKETERS AND CONVENIENCE STORE ASSOCIATION, AND THE UNIVERSITY OF NEBRASKA MEDICAL CENTER. COLLEAGUES, I URGE YOU TO JOIN SENATOR WILLIAMS AND I, IN ADDITION TO THE AFOREMENTIONED GROUPS, IN SUPPORTING LB1009. BY DOING SO, WE CAN SEND A CLEAR MESSAGE TO THE MANUFACTURERS AND RETAILERS OF SYNTHETIC DRUGS THAT WE ARE NOT GOING TO STAND BY IDLY WHILE YOU CONTINUE TO SKIRT THE LAW AND PUT THE LIVES OF NEBRASKANS AT RISK. AGAIN, I ASK FOR YOUR GREEN LIGHT TO ADVANCE LB1009 AND THE COMMITTEE AMENDMENT TO SELECT FILE. THANK YOU. [LB1009]

SPEAKER HADLEY: THANK YOU, SENATOR FOX. SENATOR McCOY, YOU'RE RECOGNIZED. [LB1009]

SENATOR McCOY: THANK YOU, MR. PRESIDENT AND MEMBERS. AND I WANT TO THANK SENATOR WILLIAMS AND SENATOR FOX FOR BRINGING THIS BILL AND THEN PRIORITIZING IT. THIS HAS BEEN AN ISSUE THAT I'VE BEEN DEEPLY INVOLVED IN SINCE THE VERY BEGINNING HERE IN THE LEGISLATURE. I CAN'T SAY IS THAT, IT WAS SOMETHING THAT MAYBE WAS HIGH ON MY RADAR SCREEN WHEN I FIRST CAME INTO THE LEGISLATURE, NOT BECAUSE I DIDN'T THINK IT WAS A BIG ISSUE THAT WE FACE IN NEBRASKA, BUT JUST ONE THAT I WASN'T TERRIBLY FAMILIAR WITH. AND AS MANY OF YOU KNOW, I'VE HAD TWO BILLS DEALING WITH SYNTHETIC DRUGS. SENATOR SCHILZ HAS HAD ANOTHER ONE. AND THIS YEAR FELT LIKE, WITH SENATOR WILLIAMS BEING ON THE JUDICIARY COMMITTEE AND HIS PASSION ON THIS ISSUE, THAT THIS WAS ONE THAT WE COULD HOPEFULLY HELP FIND A SOLUTION, WITH A SENATOR WHO WILL BE HERE LONGER THAN I WILL BE, THAT CAN ADDRESS THIS ISSUE IN THE FUTURE, IF IT NEEDS TO BE ADDRESSED. AND HOPEFULLY, WITH THIS LEGISLATION, IT WON'T NEED TO BE FOR A LONG TIME. AS HAS ALREADY BEEN DISCUSSED, OFTENTIMES YOU HAVE ENTERPRISING NE'ER-DO-WELLS WHO CREATE DEADLY SYNTHETIC DRUGS THAT STILL SKIRT WHAT WE PUT IN PLACE AS FAR AS STATUTE. WE CONTINUE TO BE ON THE CUTTING EDGE OF SCIENCE, AND ESPECIALLY FORENSIC SCIENCE, WITH LB1009. I'M MORE THAN PLEASED TO SUPPORT IT. YOU KNOW, AS SENATOR WILLIAMS ... I GUESS, THIS WOULD BE THE ONLY THING THAT I MIGHT JUST VERY BRIEFLY MENTION. I THINK WE SUCCESSFULLY FOUND A WAY WITH THIS BILL TO FIND A GOOD RESOLUTION TO AN ISSUE, DIDN'T REQUIRE AN INTERIM STUDY, DIDN'T REQUIRE INTERIM HEARINGS. WE WERE ABLE TO PUT TOGETHER A WORKING GROUP, GET AROUND A TABLE WITH A LOT OF EXPERTS AND FIND A SOLUTION. AND THAT'S A TRIBUTE TO THE LEADERSHIP SKILLS OF SENATOR WILLIAMS AND OTHERS. WE

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WERE HAPPY TO BE INVOLVED. I'M HAPPY TO HAND OFF THAT BATON TO SENATOR WILLIAMS FOR HIM TO CARRY THIS FORWARD. HOPEFULLY, HE WON'T SEE THE NEED TO INTRODUCE SUCH LEGISLATION AGAIN IN HIS TIME IN THE LEGISLATURE. BUT IF THE NEED ARISES, I KNOW, WHILE I DON'T WANT TO SPEAK FOR HIM, I KNOW HE WOULD BE WILLING TO BRING SUCH LEGISLATION AGAIN. AND I'M...THAT MAKES ME FEEL GOOD, KNOWING THAT WE HAVE MANY INDIVIDUALS HERE IN THE LEGISLATURE, BUT PARTICULARLY A MEMBER OF THE JUDICIARY COMMITTEE WHO HAS A PASSION IN THIS ISSUE AND WHO KNOWS THAT THIS ISSUE NEEDS TO BE CONTINUED TO BE ADDRESSED. THANK YOU, MR. PRESIDENT. [LB1009]

SPEAKER HADLEY: THANK YOU, SENATOR McCOY. SENATOR SCHUMACHER, YOU'RE RECOGNIZED. [LB1009]

SENATOR SCHUMACHER: THANK YOU, MR. SPEAKER, MEMBERS OF THE BODY. CERTAINLY I THINK EVERYONE IN AUTHORITY SHARES THE FRUSTRATION WITH THE DIFFICULTY IT IS TO REGULATE WHAT HAS BECOME KNOWN AS A K2 INDUSTRY IN WHICH THERE ARE VARIOUS SUBSTANCES THAT ARE CLAIMED TO HAVE EFFECTS THAT STIMULATE OR SOME WAY OR ANOTHER MIMIC CONTROLLED SUBSTANCES. IN FACT, I THINK MY FIRST YEAR DOWN HERE WE WERE PROMISED THAT WE FOUND THE END-ALL TO THE PROBLEM BY CLASSIFYING 700 DIFFERENT FAMILIES OF DRUGS, SOME OF WHICH MAY HAVE INCLUDED BEER HOPS, AS A CONTROLLED SUBSTANCE, AND THAT WAS GOING TO TAKE CARE OF THE PROBLEM AND WE WERE ALL IN THE LEAD ON THAT, AND NEBRASKA WAS GOING TO BE...HAVE THE PROBLEM SOLVED BEFORE ANYBODY ELSE. AS WE KNOW FROM THE MULTIPLE PIECE OF LEGISLATION THAT PASSED SINCE, THAT HASN'T BEEN THE CASE. AND THIS IS AN ATTEMPT TO TAKE ANOTHER APPROACH TO THE PROBLEM. UNFORTUNATELY, THIS DEALS WITH CRIMINAL LAW. AND CRIMINAL LAW IS READ VERY, VERY STRICTLY IN FAVOR OF THE DEFENDANT IF IT'S OVERLY BROAD OR UNCLEAR. SO I THINK THE WORDING IN THIS LAW NEEDS TO BE LOOKED AT. AND THE CORE OF THE LAW SEEMS TO MAKE...ATTACH PENALTIES FOR DECEPTIVENESS, FOR REPRESENTING THAT A LOOK-ALIKE SUBSTANCE IS INVOLVED. AND SO, THE DEFINITION IN THE COMMITTEE AMENDMENT, WHICH IS WHAT WE'RE VOTING ON NOW, ATTEMPTS TO STRUGGLE WITH LOOK-ALIKE SUBSTANCE AND, WELL, I THINK WE'LL HAVE TO HAVE A DISCUSSION ON IT, BUT IT MAY SIMPLY MISS THE MARK. A LOOK-ALIKE SUBSTANCE HAS TWO PRONGS OF DEFINITION. IT IS, FIRST OF ALL, NOT A CONTROLLED SUBSTANCE, OKAY, SO IT'S SOME OTHER THING. AND IT EITHER HAS TO BE, ONE, PORTRAYED IN SUCH A MANNER BY A PERSON TO LEAD SOMEBODY ELSE TO BELIEVE THAT IT PRODUCES EFFECTS ON THE HUMAN

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BODY THAT REPLICATE, MIMIC, OR ARE INTENDED TO STIMULATE (SIC--SIMULATE) THE EFFECTS PRODUCED BY A CONTROLLED SUBSTANCE. WELL, CONTROLLED SUBSTANCES PRODUCE LOTS OF EFFECTS. AND IT APPEARS TO ME THAT THAT ALMOST SETS UP AN IMPOSSIBLE AND OVERBROAD BURDEN FOR A PROSECUTOR TO MAKE AN EFFECTIVE PROSECUTION BECAUSE THERE ARE SO MANY EFFECTS. NAUSEA, HEADACHES, THOSE ARE ALL THE EFFECTS OF CONTROLLED SUBSTANCES. THEY'RE ALSO THE EFFECTS OF A WHOLE LOT OF PRESCRIPTION DRUGS AND ALONG WITH A LOT OF OTHER THINGS. BUT THEN THERE'S A SECOND TEST: THAT POSSESSES ONE OR MORE--SO IF IT'S A SUBSTANCE THAT ISN'T CONTROLLED BUT IT POSSESSES--ONE OR MORE OF THE FOLLOWING CHARACTERISTICS. THE PACKAGING INDICATES THAT THE USER WILL ACHIEVE SOME KIND OF EUPHORIA, HALLUCINATION, MOOD ENHANCEMENT, STIMULATION, WHO KNOWS WHAT STIMULATION MEANS, AND THEN, "OR ANOTHER EFFECT ON THE HUMAN BODY THAT REPLICATES OR MIMICS THOSE PRODUCED BY A CONTROLLED SUBSTANCE." WILL SENATOR WILLIAMS RESPOND TO A QUESTION HERE ON ...? [LB1009]

SPEAKER HADLEY: SENATOR WILLIAMS, WILL YOU YIELD? [LB1009]

SENATOR WILLIAMS: I'LL DO MY BEST. [LB1009]

SPEAKER HADLEY: ONE MINUTE. [LB1009]

SENATOR SCHUMACHER: OKAY. SENATOR WILLIAMS, WITH REFERENCE TO PAGE 1, LINE 18, IF YOU HAVE THE BILL BEFORE YOU... [LB1009]

SENATOR WILLIAMS: YES, I DO. [LB1009]

SENATOR SCHUMACHER: OKAY. IT SAYS, "OR ANOTHER EFFECT ON THE HUMAN BODY THAT REPLICATES OR MIMICS THOSE PRODUCED BY A CONTROLLED SUBSTANCE." IS THAT A SEPARATE CATEGORY FROM EUPHORIA, HALLUCINATION, MOOD ENHANCEMENT, OR STIMULATION? [LB1009]

SENATOR WILLIAMS: THAT IS CERTAINLY A DISCUSSION THAT THE COURT COULD LOOK INTO, SENATOR SCHUMACHER. WHAT THE ATTEMPT HERE IS TO TAKE THE BEST OF WHAT WE FOUND IN ALASKA AND INDIANA THAT HAVE HAD SOME LIMITED COURT TESTS AT THIS POINT AND PUT THEM INTO OUR LAW. WE HAD THE BEST PEOPLE WE HAD AVAILABLE IN OUR STATE, OUR ATTORNEY

GENERAL, THE DEFENSE COUNSEL FROM THE BAR ASSOCIATION, THE PROSECUTORS, AND LAW ENFORCEMENT, ALL LOOK AT THESE DEFINITIONS. AND TO COVER OURSELVES, AS WAS INTRODUCED IN THE COMMITTEE AMENDMENT... [LB1009]

SPEAKER HADLEY: TIME, SENATORS. SENATOR SCHUMACHER, YOU'RE RECOGNIZED. [LB1009]

SENATOR SCHUMACHER: THANK YOU, MR. SPEAKER. THEN CONTINUING ON, SO IF IT TRIPS ANY ONE OF THOSE THINGS. THAT LAST PHRASE. I TAKE IT. DOES NOT REFER TO THE EUPHORIA, HALLUCINATION, MOOD ENHANCEMENT. THE NEXT THING--AND THESE ARE ALL "ORs," TRIP ANY ONE OF THESE--THE NAME OR PACKAGING ON THE PRODUCT USES IMAGES OR LABEL SUGGESTS THAT IT IS A CONTROLLED SUBSTANCE OR PRODUCES EFFECTS ON THE BODY THAT REPLICATES OR MIMIC THOSE PRODUCED BY A CONTROLLED SUBSTANCE. SUPPOSE, AS WE KNOW, CONTROLLED SUBSTANCES CAN PUT YOU TO SLEEP. SUPPOSE IT IS A PACKAGE THAT HAS A LABEL SHOWING SOMEBODY SLEEPING VERY SOUNDLY. IS THAT TRIPPED? READ THE LANGUAGE. IT SEEMS TO BE. NEXT ONE, (C), THE PRODUCT IS MARKETED FOR A PARTICULAR PURPOSE AND THE COST IS HIGHER THAN OTHER PRODUCTS ADVERTISED FOR THE SAME OR SIMILAR PURPOSE, AND IT SAYS DISPROPORTIONATELY HIGHER, BUT THERE'S NO STANDARDS. SO IT SEEMS TO ME THAT THAT'S A FAIRLY ARBITRARY THING AND THE COURTS WON'T HAVE ANY DIFFICULTY DEALING WITH IT AND PROBABLY NOT ENFORCING THE LAW. THE PACKAGING SUGGESTS THAT IT IS IN COMPLIANCE WITH STATE AND FEDERAL LAWS REGARDING CONTROLLED SUBSTANCES. WELL, A SUBSTANCE, IT MAY ... ANY LEGITIMATE STUFF THAT HAS NOTHING TO DO WITH THE ... BEING RELATED TO A ... THAT IS NOT A CONTROLLED SUBSTANCE AND NOTHING TO DO WITH THE PROBLEM, COULD VERY WELL SAY THIS PRODUCT IS LAWFUL IN 49 OF THE 50 STATES, IN ALL THE 50 STATES. THAT DOESN'T MEAN IT IS A LOOK-ALIKE SUBSTANCE. IT MAY MEAN IT IS SOMETHING COMPLETELY DIFFERENT BECAUSE THIS IS ALL IT TAKES: THE PACKAGING OR LABEL ON THE PRODUCT OR SUBSTANCE CONTAINS WORDS THAT SUGGEST IT'S IN COMPLIANCE WITH THE LAW. YOU GOT SOME PRODUCT, AND YOU SAY THIS COMPLIES WITH ALL APPLICABLE LAWS, AND YOU TRIP THE TRIGGER OF BEING A LOOK-ALIKE SUBSTANCE. THE OWNER OR PERSON IN CONTROL--THIS IS (E)--USES EVASIVE TACTICS TO AVOID DETECTION OF THE PRODUCT OR SUBSTANCE BY LAW ENFORCEMENT AUTHORITIES. THERE'S A LOT OF THINGS BESIDES SOMETHING TO DO WITH NARCOTICS FOR WHICH THE OWNER MIGHT NOT WANT THE OFFICERS TO SEE. A MARRIED MAN MIGHT NOT WANT OFFICERS TO SEE A CONDOM IN HIS POSSESSION. (F), THE OWNER OR PERSON IN CONTROL MAKES A

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VERBAL STATEMENT THAT THE PRODUCT IS A SYNTHETIC DRUG OR THE CONSUMPTION OF THE PRODUCT WILL MIMIC EFFECTS. THAT ONE MAY STICK. (G), THE OWNER OR PERSON MAKES A VERBAL STATEMENT TO A PROSPECTIVE CUSTOMER IMPLYING THAT THE PRODUCT MAY BE RESOLD FOR PROFIT. BUY THIS CAR AND YOU CAN SELL IT FOR THREE TIMES AS MUCH TO THE NEXT GUY. THE PRODUCT OR SUBSTANCE CONTAINS A CHEMICAL OR CHEMICAL COMPOUND THAT DOES NOT HAVE A LEGITIMATE RELATIONSHIP TO ONE OR MORE...TO THE USE OR PURPOSE OF THE SELLER, OR INDICATED BY THE PRODUCT NAME DEPICTED IN THE ADVERTISEMENT. MY GOODNESS, THERE ARE...AND THIS IS...THERE'S NO LIMITATION. ALMOST EVERYTHING IN LIFE HAS GOT A LOT OF CHEMICAL COMPOUNDS THAT ARE UNRELATED TO A LABEL. PROBABLY MOST OF THE FOOD WE BUY IN THE FROZEN FOOD CATEGORY HAS A CHEMICAL IN IT THAT IS NOT RELATED TO THE USE OF THE SELLER, BUT AS MAYBE INERT, MAYBE DOES NOT HAVE ANYTHING TO DO WITH IT. SO WHILE I CAN APPLAUD THE EFFORTS TO TRY TO DEAL... [LB1009]

SENATOR SCHEER PRESIDING

SENATOR SCHEER: ONE MINUTE. [LB1009]

SENATOR SCHUMACHER: ...WITH THE PROBLEM, I DO NOT THINK WE SHOULD LABEL UNDER ANY DELUSION THAT THIS IS ANYWHERE CLOSE TO A SOLUTION TO ANYTHING. AND IN ALL LIKELIHOOD, I UNDERSTAND WHY THE COMMITTEE AND THE BILL HAS GOT A SEVERABILITY CLAUSE. MOST OF THESE PROVISIONS ARE OVERLY BROAD, THEY'RE UNENFORCEABLE, AND ALTHOUGH WE'D LIKE THEM TO WORK MAGIC, DON'T. THANK YOU, MR. SPEAKER. [LB1009]

SENATOR SCHEER: THANK YOU, SENATOR SCHUMACHER. SENATOR WILLIAMS, YOU'RE RECOGNIZED. [LB1009]

SENATOR WILLIAMS: THANK YOU, MR. PRESIDENT. AND AGAIN, THANK YOU TO SENATOR SCHUMACHER FOR HIS ANALYSIS. WHAT I WOULD AGAIN POINT OUT TO THE BODY ARE THOSE EXPERTS IN THE FIELD, THOSE PEOPLE THAT ARE PROSECUTING THESE CASES TODAY, THOSE PEOPLE THAT ARE DEFENDING THESE CASES TODAY WORKED TOGETHER TO COME UP WITH THIS LANGUAGE THAT YOU SEE BEFORE YOU IN LB1009 AND THE ACCOMPANYING AMENDMENT. AND, YES, THERE WAS SOME DISCUSSION ABOUT BEING OVERBROAD AND POSSIBLY SLIGHTLY OVERBROAD WITH SEVERAL OF THESE THINGS. AND THAT IS CERTAINLY WHY THE SEVERABILITY CLAUSE WAS ADDED TO THIS BILL. I

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WOULD DRAW YOUR ATTENTION TO THE HANDOUT AND ON, I THINK IT'S, THE SECOND PAGE OF THAT, THE PICTURE OF SOMETHING CALLED MR. NICE HIGH, WHICH CLEARLY HAS A PICTURE OF A MARIJUANA PLANT ON THE FRONT OF IT. AND THEN SAYS 100 PERCENT LEGAL, 100 PERCENT DRUG TEST SAFE, PREMIUM SMOKE BLEND. THIS IS THE STUFF WE'RE TALKING ABOUT. WHEN WE WERE PUTTING THIS FINAL BILL TOGETHER, WE WERE CONCERNED ABOUT EXACTLY WHAT SENATOR SCHUMACHER IS TALKING ABOUT, CASTING THE NET BROADER AND CATCHING MORE THINGS THAN WHAT WE'RE REALLY INTENDING TO CAPTURE. SO TO BE SURE THAT THE INDUSTRY WAS WITH US ON THIS, THIS BILL WAS TAKEN TO THE GROCERY ASSOCIATION, WHO SELL ALL KINDS OF PRODUCTS IN THEIR STORES ON THE SHELVES. IT WAS TAKEN TO THE RETAILERS ASSOCIATION, WHO EVEN SELL MORE THINGS ON THEIR SHELVES, AND FINALLY, TO THE PHARMACEUTICAL ASSOCIATION. EACH ONE OF THEM LOOKED AT THESE DEFINITIONS, TALKED TO THEIR MEMBERS, AND CAME BACK TO US WITH A POSITIVE RESPONSE THAT THEY WERE NOT CONCERNED THAT LAW ENFORCEMENT WAS GOING TO BE CATCHING THINGS UNDER THESE DEFINITIONS OF A LOOK-ALIKE SUBSTANCE THAT WERE LEGITIMATE PRODUCTS. AND I CAN ALSO TELL YOU FROM THE WORDS OF THE ATTORNEY GENERAL AND THE LAW ENFORCEMENT, THEY'RE NOT TRYING TO CATCH THE PRODUCT THAT OFFERS TO GROW HAIR ON A BOWLING BALL. WE'RE TRYING TO CATCH A PRODUCT THAT KILLS KIDS, THAT KILLED KALI SMITH'S SON A FEW YEARS AGO, AND SHE TESTIFIED AGAIN AT THIS HEARING. SO THOSE ARE THE THINGS THAT I WOULD POINT OUT TO YOU. AND, YES, IT MAY NOT BE A SILVER BULLET, BUT, YES, IT DOES GIVE US THE TOOLS AND IT ANSWERS OUR GOAL OF GETTING THIS STUFF OFF THE SHELVES AND KEEPING IT OFF THE SHELVES. SO I WOULD CONTINUE TO ENCOURAGE YOUR GREEN VOTE ON AM1960 AND THEN, OF COURSE, YOUR GREEN VOTE ON LB1009. THANK YOU, MR. PRESIDENT. [LB1009]

SENATOR SCHEER: THANK YOU, SENATOR WILLIAMS. SEEING NO ONE ELSE IN THE QUEUE TO SPEAK, SENATOR SEILER, YOU'RE WELCOME TO CLOSE ON THE COMMITTEE AMENDMENTS. SENATOR SEILER WAIVES ON CLOSING. THE QUESTION BEFORE YOU IS, SHALL THE COMMITTEE AMENDMENTS TO LB1009 BE ADOPTED? ALL THOSE IN FAVOR VOTE AYE; ALL THOSE OPPOSED VOTE NAY. RECORD, MR. CLERK. [LB1009]

CLERK: 28 AYES, 0 NAYS, MR. PRESIDENT, ON ADOPTION OF COMMITTEE AMENDMENTS. [LB1009]

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SENATOR SCHEER: THE COMMITTEE AMENDMENTS ARE ADOPTED. SEEING NO ONE LEFT IN THE QUEUE, SENATOR WILLIAMS YOU'RE WELCOME TO CLOSE ON ADVANCEMENT OF LB1009. [LB1009]

SENATOR WILLIAMS: THANK YOU, MR. PRESIDENT, AND THANK YOU ALL FOR LISTENING TO THE DEBATE. AND AGAIN, I SINCERELY APPRECIATE SENATOR FOX PRIORITIZING THIS BILL AND SENATOR McCOY'S LEADERSHIP AND SENATOR SCHUMACHER'S QUESTIONS FOCUSING IN ON WHAT WE'RE SUPPOSED TO DO AS LEGISLATORS, BECAUSE WE DON'T JUST MAKE LAWS. WE TRY TO MAKE LAWS THAT ARE JUST. TODAY AGAIN, WE ARE ANSWERING THE QUESTION OF GETTING THIS DANGEROUS PRODUCT OFF THE SHELVES OF RETAILERS, KEEPING IT OFF THE SHELVES OF RETAILERS, AND NOT INCREASING THE PENALTY TO THOSE THAT MAY BE IN POSSESSION. THIS MAY NOT BE THE TOTAL SILVER BULLET, BUT IF I WERE A WEREWOLF OUT THERE I'D BE A LITTLE NERVOUS RIGHT NOW. I THINK WE'RE TAKING A MAJOR STEP FORWARD AND I WOULD APPRECIATE YOUR GREEN VOTE ON LB1009. THANK YOU. [LB1009]

SENATOR SCHEER: THANK YOU, SENATOR WILLIAMS. THE QUESTION IS ADVANCEMENT OF LB1009 TO E&R INITIAL. ALL THOSE IN FAVOR VOTE AYE; ALL THOSE OPPOSED VOTE NAY. HAVE ALL THOSE VOTED THAT WISH TO? MR. CLERK, RECORD PLEASE. [LB1009]

CLERK: 35 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADVANCEMENT OF LB1009. [LB1009]

SENATOR SCHEER: LB1009 IS ADVANCED TO E&R INITIAL. MR. CLERK, WE'LL PROCEED TO GENERAL FILE, LB934. [LB1009 LB934]

CLERK: LB934 BY SENATOR COASH. (READ TITLE.) INTRODUCED ON JANUARY 12, REFERRED TO THE JUDICIARY COMMITTEE FOR PURPOSES OF CONDUCTING A PUBLIC HEARING. THE BILL WAS ADVANCED TO GENERAL FILE. THERE ARE COMMITTEE AMENDMENTS, MR. PRESIDENT. (AM2190, LEGISLATIVE JOURNAL PAGE 644.) [LB934]

SENATOR SCHEER: THANK YOU, MR. CLERK. SENATOR COASH, YOU'RE RECOGNIZED TO OPEN ON LB934. [LB934]

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SENATOR COASH: THANK YOU, MR. PRESIDENT. GOOD AFTERNOON, COLLEAGUES. HERE TO INTRODUCE LB934 AND THE COMMITTEE AMENDMENT, AM2276. LET ME SPEND A LITTLE TIME ON THE UNDERLYING BILL AND THEN WHEN WE GET TO THE COMMITTEE AMENDMENT I'LL EXPLAIN HOW THAT CHANGES THE BILL. AS INTRODUCED THOUGH, LB934 UPDATES THE PUBLIC GUARDIANSHIP ACT AND ITS POWERS AND DUTIES AND CHANGES PROVISIONS RELATED TO THE NUMBER OF APPOINTMENTS THE PUBLIC GUARDIAN CAN ACCEPT. THE COMMITTEE AMENDMENT, WHICH IS A WHITE COPY AMENDMENT, INCLUDES LB934 AND LB1008, WHICH WAS A BILL THAT PROVIDED QUALIFICATIONS, REQUIREMENTS, POWERS AND DUTIES, LIMITATIONS FOR GUARDIANS AD LITEM IN GUARDIANSHIP, CONSERVATORSHIP, AND OTHER PROTECTIVE PROCEEDINGS. BOTH LB934 AND LB1008 WERE ADVANCED OUT OF THE JUDICIARY COMMITTEE WITH UNANIMOUS SUPPORT. TWO YEARS AGO, THE LEGISLATURE UNANIMOUSLY PASSED LB920 WHICH CREATED THE OFFICE OF PUBLIC GUARDIAN IN NEBRASKA UNDER THE JURISDICTION OF THE SUPREME COURT. AND BECAME THE LAST STATE TO HAVE SUCH AN OFFICE. NOW, I'VE ALWAYS SAID THAT IT WAS THE GOODWILL OF THE CITIZENS OF NEBRASKA THAT ALLOWED OUR STATE TO HOLD OUT FOR SO LONG AS WE RELIED ON VOLUNTEERS TO SERVE AS GUARDIANS AND CONSERVATORS. HOWEVER, OVER THE LAST SEVERAL YEARS THOSE IN NEED OF GUARDIANS AND CONSERVATORS REACHED A TIPPING POINT AND JUDGES HAD NO CHOICE BUT TO ASSIGN MULTIPLE WARDS TO GUARDIANS FROM ALL OVER THE STATE. AN AUDIT, COMPLETED BY THEN-STATE AUDITOR FOLEY, REVEALED THE DIRE NEED OF AN OFFICE OF PUBLIC GUARDIAN WHEN THE REPORT EXPOSED FINANCIAL EXPLOITATION OF A GUARDIAN IN SCOTTSBLUFF, A PUBLIC GUARDIAN TO MORE THAN 600 PEOPLE IN MORE THAN 60 COUNTIES ACROSS THE STATE. SHE DELIBERATELY MISHANDLED HER WARDS' FINANCES AND WAS CHARGED WITH EMBEZZLING OVER \$600,000 OF THEIR FUNDS BY SPREADING IT OUT OVER MORE THAN 40 BANK ACCOUNTS. HER APPOINTMENT TO OVER 600 WARDS WAS THE RESULT OF THE JUDGE HAVING NO OTHER OPTION WHEN APPOINTING A GUARDIAN OR CONSERVATOR. LB920, AGAIN TWO YEARS AGO, CREATED THE OFFICE AND STAFFED IT WITH A DIRECTOR, A DEPUTY DIRECTOR, AND UP TO 12 ASSOCIATE GUARDIANS. THE OFFICE WAS TASKED WITH FOUR MAIN DUTIES: ONE, OFFERING COMMUNITY AND SERVICES SUPPORT TO INDIVIDUALS THAT HAVE NO ONE ELSE TO CARE FOR THEM; TWO, RECRUIT AND TRAIN MEMBERS OF A COMMUNITY WILLING TO SERVE AS GUARDIANS AND CONSERVATORS; THREE, EDUCATE AND SUPPORT PRIVATE GUARDIANS AND CONSERVATORS WITH RESOURCE INFORMATION AND SKILL DEVELOPMENT; AND FINALLY, TO LOCATE INDIVIDUAL COMMUNITY MEMBERS WITH DIVERSE BACKGROUNDS WHO WERE WILLING TO SERVE AS VOLUNTEER COURT VISITORS. THE FIRST MAIN DUTY OF

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THE OFFICE IS OFFERING COMMUNITY SERVICES AND SUPPORTS FOR...IN CASE THERE IS NO ONE ELSE TO CARE FOR THEM. THE OFFICE IS CURRENTLY CAPPED AT AN AVERAGE OF 40 INDIVIDUALS PER ASSOCIATE GUARDIAN OR NO MORE THAN 480 WARDS FOR THE OFFICE, AND ANY ADDITIONAL WARDS NEEDING A GUARDIAN ARE PUT ON A WAIT LIST. THE NEWLY APPOINTED PUBLIC GUARDIANS AND CONSERVATORS ARE GIVEN THE TOOLS NEEDED TO MAXIMIZE THE LEVEL OF INDEPENDENCE BEST SUITED TO MEET THEIR WARDS' NEEDS. AFTER EXTENSIVE TRAINING, THE STAFF BEGAN TAKING CLIENTS LAST FALL AND CURRENTLY SERVE ALMOST 60 INDIVIDUALS. IN THAT TIME THEY HAVE SERVED INDIVIDUALS WITH MULTIPLE MEDICAL, MENTAL HEALTH, AND SOCIETAL CHALLENGES WHICH ARE ALREADY STRETCHING THIN THE RESOURCES OF THE PUBLIC GUARDIAN. INITIALLY, WE EXPECTED THE OFFICE TO TAKE SOME TOUGH CASES WITH SOME EASY ONES TO BALANCE THE WORKLOAD. HOWEVER, WHAT THE OFFICE HAS FOUND OUT IS THAT THEY WERE ABLE TO FIND VOLUNTEERS TO OVERSEE THE EASIER CASES THAT DO NOT REOUIRE MUCH TIME OR VISITATION. THE WARDS THAT ARE BEING ASSIGNED TO THE OFFICE ARE INCREASINGLY TIME-CONSUMING CASES WHERE THE INDIVIDUALS SUFFER FROM EXTREME MENTAL HEALTH ISSUES. HOMELESSNESS, AND OTHER CHALLENGES. THE OFFICE OF PUBLIC GUARDIANS 2015 ANNUAL REPORT LISTED THE YEAR-END CLIENT WORKLOAD AND PROJECTED FUTURE WORKLOAD PROJECTIONS FOR DIRECT GUARDIANSHIP AND CONSERVATOR DUTIES. AS THE REPORT INDICATED, THE OFFICE OVERSAW 23 CLIENTS LAST YEAR AT AN AVERAGE OF 3.6 HOURS PER WEEK PER CLIENT. AND BASED ON THESE INITIAL PROJECTIONS, IF EACH OF THE 12 ASSOCIATE GUARDIANS AND THE DIRECTOR AND THE DEPUTY DIRECTOR HAVE AN AVERAGE OF 40 CLIENTS AND A TOTAL OF 480 CLIENTS, THEN THE 480 CLIENTS TIMES THE 3.6 HOURS EQUALS 1,728 HOURS PER WEEK. DIVIDED BY THE 14 STAFF IN THE OFFICE, MEANS EACH STAFF WOULD HAVE TO WORK AN AVERAGE OF 123 HOURS PER WEEK. AND THOSE HOURS ARE ONLY FOR REPRESENTING THE CLIENTS, WHICH IS ONE OF THOSE FOUR DUTIES THAT THEY HAVE. THE OFFICE IS DIRECTED UNDER THIS BILL TO PROVIDE EDUCATION INFORMATION AND SUPPORT TO 10,000 INDIVIDUALS WHO SERVE AS GUARDIANS ACROSS OUR STATE. LB934 MOVES THE PROVISION THAT THE OFFICE HIRE UP TO 12 GUARDIANS AND REPLACES IT WITH A MULTIDISCIPLINARY TEAM OF PROFESSIONALS AND SUPPORT STAFF HIRED BY THE DIRECTOR. IT CAPS THE OFFICE AT 20 INDIVIDUALS PER MULTIDISCIPLINARY TEAM. THIS IS BASED ON THE RECOMMENDATION OF A NATIONWIDE STUDY ON PUBLIC GUARDIANSHIPS AND CONSERVATORS CONDUCTED IN ALL 50 STATES AND THE RESULTS WERE WRITTEN INTO A BEST PRACTICE BOOK WHICH WAS CAREFULLY CONSIDERED WHEN CONSTRUCTING LB920. INITIALLY WE HAD DATA FROM THE SUPREME

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COURT SUGGESTING THAT EACH ASSOCIATE MEMBER COULD HANDLE UP TO 40 WARDS. BUT NOW, THE OFFICE IS OPEN TO TAKING ON CLIENTS, THE CASES THE OFFICE IS OVERSEEING ARE TOO TIME-CONSUMING AND IT'S NOT PRACTICAL TO MEET THE NEEDS OF THE INDIVIDUALS. THEIR RESOURCES WILL BE STRETCHED TOO THIN AND THE LAST THING WE WANT IS FOR ANYONE TO NOT BE ABLE TO RECEIVE THE APPROPRIATE ATTENTION THEY DESERVE. SINCE THE INCEPTION OF LB920, THE OFFICE HAS FOUND THAT THEY NEED MORE ATTORNEYS AS PART OF THEIR STAFF IN ORDER TO FILE MOTIONS FOR THEIR WARDS. LB934 REQUIRES LEGAL REPRESENTATION PROVIDED BY THE PUBLIC GUARDIAN OFFICE TO BE LIMITED TO THE DUTIES AND RESPONSIBILITIES OF THE OFFICE. IT ALSO REQUIRES THE DIRECTOR AND DEPUTY DIRECTOR TO BE ATTORNEYS LICENSED TO PRACTICE LAW IN NEBRASKA. AT THE TIME OF THE COMMITTEE HEARING, IN TWO MONTHS AND 41 CASES, THE OFFICE OF PUBLIC GUARDIAN HAD RECEIVED APPROXIMATELY 230 DOCUMENTS FROM COURTS AND FILED ABOUT 255 DOCUMENTS. IF YOU INCREASE THAT WORKLOAD BY TEN, SINCE IT WOULD BE 480 CASES, YOU CAN SEE THE NEED FOR MORE ATTORNEYS, ON JANUARY 21 OF THIS YEAR, DURING THE STATE OF THE JUDICIARY TO THE LEGISLATURE, CHIEF JUSTICE HEAVICAN SPOKE TO THE STATE OF THE OFFICE OF PUBLIC GUARDIAN AND COMMENTED, AND I QUOTE, "UPDATES TO THE PUBLIC GUARDIANSHIP ACT WILL BE NECESSARY TO ADDRESS THE CHALLENGES ENCOUNTERED DURING THE FIRST YEAR OF IMPLEMENTATION." LB934 DOES ADDRESS THOSE CHALLENGES. SEVERAL TIMES WHEN WE DISCUSSED LB920, I COMMITTED TO ENSURING THE OFFICE WOULD RECEIVE THE FULL SUPPORT OF THIS LEGISLATURE TO SAFEGUARD THAT WE DO NOT ENCOUNTER THE SAME PROBLEMS THAT WE HAVE FACED IN ACCESSNEBRASKA, CORRECTIONS, AND BSDC. SO I WANT TO THANK THE DIRECTOR AND THE OFFICE OF PUBLIC GUARDIAN FOR BEING PROACTIVE AND TALKING TO THE LEGISLATURE ABOUT THESE NEEDED CHANGES BEFORE IT BECAME TOO LATE TO RIGHT THE SHIP. WE NEED TO MAKE THESE CHANGES IDENTIFIED TO ENSURE OUR MOST VULNERABLE CITIZENS ARE PROTECTED AND HAVE THE CARE AND SUPPORT THAT THEY NEED. THANK YOU, MR. PRESIDENT. [LB934 LB1008]

SENATOR SCHEER: THANK YOU, SENATOR COASH. AS THE CLERK STATED, THERE ARE AMENDMENTS FROM THE JUDICIARY COMMITTEE. SENATOR COASH, AS VICE CHAIR OF THE COMMITTEE, YOU'RE RECOGNIZED TO OPEN ON THOSE AMENDMENTS. [LB934]

SENATOR COASH: THANK YOU, MR. PRESIDENT. I AM GOING TO OPEN ON THE COMMITTEE AMENDMENT WHICH IS AM2190, WHICH IS A WHITE COPY AMENDMENT THAT COMBINES LB934, THE OFFICE OF PUBLIC GUARDIAN, AND

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LB1008, A BILL WHICH DEFINE THE DUTIES OF ADULT GUARDIANS AD LITEM. LB1008, WHICH IS IN THE COMMITTEE AMENDMENT, WAS A BILL RECOMMENDED BY THE NEBRASKA SUPREME COURT COMMISSION SUBCOMMITTEE ON VULNERABLE ADULTS, OF WHICH I AM A MEMBER ALONG WITH SENATORS BRASCH AND WILLIAMS, JUDGES, ATTORNEYS, STATE OFFICIALS, CONSERVATORS, AND GUARDIANS. IN A LETTER TO THE SUPREME COURT MEMBERS DATED AUGUST OF 2015, THE SUBCOMMITTEE RECOMMENDED THAT LEGISLATION SHOULD BE PURSUED TO DEFINE THE DUTIES AND/OR ROLE OF GUARDIANS AD LITEM IN PROBATE PROCEEDINGS BECAUSE, UNLIKE THE JUVENILE CODE, NO STATUTORY PARAMETERS FOR GUARDIANS AD LITEM EXIST IN THE PROBATE CODE. THERE IS CURRENTLY A HUGE QUESTION ABOUT WHAT GUARDIANS AD LITEM CAN AND CANNOT DO, AND THIS AMENDMENT DEFINES THOSE RESPONSIBILITIES. AM2190 REQUIRES THAT GALS BE ATTORNEYS. COMPLETE THE TRAINING REQUIREMENTS AS PROVIDED UNDER THE SUPREME COURT RULE, AND ADVOCATE FOR THE BEST INTERESTS OF WHOM THEY REPRESENT, INCLUDING DEFENDING FOR THAT PERSON'S SOCIAL, ECONOMIC, AND SAFETY INTERESTS. THE GUARDIAN AD LITEM MAY CONDUCT DISCOVERY, PRESENT WITNESSES, CROSS-EXAMINE WITNESSES, PRESENT OTHER EVIDENCE, AND FILE MOTIONS ON BEHALF OF THE PERSON THEY ARE APPOINTED TO. THE GUARDIAN AD LITEM MAY ALSO ENTER INTO AGREEMENTS, REQUEST MEDICAL, PSYCHOLOGICAL, GERIATRIC, OR OTHER EVALUATIONS OF THE PERSON WHO IS THE SUBJECT OF THE GUARDIANSHIP OR CONSERVATORSHIP. THE GAL, OR GUARDIAN AD LITEM, SHALL MAKE RECOMMENDATIONS TO THE COURT REGARDING A TEMPORARY OR PERMANENT GUARDIANSHIP CONSERVATOR OR OTHER PROTECTIVE ORDER. AM2190 ENSURES THAT PERSONS OR ... ANY PERSON OR ENTITY THAT REFUSES TO PRODUCE DOCUMENTS REQUESTED BY THE GAL, AND ORDERED BY THE COURT, SHALL BE SUBJECT TO A CONTEMPT OF COURT PROCEEDING. THE GUARDIAN AD LITEM'S APPOINTMENT BEGINS IMMEDIATELY AT THE TIME HE OR SHE IS APPOINTED AND ENDS WHEN THE COURT ALLOWS THE TERMINATION. THE GAL MUST MAKE CONTACT WITH THE PERSON HE OR SHE IS REPRESENTING WITHIN TWO WEEKS OF APPOINTMENT AND BECOME FAMILIAR WITH THAT PERSON'S CONDITION. THE COURT WILL DETERMINE WHETHER THE COUNTY OR THE PERSON WHO IS SUBJECT TO THE CONSERVATORSHIP PAYS FOR THE GAL. IN ADDITION TO ADDING LANGUAGE FROM LB1008, AM2190 REMOVES THE CAP OF 480 PROTECTED PERSONS FOR THE OFFICE OF PUBLIC GUARDIANSHIP. THIS IS IMPORTANT AND BEING DONE FOR TWO REASONS. FIRSTLY, IT DRASTICALLY CUTS THE LB934 FISCAL NOTE FROM OVER \$900,000 TO ONLY \$35,000 FOR THE RECLASSIFICATION OF THE ATTORNEYS IN THE OFFICE, AND REMOVING THE CAP ALLOWS THE OFFICE TO WORK WITH CURRENT STAFF AND NOT NEEDING TO HIRE ADDITIONAL STAFF TO MEET THE

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480 PERSON THRESHOLD. SECOND, BY REMOVING THE CAP, IT ALLOWS THE OFFICE OF PUBLIC GUARDIAN NOT TO HAVE TO COME TO THE LEGISLATURE FOR STATUTE CHANGE EVERY COUPLE OF YEARS TO INCREASE THE CAP. THE DIRECTOR WILL BE ABLE TO ASK THE APPROPRIATIONS COMMITTEE FOR ADDITIONAL FUNDING IN ORDER TO HIRE NEW STAFF. THOSE ARE THE PROVISIONS OF THE COMMITTEE AMENDMENT, WHICH I URGE THE BODY TO ADOPT. THANK YOU, MR. PRESIDENT. [LB934 LB1008]

SENATOR SCHEER: THANK YOU, SENATOR COASH. MR. CLERK, THERE'S AN AMENDMENT TO THE COMMITTEE AMENDMENT. [LB934]

CLERK: MR. PRESIDENT, SENATOR COASH WOULD MOVE TO AMEND COMMITTEE AMENDMENTS WITH AM2276. (LEGISLATIVE JOURNAL PAGE 727.) [LB934]

SENATOR SCHEER: SENATOR COASH, YOU'RE RECOGNIZED TO OPEN ON YOUR AMENDMENT TO THE COMMITTEE AMENDMENTS. [LB934]

SENATOR COASH: THANK YOU, MR. PRESIDENT. COLLEAGUES, PLEASE BEAR WITH ME. THIS IS THE FINAL AMENDMENT TO THIS BILL. IN ADDITION TO YOUR SUPPORT FOR THE BILL AND THE COMMITTEE AMENDMENT, I'M ASKING FOR YOUR SUPPORT OF AM2276 WHICH IS AN AMENDMENT THAT INCORPORATES LB1007 WHICH WAS, AS AMENDED, AND UNANIMOUSLY PUT FORWARD BY THE JUDICIARY COMMITTEE. LB1007, AS REPRESENTED IN AM2276, IS PART OF AN ELDER ABUSE LEGISLATIVE PACKAGE THAT I HAVE INTRODUCED THIS SESSION AND IS ALSO RECOMMENDED BY THE NEBRASKA SUPREME COURT COMMISSION'S SUBCOMMITTEE ON VULNERABLE ADULTS. THIS AMENDMENT IS THE CULMINATION OF CHANGES THAT THE SUBCOMMITTEE HAS BEEN THOROUGHLY DISCUSSING FOR THE PAST COUPLE OF YEARS IN AN EFFORT TO HELP PROTECT VULNERABLE ADULTS. AM2276 MAKES THREE DEFINITION CHANGES TO THE ADULT PROTECTIVE SERVICES ACT. THE FIRST DEFINITION ENHANCES THE DEFINITION OF EXPLOITATION TO INCLUDE THE WRONGFUL OR UNAUTHORIZED TAKING, WITHHOLDING, APPROPRIATION, CONVERSION, CONTROL, OR USE OF MONEY, FUNDS, SECURITIES, ASSETS, OR ANY OTHER PERSONAL PROPERTY OF A VULNERABLE ADULT OR SENIOR ADULT BY ANY PERSON BY MEANS OF UNDUE INFLUENCE, BREACH OF FIDUCIARY RELATIONSHIP, DECEPTION, EXTORTION, INTIMIDATION, FORCE OR THREAT OF FORCE, ISOLATION, OR ANY UNLAWFUL MEANS BY THE BREACH OF FIDUCIARY DUTY BY THE GUARDIAN. CONSERVATOR, AGENT, UNDER A POWER OF ATTORNEY, TRUSTEE, OR ANY OTHER FIDUCIARY OF THE VULNERABLE ADULT

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OR SENIOR ADULT. THE INCLUSION OF THIS BREACH OF FIDUCIARY DUTY BY THE AGENT UNDER A POWER OF ATTORNEY IS ONE OF THE MOST IMPORTANT NEEDS THAT THIS AMENDMENT ADDRESSES. POWERS OF ATTORNEY FIDUCIARY ABUSES ARE BECOMING EXTREMELY PROBLEMATIC ACROSS THE NATION. POWERS OF ATTORNEY HAVE NO ONE TO REPORT TO. THE LACK OF UNDERSTANDING OF WHAT CAN AND CANNOT BE DONE AS A POWER OF ATTORNEY IS A CLEAR PROBLEM, MOSTLY BECAUSE A RELATIVE OF THE VULNERABLE ADULT HAS BEEN ASSIGNED AND IT BASICALLY GIVES THEM CART BLANCHE OVER THEIR FINANCES. I'M SURE YOU'VE ALL HEARD OF CASES WHERE A GRANDSON LIVING WITH A GRANDPARENT AND SPENDING OR TAKING ALL...AND THE SPENDING AND TAKING OF ALL THEIR GRANDPARENTS' MONEY. OFTENTIMES THE VULNERABLE ADULT WILL NOT WANT ANY CRIMINAL CHARGES BROUGHT AGAINST THE RELATIVE EVEN THOUGH THEY ARE BEING TAKEN ADVANTAGE OF. CURRENT NEBRASKA STATUTE STATES THAT, EXCEPT AS OTHERWISE PROVIDED IN A POWER OF ATTORNEY, AN AGENT IS NOT REQUIRED TO DISCLOSE RECEIPTS, DISBURSEMENTS, OR TRANSACTIONS CONDUCTED ON BEHALF OF THE PRINCIPAL UNLESS ORDERED BY A COURT OR REQUESTED BY THE PRINCIPAL, A GUARDIAN, CONSERVATOR, ANOTHER FIDUCIARY OR AGENT ACTING FOR THE PRINCIPAL, A GOVERNMENTAL AGENCY HAVING AUTHORITY TO PROTECT THE WELFARE OF THE PRINCIPAL. THIS AMENDMENT WILL PROVIDE SOME ACCOUNTABILITY FOR THE FIDUCIARY DUTIES OF THE POWER OF ATTORNEY. THE SECOND DEFINITION THAT IS ADDED UNDER AM2276 IS THE TERM "ISOLATION," AND THIS DEFINITION WAS MIRRORED AFTER LOUISIANA'S DEFINITION. IT NEEDS TO BE ADDED TO THE APA STATUTES FOR REASONS TO INVESTIGATE CASES OF EXPLOITATION OF VULNERABLE ADULTS AND SENIOR ADULTS. THE LACK OF ISOLATION DEFINITION HAS CAUSED ISSUES FOR ADULT PROTECTIVE SERVICES AND LAW ENFORCEMENT TO PROSECUTE CASES WHERE A VULNERABLE ADULT WAS NOT ALLOWED TO HAVE CONTACT WITH FAMILY MEMBERS, FRIENDS, OR CONCERNED PERSONS, INCLUDING MAKING AND RECEIVING PHONE CALLS OR KEEPING THAT PERSON PHYSICALLY OR CHEMICALLY RESTRAINED. THIS AMENDMENT CLARIFIES THAT TERM DOES NOT APPLY TO RESTRICTIONS IMPOSED BY THE MEDICAL...IMPOSED BECAUSE OF MEDICAL ISOLATION PRESCRIBED BY A DOCTOR, COMPLIANCE WITH A PROTECTION ORDER, OR ACTION OF A NURSING HOME ADMINISTRATOR FOR PROTECTION OF NURSING HOME RESIDENTS. THE THIRD DEFINITION THAT IS ADDED IN THE AMENDMENT IS THE TERM "SENIOR ADULT," WHICH IS DEFINED AS ANY PERSON 65 YEARS OF AGE OR OLDER. CURRENTLY, IN CASES OF ABUSE, NEGLECT, OR EXPLOITATION OF ADULTS, LAW ENFORCEMENT AND HHS WORKERS HAVE TO PROVE VULNERABILITY, WHICH IS DIFFICULT TO DO, DUE TO THE HIGH BURDEN OF PROOF. BY TREATING EVERYONE 65 YEARS AND OLDER AS

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VULNERABLE, PROSECUTORS WILL HAVE THE TOOLS THEY NEED TO PROVE VULNERABILITY IN CASES OF EXPLOITATION. AT LEAST 22 OTHER STATES CURRENTLY HAVE ELDER SPECIFIC VULNERABILITY LAWS THAT RANGE BETWEEN 60 AND 70, AND ADDING THIS DEFINITION DOES NOT CHANGE THE DUTIES OR WORKLOADS OF ADULT PROTECTIVE SERVICE EMPLOYEES. THE FINAL PIECE OF THIS AMENDMENT CHANGES THE THREE-YEAR STATUTE OF LIMITATIONS TO SIX YEARS FOR PROSECUTION OF PUNISHMENT FOR KNOWING AND INTENTIONAL ABUSE, NEGLECT, OR EXPLOITATION OF VULNERABLE ADULTS OR SENIOR ADULTS. THE STATUTE OF LIMITATIONS OF THREE YEARS IS PROBLEMATIC WHEN ABUSE LASTS SEVERAL YEARS. AN INVESTIGATION STARTS FROM THE DATE OF DISCOVERY FROM A COMPETENT PARTY. FINANCIAL EXPLOITATION CASES ARE EXTREMELY TIME-CONSUMING AND IT'S DIFFICULT FOR LAW ENFORCEMENT TO OBTAIN FINANCIAL RECORDS FROM BANKS, WHICH COULD TAKE MONTHS OR YEARS. OFTEN THE FINANCIAL EXPLOITATION IS NOT DISCOVERED FOR A LONG TIME AND SOMETIMES NOT UNTIL THE EXPLOITED VULNERABLE ADULT HAS PASSED AWAY. AND SOMETIMES THAT VULNERABLE ADULT MAY NOT EVEN KNOW THEY ARE THE VICTIM UNTIL YEARS AFTER THE CRIME. AM2276 IS AN IMPORTANT AMENDMENT FOR PROTECTING VULNERABLE ADULTS AND I URGE THE BODY'S ADOPTION. I'LL JUST CLOSE BY SAYING I APPRECIATE THE WORK OF THE JUDICIARY COMMITTEE IN PUTTING THIS PACKAGE TOGETHER, THE COOPERATION OF THE SUPREME COURT, AND THE COMMISSION ON VULNERABLE ADULTS, AS WELL AS THE PUBLIC GUARDIAN OFFICE WHICH IS WHAT THIS BILL IS INTENDED TO ADJUST, SO THAT WE CAN SERVE MORE...BE MORE MINDFUL ABOUT HOW WE'RE SERVING ELDERLY AND VULNERABLE ADULTS IN OUR STATE. THANK YOU, MR. PRESIDENT. [LB934 LB1007]

SENATOR SCHEER: THANK YOU, SENATOR COASH. SENATOR BLOOMFIELD, YOU'RE RECOGNIZED. [LB934]

SENATOR BLOOMFIELD: THANK YOU, MR. PRESIDENT. I WONDER IF SENATOR COASH WOULD YIELD TO A QUESTION. [LB934]

SENATOR SCHEER: SENATOR COASH, WOULD YOU PLEASE YIELD? [LB934]

SENATOR COASH: YES, I WOULD. [LB934]

SENATOR BLOOMFIELD: THANK YOU, SENATOR. I SEE THERE'S A SUBSTANTIAL FISCAL NOTE ON THE ORIGINAL BILL. DOES THE AMENDMENT ALTER THAT IN ANY WAY? [LB934]

SENATOR COASH: IT DOES. THE COMMITTEE AMENDMENT, AM2190, REMOVES THE CAP WHICH MEANS THAT THE OFFICE CAN OPERATE WITHIN THE BOUNDS OF THE CURRENT STAFFING STRUCTURE, WHICH TAKES THE FISCAL NOTE DOWN TO ONLY THE \$35,000, WHICH IS A RECLASSIFICATION OF EMPLOYEES. [LB934]

SENATOR BLOOMFIELD: OKAY. THANK YOU. [LB934]

SENATOR COASH: SENATOR BLOOMFIELD, IF I COULD JUST ADD SOMETHING TO THAT. [LB934]

SENATOR BLOOMFIELD: I WOULD YIELD MY TIME TO SENATOR COASH. [LB934]

SENATOR SCHEER: SENATOR COASH, YOU'RE YIELDED 4:10. [LB934]

SENATOR COASH: THANK YOU, BECAUSE I WANT TO MAKE SURE THIS IS CLEAR FOR THE RECORD. WHEN YOU SEE THE FISCAL NOTE, THE A BILL, EXCUSE ME, WHICH WILL FOLLOW THIS BILL, YOU WILL SEE THAT THAT MONEY HAS BEEN ADDED BACK INTO THE FISCAL NOTE SO THAT THE OFFICE CAN HIRE MORE STAFF TO SERVE MORE VULNERABLE ADULTS. HOWEVER, JUST TO BE CLEAR, THE JUDICIARY COMMITTEE AMENDMENT, WHICH I URGE THE BODY'S ADOPTION, REDUCES IT DOWN TO JUST THAT \$35,000. THANK YOU, MR. PRESIDENT. [LB934]

SENATOR SCHEER: THANK YOU, SENATOR COASH AND SENATOR BLOOMFIELD. SENATOR BRASCH, YOU'RE RECOGNIZED. [LB934]

SENATOR BRASCH: THANK YOU, MR. PRESIDENT, AND THANK YOU, COLLEAGUES. I DO STAND IN SUPPORT OF LB934 AND THE AMENDMENTS THAT FOLLOW. THIS IS A GOOD BILL. AS SENATOR COASH HAD MENTIONED, I HAVE SERVED ON THE COMMISSION FOR CONSERVATORSHIP AND GUARDIANSHIP. I'VE ATTENDED TWO MEETINGS NOW. SENATOR WILLIAMS IS JUST RECENTLY APPOINTED. AND MOVING FORWARD INTO THE NEAR FUTURE, THE STATE OF NEBRASKA EXPECTS THE POPULATION OF THE AGING TO NEARLY DOUBLE. THIS BILL AND THE AMENDMENTS NOT ONLY HELP PROVIDE OVERSIGHT,

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PROTECTIONS, STAFF, THERE'S VOLUNTEERS THAT ARE ALSO INVOLVED AS GUARDIANS AND CONSERVATORS, BUT CHILDREN AND OTHER VULNERABLE ADULTS ARE ALSO AFFECTED WITH THIS BILL. IT IS PROVIDING SOME OVERSIGHT, SOME PROTECTION. THERE WILL BE TRAINING FOR THE GUARDIANS. AND AS I HAD MENTIONED, ONCE AGAIN, IT'S A GOOD BILL WITH GOOD AMENDMENTS. I'D ENCOURAGE YOU TO VOTE GREEN ON THE AMENDMENTS AND THE BILL ITSELF. THANK YOU, COLLEAGUES. [LB934]

SENATOR SCHEER: THANK YOU, SENATOR BRASCH. SEEING NO OTHERS WISHING TO SPEAK, SENATOR COASH, YOU'RE RECOGNIZED TO CLOSE ON YOUR AMENDMENT TO THE COMMITTEE AMENDMENT. [LB934]

SENATOR COASH: THANK YOU, MR. PRESIDENT. AND THANK YOU FOR THE QUESTIONS AND THE SUPPORT AND THE COMMENTS FROM SENATOR BRASCH. AM2276 IS SIMPLY LB1007, WHICH ADDS DEFINITIONS OF VULNERABLE ADULTS, CLARIFIES THEM FOR PURPOSES OF PROTECTING THEM. AND I URGE YOUR ADOPTION. THANK YOU, MR. PRESIDENT. [LB934 LB1007]

SENATOR SCHEER: THANK YOU, SENATOR COASH. THE QUESTION IS, SHALL THE AMENDMENT TO THE COMMITTEE AMENDMENT TO LB934 BE ADOPTED? ALL THOSE IN FAVOR VOTE AYE; ALL THOSE OPPOSED VOTE NAY. HAVE ALL VOTED THAT WISH? RECORD, MR. CLERK. [LB934]

CLERK: 33 AYES, 0 NAYS ON ADOPTION OF SENATOR COASH'S AMENDMENT TO THE COMMITTEE AMENDMENTS. [LB934]

SENATOR SCHEER: THE AMENDMENT IS ADOPTED. SEEING NO FURTHER DISCUSSION, SENATOR COASH YOU'RE RECOGNIZED TO CLOSE ON THE COMMITTEE AMENDMENTS. [LB934]

SENATOR COASH: THANK YOU, MR. PRESIDENT. COLLEAGUES, AM2190 BECOMES LB934. IT HAS SEVERAL PROVISIONS WHICH I OUTLINED IN MY OPENING. AND TO SENATOR BLOOMFIELD'S QUESTION, AND TO THE QUESTIONS THAT MAY COME UP ON THE A BILL, WHICH WILL FOLLOW, AM2190 REMOVES THE CAP...EXCUSE ME, WELL, IT DOES. IT REMOVES THE CAP OF HOW MANY WARDS THE ASSOCIATE GUARDIAN CAN TAKE AND TAKES IT FROM 40 DOWN TO 20. AND THEN WITHIN THAT MULTIDISCIPLINARY TEAM, WHICH IS PROVIDED UNDER AM2190, IT ALLOWS THEM TO SERVE AS MANY PEOPLE AS THEY CAN UNDER THAT LOWERED CAP. THIS AMENDMENT ADOPTED TAKES AWAY THE FISCAL NOTE,

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OTHER THAN THE \$35,000 WHICH IS FOR THE RECLASSIFICATION OF SOME EMPLOYEES BECAUSE THEY WILL THEN HAVE TO BE ATTORNEYS IN ORDER TO BE ABLE TO FILE THOSE MOTIONS AND TAKES AWAY ALL OF THE...THE MAJORITY OF THAT FISCAL NOTE. THANK YOU, MR. PRESIDENT. [LB934]

SENATOR SCHEER: THANK YOU, SENATOR COASH. THE QUESTION IS, SHALL THE COMMITTEE AMENDMENTS TO LB934 BE ADOPTED? ALL THOSE IN FAVOR VOTE AYE; ALL THOSE OPPOSED VOTE NAY. HAVE ALL VOTED THAT WISH TO? RECORD, MR. CLERK. [LB934]

CLERK: 35 AYES, 0 NAYS ON ADOPTION OF COMMITTEE AMENDMENTS. [LB934]

SENATOR SCHEER: THE AMENDMENT IS ADOPTED. DISCUSSION FOR THE ADVANCEMENT OF LB934 TO E&R INITIAL. SEEING NONE, SENATOR COASH, YOU'RE WELCOME TO CLOSE. [LB934]

SENATOR COASH: THANK YOU, MR. PRESIDENT. THANK YOU, COLLEAGUES, FOR YOUR ATTENTION TO THIS MATTER. WHAT WE'RE DOING HERE IS NO SMALL THING. WE HAVE REALLY IMPACTED SOME VERY VULNERABLE PEOPLE IN OUR STATE BY PROVIDING AN OFFICE OF PUBLIC GUARDIAN TO STEP IN WHEN THEY, FRANKLY, HAVE NO ONE ELSE TO STEP IN FOR THEM. WITHOUT THIS OFFICE, OUR COUNTIES WOULD...OUR HOSPITALS WOULD BE FULL OF...WELL, THEY ARE FULL, FULLER OF FOLKS WHO ARE MENTALLY ILL. OUR NURSING HOMES WOULD BE FULL OF PEOPLE WHO HAVE NO ONE ELSE TO ADVOCATE FOR THEM. AND WHAT WE'RE DOING WITH LB934 IS IN NO SMALL...IS NO SMALL FEAT BY THIS LEGISLATURE OR THIS OFFICE WHO WORKED SO HARD ON BEHALF OF THESE VULNERABLE ADULTS. SO, WITH THAT, I WOULD URGE YOUR ADOPTION OF LB934. THANK YOU, MR. PRESIDENT. [LB934]

SENATOR SCHEER: THANK YOU, SENATOR COASH. THE QUESTION IS THE ADVANCEMENT OF LB934 TO E&R INITIAL. ALL THOSE IN FAVOR PLEASE VOTE AYE; ALL THOSE OPPOSED VOTE NAY. HAVE ALL THOSE VOTED THAT WISH TO? RECORD, MR. CLERK. [LB934]

CLERK: 36 AYES, 0 NAYS ON THE ADVANCEMENT OF LB934. [LB934]

SENATOR SCHEER: LB934 ADVANCES TO E&R INITIAL. MR. CLERK, WE'LL PROCEED BACK TO GENERAL FILE, LB817. OH, I'M SORRY, BACK TO LB934A. [LB934 LB934A]

CLERK: MR. PRESIDENT, LB934A BY SENATOR COASH. (READ TITLE.) [LB934A]

SENATOR SCHEER: SENATOR COASH, YOU'RE RECOGNIZED TO OPEN ON LB934A. [LB934A]

SENATOR COASH: THANK YOU, MR. PRESIDENT. GOOD AFTERNOON, COLLEAGUES. I'M SURE AT FIRST GLANCE YOU'LL NOTICE THIS BILL HAS A UNIQUE FISCAL NOTE. AS I MENTIONED DURING THE BILL, BY REMOVING THE CAP, THE FISCAL NOTE DROPS DRAMATICALLY. HOWEVER, THE CURRENT AMOUNT OF VULNERABLE CITIZENS THAT ARE CARED FOR BY THE OFFICE ALSO DECREASES. IN LB1008...IN THE LB1008 SECTION OF LB934, WHICH WE JUST PASSED, THE SUPREME COURT ESTIMATES THAT A ONE-TIME CASH FUND EXPENDITURE OF...CASH FUND EXPENDITURE OF \$7,000 FOR ACTIVITY SUCH AS DEVELOPING, TRAINING, AND CHANGES TO COMPUTER PROGRAMMING TO TRACK PARTICIPANTS. THE AMENDED LB934, WITH THE CHANGES TO THE MULTIDISCIPLINARY TEAM APPROACH, AND REMOVAL OF THE CAP OF 480 PROTECTED PERSONS, HAS A GENERAL FUND FISCAL NOTE OF \$35,000. THAT FISCAL NOTE IS THE RESULT OF A RECLASSIFICATION OF ATTORNEYS IN THE OFFICE. WITH THE CURRENT STAFF, THE OFFICE OF PUBLIC GUARDIAN CAN HANDLE UP TO 280 WARDS, 12 ASSOCIATES, A DEPUTY, AND THE BUSINESS MANAGER. THIS A BILL APPROPRIATES AN ADDITIONAL \$500,000 TO THE OFFICE OF PUBLIC GUARDIAN SO THAT THE DIRECTOR CAN HIRE ADDITIONAL STAFF AND INCREASE THE OFFICE'S CAPACITY TO HELP VULNERABLE ADULTS AND GET THE OFFICE OF PUBLIC GUARDIAN ALIGNED FOR THE NEXT BUDGET PROCESS. I KNOW THIS SEEMS LIKE A LOT OF MONEY TO BE REQUESTING, BUT THE OFFICE CAN SAVE THE STATE TIME AND COUNTIES MONEY. TO DATE IN 71 PERCENT OF THE HOSPITAL CASES, THE NEBRASKA OFFICE OF PUBLIC GUARDIAN WAS ABLE TO GET THEIR PATIENTS EITHER DISCHARGED OR INTO A MORE APPROPRIATE, LOWER LEVEL OF CARE. STUDIES FROM OTHER STATES **REPORT ANNUAL SAVINGS OF GUARDIANSHIP PROGRAMS THAT RANGE FROM \$4** MILLION TO \$13 MILLION. THE GREATER NEW YORK HOSPITAL, AS AN EXAMPLE, LOST \$13 MILLION IN NINE MONTHS, AWAITING THE APPOINTMENT OF GUARDIANS FOR 400 UNDISCHARGED PATIENTS. THE VERA INSTITUTE OF JUSTICE GUARDIANSHIP PROJECT IN NEW YORK CITY SAVED A REPORTED NET MEDICAID COST SAVINGS OF \$2.5 MILLION FOR 111 GUARDIANSHIPS IN 2010. THIS FISCAL NOTE IS UNABLE TO ANALYZE THE TRUE COST SAVINGS, BUT OTHER

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STATES HAVE DONE STUDIES TO EVALUATE THESE COST SAVINGS ASSOCIATED WITH AN OFFICE SUCH AS THIS, AND HAVE SHOWN A JUSTIFICATION THAT ESSENTIALLY PAYS FOR ITSELF. SO WITH THAT, COLLEAGUES, WITH THE BILL THAT WE JUST PASSED, WE ARE GOING TO SERVE AS MANY AS WE CAN UNDER THE CURRENT STAFFING AND CURRENT OFFICE RESOURCES. WHAT LB934 DOES IS GIVE THE ABILITY TO ADD RESOURCES TO THIS OFFICE TO HELP ANOTHER 120 OR SO VULNERABLE ADULTS. WITH THAT, I WOULD URGE YOUR ADOPTION AND WOULD BE GLAD TO ANSWER ANY QUESTIONS. THANK YOU, MR. PRESIDENT. [LB934A LB934 LB1008]

SENATOR SCHEER: THANK YOU, SENATOR COASH. SEEING NO ONE WISHING TO SPEAK, SENATOR COASH, YOU'RE WELCOME TO CLOSE ON LB934A. SENATOR COASH WAIVES CLOSING. THE QUESTION BEFORE US IS THE ADVANCEMENT OF LB934A TO E&R INITIAL. ALL THOSE IN FAVOR VOTE AYE; ALL THOSE OPPOSED VOTE NAY. HAVE ALL THOSE VOTED THAT WISH TO? RECORD, MR. CLERK. [LB934A]

CLERK: 31 AYES, 0 NAYS, MR. PRESIDENT, ON THE ADVANCEMENT OF LB934A. [LB934A]

SENATOR SCHEER: LB934A IS ADVANCED TO E&R INITIAL. MR. CLERK. [LB934A]

CLERK: MR. PRESIDENT, ITEMS. SENATOR HADLEY OFFERS A NEW RESOLUTION, LR469. THAT WILL BE LAID OVER. YOUR COMMITTEE ON EDUCATION, CHAIRED BY SENATOR SULLIVAN, REPORTS LB1067 TO GENERAL FILE. SENATOR CRAWFORD WOULD LIKE TO ADD HER NAME TO LB768, AS WOULD SENATOR BRASCH; SENATOR PANSING BROOKS TO LB706. (LEGISLATIVE JOURNAL PAGES 889-890.) [LR469 LB1067 LB768 LB706]

MR. PRESIDENT, SENATOR STINNER WOULD MOVE TO ADJOURN THE BODY UNTIL TUESDAY, MARCH 8, AT 9:00 A.M.

SENATOR SCHEER: YOU'VE HEARD THE MOTION TO ADJOURN. ALL THOSE IN FAVOR SAY AYE. ALL THOSE OPPOSED? WE ARE ADJOURNED.