HILGERS: Senator Brewer.

**BREWER:** Please join me for the Pledge of Allegiance. I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

HILGERS: Thank you, Senator Brewer. Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the seventh day of the One Hundred Seventh Legislature, First Session. Our chaplain for today is Senator Blood. Please rise.

BLOOD: Friends, as we prepare ourselves for prayer, let us reflect on the words of Patriot Thomas Paine, who said, "The world is my country, all mankind are my brethren, and to do good is my religion." Please join me in prayer. Dear God, as we reach out to you today in prayer, help us to remember that when our hearts, our minds, and our actions are closer to your heart, that prayer empowers us to be powerful agents of social change. As we ruminate in prayer, instill in us the daily knowledge that it is not power that often corrupts our process, but the fear of losing that power. When we feel or act otherwise, remind us of your clear voice written by Paul in the Book of Romans, where you tell us, for by the grace given to me, I say to everyone among you not to think of themselves more highly than he ought to think, but to think with sober judgment, each according to the measure of faith that God has assigned. For as in one body, we have many members and the members do not all have the same function, so we, though many, are one body in Christ and individually members, one of another. And God, by his own authority, has put each of us in this Chamber. And by having his hand appointing each of us, we know that God works his purpose through us, even when we are incapable of understanding how. So humbly we stand before you, God, praying for guidance, for the virtue of patience, for kindness towards others, and that we may be gracious in all things and to all we meet. We pray this in the name of the Father and the Son and the Holy Spirit. Amen.

**HILGERS:** Thank you, Senator Blood. I call to order the seventh day of the One Hundred Seventh Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

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

CLERK: I have no corrections.

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

**CLERK:** There are, Mr. President. A Reference report referring LB264 through LB313. I have two gubernatorial appointments to the Nebraska Environmental Trust Board and the Game and Parks Commission. Those will be referred to Reference. Announcements: Senator Wishart has been selected as Vice Chair of the Appropriations Committee. Senator Moser is Vice Chair of Natural Resources. That's all that I have at this time, Mr. President.

HILGERS: Thank you, Mr. Clerk. Senator Hughes, for an announcement.

HUGHES: [RECORDER MALFUNCTION] you, Mr.-- thank you, Mr. President. Good morning, colleagues. Just a couple of brief announcements for you. If you are interested in being considered for appointment to one of the special committees, please send a letter or email to my office by noon tomorrow, January 15. Several of you have already responded, but if you have not, please do so. The other thing is remember bill requests should be submitted to the Bill Drafters staff by noon tomorrow in order to be guaranteed to be ready for introduction before adjournment on the tenth legislative day. So if you have additional bills that you want to get done, make sure you get them to Drafters so they have time to get them drafted and back to us. Thank you, Mr. President.

HILGERS: Thank you, Senator Hughes. Colleagues, we are going to start introduction of new bills after the State of the State, and-- which is going to start at 10:00, so we're just going to stand at ease for about 15 minutes until 9:55. We'll stand at ease for about 15 minutes. Thank you.

[EASE]

FOLEY: Senator Halloran, you're recognized for a motion.

**HALLORAN:** Thank you, Mr. President. Good morning, colleagues. I move that a committee of five be appointed to escort the Governor of the state of Nebraska to the Legislative Chamber to deliver his State of the State Address.

FOLEY: Thank you, Senator Halloran. Members, you've heard the motion. All those in favor say aye. Those opposed say nay. The motion is adopted. The Speaker has announced the following five members to serve on the Governor's Escort Committee: Senator DeBoer, Senator Albrecht,

Senator Wishart, Senator Brewer, and Senator Sanders. If those five senators could please retire to the rear of the Chamber and proceed to the Governor's Office for the purpose of escorting him. Thank you. The Chair recognizes the Sergeant-at-Arms.

**SERGEANT-AT-ARMS:** Mr. President, your committee now escorting the Governor of the great state of Nebraska, Governor Pete Ricketts.

FOLEY: Members of the One Hundred Seventh Legislature and distinguished guests, I present to you the Governor of the great state of Nebraska, the Honorable Pete Ricketts.

GOVERNOR RICKETTS: Well, good morning, everybody. Please sit down. President Foley, Speaker Hilgers, members of the Legislature, Tribal Chairmen, and my fellow Nebraskans, good morning. Congratulations on the commencement of the First Session of the One Hundred Seventh Nebraska Legislature. I want to welcome each of you to Lincoln. Congratulations, Speaker Hilgers, on your election. I look forward to working with you and all the newly elected Chairs. Pleased to also recognize the newest members of the Unicameral: Senators Aquilar, Bostar, Cavanaugh, Day, Flood, Pahls, and Sanders. Each of you brings a unique perspective and experiences to the body and I look forward to working with you as well. As this session begins, I know many are excited to turn the page on 2020. However, I believe that when we look back on last year, we will see a year that brought out the best in Nebraskans. We began the year with high hopes of moving forward as we recover from the historic floods of 2019, but 2020 was interrupted by a new and unforeseen challenge, the coronavirus pandemic. Nebraskans took on this new challenge with the same spirit we have for generations. We rolled up our sleeves, put our grit, tenacity, and determination to work the Nebraska way. Through it all, Nebraskans have been using our tools to slow down the spread of the virus, such as social distancing, wearing our masks when we go to the store, washing our hands often, and staying home when we're sick. As we all do our part, the state has followed our North Star: protecting our hospital capacity. Over the last ten months, we've pursued this goal by using our six pillars: testing, contact tracing, providing PPE, making quarantine space available, protecting at-risk populations, and using directed health measures. Time and again, history shows Nebraskans respond by doing the right thing and the pandemic has been no different. Our healthcare workers have stepped up heroically to keep Nebraskans healthy. Data shows that Nebraskans stayed home when we asked them to last spring, and now Nebraskans are embracing the coronavirus vaccine. Thanks to the individual contributions of countless Nebraskans and our six pillars, our state has successfully

ensured that everyone that needs a hospital bed, ICU bed, or ventilator has had access to one. This approach has helped to strike that balance between slowing the spread of the virus and allowing people to live a more normal life. Even as we've had to overcome the challenge of the pandemic, the work of Nebraskans everywhere has kept the state of the state strong. While protecting hospital capacity, we have also been working to help Nebraskans recover. The federal government has invested over \$10 billion in aid into our state. The state has steered federal coronavirus relief towards \$411 million in grants for Nebraska's businesses and family farms. We've also provided over \$80 million in aid to nonprofit and community-based organizations, ranging from food banks to childcare providers. While battling the coronavirus, we have kept building on our efforts to grow Nebraska, even in the midst of tough circumstances. We've seen new opportunities developing for our workforce with the creation over 2,280 career scholarships at our state's colleges and universities to help train the next generation of leaders. We've made it easier to do business in Nebraska by continuing to improve the effectiveness and efficiency of state government services. This has helped us attract major investments from companies like Becton Dickinson in Holdrege to Hormel in Papillion, just to name a couple. Throughout the pandemic, we've been cutting red tape to keep Nebraskans working. From giving licensed professionals more flexibility to allowing restaurants to offer carryout alcohol, we've looked for ways to grow our healthcare workforce and to keep small businesses and help them survive. The jobs being created across our state have helped Nebraska achieve an unemployment rate that is the lowest in the nation. At 3.1 percent, our unemployment rate for November 2020 was only one-tenth of 1 percent above where it stood a year ago. This body is to be congratulated for the work it accomplished in the 2020 Session, despite the circumstance of the pandemic. Even with these challenges, you were able to pass property tax relief, incentive renewal and reform, veterans tax relief, flood relief, pandemic relief, relief for the tunnel collapse in the Panhandle, career scholarships, and the most significant pro-life bill in a decade. As the pandemic continues, we have an opportunity to keep moving our state forward. This legislative session, we will do this the Nebraska way: by working together for the best interests of the people we serve. The next two-year budget I am proposing controls spending to a growth rate of 1.5 percent. In this context, we can achieve several important priorities. First, property tax relief. This budget delivers on the promise of property tax relief by delivering \$1.36 billion in relief over the biennium. This includes \$550 million in direct property tax relief through the state's Property Tax Credit Relief Fund and nearly \$597 million from the newly enacted LB1107 refundable property tax

credit. I am also proposing roughly \$214 million to provide for property tax payments under the current Homestead Exemption Program. But there's more we must do to keep Nebraska on the road to realizing property tax relief. That's why Senator Linehan and I are proposing to limit the growth of local government property taxes to 3 percent. New local spending constraints are critical to ensuring the relief we provide goes into people's pockets and to maintain local control in future years. Property taxes have grown by 4.46 percent annually on average for the last ten years for an overall increase of 54.65 percent. Taxes are growing at a rate that Nebraskans cannot manage within their family budgets. It is my belief that if the Legislature fails to enact spending constraints, the people of Nebraska will take matters into their own hands and strip local governments of their property tax authority. It's happened before in the 1960s when the voters stripped the state of its authority to levy a property tax, and it will happen again. The limits we are proposing here are reasonable and will help ensure that local control of the institutions we cherish endures for years to come. As we consider these limits, I also want to note that we can continue to support strong public schools. As I have done every year as Governor, my budget proposes to fully fund the state aid to the K-12 education formula with an additional \$42.7 million over the biennium. We must continue to invest in the next generation of Nebraskans so they can access educational opportunities that can help them achieve their dreams. Next, I'm proposing three initiatives to help Nebraska continue in its journey to become the best state in the nation for military families and veterans. First, Nebraska is still working to bring Space Command to the Heartland. Senator Stinner and I are recommending the state invest \$50 million towards establishing a public-private partnership to locate this important mission at Offutt Air Force Base. Second, Senator Brewer and I are proposing that Nebraska exempt 100 percent of military retirement income for military retirees. This would complete the work on veterans tax relief we began last year. And third, military spouses continue to face challenges in taking jobs in Nebraska in licensed professions on a temporary basis. In recent years, Nebraska has made great strides in helping military spouses who hold a teaching license in another state to teach while their families are deployed here. Senators Sanders, Blood, and I are working together to take new steps recommended by the Department of Defense to cut more red tape in this area. Additionally, Senator Murman and I are proposing that we use our experience gained during the pandemic to expand our healthcare workforce. Early in the pandemic, I issued an Executive Order allowing licensed healthcare professionals from other states to work here in Nebraska. By allowing universal reciprocity for out-of-state healthcare workers to continue, we can encourage more skilled

healthcare professionals to choose the good life and to help meet our state's needs. This budget also takes an important step to protect public safety. Nebraska's corrections system has been underbuilt for 40 years and our infrastructure is aging. Working together, we've been able to make significant strides over the last six years, investing in sentencing reform, rehabilitation, and the physical plant of our system, but more must be done to modernize and right-size our prisons. By 2025, Nebraska's correction system is forecasted to house over 6,400 inmates. Today, we have an operational capacity of over 5,300 inmates and the Nebraska State Penitentiary is decaying. To help protect the public safety and replace the State Penitentiary, I am proposing that we build a new, modern correctional facility. This facility will re-- will require an initial investment of \$115 million in this biennium for a total of \$230 million by the time it's completed and operational in 2025. Finally, we must continue to invest in better community connectivity through broadband Internet. It's no secret that many Nebraskans still do not have access to broadband. Over 80,000 Nebraskan households lack broadband speeds of at least 25/3. The pandemic has revealed how impossible work-from-home or remote education can be for those on the wrong side of the digital divide. Over the last several months, we were able to use CARES Act money to begin connecting 17,600 households with broadband. Additional households are expected to receive broadband, using existing resources over the next two years. Senator Friesen, Speaker Hilgers, and I are proposing that we invest \$20 million in each of the next two years to help another 30,000 households get broadband connectivity. This will move Nebraska closer to bringing broadband coverage to every corner of the state. Property tax relief, our veterans and military, licensing reform, public safety, broadband access, these are all critical priorities for us to work on this year. As the session gets underway, I am confident that we can achieve each of these in the coming days by working together for the people the Nebraska way. Once again, congratulations on the start of the new session. I want to thank each of you for your service to the people of Nebraska. Together, we can achieve great things for Nebraskans in the coming days. God bless you all and God bless the great state of Nebraska.

FOLEY: Thank you, Governor. Would the Escort Committee please assist the Governor as he departs the Chambers.

HUGHES: Mr. Clerk.

**CLERK:** Mr. President, I have new bills. LB379 is a bill introduced by Senator-- Speaker Hilgers at the request of the Governor. It's a bill for an act relating to appropriations. It amends Laws 2019, LB294;

eliminates appropriations for the operation of state government. LB380, Senator -- introduced by Senator Hilgers at the request of the Governor, it's a bill for an act relating to appropriations. It states intent. It transfers funds. It provides duties. LB381 by Speaker Hilgers at the request of the Governor; relates to appropriations; provides funds for the payment of salaries of members of the Nebraska Legislature. LB382 is by Speaker Hilgers at the request of the Governor. It's a bill for an act relating to appropriations. It appropriates funds for the payment of the salaries and benefits of certain state officers. LB383 by Speaker Hilgers at the request of the Governor, a bill for an act relating to appropriations; defines terms; appropriates funds for capital construction and property acquisition. LB384, Senator Hilgers, a bill for an act relating to appropriations, it provides and changes use and transfers of funds. LB385 by Speaker Hilgers at the request of the Governor, it authorizes transfers; it states intent and est-- eliminates obsolete provisions. LB386 by Senator Lathrop at the request of the Governor, it's a bill for an act relating to judges' salaries; it changes judges' salaries. LB387 by Senator Brewer at the request of the Governor, it's a bill for an act relating to income taxes; it changes provisions relating to the taxation of military retirement benefits. LB388 by Senator Friesen at the request of the Governor, it's a bill for an act relating to telecommunications; adopts the Nebraska Broadband Bridge Act. LB389 by Senator Sanders at the request of the Governor; relating to teachers; requires the issuance of certificates of permits to military spouses as prescribed. LB390, Senator Murman at the request of the Governor, relates to Uniform Credentialing Act; provides for additional credentials. LB391 is by Senator Bostar. It's a bill for an act relating to appropriations; transfers fund from General Fund to the Customized Job Training Cash Fund. LB392 is by Senator Stinner, relating to psychologists. It adopts the Prescribing Psychologist Practice Act; defines and redefines terms. LB393 is Senator Hughes. It's a bill for an act relating to the Legislature. It eliminates the Next Generation Business Growth Act. LB394, Senator Morfeld, a bill for an act relating to housing, it adopts the Public Health Emergency Housing Protection Act; it changes provisions relating to deadlines for trails [SIC] in actions for possessions or forcible entry. LB395 is by Senator Gragert. It's a bill for an act relating to Game and Parks. It changes provisions relating to special deer depredation season, provides for antelope and elk depredation seasons. LB396 is by Senator Brandt, a bill for an act relating to schools; adopts the Nebraska Farm-to-School Program Act. LB397 is Senator Bostelman; relating to motor vehicles; prohibits certain causes of action by motorists without issuance [SIC] or financial responsibility or motorists convicted of driving under the influence or refusal to test.

LR22CA is by Senator Linehan. It's a constitutional amendment proposing the amendment to Section 14 of Article VIII of the constitution. LB398 is by Senator Bostelman. It's a bill for an act relating to telecommunications. It changes Public Service Commission powers relating to the Nebraska Telecommunications Universal Service Fund. It restates legislative intent relating to access to broadband service. LB399, Senator Bostelman, relates to regulation of water. It clarifies a statutory reference relating to rural water districts. LB400, Senator Arch, a bill for an act relating to telehealth; redefines the terms; changes requirements for insurers and telehealth consulting. LB401 is Senator Arch. It's a bill for an act relating to state institutions; eliminates designation of the Hastings Regional Center as a state hospital for the mentally ill. LB402 is Senator DeBoer, relating to civil actions; requires a report by the Supreme Court regarding eviction proceedings. LB403, Senator Slama, it's a bill for an act relating to decedents' estates; changes a provision relating to recovery of medical assistance debt involving property transferred by deed with retention of a life estate. LB404, Senator Lowe, relating to the Concealed Handgun Permit Act, it changes permit and renewal time periods. LB405 is Senator Lowe, a bill for an act relating to the village board of trustees. It changes provisions relating to officers and employees of villages. LB406 by Senator McDonnell, it's a bill for an act relating to natural resources; provides for a fund transfer; it changes provisions relating to use of the Critical Infrastructure Facilities Cash Act [SIC]; and creates the Lower Platte River Infrastructure Task Force. LB407, Senator McDonnell, it's a bill for an act relating to Nebraska Workers' Compensation Act; provides changes and eliminates definitions. LB408, Senator Briese, a bill for an act relating to property taxes; adopts the Property Tax Request Act and it changes provisions relating to property tax requests. That's all that I have at this time, Mr. President. Thank you.

**HUGHES:** Thank you, Mr. Clerk. Senator Wayne, for what purpose do you rise?

**WAYNE:** Thank you, Mr. President. I'll take a point of personal privilege.

HUGHES: You may proceed.

WAYNE: And you know I don't do often points of personal privileges, but I do want to make a note that this year, with Senator Chambers being gone, I'll-- you'll hardly hear me reference him on the floor. If nothing else, he brought an unwavering, unyielding voice to this Chamber. And Senator Chambers reminded us of the daily fight that many

of us go through, particularly from disadvantaged backgrounds. Yet today, in his absence, I can't go unnoticed that Terrell-- Senator McKinney's name was left off by the Governor. It was in his speech. And I know the Governor and everybody-- I've gotten up and forgot to announce people, but I can't remove my past of how I got here and the people who stood before me here and let that go unnoticed. I know the Governor has -- from other people, have recognized that and I think he's already talked to Senator McKinney, but we have to be conscience [SIC] about everything we do in this body. For those who don't remember the first day we were here, not one minority was part of the committee to bring people in here, whether it was the-- Chief Heavican, whether it was anybody. And in one of the committees, there was nobody from Omaha. We have to be conscious about what we do, whether it's in this body or in our committees, to make sure we are projecting the image of -- not just projecting, we should be inclusive. And I know Senator McKinney can get up here and speak for himself and I'm not trying to undercut him if he chooses or not to choose to say something, but that can't happen anymore in this body. I've watched it happen for four years. And the simple fact that I pressed my light seven minutes ago and I wasn't called on until we figured out what the Governor's response is, is a problem. A point of personal privilege, per our rules, when you push your button, you should be recognized immediately. I know all of our colleagues are here and anxious to get some things done. Senator Briese and I had a real good conversation about property tax relief. I like the idea of what we're talking about. But we also be -- have to be conscious of what we're doing and how we do it and the reflection that it puts on this entire state. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Wayne. Members, we will stand at ease waiting on additional bill introduction.

[EASE]

HUGHES: Mr. Clerk.

**CLERK:** Mr. President, new bills: LB409 is by Senator Brewer. It's a bill for an act relating to public power; it change provisions relating to construction and authorize construction of electric transmission lines. LB410, Senator Linehan, it's a bill for an act relating to revenue and taxation. It amends section 77-2716. It changes provisions relating to itemized deductions. LB411 by Senator Lathrop, a bill for an act relating to designated health information exchange; requires provision of clinical information by healthcare facilities and healthcare payers. LB412 by Senator Cavanaugh relates to the Nebraska Nur-- Housing Agency Act. It amends Section 71-1590;

changes a tax and assessment provision. LB14-- LB413 is Senator Wishart, a bill for an act relating to Medical Assistance Act; it defines terms; requires coverage for medications for substance use disorder treatment and addiction medicine services. LB414 is Senator Wishart. It's a bill for an act relating to the Political Subdivisions Construction Alternatives Act. It redefines the terms and requires a determination statement in a resolution adopted by the governing body. LB415, Senator Groene, a bill for an act relating to the Nebraska Liquor Control Act; redefines a term and increases the annual gallon limit-- limit for microdistilleries. LB416, Senator Machaela Cavanaugh, relates to public health and welfare; it defines terms and requires implicit bias training for applicants and credential holders under the Uniform Credentialing Act; it requires the Department of Health and Human Services to apply for a federal waiver to provide postmortem [SIC] care. LB417 is a bill by Senator Halloran. It's bill for an act relating to firearms; authorize possession of a firearm on school grounds by full-time, off-duty law enforcement officer. LB418, Senator Murman, a bill for an act relating to public health; adopts the Solemn Covenant of the States to Award Prizes for Curing Diseases Compact. LB419, Senator John Cavanaugh, a bill for an act relating to civil actions, it requires appointment of counsel at the county expense in eviction proceedings and defines terms. New resolution: LR23, offered by Senator Erdman, it's an interim study resolution, Mr. President, referring--- so that will be referred to the Executive Board for a referral to the appropriate standing committee. Announcements: Business and Labor Committee has selected Senator Blood as the Vice Chair. That's offered by Senator Ben Hansen as Chair. The Revenue Committee will meet today in 20-- I'm sorry, 1524. Revenue Committee will meet today in Room 1524. Reference Committee will meet upon adjournment in Room 1113. A series of name adds: Senator John Cavanaugh to LB12 and LB20; Hunt, LB56; Sanders, LB241; Groene, LB300; McCollister, LB310; Williams, LB311; Brewer, LB327, LB362; Groene to LR3CA; and Murman to LR21CA. Mr. President, Senator Clements would move to adjourn the body until Friday morning at 10:00 a.m.

**HUGHES:** Thank you, Mr. Clerk. Colleagues, you've heard the motion. All those in favor say aye. Opposed? We are adjourned.