Floor Debate March 19, 2019

[]

FOLEY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the forty-fourth day of the One Hundred Sixth Legislature, First Session. Our chaplain for today is Pastor Gary Bennett from the Red Cloud Bible Church in Red Cloud, Nebraska, Senator Murman's district. Please rise.

PASTOR BENNETT: (Prayer offered.)

FOLEY: Thank you, Pastor Bennett. I call to order the forty-fourth day of the One Hundred Sixth Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

FOLEY: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections.

FOLEY: Thank you, sir. Are there any messages, reports, or announcements?

CLERK: There are, Mr. President, thank you. Your Committee on Judiciary chaired by Senator Lathrop reports LB496 to General File with amendments. Priority bill designations: Urban Affairs Committee, LB492; Business and Labor Committee, LB418; Education Committee, LB147 and LB675; Senator Lindstrom, LB610; Senator DeBoer, LB680; Senator Brandt, LB657; Senator Hansen, Matt Hansen, his personal priority, LB433. I also have announcements, Mr. President. Several announcements. The Agriculture Committee will meet in Room 2022 immediately; Agriculture in Room 2022 immediately. Senator Hilkemann would like to have the State-Tribal Committee meet at 9:15 under the south balcony; State-Tribal at 9:15, south balcony, and then Transportation will also hold an Executive Session at 9:00 a.m. under the south balcony. That's all that I have, Mr. President.

FOLEY: Thank you, Mr. Clerk. Members, we'll now proceed to the agenda. Legislative confirmation reports. Mr. Clerk.

CLERK: Mr. President, the Natural Resources Committee chaired my Senator Hughes reports on the appointment of Michael Thede to the Nebraska Ethanol Board.

Floor Debate March 19, 2019

FOLEY: Thank you, Mr. Clerk. Members, if you could please keep the conversations to a minimum, please. Senator Hughes, you're recognized to open on the first of two confirmation reports.

HUGHES: Thank you, Mr. President. Good morning, colleagues. I present for your approval this morning the four appointments to the Niobrara Scenic River Council. Due to the distance from the Capitol all four appointees called in to their confirmation hearing via teleconference. The Niobrara Council was formed in 1997 to assist the National Park Service in managing and protecting the Niobrara National Scenic River resources. The Niobrara Council has 16 members, each representing a different stakeholder's perspective. The membership consists of representatives from local, state, and federal government, local landowners, county commissioners, area industries, and the environmental community. The diverse makeup of the council provides a wealth of knowledge, experience, and new perspectives regarding river management issues. The first appointment, Lana Arrowsmith is new to the council, and the committee heard from her on February 20th. Lana is a landowner and an EMT in Bassett, Nebraska, and is very involved in her community. She will be representing the Rock County landowner role on the council. Next the committee heard the reappointments of Jason Appelt and Dallas Dodson on February 21. Mr. Appelt is a rancher and lives in Ainsworth, Nebraska. Mr. Appelt has served on the council for about 19 years and has a vested interest in it affects-- as it affects his farm and ranch directly. Mr. Appelt is representing the Brown County landowner role on the council. Dallas Dodson ranches and lives in Valentine, Nebraska, and also works as a real estate marketing specialist. Mr. Dodson serves on the Valentine School Board and is also president of the local Cattlemen's Association affiliate. He has served on the council for two and a half terms and will continue to serve as the nonprofit wildlife representative on the council. And lastly, the committee heard from Mary Mercure on March 6. Mary was appointed to the council in April of 2018 to fill a vacant seat. Mrs. Mercure owns a Niobrara outfitting business and lives in Valentine, Nebraska. Mrs. Mercure is filling another landowner position on the council as the Cherry County owner. All of the appointments were advanced by the committee with an 8-0 vote. I ask for your confirmation of Lana Arrowsmith, Jason Appelt, Dallas Dodson, and Mary Mercure to the Niobrara Council. Thank you, Mr. President.

FOLEY: Thank you, Senator Hughes. Is there any discussion of the first confirmation report from the Natural Resources Committee? I see none. Senator Hughes, you're recognized to close. He waives closing. The question for the body is the adoption of the first of two confirmation reports from Natural Resources Committee. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 31 ayes, 0 nays on adoption of the confirmation report.

Floor Debate March 19, 2019

FOLEY: The confirmation report is adopted. Mr. Clerk.

CLERK: Mr. President, second report by the Natural Resources Committee. Senator, this is the Ethanol Board appointment.

FOLEY: Senator Hughes, you're recognized to open on your second confirmation report.

HUGHES: Thank you, Mr. President. Members of the Legislature, I present for your approval the reappointment of Michael Thede to the Nebraska Ethanol Board. Michael came before the Natural Resources Committee for his confirmation hearing on March 6. Mr. Thede is a farmer in Palmer, Nebraska. He is also a member of the Nebraska Soybean Board. Nebraska Ethanol Board is comprised of seven members all appointed by the Governor. Each member represents a specific area of interest related to Nebraska's ethanol industry. Mr. Thede is representing the general farming role on the Nebraska Ethanol Board. The Ethanol Board is a state agency created in 1971 by the Legislature, the first and only state agency in the United States devoted solely to the development of the ethanol industry. The board focuses on four key issues, ethanol production and industry support, market development, research and technology issues, and public policy development. The committee advanced Mr. Thede's reappointment by an 8-0 vote. I ask for your confirmation of Michael Thede to the Nebraska Ethanol Board. Thank you, Mr. President.

FOLEY: Thank you, Senator Hughes. Is there any discussion of the second confirmation report from the Natural Resources Committee? I see none. Senator Hughes, you're recognized to close. He waives closing. The question for the body is the adoption of the confirmation report from the Natural Resources Committee. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 30 ayes, 0 nays on adoption of the report.

FOLEY: The confirmation report is adopted. (Doctor of the day and visitors introduced.) Proceeding on the agenda. General Affairs Committee report. Mr. Clerk.

CLERK: Mr. President, the General Affairs Committee reports on the appointment of Harry Hoch to the Nebraska Liquor Control Commission.

FOLEY: Senator Briese, you're recognized to open on your confirmation report.

Floor Debate March 19, 2019

BRIESE: Thank you, Mr. President, and good morning, colleagues. I present for your approval today the appointment of Harry Hoch to the Liquor Control Commission. The Liquor Control Commission was created in 1935. There are three members of the commission. Each commissioner serves a six-year fixed term and must represent one of the three congressional districts within Nebraska. The Governor may remove any appointee after an opportunity to be heard for malfeasance or neglect in office. The commission is a quasi-judicial agency and has both enforcement and judicial responsibilities. The powers and duties of the commission include establishment of rules and regulations, final administrative approval of all retail liquor licenses, conducting citation hearings which include deciding innocence or guilt, and imposing sanctions on licensees ranging from a letter of reprimand to revocation of the license. The Nebraska Liquor Control commissioners are paid \$12,000 a year plus expenses and meet monthly to confirm or deny licenses based on recommendations from cities and counties and a review of the applicant's background. Harry Hoch came before the General Affairs Committee for a confirmation hearing on March 4. Mr. Hoch has experience serving on other boards and commissions including the State Fair Board and Stuhr Museum Foundation. Mr. Hoch has previous experience in the alcohol industry having owned a beer distribution business for many years--

FOLEY: Excuse me, Senator Briese. Excuse me. Members, we're having great difficulty hearing the speaker. If you could hold your conversation down, please. Senator Briese.

BRIESE: Thank you, Mr. President. Mr. Hoch has previous experience in the alcohol industry having owned a beer distribution business for many years, giving him a valuable background in the subject matter before the commission and extensive knowledge of the Nebraska Liquor Control Act. In 2015, Mr. Hoch sold his business, dissolved the corporation and no longer has any current financial interest or ties to the distribution business. Since 2015, Mr. Hoch has worked in real estate and investment for Hock Holdings Limited Liability Company out of Omaha. Mr. Hoch answered extensive questions from the committee regarding his background in the industry, how he sees the role of the commission, and the current regulatory system utilized for alcohol in Nebraska, how he would approach commissioned decisions, and why he wishes to be on the commission among other questions. The committee appreciated the in-depth discussion between testifiers, Mr. Hoch, and the committee during the committee hearing. The committee voted to advance the appointment of Harry Hoch with 6 ayes, 1 nay, and 1 present, not voting. I urge the body to support the appointment of Harry Hoch to the Liquor Control Commission. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Is there any discussion on the confirmation report from the General Affairs Committee? I see none. Senator Briese, you're recognized to close on the confirmation report. He waives closing. The question for the body is the adoption of the confirmation report from the General Affairs Committee. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

Floor Debate March 19, 2019

CLERK: 31 ayes, 0 nays on adoption of the confirmation report.

FOLEY: The confirmation report is adopted. Items for the record, Mr. Clerk.

CLERK: Mr. President, I do, thank you. A series of priority bill designations: Business and Labor, LB428; Senator Dorn, LB472; Senator Howard, LB556; the Health and Human Services Committee, LB460 and 468; Senator Crawford, LB323; Senator La Grone, LB470; and Senator Geist, LB252. In addition, Mr. President, I have a hearing notice from the Health and Human Services Committee. Finally, Mr. President, an announcement. Appropriation's Committee will have an Executive Session at 10:00 in Room 2022. That's all that I have, Mr. President. Thank you.

FOLEY: Thank you, Mr. Clerk. (Visitors introduced.) We'll proceed now to the agenda. General File 2019, Senator priority bills. Mr. Clerk.

CLERK: Mr. President, LB311. (Read title.) Introduced on January 15 of this year. At that time referred to the Business and Labor Committee. The bill was advanced to General File. I do have committee amendments pending, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Crawford, you're recognized to open on LB311. Members, please hold your conversations down so we can hear Senator Crawford. Senator Crawford, you're recognized.

CRAWFORD: Thank you, Mr. President. Good morning, colleagues. I rise to introduce LB311, the Paid Family and Medical Leave Insurance Act. I'd like to thank Senator Cavanaugh for prioritizing this important bill. I'd like to thank the other cosponsors for their support and the committee members and many advocates who have helped get this bill to the floor for debate. In Nebraska we value our families and our workers who contribute to a growing economy and thriving community. Most of us choose to live here because Nebraska offers a great quality of life because of family ties or because it's an affordable and safe place to raise a family and for our kids to get a great education. For most of us the well-being of our children, spouses and family members and loved ones is our top priority. Many of us will have or need to prepare care for a loved one at some point in our lives and for some of us it will be our own health that requires extra care. All of us can benefit from paid family and medical leave, whether it's a new parent spending critical early-bonding time with their newborn, a worker who needs time off to recover from a surgery or serious medical condition, or a mid-career professional who provides care for an elderly parent. Paid Family and Medical Leave provides workers with the time and wages they need to deal with some of life's most special or most difficult moments so that we can retain a skilled work force, healthy children and strong families. Year after year when the

Floor Debate March 19, 2019

State Chamber asked businesses about their greatest challenges, work force shortages comes up as a top concern. We simply don't have the work force we need to fill jobs, attract business, and grow our economy. Our young people are leaving for cities and states where they see better opportunity. Adopting Paid Family and Medical Leave is one compelling way to draw and retain work force to our state. Let's let young people looking to start families or experience midprofessional careerists with aging parents know that as they come to or stay in Nebraska they don't have to worry about taking care of baby or mom. In listening sessions over the summer we heard from several Nebraska employers who offer some amount of paid family leave to their employees, those in the narrow minority in our state. When asked about their experiences offering paid family leave benefits they said that their benefits package including paid leave are part of their competitive edge that allows them to hire the best candidates. This is how businesses are able to attract the best and the brightest. By passing this bill we'll be helping businesses to offer these incentives to recruit work force, and just as businesses use paid family leave to attract the best and the brightest, as a state we can use paid family and medical leave to attract and retain the best and brightest to our state. Additionally, the vacancies left by workers on paid family leave creates a whole new market for temporary employees, interns, and college students to gain valuable job experience and hone their skills and earn some extra income. Colleagues, I have pages of evidence from studies that demonstrate the positive effect of paid family medical leave on children's--

FOLEY: Excuse me, Senator.

CRAWFORD: Thank you.

FOLEY: Members, this is a Senator priority bill. Could we please be respectful of the senators when they're giving their speeches. Thank you. Senator Crawford.

CRAWFORD: Thank you, Mr. President. Colleagues, I have pages of evidence from studies that demonstrate the positive effect of paid family and medical leave on children, parents, the elderly, and caregivers. You'll hear more about many of these studies from our other supporters of the bill and in future turns. In this introduction, I will focus on what we know from studies of businesses in those states that have already implemented paid family and medical leave. In the three states that have implemented paid family and medical leave programs as California, New Jersey, and Rhode Island, evidence shows that the programs increased productivity, improved retention and moral and have a positive or no impact on profitability. In California, the majority of employers surveyed perceived a positive effect on employee productivity, profitability, and performance. The California Society for Human Resource Management who originally opposed paid family medical leave in their state have since declared that the law was less onerous than expected and that few businesses in their research reported challenges from workers taking leave. In New

Floor Debate March 19, 2019

Jersey the majority of both large and small businesses say they have adjusted easily and have reported no increase in administrative cost as a result of the state's paid leave program. A survey of Rhode Island employers found that the majority of employers reported favorable views in the law one year after the law went into effect. Colleagues, the result from businesses in states that have paid family and medical leave demonstrate that despite initial opposition from businesses in those states, once paid family leave is implemented, businesses adapt and businesses benefit. In past conversations I've heard concerns about the impact the paid family and medical leave will have only small business. Presently small business cannot afford to offer the same generous family leave benefits as larger companies and are at a competitive disadvantage. Providing paid family and medical leave through an employee paid program levels the playing field for small business, allowing them to compete for talent. The reality is that small businesses are already paying the price somewhere. Maybe it's having to pay for recruitment hiring and training when an employee quits due to care giving needs or exhausted employees that are with-- that cannot do a good job because their minds at home with their new baby or a sick parent. Under this program these costs would be reduced through contributions to an insurance fund. Employers can retain happy, productive employees, because they come back to work motivated to do a good job. Since the employer is not paying the employee's salary while on leave, these funds are available to pay the salary of a temporary worker. And being mindful of the wishes of the business community to have an option of providing leave on their own, and insurance companies wishing to compete to provide leave insurance, LB311 provides opt-out provisions that allows employers that provide substantially equivalent benefits to employees on their own to opt out of paying into the fund. According to our estimates, we expect it will be cheaper for most businesses to administer benefits through contributions to the state fund rather than provide benefits on their own, but the bill allows businesses to provide these benefits on their own. The act will lend businesses, particularly small businesses a helping hand by providing an efficient and cost-effective way for those who would not otherwise have the funds or administrative capability to administer paid family leave. In light of all the arguments for paid family and medical leave, let me briefly explain key components of LB311. The bill creates an insurance fund like unemployment insurance for paid family and medical leave administered by the Department of Labor. All employers who pay unemployment insurance would be required to pay into the fund or provide comparable benefits without accessing the PFMLA fund. The act defines serious medical conditions as is defined in FMLA, it defines family more inclusively than FMLA. It allows for up to twelve weeks of paid leave for an individual caring for himself although that is amended in the amendment to six weeks, and twelve weeks to care for a new child, six weeks to care for a family member with a serious health condition. When an employee takes family or medical leave, he or she receives partial wage replacement from the PFMLA fund, about two-thirds of an employee's salary, up to two-thirds of the state average weekly wage. During leave the business will not be paying wages for that employee. However, the bill allows businesses to provide additional benefits should they choose to do so. The bill also allows for military exigency leave that provides military members and families to take leave to address needs before or after

Floor Debate March 19, 2019

deployment. LB311 provides job protections to all employees and qualifying businesses who take family or medical leave like those currently provided by select employees in large companies by the current federal FMLA. In summary, a large body of data continues to show that paid family medical leave provides measurable benefits to employees and employers and families and children, and that the need for these benefits continues to grow. With public pressure mounting and no action in sight on the issue at the federal level and a lack of initiative for the business community to adopt these policies independently, it's time for Nebraska to step up and provide paid and medical family leave. The coming amendment addresses the fiscal note to eliminate the General Fund impact of the fiscal note and to save costs in terms of the contributions. We'll hear more about the amendment later. So again, I ask you to have us in Nebraska step up and provide paid family and medical leave, provide a competitive advantage for our work force in the Midwest. Thank you, Mr. President.

FOLEY: Thank you, Senator Crawford. As the Clerk indicated, there are amendments from the Business and Labor Committee. Senator Matt Hansen, you're recognized to open on the committee amendment.

M. HANSEN: Thank you, Mr. President, and good morning, colleagues. Good morning, colleagues. AM570 is the committee amendment to Senator Crawford's LB311. AM570 is a white-copy amendment. However, it mainly makes four substantive changes from the green copy. First, the amendment sets the transfer of \$5,558,000 from the Nebraska Healthcare Cash Fund to the Paid Family and Medical Leave Insurance Fund. This fund will be repaid when the commissioner determines that the Paid Family and Medical Leave Insurance Fund has sufficient funds for the program, which must be completed by October 1, 2023. This gives the program up to four years to build up a balance before repaying the Healthcare Cash Fund. Second, in order to lower costs in the fiscal note, the amendment allows one full year of collecting contributions from employers to the Paid Family and Medical Leave Insurance Fund as opposed to six months provided in the original bill. This allows the fund to grow even more before claims can be made against it. Third, also in order to lower costs in the fiscal note, the amendment lowers from 12 weeks to six weeks the time an employee can take for personal medical leave. And finally, fourth, the amendment raises a concern, raised in the committee hearing by removing the term domestic partner as a covered family member due to concerns about establishing proof of an intimate relationship to the employer and the Department of Labor. I just want to take a moment to thank Senator Crawford for introducing LB311 and Senator Cavanaugh for prioritizing the bill. I know Senator Crawford has been working this issue for multiple years and there's been multiple iterations of this bill. I'm very happy and very excited and very glad that Senator Crawford has chosen to carry this issue over the years and glad we are able to have it on the floor for debate today. I urge your adoption of the committee amendment, and I would yield the balance of my time to Senator Cavanaugh as it is her priority bill. Thank you, Mr. President.

Floor Debate March 19, 2019

FOLEY: Thank you, Senator Matt Hansen. Senator Cavanaugh, you've been yielded just under 8:00.

CAVANAUGH: Thank you, Mr. President. Good morning, colleagues. I'm very excited to stand here today in support of Senator Crawford's bill LB311 for paid family and medical leave in Nebraska. My journey to this spot here started with paid family and medical leave. Several years ago when I was working for the University of Nebraska I had my own baby, not Barrett, Harriet, and I had just reentered the work force after having her and staying home with her for five months. And I started talking to some of my colleagues within the university system, and that's when I came to realize that as a managerial level employee within the University of Nebraska, one of our largest employers, I had access to paid leave. I had access to all of the leave that I needed to take care of my child, to take care of a sick relative, to take care of myself and my husband, which I did because he had to have his appendix out and he had to have his gall bladder out, so multiple times I had to take care of my husband. And I was very fortunate, and my colleagues who were administrative staff were not so fortunate. My colleagues who were administrative staff who were hourly, would have had to work for the university for five years, for five years taking no time off at all to save up enough time to have enough sick leave and vacation time to take 12 weeks off if they were to have a child or a medical emergency. And that just seems wrong to me. So I started looking into what could be done in our state. And it turns out that if you are an individual in the state of Nebraska and your employer doesn't offer shortterm disability insurance, you have no avenue for short-term disability insurance. So if you have a new baby and you can't afford to take any time off of work because you're an hourly employee-- Mr. President, could I have a gavel?

FOLEY: Members, please come to order. Senator Cavanaugh.

CAVANAUGH: If you have a baby and you're an hourly employee and you can't take time off of work, you have to go back to work because you don't have short-term disability, you don't have paid time off, and you can't legally put your baby in a licensed childcare facility before they're six weeks old. So what do you want to tell the future Nebraskans that they should be doing those first six weeks? Should they be home with their parents? Should they be with strangers in unlicensed, unregulated, substandard facilities? No one should take a baby under six weeks old unless it's a grandparent or a parent, and it should be a parent, but we can't do that in Nebraska because we don't allow for it. I really hope that my colleagues are listening this morning because we're talking about real people and real problems, and I understand that this is a big day for everyone and that we're all trying to get our bills shopped around, but this is important. This is important enough that I ask Senator Crawford if I could prioritize her bill. I'm very willing to talk to anyone about how we can move this forward and move this through for the state of Nebraska. I know Senator Crawford is as well. If there are concerns I would really like to hear from you today. Nebraska has an aging population. We all know that baby boomers are reaching

Floor Debate March 19, 2019

retirement age and are going to need caregivers, and I'm part of what is called the sandwich generation. The sandwich generation has to take care of both parents and children at the same time. I'm very fortunate that both of my parents are extremely healthy and actually are helping be caregivers to my own children, but not everyone is so fortunate in this state. I asked AARP to look into the aging population in our state, and they gave me the top five districts that have a population over 50. The number five district is District 38, Senator Dave Murman with 42 percent of that district over age 50. Steve Erdman's is number four with 43 percent of his district over age 50. Senator Dan Hughes is number three with 44 percent of his district over age 50. Senator Briese is number two with 44.7 percent of his district over age 50. And Senator Gragert, his district is the largest, 44.8 percent. His district is also suffering significantly right now from the floods, and we have the largest-aging population and no way for family members to take time off to help them. That is not acceptable to me. And I hope it is not acceptable to you either, colleagues. It's disheartening that in 2019 we're still at this spot. We're still at this spot where we're debating whether or not this is good public policy. We keep talking about how to recruit and retain people to this state, but we're not willing to have the real hard conversations about what are people looking for in the home? What are young people looking for when they want to move to a state? They're looking for benefits. They're looking for, where can I raise my family? They're looking for livability, and we're not offering them that, but we have an opportunity here today with Senator Crawford's bill. We have an opportunity to be leaders in this industry. We have an opportunity to show not only Nebraskans, but the entire nation that we are a family-first state, that we know what is important--

FOLEY: One minute.

CAVANAUGH: --and that we have core values, and our core values are, we take care of each other, not just when there's a flood. We take care of each other every day. We put our priorities first. We put our money where our priorities are, and if we truly care-- gavel, Mr. President? Thank you. If we truly care about taking care of our future, if we truly care about job development, if we truly care about our aging seniors and our babies, we will look at this seriously. We will consider this seriously. This is important. This is historical. Nebraska should and could be a leader in family-friendly policies, and we could be bringing businesses in as a result. How much time?

FOLEY: Two seconds.

CAVANAUGH: Okay. Thank you.

FOLEY: Thank you, Senator Cavanaugh. Speaker Scheer, you're recognized.

Floor Debate March 19, 2019

SCHEER: Thank you, Mr. President. Colleagues, just a reminder, there are still 18 senators, at least as of about ten minutes ago, that have not filed a priority bill. And we still have ten committees that have not filed. So just a little reminder, you still have 2 hours and 20 minutes left, but the time is ticking. Ticktock. Thank you.

FOLEY: Thank you, Mr. Speaker. Senator Pansing Brooks, for what purpose do you rise?

PANSING BROOKS: Thank you. I rise for a moment of personal privilege.

FOLEY: Please proceed.

PANSING BROOKS: Thank you, Mr. President. Today one of our own is in some serious health trouble. Our darling friend, Kitty Kearns, who has helped us and guided the pages for I don't know how many years, is seriously sick, so we need to send her our love and prayers and her family. I have gone out to get a-- two pictures, and I'm hoping that we all will sign it and send our love to her and to her family who are really coping through and going through a lot right now. So please sign this as quickly as we can. We need to get these to her. Thank you.

FOLEY: Thank you, Senator Pansing Brooks. (Vistors introduced.) Items for the record, Mr. Clerk.

CLERK: Thank you, Mr. President. Revenue Committee chaired by Senator Linehan reports LB86, LB88, and LB310 to General File with amendments. Banking Committee chaired by Senator Williams reports LB316 to General File with amendments and LB573 as indefinitely postponed. Priority bill designations: Senator Hilgers, LB616; Senator Lowe, LB153; Senator Williams has selected LB316 and LB603 as the Banking Committee priority bills; Natural Resources Committee has selected LB177 as one of its priority bills; Transportation has selected LB184 and LB462 as the committee priority bills; and Senator Halloran, LB693, as his priority bill. Mr. President, an announcement. I'm sorry, I have a resolution, LR45 offered by Senator Bostelman. That will be laid over. General Affairs Committee will meet now underneath the south balcony; General Affairs Exec Session now, south balcony. That's all that I have. Thank you, Mr. President.

FOLEY: Thank you, Mr. Clerk. Members, we have a very long list of Senators in the speaking queue. Senator Matt Hansen, you're first in the queue.

M. HANSEN: Thank you, Mr. President, and good morning again, colleagues. And thank you again to Senator Crawford for introducing this bill and working it over multiple years and

Floor Debate March 19, 2019

multiple iterations. And thank you again to Senator Cavanaugh for prioritizing it so we could have the debate on the floor. The first time I spoke I mainly just covered the policies contained in the committee amendment and the changes. So I wanted to speak now of why I support this bill. And one of the things you kind of, I'm sure many people notice on the microphone, last week is, I was wearing bandages on my face. And so I'm somebody who underwent my first major surgery in my adult life about thirteen days ago, a little less, a week ago last Friday. And that was a unique experience both in the lead up for me, go through the procedure and the recovery where just the amount of doctors if it's to identify a problem, get the MRI, do everything that I needed to do in order to even get to the point where I knew I needed surgery, then to have the surgery and then to have a recovery period. I was lucky enough here in this body that we had two days of recess days, and then the first day back after that I didn't have hearings in the afternoon, so I came in for-- took four days of recovery, including two days I naturally had off with no agenda and no business and I could keep free. And then even had a further half day that was just afforded to me by virtue of how my committee assignment worked out. And I was thinking if somebody else did not have that luxury, you know, how are they going to manage what ended up being a pretty considerable expense and lose the extra wages on top? And that's kind of the difficult to me that just like kind of really as we were talking about this, as I was talking with Senator Cavanaugh and she indicated she wanted to prioritize it, those things all just spoken to me. If I didn't have the privilege of having this job that I knew I had a stable income, I knew I had a recess days that I could schedule around, like how would I have handled that? How would I have handled that in past jobs not that long ago that I didn't have quite the same sick leave and paid time off and-- it's not even paid time off here, it's catch up the hours sometimes because there's always work. And so I kind of started thinking about this bill broader. You know, we know a lot of companies already offer this to employees as their benefits package. It's a small but relatively growing number. I think nationally about 17 percent of workers have it and so it does mean some businesses have looked at this and decided, hey, this is a good benefit. This is a good thing we can provide that overall benefits us and our company. And one of the things is just simply an avenue of loss productivity. We hear time and time again from individuals who have to work while they're sick or work while they're taking care of a family member, and if they just had the time to recover, they just had the time to kind of set up their family member, or whatever they need, or with, you know, parents rushing back from the birth of a child, if they just had a few extra days, a few extra weeks to actually get healthy, get settled, whatever the case may be, they could be more productive in functioning at work as opposed to trying to do caretaker responsibilities in the evening and the night trying to-- you know, all the things we expect workers to do when they kind of rush back to work, or just to be chronically ill at their jobs because they can't afford the time off to afford what was potentially expensive surgery. That's one thing we see employers often cite when they encourage in support a paid benefits, paid medical leave for their employees. Another thing is kind of worker retention. There's a lot of workers we know who we for some sort of caretaker responsibilities, and that's often the case where they can't have the time off in order to take-- have the caretaker responsibilities--

Floor Debate March 19, 2019

FOLEY: One minute.

M. HANSEN: Thank you, Mr. President, -- so they have to just leave the job and maybe try and find another job later. And if they had a grace period, if they had some paid family medical leave or just really leave at all, they could go from there, and potentially, you know, take a momentary dip in their work and rejoin the work force, rejoin their employer and not miss anything when they come back. I think there's some clear benefits for employers, and I would urge all the members of this body to keep that in mind when supporting AM570 and LB311. Thank you, Mr. President.

FOLEY: Thank you, Senator Hansen. Senator Crawford.

CRAWFORD: Thank you, Mr. President. As I indicated in my opening, my opening really focused on the business, what we know from the business research in terms of how paid family and medical leave impacts employees and employers in positive ways in those states that have paid family and medical leave. So talk just a little bit about some of what we know about its health impacts and its cost impacts in terms of family, in taking care of family and taking care of the elderly in our state. Colleagues, early childhood outcomes are improved substantially with parental access to paid family leave. Studies demonstrate better parent-child bonding and improve cognitive function among children whose parents had access to paid family leave. We're concerned about early childhood education. Providing this leave to provide that early bonding time with parents is a critical part of developing the child's brain and allowing the child then to be able to thrive in our schools and beyond. Paid family leave gives parents a vital time to establish a strong bond with their child in the first months of life resulting in long-term health benefits for both parent and child. This includes the reduced risk of parental stress and depression, lower probability of attention deficit disorder and obesity in children. So we have these positive impacts that are proven with time for parents to spend with their children and impacts that it has both on the parent and the child. The health benefits to both mother and baby from breast-feeding are well-known and paid family leave has been shown to significantly increase the duration of breast-feeding for mothers in New Jersey and California who use paid leave. The first few weeks of a baby's life are a critical time for adjustment of children and parents. Babies from low-income families may suffer the most from lack of access to paid leave and losing out on that essential time of mom or dad. Their parents are less likely to have any paid leave or to qualify for FMLA. If they do, they're likely to not be able to afford to take unpaid leave, resulting in early return to work for parents and loss of the physical, cognitive, and behavioral benefits in early bonding time for the baby. Making matters worse for low-income families, childcare providers in Nebraska are prohibited by law from accepting children less than six weeks of age. So Senator Cavanaugh mentioned this earlier, it's just very important for us to know, our state policy is that childcare centers that are licensed cannot accept children until they're six weeks old. So this leaves families with the quandary of what to do for those first six

Floor Debate March 19, 2019

weeks. Colleagues, this bill, LB311, provides an answer to that question, what should families do with their child in that first critical six weeks when they cannot drop their child-- have their child attend a licensed day care center? This bill would allow parents to have one parent stay home with that child in its first critical six weeks when they cannot attend a licensed childcare center. Paid family leave is essential not just for our families with young children but for the rapidly-growing population who will have to care for an aging parent or other relative. As Americans enjoy better health and live longer, more and more of us will have to figure out a way to care for an aging parent. According to Nebraska's DHHS State Aid Unit on Aging, the population age 65 and over is expected to grow by 75 percent in the next 20 years. This increase in elderly adults will necessitate an increased portion of work force who need to provide unpaid care for a family member. Informal family caregiving is a foundational support for an older person living in the community who may not otherwise be able to live independently and have their needs met. Currently, one in five workers aged 45 to 64 report being a caregiver to a parent, and that number will only grow as our aging population increases. An estimated 78 percent of the elderly in term of need of long-term care received care from--

FOLEY: One minute.

CRAWFORD: Thank you, Mr. President. --family and members and friends. And 40 percent of those elderly have incomes below the poverty level. Colleagues, a study in California showed the California's paid leave program found that paid family leave reduced usage of elderly nursing homes by 11 percent in their state. This is a key tool to allow families to provide that needed caregiving to an elderly parent to help them stay in their home. Again, the study in California showed that paid family leave reduced the usage of elderly nursing homes by 11 percent. That's a lot of money to the state and a lot of families that allow their loved one to stay in their home. Thank you, Mr. President.

FOLEY: Thank you, Senator Crawford. Senator Blood, you're recognized.

BLOOD: Thank you, Mr. President. I stand in enthusiastic support of both the amendment and Senator Crawford's bill. And I'm listening to the information and one of the things that I think is really important to point out when we're talking about this bill is how it affects Nebraska's future, how it affects the babies. In Nebraska, we firmly stand that we are a pro-life state from conception to death, and so whatever actions that we make on behalf of our residents, needs to match those priorities. And I feel that Senator Crawford's done an effective job of doing that with LB311. And I want to start out with a story, and it's a story that I'm kind of combining because I've had more than one constituent talk to me about this, and I want to include my own personal story. But as we work harder in Nebraska to normalize and support breast-feeding for at least the first six months of an infant's life, we know that adequate time off after childbirth results in

Floor Debate March 19, 2019

larger periods of breast-feeding and when moms have time to rest and recuperate, they're better able to start their child on a healthier path to the future. As a mom, I know that the American Academy of Pediatrics recommends six well-being visits in the first year of life and preventive care during that time is critical to the future health of this child, and the future health of that Nebraskan. Research shows that when mothers have access to paid leave, they're better able to meet the preventive care recommendations that their babies need. But there is a wider gap when we talk about premature births here in Nebraska. My constituency have expressed how the financial, emotional, and logistical impact this has on their working life. My first baby was a preemie. She weighed three and a half pounds, and I, like others across the state, had to travel to hospitals on a daily basis. Moms trying to express breast milk and hope that baby will be able to someday take a bottle or they can be fed through a tube into their tummies, they wait many weeks before their babies can actually return home. Many families nowadays no longer live close to other family members who might be able to help. Those demographics have changed drastically. Studies show that more than half of new mothers report anxiety and symptoms of PTSD following neonatal intensive care. Paid leave is a small gesture in the phase of such emotional strain when it comes to these families. If indeed our state says that all life has a value, that it is our preference that all children are to be born, then we have to do more than just be probirth. We have to embrace that family. We have to embrace that mother. We have to embrace that child because let's face it, having a child can be one of the most stressful times in your life next to getting married, buying your first house, taking care of your aging parents. We have a lot of stresses in our lives, especially those that choose to have families. So let's talk a little bit about some statistics. We know that compared to other countries that if we were to do this across the United States, that paid parental leave in the United States would prevent 576 infant deaths a year and 288 post-neonatal deaths annually, just allowing parents to have leave to care for their child.

FOLEY: One minute.

BLOOD: So as we continue to work hard here in Nebraska to invite young families to come into our state, as we continue to stand up on this floor and say that we are indeed pro-life and profamily, I expect people to truly think about the impact this can have, not just on figurative people but the people that we know in our districts, be they having aging parents, be they have newborns, be they themselves become sick and ill, this gives people an opportunity to pull themselves up by their bootstraps and move forward because that makes a happy Nebraska. Thank you, Mr. President.

FOLEY: Thank you, Senator Blood. Senator McCollister.

Floor Debate March 19, 2019

McCOLLISTER: Thank you, Mr. President. Good morning, colleagues. I rise in support of AM570 and LB311. The Paid Family and Medical Leave bill is something that's going to sweep the nation in some time. It maybe take ten years, it may take 20, but it's going to occur in Nebraska as it has in other states. What states? How about California? How about New Jersey? How about Rhode Island? And three other states have instituted the policy as well. So I know it's going to happen in Nebraska. We may not be on this earth, but it will happen. So I would encourage your green vote on this bill and move it forward. Thank you, Mr. President.

FOLEY: Thank you, Senator McCollister. Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you, Mr. President. Colleagues, I rise in support of AM570 and LB311. I just wanted to make a couple of comments about what the research shows. Research shows that with a Paid Family and Medical Relief Act there's reduced postpartum depression that shows that mothers who take less than twelve weeks of maternity are at a higher risk of experiencing postpartum depressive systems. It also-- research shows that this kind of legislation would increase physical health of the mother and the child and it helps assure that mothers have adequate rest and healing after childbirth. And the studies go on to say that those who have access to time off after birth have higher rates of vitality and health through their first postpartum year. It enhances father-child bond because it makes sure that it gives time for the fathers to bond with their child and be more involved in the short- and long-term care of the child. In addition, research shows that there is improved employment and financial stability for women. Women were more likely to be working nine to twelve months after childbirth when compared to women who did not take leave. And those who took at least 30 days were more likely to report a wage increase. So again-- and, finally, I want to add that the research shows that there is reduced public assistance utilization by mothers who do get family medical leave. So mothers with the access to paid medical leave were 40 percent more likely-- 40 percent less likely to be receiving food stamps and 39 percent less likely to receive any public assistance in their first postpartum year when compared to their peers who did not take any maternity leave. That's a cost savings to our state, colleagues. And so in that-- because of those reasons and many others, I am in support of LB311. Thank you, Mr. President.

FOLEY: Thank you, Senator Pansing Brooks. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. President. Hello, colleagues, good morning. I want this bill to pass. I want it to move on to the next round, so let me share my argument with you and tell you about why that is. So we've heard a lot today about why paid family leave is good for families, it's good for children, it's good for adults who are facing hardships. But we have to ask what about businesses because it really has to be good for everybody, right, for us to get on board with this? Well, one of the things that early data is starting to indicate that the impact to the employers can

Floor Debate March 19, 2019

be very positive depending on how you structure these programs. And my hat is off to Senator Cavanaugh and Senator Crawford for-- especially Senator Crawford for working on this issue for so long in partnership with employers to get this to a place where it's going to be executed in a way that is great for everybody. It turns out it can be very positive for employers. The U.S. Department of Labor did a survey that showed when leave takers who are fully paid, leave takers who are fully paid go on family medical leave, they return to the same employer 94 percent of the time. Whereas, when you don't receive any pay, only 76 percent of people return to the same employer. So in other words, when your worker goes on paid medical leave or any medical leave because they have to, because they have a sick parent, because they had a heart attack, because they had a baby, because their father is dying, because they need safe infant care for their newborn and there is no other safe care than them staying with their children and they don't want to have their kid in an unsafe situation, when those things happen, if they're not receiving any pay, your chances of returning to the same employer are 18 percent lower. So that translates into a cost, a major cost for businesses. So I think many modern businesses, especially newer businesses, start-ups, the kinds of tech companies that we're trying to attract to Nebraska and show how Nebraska is a hospitable place for them, they begun to recognize the benefits of providing paid leave in-house. I spoke to a man in my district, Dusty Davidson, who runs a company called Flywheel, and it's one of Nebraska's biggest employers right now, and he's in support of this bill. And they have their own in-house paid family leave policy, but he thinks that as a business owner this would actually be easier for them. And I agree with him as a business owner myself. As a small business owner, and I don't have nearly the number of employees that my friend Dusty has, but I would never be able to shoulder the cost of an in-house paid family leave program for my employees or for myself. So I could benefit greatly from this program because I would be paying into it and I wouldn't have to worry about my own paycheck if I got very ill or if I had to take time off. And from a little survey that I took of business owners in my district because that's the world that I come from when I come into the Legislature, that's my background, there's vast amounts of support among the start-up community, especially among millennials in Nebraska for this policy. If you support Medicare and Social Security, you should support this because we pay into so many things as employers. I wouldn't be able to cover the full cost of Medicare for all of my employees, so I pay into a pool to do that. I wouldn't be able to cover the full cost of Social Security for all of my employees so I pay into a pool to do that. This is one of those things. We also have no reason to believe that this wouldn't work in Nebraska because it's worked in so many other states. A cost-benefit analysis that I read, it was done by the University of Chicago economics department and Berkeley, and they found that-they analyzed similar paid family medical leave laws in other states and they determined that because of the retention issue alone for businesses, not even the productivity, not even the unscheduled absenteeism, not all the other businesses issues, but just because of the retention issue alone, businesses saved millions of dollars in other states each year. They also determined that the states where they implemented these policies, taxpayers saved money every year because--

Floor Debate March 19, 2019

SCHEER: One minute.

HUNT: Thank you. --paying people who need to be on leave keeps them off of public assistance. So these savings numbers are actually conservative. One, because the savings numbers only cover the value of employee retention, not the other kinds of productivity measures. And two, because it's not taking into account the drawdowns on Medicaid costs and SNAP costs and the other kinds of programs that we know these same folks are relying on. So actually the number of savings to the state in general is going to be higher than we can accurately predict, and that's just what the data shows from other states. There's no reason to think that it won't happen here. Every other state that has passed a paid family medical leave policy has seen these effects, and I think that we need to make legislation based on what the measurable effects are of policy, not just on ideology or philosophy.

SCHEER: Time, Senator.

HUNT: Thank you.

SCHEER: Thank you, Senator Hunt. Mr. Clerk for a motion.

ASSISTANT CLERK: Mr. President, Senator Chambers would move to commit LB311 to committee.

SCHEER: Senator Chambers, you're welcome to open.

CHAMBERS: Thank you. Mr. President and members of the Legislature, I'm going to be frank. I did this to jump to the head of the line. I've been in this place 44 years. I know the schemes, the tactics, the tricks that are undertaken. Anything that could be called a woman's issue or the issue that would benefit people who are on the margins, the tactic now is to load up the Speaker list, run three hours, take it off the agenda, and the person cannot get 33 votes to get it back on. So, in effect, bills like this, the one that was to raise the minimum wage for the tipped employees will get three hours. That's all. You don't get eight hours, you don't get six hours, you get three hours. So those groups that don't like your bill are going to load it up, time will run out, you will not get a vote. The question cannot be called because they'll have too many people up there on the list. You know why I bring up the fact that I've been here a long time? These kind of issues don't draw this much interest. That Speaker list is not always loaded up, because usually I will have an opportunity to speak more than one time. The only way I get to speak once now is to offer a priority motion and jump to the head of the line. When we were talking about a bill that would protect members of the LGBTQ community from discrimination and employment, the same

Floor Debate March 19, 2019

tactic was done. You all like what the Speaker has done. I never have liked it. But this is where the majority rules, but the majority is not always right. I say they have the might, but they don'tthey're not always right, and they will prevail, but some day they may fail. Now, the rest of you don't have it in you to give back what is given to you, but I do. And if there are people who will give me time, we will take other bills three hours and they'll be taken off the agenda. Then if they've got 33 votes, let them get their 33 votes, but make them do it. These tax bills, will each one have at least 33 votes? You know that I can get plenty of time on that just by offering amendments. Amendments, motions, motions, I watch what goes on up here when I'm in my office, because it's all that I can do to not jump on top of this desk and take this little thing and slam it down on the desk and say, why don't you all listen and show some respect? I mentioned when one of the, quote, women's issues was before us, I told the person listen to what's happening on this floor. Watch the little respect that are given to women, and then I made the comment that there are more women here now than there have been, but since women comprise a majority of the population, you'd better get a majority of the members of this Legislature as women, or you're not going to get anything, not even a pretense of respect. But you don't have it in you to stand up. I will. Why? Because I believe that this body is supposed to be a representative assembly, and there are some groups that are not represented by those who are on this floor and who do the voting. So what I have to do is what I, as one man, can do, and I'm going to show you all what I can do, not on this bill. I'm going to pull this amendment but I would not have had an opportunity to say these things and since I don't strike you from ambush in the way that you all strike people, I'm telling you in front what it is I'm going to do. You just may not know exactly when I'm going to do it. But I am, and there's going to be a change in the way business is done. Senator Lowe knows I'm well-aware of what his views are on things, and I know how little some people speak on issues. Look around in this Chamber, how empty it is. Look at it. Because it's a, quote, women's issue. Although all their mamas were women, they don't respect them. Although Jesus's mama was a woman, they don't respect women. Their daughters, if they have daughters, are women. Their sisters, their nieces, but no respect. So that hashtag Metoo is not enough. There has to be action, and I know that these words are not going to generate any response in terms of action, but when I declare what it is I'm going to do, I will do it, and we'll just see what happens during the rest of the session. But watch what they are doing, and you'll know that I'm telling the truth, but will you be able to stand, will you be able to counteract it. Politics, said Terry Carpenter who used to be here, is a dirty, backstabbing, doublecrossing business, and that's what it is now. They clump together, and they're bold and they're brave and they're tough, but as one person, they're chickenhearted, they are mice. I support this bill, but it's not going anywhere. And I want what I said to be a matter of record, not whispered behind my hand. And when you all get angry, you play into my hand because the louder the viper's hiss, the closer and more effectively I know I'm striking to their nest. And if you think I can't do what I'm saying, try me. Roosevelt said, walk softly but carry a big stick. Never strike unless you must. But if you must, never strike softly. Mr. President, I would withdraw that motion.

Floor Debate March 19, 2019

SCHEER: Without objection, so removed. Thank you, Senator Chambers. Senator Arch, you're recognized.

ARCH: Thank you. I have some questions, if Senator Crawford would be willing to respond.

SCHEER: Senator Crawford, would you please yield?

CRAWFORD: Yes.

ARCH: This is a large bill, lots to digest, and so I just have some questions for clarification, if you could help me with that.

CRAWFORD: Sure.

ARCH: And I'm looking at the white copy, the 570 amendment and that's where my questions are going to come from.

CRAWFORD: Off the AM570?

ARCH: Yes.

CRAWFORD: Okay.

ARCH: First of all, as far as employees go, does this cover all classes of employee, full-time, part-time, temporary? Who is required, when you count-- when you count employees and you identify salaries and so forth, do you-- is it intended to cover all employees?

CRAWFORD: So it covers all-- it covers any employee who would also be covered by unemployment insurance. So it really mirrors--

ARCH: So it ties to that.

CRAWFORD: --it's covered under unemployment insurance, yes.

ARCH: All right, thank you. Next question. If you go to page 5 of the amendment on line 23-excuse me, 25, it talks about-- Section 3 beginning January 1, 2022, a covered individual may

Floor Debate March 19, 2019

take paid family and medical leave for the following qualifying reasons, to care for a new child of the covered individual during the first year after the birth, adoption, or placement. Does that-that would include both male and female?

CRAWFORD: That could be taken by either a male or a female, correct.

ARCH: Okay. Thank you. Next-- top of next page, page 6, line 2, these are the qualifications, one of those being because the covered individual has a serious health condition including pregnancy that makes the covered individual unable to perform the functions of the position held by such covered individual. Do you know who determines whether that qualifies as a serious health condition?

CRAWFORD: So that would be-- the Department of Labor will be the administrator of this program, so that would be Department of Labor's call, in terms of the covered individual having a serious health condition. What we've seen in other states is they have found that it hasn't been overused in other states that have had it, but, yes, the Department of Labor would be the person who would confirm there's a serious health condition.

ARCH: So an application would be made to the Department of Labor along with whatever materials are necessary--

CRAWFORD: Documentation, right.

ARCH: --for qualifying for a serious health condition.

CRAWFORD: Yeah. And actually the definition of serious health condition is the same as the current definition in FMLA, so we already have processes in place in most-- those businesses who are covered by FMLA in terms of what that serious health condition would be.

ARCH: Okay. Thank you. Just line 5, which is the (2) there, it talks about when you would be eligible to take paid family medical leave, once he or she has been employed by a covered employer for 26 or more consecutive weeks, so approximately six months, right, half a year. And then at that point, depending upon the condition, that employee would be able to take as much as perhaps 12 weeks, three months, or approximately three months, or in some cases, six weeks. But it would be a six month qualifying, and then theoretically you could take three months of paid leave at that point. Do I understand that correctly?

Floor Debate March 19, 2019

CRAWFORD: That's correct and the amendment now has 12 weeks is only for care of a new child or adoption or foster child, and the six weeks for disability or six weeks for taking care of another person who is out-- who needs care for a serious health condition.

ARCH: Okay. Thank you. Next page 7, line 8, the amount of family--

SCHEER: One minute.

ARCH: Excuse me? One minute?

SCHEER: One minute, please.

ARCH: The amount of family and medical leave benefits to be paid to a covered individual in any week shall not exceed 66 percent of the state average weekly wage. Do you happen to know how much that is at the present time and is that Department of Labor statistics?

CRAWFORD: That would be the Department of Labor statistics, yes. It's in the neighborhood of \$500. I don't know if I can put my hands on it right this minute, but I can get that to you.

ARCH: Approximately \$500. Okay. Last question—I'm running out of time. Page 9, 21, it talks about such weekly claim shall not require covered individuals to recertify the reason for taking the pay. Do you know when they must recertify? So there is a recertification, I am assuming during this period of time, or perhaps not?

CRAWFORD: Could you repeat that question again. I'm sorry.

ARCH: Page 9, line 21, such weekly claims shall not require covered individuals to recertify the reason for taking. So this is again to the Department of Labor?

CRAWFORD: Correct.

SCHEER: Time, Senators.

ARCH: Do they--

CRAWFORD: They certify that with the Department of Labor, yes.

Floor Debate March 19, 2019

SCHEER: Time, Senators.

ARCH: Thank you.

SCHEER: Thank you, Senator Arch and Senator Crawford. Senator Slama, you're recognized.

SLAMA: Thank you, Mr. President. So I opposed this bill in committee, and I oppose it now on the floor just for the simple reason to where I support this concept, as a young woman, but this bill goes far beyond even the current states which have implemented paid family and medical leave. So, for example, under this bill, as Senator Arch so expertly illustrated, both the mother and the father, when a new baby is born, can take up to 12 weeks off to care for the new child. That goes beyond both California, Rhode Island, and the other three states which have implemented paid family and medical leave. He set their limits at either six or eight weeks. This is another month on top of that. Now, in my district, we've got lots of great, good-paying jobs, but our problem is that we have a labor shortage. We can't find enough people to fill them. It's not as simple-- if this bill were to be implemented and we were to see people taking these 12week periods off to care for a new child, it's not as simple as just going to the local temp agency and getting someone to fill that role for the next three months. That role will remain vacant because we already can't find the people to fill the jobs that we have. So just from a logistics perspective, I can't be on board with this bill. In addition, the fiscal note on LB311 is low, but that's because the employer is bearing the cost. They're the one who is expected to pay into this program. And in some cases this cost will be passed down to the employee. So just in summary, this bill goes so far beyond what the other five states who have paid family medical leave have already enacted that I just can't support it. And in addition, this bill puts an undue burden on employers which will almost certainly be passed in some cases to employees. Thank you, Mr. President.

SCHEER: Thank you, Senator Slama. Senator Lowe, you're recognized.

LOWE: Thank you, Mr. President. We already have a paid family leave act and it's done by the federal government. Senator Fisher put that through. As a matter of fact, she's going to amend it, I believe, this year for an extension. So we already have one in place. This is not needed. This is a burden to our small businesses even though they say it will be paid in, into an account by everybody to be pulled back out again. Our small businesses still have to pay in. An article about Senator Fisher's family paid act, now more than ever working families are faced with growing challenges to balance their daily responsibilities. Nebraska families are burning the candle at both ends as they work to provide and care for their loved ones. Many employers cannot afford to offer paid family leave and to provide ample time with the parents to care for their newborn or to aid sick family members. Millions of American workers deserve the flexibility they need to be

Floor Debate March 19, 2019

there for their families at times when they're needed the most. For the first time in our nation's history, working families can access nationwide paid family leave policy. For four years in Seattle, I have worked across the aisle and led the effort to pass the first-ever nationwide paid family leave policy. The policy provides families with the flexibility to care for their loved ones while also respecting the costs of running a business. This voluntary program encourages businesses to offer up to 12 weeks of family leave. Men and women can take maternity or paternity leave to care for their biological or adopted children. Employees can also use this leave to take care of other family members in need. In exchange, employers will receive as much as 25 percent tax credit for the amount of wages replaced. The policy is targeted specifically towards hourly employees, who unlike executive and high-salaried employees would not otherwise have access to a family paid leave. Those who participate in this program must make less than \$72,000 a year. Make no mistake, this is not another budget-busting federal government program. My plan steers away from open-ended and costly Washington mandate approach. It is a responsible option that incentivizes business, especially small ones, to grant Nebraska families with the flexibility that they need. In September, the U.S. Treasury Department and the IRS released guidance for employers on my paid family leave tax incentive. I want to encourage all employers, especially small businesses in Nebraska to take advantage of the opportunity to provide paid family leave to the employees. My office would be happy to assist with questions your company may have regarding its implementation. Under the current law, the tax incentive is a two-year pilot program. This provided a trial run to give Congress an opportunity to assess its effectiveness. Perhaps because the guidance on how businesses can use this tax credit was not issued until September, I joined with Senators Angus King, Independent from Maine--

SCHEER: One minute.

LOWE: Thank you, Mr. President. --and Dean Heller, Republican from Nevada, to introduce the Paid Family Leave Extension Pilot Act. This solution would give businesses three more years to implement a program, expand paid family leave for their employees, and allow Congress to assess sufficient data to assess the benefits of the program. No one should be forced into a decision between their career's work and caring for a child, spouse, or elderly parent. Nebraska families should never be held back by choosing to put their family first. We already have a paid family leave act. We don't need another one. Thank you, Mr. President.

SCHEER: Thank you, Senator Lowe. (Visitors introduced.) Mr. Clerk.

CLERK: Mr. President, some items, if I may. Your Committee on Government chaired by Senator Brewer reports LB522 to General File, LB637 General File with amendments, LB733 to General File with amendments. Priority bill designations, Mr. President. Senator Hughes, LB268; the Natural Resources Committee, LB700; Senator Quick, LB149; General Affairs

Floor Debate March 19, 2019

Committee, LB397; General Affairs, LB592; Senator Halloran has designated LB320 and LB227 as the Agriculture Committee priority bills; LB352 has been selected by Senator Morfeld; and Senator Linehan, Revenue Committee has selected LB288 as one of its priority bills; and Senator McDonnell, LB641. Mr. President, returning to LB311, Senator Slama would move to amend the committee amendments with FA24.

SCHEER: Thank you, Mr. Clerk. Senator Slama, you're recognized.

SLAMA: Thank you, Mr. President. So FA24 represents some of the concerns that I've raised about the sheer amount of time a person can take off under LB311. So, in short, referencing the committee amendment on page 6, line 11, I change 12 to 6, and on line 14 of that same page, I change 6 to 4. So right now as I referenced in my first time up on the mike, the states which have paid family medical leave do so to a much more limited scope and amount of time than what is being proposed in this bill. So I've proposed an amendment that brings this bill in line with some of those other states and makes this a little bit more workable for small business owners, people in rural communities, to where these people can take time off. But in this amendment, I'd also like to reference an article which I think is helpful. It was published in the New York Times on January 6, 2019, authored by Claire Cain Miller and Jim Tankersley. And it reads: The United States has long been the only industrialized country not to offer paid leave to new parents. Instead of waiting for the federal government, the incoming governor of California intends to change that in a significant way for families in his state. He is expected to introduce a proposal to give families six months of paid leave after the birth of a child. What's unclear is how California would pay for it. Again, this is just an aside away from the article real quick. In this bill, the employers pay for it. The business owners. The small-business owners. The mom-and-pop shops who are already struggling to get by, especially in our small towns, will be covering this. Back to the article. The proposal, which the governor-elect, Gavin Newsom, is expected to include with his budget after he is sworn in on Monday, would be the most generous state policy in the nation, at a time when federal paid leave proposals have stalled. Yet it does not include a plan to finance it, and there is no guarantee that the Legislature would approve raising money. It's the same challenge that has stymied the policy at the federal level. Around 80 percent of Americans consistently say they support paid parental leave, and some Republican lawmakers have joined Democrats in embracing the idea. Yet federal lawmakers have declined to pass tax increases or corporate mandates to make it a reality. Again, just a quick aside here. Nothing is stopping businesses which once offered their employees paid medical leave from doing so. That's how the free market works. They can offer that already to employees if they would like. California's proposal continues an effort by governors to pass laws on the issue while Congress is gridlocked. Massachusetts, Washington and New Jersey recently passed or expanded paid family leave policies. Advocates say Oregon, Colorado, and Connecticut are poised to do so, too. In competitive races in the recent midterm elections, 29 percent of candidates for Congress and governor included paid leave in their platforms, up from 4 percent four years earlier, according to

Floor Debate March 19, 2019

the National Partnership for Women and Families. But the California proposal, shared by a Newsom adviser on condition of anonymity, is set apart by the length of the proposed leave. The state currently offers six weeks of partly paid leave with an additional six weeks of disability for birth mothers. Five other states offering it, along with the District of Columbia, give between four and 12 weeks. Again the overwhelming majority of these states give either four, six, or eight. There's only one state-- I can't remember if it's a state or the District of Columbia which offers 12 weeks, but again they're reimbursed at a lower percentage than what is outlined in this bill. Many of the biggest companies give certain new parents between two and sixteen weeks. Some of the most generous companies like those in Silicon Valley give around four months. Netflix offers a year. But only 16 percent of American workers get paid leave from their employers. Economists have found that six months of parental leave is ideal for the worker. A shorter period offers fewer benefits for babies health and development and a longer one can hurt women's careers and earnings. The absence of paid leave and other family-friendly policies have been found to be the major reason that more women aren't working in the United States, and the reason that American parents say they are unhappier than nonparents and parents in other countries. My career never recovered and never will said Charlotte Brock, 39, a mother in Vienna, Virginia. When she had her first child eight years ago, she quit her job as a think tank analyst and moved in with her parents because she had no paid leave. Now as an analyst at NASA, she's expecting twins, and has pieced together sick leave followed by part-time work. Her husband doesn't get paid parental leave either. People don't realize recovery for women, even physically, is a lot longer than what's advertised in our culture. And just in terms of the experience of bonding, the closeness, and breast-feeding is so much easier if you can do it without having to pump. So I'll just do another aside. Again, there is nothing stopping companies from offering their own paid family medical leave. We don't need a government mandate, especially one on a state level that conflicts with what we have on a federal level to do this. Those companies that can afford to do so, can do so. Back to the article. The share of American women who are working has stalled, researchers say, hurting families' incomes and the country's economic output, even as that share has continued to climb in other rich countries. As employment has improved since last recession, men have benefited more than women. Economists have pinpointed the lack of family-friendly policies as a big reason. In Canada, by comparison, some parents can stretch out their paid leave over 18 months, and in Britain, many parents take one year. Both nations also provide subsidized childcare. Because we have refused to acknowledge that people have families and care issues, we're falling behind on our economic competitors, said Heather Boushey, the executive director of the Washington Center for Equitable Growth, who advised Hillary Clinton on economic issues during her 2016 presidential campaign. So-- oh, I'll just finish the article. The California policy would be the nation's biggest test of the idea that longer leave, by encouraging parents not to quit their jobs and by delaying the need to pay for infant care, can help economic growth. But the governor will face questions about whether it would require a tax increase; how the program could stay solvent if there were a recession; and how businesses would cope with the employees' long absences. California's

Floor Debate March 19, 2019

existing paid leave program-- so they already have one --is financed by a 1 percent payroll tax. Increasing that tax would require approval of two-thirds of the Legislature, which is not assured despite Democratic control. The proposal unites two of Mr. Newsom's themes: help for young children and reductions in the expenses of daily life. Infant care costs an average of \$1,200 a month in California in a childcare center. His budget proposal would also include \$1.8 billion for early childhood education, as reported by The Los Angeles Times, including expanded prekindergarten programs, subsidized childcare and nurse home visits for pregnant low-income women. The ideas signal the extent to which the new governor wants to take California in a different direction. His predecessor, Jerry Brown, pushed back on what he saw as an extravagantly expensive plans, and warned in exit interviews of an approaching recession. California has a history of fervent opposition to taxes. I think we have that same attitude in Nebraska as well. Democrats now have super majorities in both the Senate and the House, but many of them have embraced fiscally conservative policies. And just another aside. Somebody is going to be stuck holding the bag for this paid family medical leave program. It will be our employers. It will be the employees. If we want to do things--

SCHEER: One minute.

SLAMA: ---that lower our tax burden, such as, you know, get property tax relief which has been discussed as the number one issue of this session. We can't be doing programs like this. They cost money. Even if the fiscal note doesn't read like it will cost more than \$1 million, Rhode Island's program, which again is footed by the employers, cost into the hundreds of millions of dollars and I'd say a similar cost to employers would be expected here. Back to the article. California was the first state to pass paid parental leave, in 2002, and researchers have already been able to assess some effects. Even though California companies originally opposed-opposed the original policy, surveys have found either no effect or a positive effect on productivity and turnover. Paid leave increases mothers' wages and work hours, research shows, and improves the health of babies and mothers.

SCHEER: Time, Senator.

SLAMA: Thank you.

SCHEER: Thank you, Senator Slama. Returning to the queue, Senator Cavanaugh, you're recognized.

CAVANAUGH: Thank you, Mr. Speaker. Um, I'd like to address some of the comments that have been made so far. New Jersey is moved back to 12 weeks of paid leave, as has Washington state. So, Senator Slama, you might want to make a note of that. Also I've had a baby, and I can tell

Floor Debate March 19, 2019

you that filling out paperwork is part of applying for FMLA. Nationally, we do not have FMLA, Senator Lowe. It is something that Senator Fisher has done as a tax credit to corporations that currently offer it to their employees. It is not FMLA for the country, it is not FMLA for working people. It's not paid FMLA. Senator Slama, FMLA is a federal mandate for people to take time off. It is unpaid, and what we are trying to do here is make sure that people can get paid for that time off. Your change does not change the amount of time that people would be able to take off, it just changes the amount of time that they would be able to afford to take time off, whether it's medically necessary or not. So just wanted to clear that up for everyone. According to a recent public opinion research, 80 percent of Nebraskans support paid family leave. So, I guess the question is, does this body represent 20 percent of the state, or do we represent the people of this state? Eighty percent of Nebraskans support paid family medical leave. And, again, Senator Slama was focused on maternity leave. 75 percent of people who take family medical leave do not use it for maternity or parental leave, they use it for their own medical condition or as a caregiver. And considering, again, that we have an aging population in this state, it is really vitally important that we make sure that we are taking care of our aging population, and family medical leave is a huge part of that. There's a lot of discussion about how to pay for it or who's paying for it. We are paying for it. We are currently paying for it. We're paying for it through other services, we are paying for it through healthcare for premature births, we are paying for it through healthcare because elderly parents can't have somebody there taking care of them, so they're being reentered into the healthcare system, when it could be somebody just taking a week off of work to care for them. We are paying for this substantially. Daily, we are paying for this. And to Senator Blood's point that we claim to be a pro-life state, we claim to value life from the beginning, our policies do not reflect that. This policy reflects valuing life. This policy values respecting life from day one to day 27,000 and every day in-between. This policy shows that we care about workers, we care about our work force, and when you're talking about not being able to fill jobs, not paying an employee to take time off for surgery--

SCHEER: One minute.

CAVANAUGH: --is not going to solve your work force issues. We don't have enough people to fill jobs because we don't have good policies for workers. I'll just leave you all with the thought of tax credits. Corporate tax credits. We've got a few of those bills coming up, we'll be debating them on the floor. They have massive fiscal notes, much larger than this, and they do not benefit individuals. They do not benefit our constituents. There is not a direct impact on these corporate tax credits. This is something that every single person in this room can do today for their constituents. This is something that every single person in this room can do today for an aging grandparent in their district or a new mother. This is something that you can do that your constituents will come up to you and they will say thank you, because I was able to take care of my family, because you did good policy today, and you can be proud of that.

Floor Debate March 19, 2019

SCHEER: Time, Senator.

CAVANAUGH: Thank you.

SCHEER: Thank you, Senator Cavanaugh. Senator Hilgers, you're recognized.

HILGERS: Thank you, Mr. President. Good morning, colleagues. I had a few questions on this bill and the amendment, but let me first say I appreciate Senator Crawford's work on this. I appreciate all the comments on the floor that I've heard. We had an Exec Session a little bit earlier this morning, so I missed some of the introductory comments, so I was wondering if first, Senator Matt Hansen might yield to a question or two.

SCHEER: Senator Matt Hansen, would you yield?

M. HANSEN: Absolutely.

HILGERS: Thank you, Senator Hansen. I know you did your opening on AM570, and I apologize I missed it. I understand it's a white copy amendment that replaces the bill, but would you just briefly describe the material differences between the amendment and the underlying bill, please?

M. HANSEN: Sure. There are four main differences. The first is we set a specific amount of \$5,558,000 as a transfer from the Nebraska Health Care Cash Fund to the Paid Family Medical Insurance Fund, which is created in the bill. And we also changed the repayment date from that transfer, which is just considered a loan. We move it to October 1, 2023. And then we additionally-- we changed the amount of how long we would scale up collecting contributions before the first payments are out. It was originally six months in the original bill, and we moved it up to a year. So that will give the fund more time to grow. And we also lower the amount of leave you can take from 12 weeks to six weeks for personal medical leave and family medical leave, with the exception of keeping at 12 weeks leave for a new child, and then finally, we took out the term "domestic partner" as it covered family member due to concerns of what the actual definition of a domestic partner was.

HILGERS: All right. Thank you very much, Senator Hansen. I was wondering if Senator Crawford would yield to a question.

SCHEER: Senator Crawford, would you please yield?

Floor Debate March 19, 2019

CRAWFORD: Yes.

HILGERS: Thank you, Senator Crawford. And I asked the questions of Senator Hansen, one, to understand what the amendment did, but especially in light of the fiscal note there were a few questions I had that as I was going through some of the details, this is a fairly complicated bill with some large implications. So I wanted to make sure that I at least had an understanding what the amendment did, so as I ask you questions relating to my understanding of the bill based on the fiscal note, if there was anything that the amendment did to change that. I don't want to sort of base my understanding of the bill based on something that might have been pulled out of the amendment. So with that, I noticed in the fiscal note there was an estimate— and I understand that as part of the fiscal note the analysis was based on Rhode Island's system, is that right?

CRAWFORD: Correct.

HILGERS: And the estimate-- and I don't have page numbers on this, was that roughly, the approximate number of benefits would be around \$72.2 million per year. Is that-- at least, am I reading that, the fiscal note correctly?

CRAWFORD: Um, the approximate benefit-- what page are you on?

HILGERS: Well, there's not-- I think it's page, I'm sorry, maybe page 4, at the top.

CRAWFORD: Yes, yes.

HILGERS: Okay, thank you. Is there any-- and I want to ask you the fiscal notes are based on assumptions and some of those assumptions could turn out to be incorrect, is there anything that you would add to that, that maybe might suggest that number is incorrect or that you would like to sort of expound on?

CRAWFORD: No, I think the expectation is that-- that using the Rhode Island estimates was a reasonable way to estimate how much the benefits might be paid out.

HILGERS: Thank you. And you mentioned Rhode Island. How many states-- I think I've heard this on the floor but I wasn't quick enough to take a note. Do you know how many states have this type of system in place?

CRAWFORD: Well, there are three states--

Floor Debate March 19, 2019

SCHEER: One minute.

CRAWFORD: --that really have it in place and implemented, and then another state that has passed it and is getting ready to implement it.

HILGERS: And I understand that LB311, the funding mechanism is through an employer contribution. Is that the case with the other three states that have passed this type of system?

CRAWFORD: Most of the places have passed an employee-employer contribution, or an employee contribution. One of the reasons we went with an employer contribution was to allow the opt-out provision, so that way if businesses are paying, then businesses can opt out. And so that was the reason we went with the employer pay in this provision to allow an opt out for businesses.

HILGERS: Okay. Thank you, Senator Crawford. I think I'm about out of time so I'm going to come back on the mike. I appreciate you answering some of those questions. I may have a few more when I come back, but thank you, Mr. President.

SCHEER: Thank you Senator Hilgers, Senator Crawford, and Senator Matt Hansen, thank you. (Visitors introduced.) Returning to the queue, Senator La Grone, you're recognized.

La GRONE: Thank you, Mr. President. I yield my time to Senator Lowe.

SCHEER: Senator Lowe, you're recognized.

LOWE: Thank you, Mr. President. Iowa U.S. Senator, Joni Ernst, proposed a new or parental leave legislation which would let new parents take paid time off to care for their children by delaying retirement. Ernst and U.S. Senator Mike Lee, a fellow Republican, announced what they are calling "The Cradle Act". It would provide family leave, letting new parents draw from their Social Security funds to take time off from work. Helping families is something we can all agree upon, Ernst, of Red Oak, said. I hope we can have a productive dialogue on how Congress can best help them. Helping families is something we can all agree upon. While there are different ways to approach the issue, it is one that's gained prominence in recent years. Several Democrats running for President have proposed paid family leave plans that would be funded through a new tax. Ernst also noted that President Donald Trump highlighted paid family leave in his State of the Union address last year. Children have fewer mental health, developmental, and other problems if they have full-time caregivers available in their first few weeks and months of infancy, according to research from the National Institute of Health. The United States is one

Floor Debate March 19, 2019

of the few high-income countries that does not provide family leave. Many moms and dads, if the opportunity to spend time with a newborn, it's a long-term benefit for that child, Ernst said. Many parents would be willing to do that. Under current law, employers with 50 workers must guarantee 12 weeks of leave to care for family members, like a new child or an ill relative. The guaranteed leave does not need to be paid while The Cradle Act guarantees pay for new parents, employers would still not be required to provide paid family leave. Let me read that again. With The Cradle Care Act, pay for new parents, employers would still not be required to provide the paid family leave. That means the moms and dads are providing their own leave. Lee said the proposal would not be a tax on every individual or every employer, but a choice for individual workers. The current proposal would allow parents to choose how much time they would like to take off, up to 12 weeks, currently guaranteed unpaid. Anyone can choose whether or not to participate in the program, Lee said. It's a tradeoff. But it's a tradeoff many will be willing to take. But Democrats have other ideas. Many would like to see a new program to guarantee paid leave without reducing benefits in other areas. Presidential candidate U.S. Senator Kirstin Gillibrand, a proponent of family leave proponent, proposed legislation for 12 weeks of paid family leave with just a .2 percent payroll tax increase. That's a payroll tax increase.

SCHEER: One minute.

LOWE: Thank you, Mr. President. The bill is cosponsored by other prominent Democrats including Senators Cory Booker and Elizabeth Warren who are also running to be the 2020 Democratic nominee. Trump also called for the providing six weeks of paid family leave in this year's current budget proposal. The President has not announced plans of how the paid leave program would operate. Ernst said she planned to work with the President. His daughter, Ivanka Trump and other legislatures are moving forward. The Cradle Act is still in draft form, she said, which means they're looking for feedback. Ladies and gentlemen, there are other ways to create family paid leave than by taxing small businesses and businesses. There are better ways. Thank you, Mr. President.

SCHEER: Thank you, Senator La Grone and Senator Lowe. Senators waiting in the queue: Senator Vargas, Groene, Arch, and others. Senator Vargas, you're recognized.

VARGAS: Thank you very much, President. Colleagues, I'm not going to try to belabor this too much. I just wanted to get on the mike and say I'm in support of LB311. And for me it's really simple. I know that Senator Crawford and other people have been working on this for several years. I know this is not necessarily the easiest thing for everybody to understand unless you've really had somebody that has gone on leave. And then also when you look at other states that have been able to enact legislation that has provided some more flexibility for families and for mothers, and when you also look at other countries that have been very open-minded in

Floor Debate March 19, 2019

legislation to ensure that we're protecting and supporting families and mothers, I think this is the right thing to do. I think this is a strong economic development tool, and I think that the way that it's set up is a prudent pathway forward for our Legislature to take. I wholeheartedly support LB311 and the Paid Family and Medical Leave Insurance Act. I support Senator Crawford in her efforts with this, and I ask that we vote this through, not because it's-- any bill that we have here is perfect in the first round of debate we always have some discussion, but because it is the right thing to do. With that, I yield the remainder of my time to Senator Crawford.

SCHEER: Senator Crawford, 3:25.

CRAWFORD: Thank you, Mr. President, and thank you, Senator Vargas. I want to confirm, and I'm glad to hear that helping families is something we can all agree upon, and I appreciate hearing that, and I think that is what we're trying to do here. I just wanted to respond to-- clarify a few points. One, Senator Slama's amendment would be an unfriendly amendment to the bill and so if you're wanting to express your support for the bill, I urge you to vote against the amendment. The move in other states has been to move toward 12 instead of moving away from 12. So New Jersey is the state that originally didn't have 12 weeks but has moved to 12 weeks. Washington state, which is the latest state to pass paid family medical leave, has passed it at 12. And the 12 weeks for parental leave is-- states are moving to 12 because there is so much evidence about how important that 12 weeks is, is the critical period for new children, especially for breast-feeding and to get the health benefits of that bonding, 12 weeks is a critical time. And so I would say that we should not move back to six weeks for maternity leave but instead keep that at 12 weeks, as other states have been moving toward 12 weeks. The other thing I want to emphasize is that we do have-- Senator Fisher's Paid Family Leave Act is a tax incentive, but you only have to take two weeks, allow two weeks off to get this incentive, and the incentive is only a small amount of the wages paid to employers as provided for the tax break. So it's a fairly small break. We couldn't find any evidence to find how many employers have taken advantage of it, but it's a very small tax break for employers, and, again, only requires two weeks leave as a minimum leave to get the tax credit. And most of the paid family leave provisions are ones that have recognized that 12 weeks or six weeks is critical. Six weeks is the time for the disability insurance to make it similar to private disability insurance. Again, one of the features of the bill is to try to allow private competition, if the insurance companies want to do that, and if employers want to provide that themselves, and so that was part of why we're keeping disability at 12 weeks to keep it similar to private disability. I would also say we have a--

SCHEER: One minute.

CRAWFORD: Thank you, Mr. President. I appreciate Senator Ernst's concern for paid family and medical leave. I think that it's important there are those federal conversations going on, that

Floor Debate March 19, 2019

they are bipartisan federal conversations going on. However, hers would cause people to raid their Social Security funds, which is a concern, I think, if we're thinking about long-term fiscal viability for people in our state. Senator Fisher even in an Omaha World-Herald article indicated she had no desire to raid the Social Security fund. So again, she is concerned about paid family and medical leave, but not wanting to have us do something that would raid the Social Security fund. And I agree with her on that front. I think it's important that we find a sustainable way to allow paid family medical leave to exist in our state without having people borrow against their retirement. Thank you, Mr. President.

SCHEER: Thank you, Senator Vargas and Senator Crawford. Mr. Clerk.

CLERK: Mr. President, the Revenue Committee will meet in Executive Session at 11:00 in Room 2022; Revenue, 2022, at 11:00.

SCHEER: Returning to the queue, those waiting to speak: Senators Groene, Arch, Morfeld, Slama, and others. Senator Groene, you're recognized. Senator Groene? You're recognized.

GROENE: Thank you. I stand in opposition to AM570 and in favor FA24 and against the bill, the main bill, LB311. You know, when we did the other, similar type of bill but a little less on LB306, we pointed out that the one benefit this state has for economic development to encourage employers to come here is that we have the lowest workers unemployment tax in the nation. I believe I was told by one of the lobby that there's four states that do something like this, two of them maybe have just enacted something. We're going to be number seven, and we're going to tell employers, don't come here. We've got a big tax waiting for you. What hasn't been addressed here, and I've been trying to read the bill-- government-- free-market employers or the state are not slave drivers, they don't own people. They give very generous six weeks that you can bank. I know an individual who works for the state has 180 days banked. They show up for work and they've been threatened that they have to use it because they can only go over so many days. They get two to four weeks of vacation time. That historically is what people use when they get sick. They use up their vacation time, their sick days. It's already in statute. So now we're going to say, hey, take your sick leave for 12 weeks, but bank your vacation time and when you get done, you can still take two weeks vacation pay. I see a problem with that. You are personal responsible also for your behavior and you should be working with your employer that you use your vacation time, you use your sick days, and then discuss it with your employer afterwards. But don't think you've got both coming to you. Don't think you can still use your sick leave for something else or bank it and take-- extend your vacation by six days, which sadly happens sometimes. This is a nail in the coffin of economic development for this state. It drives people away. It drives businesses away. We don't need it. We do not need it. Six states, max seven, do it now. Is that who we are? And they're all on the left and West Coast? Folks, they're on the East

Floor Debate March 19, 2019

Coast. Is that who we are? Maybe the East Coast of Nebraska might lean that way, but we aren't Washington, we are not Rhode Island, we are not New Jersey, we are not New York, we are not California. I hope we still have a work ethic here. The people work with their employer when they're sick, when they have family sick they'll work with them. They'll be honest and upfront and use their vacation time and their sick leave. You don't need this. I'd like to know-- Senator Crawford, would you take a question?

SCHEER: Senator Crawford, would you yield, please?

CRAWFORD: Yes.

GROENE: Who brought you this bill?

CRAWFORD: No one brought me this bill. This has been a bill that I've worked on for multiple years as an issue that's important to families and workers.

GROENE: Have a lot of workers and families came up to you and said they want 12 weeks off?

CRAWFORD: We have several workers and people who have said that, yes. I've had lots of people contact me to say they're in support of the bill because they think it's critical.

GROENE: I think you worked at Creighton University. What's their policy?

CRAWFORD: Good question. Their policy has changed since I was eligible for that, so I don't know the exact number of weeks for Creighton.

GROENE: Thank you. I know the state is very, very--

SCHEER: One minute.

GROENE: --generous about banking your time, your sick leave and your vacation time. Like I said, I know one individual has over 180 days banked. Employers, government works well with employees. It's a process. It's what's affordable. They come up with contracts and what can we afford? They work through the free enterprise system with their employees. This is a mandate, that Bam Slam, you're going to give them a huge tax increase and on something-- their employees probably didn't ask them for it. They didn't negotiate for. But the good old state, the old government is going to step right in and give it to them if they like it or not. This is a bad bill.

Floor Debate March 19, 2019

This is progressive socialism at its worst. And you're forcing on employers, you're forcing on employees. The good employees will do it right. They will use their sick leave. They will use their vacation time.

SCHEER: Time, Senators.

GROENE: Thank you.

SCHEER: Thank you, Senator Groene and Senator Crawford. Senator Arch, you're recognized.

ARCH: Thank you. Senator Crawford, I have just a couple more follow-up questions.

SCHEER: Senator Crawford, would you please yield?

CRAWFORD: Yes.

ARCH: Thank you. I had a list of questions and didn't get through it with my first time, but just have a couple more. If you go to page 12, there is at lines 1 through 8, through 9, on this particular page has a couple of words in there that leave me uncomfortable. Second line, his or her covered employer to schedule the leave so as not to unduly disrupt, and the one is in line 8, individuals shall provide notice as soon as possible and practical. Can you tell me who determines the definition of unduly and as soon as possible and practicable? Who would make that determination?

CRAWFORD: That language is in there and in terms of trying to make sure that the program is operating with as little disruption as possible, it would be again, the Department of Labor is the one who decides on all definitions and enforcement.

ARCH: Okay. That kind of language obviously leaves the opportunity for conflict between the employer and the employee as to whether that is unduly or whether that is reasonable and as soon as practicable and so forth. But that's-- so you're saying the Department of Labor would make that determination?

CRAWFORD: Correct. In conversation with the employee and employer.

ARCH: And I guess the last question is going along the same line with Senator Groene. I am, of course, there are employers that have benefits currently, particularly as it relates to sick leave

Floor Debate March 19, 2019

where the purpose of sick leave, paid sick leave, is to accommodate sickness and in some cases, family, family sick is also provided by some employers. And so when you get over to page 13, number 4, a covered employer shall not require a covered individual to exhaust his or her accrued vacation or sick time prior to taking paid family and medical leave. I guess it's just my observation that with this type of a bill, I would anticipate that all sick leave benefits would disappear for all employees. That there would really be no purpose, no point to sick leave benefits if they are not required to use sick leave for extended sickness, or whatever it might be. Whatever the qualifications are in this bill, they're not required to use sick leave for that, then the employer, of course, would-- that would not be a benefit to the employee and I would anticipate that all sick leave policies and all sick leave benefits would disappear with the employer. I mean, that leaves me very concerned. Again, mandates, again, putting the responsibility on all employers. I see here, too, that one of the requirements is that any employer with \$100,000 or more payroll, I don't know how many that includes in the state of Nebraska, but my guess is that certainly picks up by far the majority of employers in the state of Nebraska would be required to participate in this plan, concerns that I have on the bill and the details of the bill both in the language as well as the requirements. Thank you.

SCHEER: Thank you, Senator Arch. Senator Morfeld, you're recognized.

MORFELD: Thank you, colleagues. I rise in support of LB311 and in support of AM570 and in opposition of Senator Slama's amendment. There are several people that have been bringing up comments about this legislation. I just want to talk about it from an employer point of view. First off, in terms of the 12 weeks that Senator Slama was talking about a little bit, I'll tell you right now that in most jobs, not all, depends on the job, in a lot of jobs, it takes usually 12 weeks to get the job posted, do interviews, and then let them give two or three weeks notice to their employer, and then to get them up and running. We're pretty efficient where I work with getting jobs posted and reviews scheduled and people on board because we're a pretty lean, mean operation. But I'll tell you what, it usually takes about two months once we're all said and done, despite my best efforts to get people trained and ready to go. I'll also tell you that it takes a lot more than three months usually to get a person fully-operational, understanding their job, and truly efficient in getting their job done. Now, it depends on the profession. It depends where you're at. But I will tell you that generally between hiring somebody new and getting them trained and up and running and fully operational, it takes way more than 12 weeks, which is why it's so important to have these types of protections, and this type of insurance, because it allows people to take the time that they need to take without having to quit their job. That's the beauty of it, is that there are people, when faced with the decision of being able to care for their loved one or be able to provide for their newborn or whatever the case may be, there are some people that have to make the decision of quitting. And Senator Slama and a bunch of other people talk about how tight the work force is. Well, yeah, we want as many people staying in the work force and taking care of either their own health needs, somebody else's health needs, or their child, rather than getting out

Floor Debate March 19, 2019

of the work force. That's why I support this bill is because it makes it so that more people are fully-employed, able to take care of their family, able to continue to contribute to the economy, and receive pay, and stay in the work force. Colleagues, this bill makes sense. It's a good investment. It's also an investment that's going to be good for business. It's going to be good for nonprofits. Going to be good for anybody that employs somebody to make sure that we have a work force that is fully-employed, that has the time and benefits that they need to take care of their families and themselves, and to keep ensuring that we have money going into the economy to pay for those other businesses and to do all those different things that we'd like to see in terms of a state, in terms of commerce. And quite frankly, just people being able to take care of themselves and their families. So I urge your support of this legislation. I'd be happy to yield any of my remainder of time to Senator Crawford if she so chooses.

SCHEER: Senator Crawford, 1:42.

CRAWFORD: Thank you, Mr. President, and thank you, Senator Morfeld. I do want to again emphasize the importance of this kind of leave and emphasize how it's different than sick days. So a sick day is what you take if you need to take one day off to take care of yourself or the care of a child. This leave only kicks in if you're at least needing a week. So it doesn't kick in at all until you have at least a week off of work. So this is really just for those serious health needs where you would be needing to take off more than a week. And so it's different than sick leave, colleagues. And so there's still a need for sick leave for those things that are just one day, two days, that are necessary to take off. This is only for much more serious health conditions. And again, you can only take it if you have a serious health condition that meets the definition of serious health condition under the federal FMLA law. So we're talking about a serious health condition different than what you would take off for one or two days for sick leave. So it's a different thing than sick leave. And it's important when somebody takes off to take care of their new child for 12 weeks, they still have a sick day left when they go back to work. The child may very well get sick again a week later and it's important that they not exhaust all of their sick time before they take this time for a serious health condition or to take care of a new child. Thank you, Mr. President.

SCHEER: Thank you, Senator Morfeld and Senator Crawford. Waiting in the queue: Senator Slama, Wishart, Cavanaugh, and others. Senator Slama, you're recognized.

SLAMA: Thank you, Mr. President. And I'd just like to point out before I get to the meat of what I was going to talk about, how it's problematic in the earlier parts of debate, it was hinted at that since I haven't had a child yet, my opinion is somewhat lessened on this debate and I think that's problematic in-- if it's, just blows my mind that my opinion means less that since I have not had a child, I should not be speaking against this. So referencing my floor amendment, I don't have the

Floor Debate March 19, 2019

votes on this amendment and I encourage your red vote to have on it. I wanted to make very-have a very clear conversation that I support this topic and I think that we should have some sort of paid family medical leave in this country. I don't support this bill because it's far too permissive with time and I don't like the concept of a government mandate on this. So just to further weed out my opinion on this, I'm going to reference an article from the Foundation for Economic Education. This is an article published by Robert P. Murphy on June 2, 2015, Paid Family Leave Is a Great Way to Hurt Women. Workers' rights advocates don't understand economics. That's the title. In an article in the New Republic, Lauren Sandler argues that it's about time the United States joined the ranks of all other industrialized nations and provide legally guaranteed paid leave for pregnancy or illness. Her arguments are similar to the ones employed in the minimum wage debate. Opponents say that making particular workers more expensive will leave employers on aggregate to hire fewer of them. Supporters reject this tack as fearmongering, going so far as to claim such measures will boost profitability, and that only callous disregard for the disadvantaged can explain this opposition. If paid leave or higher pay for unskilled workers helps workers and employers, then why do progressives need government power to force these great ideas on everyone? The United States already has unpaid family leave, as referenced by Senator Cavanaugh, with the Family and Medical Leave Act, FMLA, signed into law by President Clinton in 1993. This legislation entitles eligible employees to take unpaid. job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave. Specifically the FMLA grants covered employees 12 workweeks of such protection, again unpaid, in a 12-month period to deal with a pregnancy, personal sickness, or the care of an immediate family member. There is a provision for 26 workweeks if the injured family member is in the military. But "workers' rights" advocates want to move beyond the FMLA in winning legally guaranteed paid leave for such absences. Currently-- and again, this is a 2015 article --California, New Jersey, and Rhode Island have such policies. The basic libertarian argument against this legislation is simple enough. No worker has a right to any particular job just as no employer has the right to compel a person to work for him or her. In a genuine market economy based on private property and consensual relations, employers and workers are legally treated as responsible adults to work out mutually beneficial arrangements. If it's important to many women workers that they won't forfeit their jobs in the event of a pregnancy, then in a free and wealthy society, many firms will provide such clauses in the employment contract in order to attract qualified applicants. Again, there is nothing stopping businesses from implementing these policies on their own. The business owners in this body have nothing stopping them from implementing paid family leave on their own.

SCHEER: One minute.

SLAMA: I'll get to the rest of this article on my next turn up or my close on this amendment, but I just wanted to have a very clear conversation about this concept and it's one that I support. But

Floor Debate March 19, 2019

if we're going to implement it, it needs to be in a bill that doesn't compromise our small business owners. Our small business owners, again, will be stuck holding the bag to pay for this. It's a great concept and in a perfect world, we could have all of these programs. But small businesses have a business bottom line. Our employers have a bottom line and so do their employees. So the employers will ultimately be passing this cost on to the employees. I just want to use this floor amendment to have a clear conversation about the problems associated with this bill, especially from an economic perspective which I believe has been fleshed out.

SCHEER: Time, Senator.

SLAMA: Thank you.

SCHEER: Thank you, Senator Slama. Senator Wishart, you're recognized.

WISHART: Thank you, Mr. President. I rise in opposition to FA24 and I rise in support of LB311, although I will say in my perspective, I don't think that this bill goes far enough at all. I actually agree with some of the statements that Senator Slama has made that maybe we should look at a program that doesn't attach itself to business, but actually as a state, we should consider whether we as the public want to invest in having one of the most comprehensive, supportive systems for raising a child. And the reason I say this is that one of the statistics that has been very staggering to me and that is something that keeps me up at night is that we really have a population crisis in Nebraska and we expect by 2030 we will have more people 65 and older in our state than we will have 18 and younger. And when you look at census information about our state's population, what you can see is actually we are not growing in terms of the amount of people that are having children and choosing to have children. And actually this is something that we're seeing across the country. And so when you're looking at who we're battling for in terms of our work force, what's going to happen is, any person that comes into our state is somebody that another state is gonna lose in terms of sort of this population battle that we are having in this country. So when I think about what can we do as a state to market ourselves and to create a system where we are the most welcoming state for a family to raise a child, I think having the most comprehensive paid family leave program is a start. I had the opportunity several years ago to travel to Sweden to run a half marathon and I was astounded. I mean it was apparent just walking around Sweden. I was astounded at how child-friendly their country is, how they have-- you can even see it in their architecture. You can see it in the fact that there are parks everywhere for children and there are coffee shops next to the parks so that parents can enjoy a conversation over coffee and watch their children play. They have really taken a focus on-- and they're internationally renowned for being one of the most supportive communities for children. And, you know, it just so happens that we have quite a few-- we have an ancestry of Swedes who have immigrated to this country. So I think it would make sense that we look at

Floor Debate March 19, 2019

some of their policies and we think about borrowing it. So if it were up to me, I would think that we should as a state should actually look even broader than LB311 to what Sweden has done. For example, in terms of Sweden's parental leave policy-- Swedish parents can get access to 480 days of paid parental leave and one or the other parent has to take at least 90 days. I love this. And actually it was pretty shocking when I was walking around Sweden how many dads were out with their children during the day because they were taking leave and they were getting the chance to bond with their children at a really critical time in that first year when it's really important for a community to support parents bonding with their children. Talk about a good public health policy. Women working in labor intensive and strenuous jobs are entitled to additional benefits after childbirth. Parents are entitled to family leave whether they give birth or adopt--

SCHEER: One minute.

WISHART: --and as somebody who has been a foster parent, I think that's really critical because a lot of times when you choose to be a foster parent or when you adopt, you are dealing with kids who have higher needs. And then for the first 390 days, parents are entitled to 80 percent of their salary while the remaining 90 days are paid by a flat rate. I really think moving forward we should really look at this policy and we as a state should say, let's be the most comprehensive state for paid family leave. Let's be the place where young parents, when they're looking at where they're going to raise their family, look at Nebraska and say that will work for me. Thank you.

SCHEER: Thank you, Senator Wishart. Senator Cavanaugh, you're recognized.

CAVANAUGH: Thank you, Mr. Speaker. First off, I see that Senator Slama is not in the room, but I did want to say that it was not my intention to indicate that she shouldn't speak because she doesn't have children. She absolutely should speak and she should speak for her district. I was frustrated at her speaking about what it takes to have parental leave when you have a newborn. My experience with having a newborn is that it is necessary. It's medically necessary and having your partner there to help you is necessary. But my apologies for indicating to her that she did not bring value to this discussion. She absolutely does and her perspective is more than welcome. I am disappointed in this AM24 because Senator Crawford has worked on this for several years. She's brought this every year, made changes, listened to the floor debate, and talked to her colleagues in previous sessions, and made changes that reflected those conversations, those very thoughtful conversations. And when we're talking about the time of the leave, it's not a win that Senator Crawford came to that time. And so it's disappointing and frustrating that Senator Slama would offer a floor amendment on this. This bill was in her committee, so she was aware of this bill and it would have been preferable to have those conversations in committee and talk about

Floor Debate March 19, 2019

whether or not the time with something that was absolute and necessary instead of dragging on this floor debate. It does feel like a tactic to delay and filibuster this very important piece of legislation. Most of my comments were for Senator Slama who has left the floor, so I apologize for that. I also wanted to speak to Senator Arch, had quite a few questions about how this is administered. Having gone through this process again with the university, when you go take FMLA, there is paperwork that you have to fill out and your doctor has to sign off on. So there are statutes and medical professionals know those statutes. They know what qualifies and what doesn't and they sign off on that. The same is the case if you take FMLA for a family member. You have that paperwork and you have the family member's physician sign off on that. So if you have a sick child who has leukemia and you need to take time off to take your child to cancer treatments, then you fill out that paperwork and the attending physician would sign off on that for you. To Senator Groene's point about people doing it right and managing their time off, I don't think anybody can account for a child having cancer, a spouse having a heart attack, a grandparent falling and needing hip replacement and not having anybody else to care for them. So you can do everything in the world right, but life happens, as we all know from this last several days in this state, none of us could have done anything differently to prevent the flooding that's happening, that's impacting our constituents. Life happens and this is, for lack of a better term, an emergency clause.

SCHEER: One minute.

CAVANAUGH: This is something that we need to put in place to take care of people for those times when you can't do anything else, when you've exhausted all your other options. Life happens and it's our job to make sure that the people of Nebraska are cared for. I'll yield the remainder of my time to Senator Crawford.

SCHEER: Senator Crawford, 40 seconds.

CRAWFORD: Oh, that's okay. Thank you, Mr. President.

SCHEER: Thank you, Senator Cavanaugh and Senator Crawford. (Visitors introduced.) Going back to the queue. Those waiting to speak: Senator Hilgers, Clements, Bolz, Halloran, and others. Senator Hilgers, you're recognized.

HILGERS: Thank you, Mr. President. Good morning, colleagues. I rise certainly in support of family leave. I understand the importance of it. I don't necessarily rise in support of this particular bill, but I do appreciate Senator Cavanaugh's comments, Senator Crawford's comments and others. I view it from a number of different perspectives, certainly as a father of four young kids, including one who is six months old. My oldest is seven, so we are going through this

Floor Debate March 19, 2019

period of time right now. I personally understand the critical importance of ensuring that you have time with your family, with your children. Those first few months are absolutely critical and I know from a father speaking for my wife, I know how important it has been for us to be able to have that time. And I know it's very important for all the other families around the state of Nebraska to be able to have that time. It's also, I think, is important and it is good for employers to be able to offer that where they can. One of the greatest stresses you can have, the anxiety of dealing with a newborn or with a sick family member, and being able to have the opportunity to take leave away from your job, to ensure that your job will be there and that you can take care of your economic circumstances, I think are very important. So in many instances having-- or in most, if not all, instances having family leave and be able to do that I think is good from an employer's perspective. However, even being in favor of family leave does not mean that I support the bill. And the reason I don't is a couple of different concerns. One is, and probably the primary one, deals with the impact on businesses. And I know oftentimes businesses, especially large businesses, we view them as sort of large, impersonal entities. But I'm going to speak now this morning in the context of a small business owner, which I understand at least that small businesses are not exempt. And small business owners go through a number of anxieties and pressures and one of the greatest is their own economic anxiety to make sure that they have enough money to actually pay their employees, to pay their bills, to keep their business running. Many employers, especially of small businesses invest any credible amount of time, 60, 70, 80 hours a week. They never turn it off. They don't get to go home and say, okay, I'm going to wash my hands of this particular job. They're always thinking about it. And a lot of small businesses, and I know when I started my small business and continue to this day, you're always concerned about do I have enough money to invest in the future for my business? Am I going to make payroll? Am I going to know that I can continue to employ? Can I hire people? And for a lot of small businesses, whether they hire or not is going to be a very-- it's going to be very economicbased. Can they afford to pay that person, can they afford to take on the additional overhead. And so when a bill like this comes forward to put additional costs on a small business or any employer, but especially small businesses, we are putting an additional burden on them to either-- to do two, I think, negative things. One is, they may not hire someone in the first place. So if they are not going to hire someone because the increased cost of that additional employee, then the potential employee loses and the employer loses and I think the state loses. At the same time, if they have already hired people, and it puts an additional cost and makes it more difficult for them to meet cash flow, to have cash flow, to make more difficult to meet payroll, that also puts an additional pressure that I don't think is appropriate. And I think the way that we should encourage family leave, I think we have done that at the federal level. I think Senator Fisher's bill to encourage employers to use tax credits to try to do more of this is a sound approach. It puts it into the hands of the employers to be able to judge for their own economic circumstances what they can or cannot do. But I think mandating it and providing it for all the employers, I think doesn't take into account potentially the different circumstances for those small businesses. The second piece as I understand, just briefly with my time that I have remaining, is that this would

Floor Debate March 19, 2019

also, this made-- if this would change the amendment or if I'm misinterpreting it, please, I'd ask Senator Crawford to correct me. But I understand this bill would also include as an eligible employer, a covered employer, our own state governmental entities and county governmental entities. And I think the Department of Labor, part of the fiscal note was a couple million dollar additional cost for the amount that--

SCHEER: One minute.

HILGERS: --the department would have to pay in. And I think as we think about our counties having significant burden, that it flows down to property taxpayers or occupation taxpayers, or taxpayers in general, when we are talking about something that will increase the burden to those, those governmental entities and then thereby increasing the burden to taxpayers, I just don't think it's the right mechanism at this time. That being said, I am very grateful for the comments on the floor this morning regarding the importance of allowing for that time as an employer. I know it's very important for my employees to be able-- for them to have that time with their family. And with that, thank you, Mr. President.

SCHEER: Thank you, Senator Hilgers. Senator Clements, you're recognized.

CLEMENTS: Thank you, Mr. President. I'm probably going to say some of the things that Senator Hilgers was talking about, but in looking at this bill I had looked at the testimony and I was interested to see that Nebraska Commissioner of Labor, Albin, appeared in opposition and he had lots of numbers, which that interested me to see what his numbers were about regarding this bill. I'm going to quote from parts of his testimony. He says, our administration continues to try to be innovative and generous when it comes to maternity leave. We support the concept of paid family medical leave. However, the coverage provided for in this bill is very broadly drafted, so I'm going to explain it in more detail. The overwhelming share of the program cost will be benefits paid. The department is projecting almost \$300 million per year in benefit costs. Rhode Island has now released the 2017 annual statistics for its combined temporary disability and paid family leave program. To estimate benefits paid under LB311, the department which is the Nebraska Department of Labor, closely examined Rhode Island's annual statistics. It was determined approximately 9.5 percent of the covered work force filed a claim for paid leave benefits. Approximately 74 percent of the claims filed were approved. For the fourth quarter of 2016, the Nebraska Department of Labor had 1,055,160 employees in its wage records for covered employers. If nine and half percent filed a claim for paid leave, there would be approximately 100,240 claims for benefits. Of those, 73,877 would be 74 percent, would likely be approved if they follow the Rhode Island percentage. The average number of payments per claim in Rhode Island was 10.52, which means ten and a half weeks, I believe is what he's saying. And he said, LB311 has tiered payment amounts to calculate the weekly benefit amount.

Floor Debate March 19, 2019

The department determined how many were in each tier based on its fourth quarter 2016 wage data. The department then calculated the average quarterly wage per person for each tier. Once the average wage for each tier was calculated, the benefit cap outlined in LB311 was applied. The Department of Labor estimated the average length of a claim to be nine payments. At nine payments per claim, the department would pay out \$272,246,772 in paid family medical leave benefits per year. LB311 proposes a \$436,500,000 tax increase on Nebraska employers. LB311 requires covered employers who contribute to the Paid Family Medical Leave Insurance Fund, as you've heard. The amount of employer contribution is capped at 1 percent of gross wages for the year. It is important to note that the definition of covered employers would include the state of Nebraska and all political subdivisions. Now, also as Senator Hilgers mentioned, I haven't seen whether that's still part of the bill, but the original bill did require the state and all subdivisions. Unlike unemployment taxes where the political subdivisions only reimburse the department for benefits actually paid to its former employees, LB311 would require each political subdivision to pay a quarterly tax. In 2018, Nebraska's total gross wages were \$43,650,000,000. The maximum amount of contributions the department could have collected in 2018 under this bill would be \$435,500,000. And that ends his testimony. This is another tax on businesses and it would be an unfunded mandate to counties and cities if they're still included. Each of these entities is able to provide family medical leave, if needed, to attract employees. I disagree with the mandate in this bill.

HUGHES: Time, Senator.

CLEMENTS: Thank you.

HUGHES: Senator Bolz, you're recognized. I don't see Senator Bolz. Senator La Grone, you're recognized. I don't see Senator La Grone. Senator Murman, you're recognized.

MURMAN: Thank you, Mr. Speaker. I'd just like to rise in opposition to this bill and the amendments. I think it affects especially small business in a bad way. My experience is with small business, a small family farm, a dairy farm. So when an employee would need time off, I always made it possible as best I could, but of course, it was always very difficult. You know, we had two and a half or so family employees and about that many nonfamily employees. So especially with a dairy farm when someone would not be able to make it to work, especially for an extended period of time, one of the other four or so employees would have to-- four or five employees would have to fill in. Usually ended up being myself, of course, as the ultimate person that the buck was passed to. So it was always difficult, but we made it work. And I think employees in general will make it work, you know. And I don't think we need legislation or regulations or mandates or anything like that to do that. So I definitely support the concept. I'm very family-friendly. My experience with a disabled daughter and so forth, I realize the needs.

Floor Debate March 19, 2019

But I just, especially for a very small business, I just don't think this kind of legislation will work, so. And I will leave the remainder of my time to Senator Lowe if he would like.

HUGHES: Senator Lowe, you're yielded 2:50. Senator Lowe waives. Senator Blood, for what purpose do you rise?

BLOOD: Thank you, Senator. I rise today because today we celebrate Women in Public Office Day and I thank this body for providing 49 signatures on our resolution in support of today. And I remind all that are here in the body that young girls can't be what they can't see. Inclusive bodies that mirror our population leads to a stronger government. To all, I thank you for helping us celebrate Women in Public Office Day. Thank you, Mr. Speaker.

HUGHES: Thank you, Senator Blood. Senator Arch, you're recognized.

ARCH: Thank you. I have expressed concerns and questions about this bill and I think I've made it pretty clear some of the concerns that I have, but I would like to yield my time to Senator Lowe if he would like the time.

HUGHES: Senator Lowe, you're yielded 4:25. Senator Lowe waives.

ARCH: Thank you.

HUGHES: Senator Moser, you're recognized.

MOSER: Thank you, Chair. Appreciate the opportunity to speak. As a small business owner, I've always tried to negotiate with my employees to help them through whatever problems they may have. I've never had a lot of employees. I think the most employees we ever had were about a dozen. And as a general rule, the more employees I had, the more money I lost. So I thought I'd throw that in as some free advice. But we had problems where employees were having-- well, one we had a potential divorce to deal with. We had one that had real serious cancer. We had one that had children that had a lot of issues. And so we negotiated those things between the employees and myself. They went to extra efforts to help my business get through those times and we worked with them to get them through those times so that they could keep their job and still have a place to come once they got their things straightened out. So I understand the underlying desires of having your medical leave covered, you know, as a policy, but I object to having it mandated to small businesses that they have to provide it and participate in this. I think small business would rather negotiate these things ourselves to the best benefit of our employee

Floor Debate March 19, 2019

and the least amount of expense to the business. So that's the reason that I'll be voting no. Thank you.

HUGHES: Thank you, Senator Moser. Senator Lowe, you're recognized.

LOWE: Thank you, Mr. President. I won't waive this time. You know, I went through this myself when I was much younger back in '92. My wife decided and I decided we'd get pregnant and I didn't want to put a burden on anybody at that time. I got a second job. I took the responsibility on myself. It was not an employer's position to pay for my wife and I to have a child. I got a second job. That's something that is almost unheard of because we always want somebody else to pay for our actions. Now, planning is all part of that and that's what we should think about when we're having children, is our responsibility to ourselves and to our children. That's not thought of very much these days, responsibility, because there's always a bigger pocket out of there to pilfer from. Thank you, Mr. President.

HUGHES: Thank you, Senator Lowe. Senator Clements, you're recognized.

CLEMENTS: Thank you, Mr. President. I didn't quite get finished on what I was having to say. I'll pick up from the end of the testimony and opposition by the Department of Labor. LB311 proposes a \$436,500,000 tax increase on Nebraska employers. LB311 requires covered employees to contribute 1 percent of gross wages per year. And important-- his important point was that the definition of covered employer include the state of Nebraska and all political subdivisions, counties, and cities. And unlike unemployment taxes where the subdivisions only reimburse for benefits actually paid to former employees, LB311 requires each subdivision to pay a quarterly tax. In 2018, Nebraska's total gross wages were forty-three billion, six hundred fifty million and the max amount of contributions the department could have collected in 2018 would have been \$436,500,000. That's \$436,500,000 out of our economy, in my opinion. So I see this as another tax on business and an unfunded mandate to counties and cities. Each of these entities is able to provide family medical leave if needed, if they believe it's important to attract their employees. And I disagree with the mandate portion of the bill. I have an employee with a sick family member now and I'm planning to allow 12 weeks of paid leave and when that time comes, we'll see how it is. But we value our-- our highly valued employees are worth doing some extra benefits for on a case-by-case basis. Would Senator Lowe yield to a question.

HUGHES: Senator Lowe, will you yield?

LOWE: Yes, I will.

Floor Debate March 19, 2019

CLEMENTS: Senator Lowe, have you hired employees in the past?

LOWE: Yes, I have.

CLEMENTS: And did you ever allow employees time off for medical situations without being required to do that?

LOWE: As a matter of fact, I did. I had one employee that took almost a year and a half off because he had a traumatic brain injury.

CLEMENTS: And you paid his wages through that time?

LOWE: I did not pay his wages. I reserved his position. I helped he and his family out. We'd take meals in. Yes, we did help them out.

CLEMENTS: So do you believe you provided more benefits than what this bill even requires?

LOWE: Yes, I believe I did.

CLEMENTS: Do you know of other employers that you think would also allow good employees time for medical situations?

LOWE: I believe most small businesses would allow time for their employees to get better, to heal up, and to enjoy the new family member.

CLEMENTS: I agree with that, and especially the small businesses I've dealt with in banking have-- oh, thank you, Senator Lowe --have very thin margins in the small towns, rural communities.

HUGHES: One minute.

CLEMENTS: And an extra tax on their business when some years may be affordable, some years maybe not so affordable, and I think I've been very pleased to have employees who I trusted that would not abuse the system, but also I'd like to have the flexibility in my business to choose to do this or not, and so I oppose LB311 and AM570 and urge your red vote on this bill. Thank you, Mr. President.

Floor Debate March 19, 2019

HUGHES: Thank you, Senators Clements and Lowe. Mr. Clerk for items.

CLERK: Thank you, Mr. President. Enrollment and Review reports LB141, LB318, LB339, LB340, LB354, LB354A, LB399, LB443, and LB463 as correctly engrossed. Enrollment and Review also reports LB411, LB217, LB269, and LB270 reported to Select File, some having Enrollment and Review amendments. Senator Blood offers LR46, Mr. President, recognizing March 19 as celebrating Women in Public Office Day, LR47 by Senator Scheer and LR48 by Senator Scheer will be laid over. Mr. President, priority bill designations: Senator Briese, LB183; Performance Audit, LB560; State-Tribal Relations Committee, LB519; Senator Friesen, LB663; Senator Murman, LB585; Senator Groene, LB606; Senator Stinner and the Appropriations Committee, LB638 and LB334; Senator Stinner, LB424, is his personal priority; Executive Board, LB600 and LB713; Urban Affairs Committee, LR14CA; and LB86, that's Senator Wayne's personal priority bill; Senator Albrecht, LB209; Senator Bolz, LB109; Senator Lathrop, LB538; Judiciary Committee, LB686 and LB630; Senator Ben Hansen, LB304; Senator Clements, LB155; Senator Linehan, Revenue Committee, LB289; Legislative Planning Committee, LB436; Senator Moser, LB512; Senator Vargas, LB550; Senator Hilkemann, LB532; and Senator Slama, LB593. Name adds: Senator Hughes to LB209; La Grone, LB640; Slama, LB657.

Mr. President, Senator Ben Hansen would move to adjourn the body until Wednesday morning, March 20, at 9:00 a.m.

HUGHES: Senators, you heard the motion. All in favor say aye. All opposed. We are adjourned.