

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate March 9, 2022

FOLEY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the 38th day of the One Hundred Seventh Legislature, Second Session. Our chaplain for today is Senator Erdman. Please rise.

ERDMAN: Thank you, Mr. President. Let's pray. Father, we thank you for this day, and we thank you that your mercies are new every morning. We thank you for our founding fathers finding this country--founding this country on your principles. We pray now as we meet here that we would do those things that are honoring those principles when this country started. And we pray that the things that we do in this room today and the rest of this session would honor you. We pray today for those people in Ukraine. We pray that that situation will be resolved there and we pray for the safety of those people who are in harm's way. We thank you for our military and for what they do for us and for our policemen and all law enforcement. We pray you be with them as well. So today we thank you for your goodness. And father, we thank you for sending your son Jesus down a cross to pay for our sins. We ask all this in Jesus name. Amen.

FOLEY: Thanks, Senator Erdman. Senator Slama, can I ask you to lead us in the Pledge of Allegiance, please.

SLAMA: Please join me in the pledge. 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.

FOLEY: Thanks, Senator Slama. I call to order the 38th day of the One Hundred Seventh Legislature, Second Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

ASSISTANT CLERK: There's a quorum present, Mr. President.

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

ASSISTANT CLERK: No corrections this morning.

FOLEY: Thanks, sir. Any messages, reports, or announcements?

ASSISTANT CLERK: I do, Mr. President. Committee on Enrollment and Review reports LB697, LB824, LB795, LB1147, LB807, LB698A, LB804A, and LB1037A as correctly engrossed and placed on Select File; LB824 and LB1147 having E&R amendments. Senator Lathrop, amendments to be

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printed to LB1011, FA74, FA75, FA76, FA77, FA78, and FA79. New A bill. Senator Moser, LB984A. A bill for an act relating to appropriations. Appropriates funds aiding in carrying out provisions of LB984. That will be placed on General File. That's all I have at this time, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Machaela Cavanaugh would like us to recognize Dr. Joe Miller of Omaha, Nebraska, serving us today as family physician of the day. Dr. Miller is with us under the north balcony. Doctor, please rise. We'd like to welcome you to the Nebraska Legislature. General File, 2022 Senator priority bills, Mr Clerk.

ASSISTANT CLERK: Mr. President, LB519, introduced by Senator Morfeld. It's a bill for an act relating to public safety. Changes provisions relating to notice for petitions to change a person's name; provides immunity for certain alcohol and controlled substance violations by witnesses and victims of sexual assaults and persons cooperating with law enforcement. Defines terms, harmonizes provisions, repeals original section. The bill was read for the first time on January 19 of 2021 and referred to the Judiciary Committee. That committee placed the bill on General File with committee amendments, Mr President.

FOLEY: Thank you, Mr. Clerk. Members, please come to order. Senator Morfeld, you're recognized.

MORFELD: Thank you, Mr. President, and members of the Legislature. Today, I'm honored to present LB519, a bill to provide Good Samaritan immunity from certain drug and alcohol possession charges for people reporting sexual assault of themselves or others. It also gives judges the discretion to waive requirements for publication of name changes when doing so could endanger the petitioner. The bill advanced from committee 8-0 and I want to thank all of my colleagues on the Judiciary Committee for supporting it. The bill prevents victims and witnesses from arrest or prosecution for minor drug and alcohol charges if they report the incident, the sexual assault in good faith, request emergency medical assistance for a victim and cooperate with law enforcement and the investigation. This legislation mirrors my previous legislation that provided limited immunity for drug and alcohol overdoses that this Legislature has overwhelmingly passed two times in previous sessions. Since-- excuse me. Since the passage of that legislation, I cannot tell you how many Nebraskans and parents of Nebraskans suffering from drug or alcohol addiction that have reached out to me and told me that our law saved

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their or their loved ones lives. This legislation was brought to me by the students at the University of Nebraska who told me very personal stories of their assault and then subsequent fear of reporting the sexual assault because they are under the influence of alcohol or drugs at the time of the sexual assault. Since then, I've heard from Nebraskans across the state of all ages who have told me that. This is something that is a barrier to them reporting some of the worst and most brutal crimes against them. Colleagues, as someone who was sexually assaulted multiple times as a child, I can tell you that the fear to report sexual assault, even when substances were not involved, is real. The feelings of fear, anger and shame prevented me from telling my parents of my assault multiple times from a neighbor by many months and I was only a young boy at that time, not under the influence of any substances. So I can only imagine how some of our fellow Nebraskans would feel in those situations. That's why I brought this legislation. This legislation will benefit everyone, not just students, and the alcohol issue specifically will benefit young people, particularly college students I represent who are disproportionately sexually assaulted. By removing potential punishments for certain drug and alcohol charges, students who experience or witness sexual assault may be more likely to come forward and report to campus or local authorities. Alcohol or drug use should not get in the way of bringing someone to justice because of a sexual assault. Just as we removed barriers for Nebraskans seeking medical attention due to an alcohol or drug overdose, we should remove any barriers for Nebraskans who are sexually assaulted to report that assault so their perpetrator can be brought to justice and we can keep Nebraskans and our communities safe. Sexual assault is a widespread problem in many communities, but it is particularly evident on college campuses. Studies have shown that victims of sexual assaults sometimes do not come forward to report a crime because they believe that drugs and alcohol will be addressed in terms of charges before the crime of sexual assault perpetrated against them. If more victims and bystanders come forward to report sexual assault, we can prevent perpetrators from assaulting others. I urge your favorable consideration of LB519 and I'd be happy to answer any questions. Thank you.

FOLEY: Thanks, Senator Morfeld. As the Clerk indicated, there are amendments from the Judiciary Committee. Senator Lathrop, you're recognized to open on the committee amendments.

LATHROP: Thank you, Mr. President. Good morning, and good morning, colleagues. LB519 was heard by the Judiciary Committee on February 5, 2021. The committee voted 8-0 to amend the bill with AM1781 and

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advance the bill to General File. The amendment would narrow the court's authority to waive notice for name change petitions. Under the amendment, the court would waive notice if the petitioner demonstrates that the notice would endanger the petitioner. We felt like the amendment was appropriate and the bill was consequential. It has been advanced to the floor by the committee on a 8-0 vote. I would encourage your support of both the amendment and the underlying bill. Thank you.

FOLEY: Thanks, Senator Lathrop. Debate is now open on LB519 and the pending committee amendments. Senator Erdman.

ERDMAN: Thank you, Mr. President. Good morning. I listened to Senator Morfeld's opening there on his bill and I appreciated his comments. I was wondering if he would yield to a question or two.

FOLEY: Senator Morfeld, would you yield, please?

MORFELD: Yes.

ERDMAN: Senator Morfeld, could you more specifically outline what alcohol and drug-related offenses would receive immunity under this act?

MORFELD: Yes, of course, I've got them right here. So Section 4 would amend 28-416 to include a reference to defense in the statute criminalizing possession of a controlled substance. So it would be simple possession, and then Section 5 would amend Section 28-441 to include a reference to defense in the statute that criminalizes the possession of drug paraphernalia. Because oftentimes when you're ingesting a drug, sometimes there has to be paraphernalia involved. So just simple paraphernalia. And then Section 6 would include a reference to the defense in the statute in terms of alcohol for minors.

ERDMAN: OK. So how would a potential witness know what crimes they're immune to? How-- how would they know that?

MORFELD: Well, there's a lot of public education campaigns on this. So for instance, when we introduced the Good Samaritan alcohol and drug immunity, there's been statewide campaigns on that, public access channels, universities, things like that. That being said, lack of knowledge of the Good Samaritan immunity is certainly a barrier to people utilizing it, and that's something that we work on to educate people across the state.

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ERDMAN: OK.

MORFELD: Word spreads.

ERDMAN: So was it-- I believe when I read the bill, there was opposition from the prosecutors. Was that-- was that correct? Am I correct on it?

MORFELD: Yes, there was some opposition from some prosecutors.

ERDMAN: What was their-- what was their concern?

MORFELD: Their concern was eliminating their discretion to be able to charge people.

ERDMAN: OK. So your-- your intent is to become the county attorney, which you would be a prosecutor then, do you see that same issue that they had?

MORFELD: I personally would never prosecute somebody for bringing forth a claim of sexual assault. So I do not share their concern. And given that we passed the Good Samaritan laws for drugs and alcohol and they supported those at the time enthusiastically, I don't think that we've seen any miscarriages of justice other than more people getting help and not dying.

ERDMAN: So tell me what happens if we don't pass this?

MORFELD: If we don't pass this, we will have young people, particularly young women and some young men and older folks too alike that will be more scared of-- will continue to be scared to report sexual assault if they are under the influence of alcohol or drugs at the time. And so what we're going to have is, we're going to have more people not report those crimes and we're going to have more people experience those crimes because their perpetrators will not be-- will not be brought to justice.

ERDMAN: OK, thank you. Thank you. So I'm still open to listen to the discussion here, but I'm not real-- I'm not real clear on if I'm going to vote for LB519 or not. So we'll see as the discussion goes, and I hope it continues. Thank you.

FOLEY: Thanks, Senator Erdman. Senator Arch.

ARCH: Thank you, Mr. President. I have questions for Senator Morfeld, if he would yield.

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FOLEY: Senator Morfeld, would you yield, please?

MORFELD: Yes.

ARCH: I'm not all that familiar with the Good Samaritan reference that you made there, that law. Can you compare and contrast that law with what you're proposing here?

MORFELD: Yeah, I appreciate the question. So the Good Samaritan drug and alcohol immunity laws were passed, I think respectfully-- respectfully in 2015 and 2017 by this Legislature. We actually mere-- excuse me, I'm losing my voice here. We actually mirror the language from those Good Samaritan laws into this one. How those work is if you or somebody you are around is experiencing a drug or alcohol overdose and you call for medical attention, stay on the scene and cooperate with law enforcement officers, then you will be immune from the drug or alcohol charges that would otherwise come if you're under the influence of them at the time. And so what that did was it made it so that people would feel more comfortable calling for medical attention and in order to get that medical attention. And what it came out of was, I believe in 2015, my first year in the Legislature, we had a young man die just a few blocks away from me in a fraternity. And one of the things that came out of that investigation was that he had overdosed on alcohol, but his fraternity brothers were too scared to call for medical authorities and medical attention at that time. And we had heard that from a lot of other people as well. So stepping back for a second, I just wanted to give you the context on that to answer your question. What this will do is the same exact thing. It's-- it's worded basically the same way. But what it includes is the reporting of a sexual assault, either by the individual that was assaulted or by a witness or bystander who may have seen something leading up to that assault or the actual assault occurred.

ARCH: One other question. So-- so the-- the drug-- the drug charges or the drug offense that may be witnessed by officers at that time, Senator Erdman, I think, asked you specifically what-- what offenses. Would that include a DUI for instance?

MORFELD: No.

ARCH: So possession, is that-- I mean, possession or under the influence is that-- is that what you would say--

MORFELD: No.

ARCH: --are those offenses?

MORFELD: Sorry to interrupt.

ARCH: Go ahead. That's the question.

MORFELD: So it's only-- it's possession. It's not under the influence. And if I said under the influence, I-- I want to correct the record. It's the possession charges which are generally-- it-- it depends on the type of drug. But for marijuana, for instance, that's an infraction, second time it's a misdemeanor, etcetera, and then it moves up. For some-- for some drugs. It's actually depending on how the county attorney interprets it. It could be up to a Class 4 misdemeanor-- or a Class 4 felony. So these are serious types of charges that somebody may be facing, and that's why people are very reticent to come forward.

ARCH: And so your bill would waive all of those charges, right, or not waive but I mean, they would-- they would-- they would have immunity from regardless of the severity of that of-- of what they could be charged with. All of that would be-- would be immune.

MORFELD: Only for simple possession and drug paraphernalia. So I mean, if you're distributing drugs or in the-- like it does not make you immune from any of those more serious charges like distribution, things like that. Only for the simple possession charges, which depending on the type of drug, can either be infractions all the way up to a Class 4 felony

ARCH: Minor in possession, where would that fall?

MORFELD: A minor in possession? So that's in possession of alcohol, yes. I mean, so that would be one too. This is drugs and alcohol.

ARCH: And that-- OK, drugs and alcohol--

MORFELD: Yep.

ARCH: --and so they would be immune as well for--

MORFELD: They would be immune during that very finite period of time that the assault is occurring. So it can't just be like, we are at an a party and there--

FOLEY: One minute.

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MORFELD: --was sexual assault and I happen to be over-- under the influence of alcohol or drugs. They have to either be the person that was assaulted or the witness of that directly. And quite frankly, there's some discretion still on the prosecutor to decide whether or not they're cooperating or whether or not they're actually a witness.

ARCH: OK, thank you. I, as Senator Erdman mentioned, I'm still listening as well, but thank you. Thank you for your response. Thank you, Mr. President.

FOLEY: Thank you, Senator Arch and Senator Morfeld. Is there any further discussion? I see none. Oh, excuse me. Senator Jacobson.

JACOBSON: Thank you, Mr. President. I know Senator Morfeld and I spoke on this yesterday. I've been back and forth on making a decision here. I guess one of the advantages of each of you had is being able to sit through hearings and and get to this point and so I'm still kind of catching up a little bit on the fly. So I had questions for him yesterday on this bill. And I understand the reasons for bringing the bill. I think it has a lot of merit, but I think like the two previous senators, Erdman and Arch, that there's questions about how this all works, and I want to make sure that we don't complicate and hinder prosecution in any way by or allowing, say, drug dealers from coming in and being a witness and walking from something that they should have been prosecuted for. That's the piece that I'm wrestling with. And-- but yet I also fully understand the intent in which Senator-- Senator Morfeld brought the bill. And I do have concerns, and I think particularly as it relates on college campuses, this is a problem and I'm interested in making sure that we see justice as well. So I, too, am going to listen through the debate and try to get to a green vote on this. But I like the amendment that we're debating now. I think the amendment took some-- some concerns that I had away, so I will vote for the amendment and then see where we go when it comes to the bill itself, LB519. So again, I appreciate Senator Morfeld bringing it, and I really concur with my colleagues on some of the concerns. Hopefully we can work through that as we go through this process. Thank you, Mr. President.

FOLEY: Thank you, Senator Jacobson. Any further discussion? I see none. Senator Lathrop, you're recognized to close on the committee amendment. He waives closing. The question for the body is the adoption of committee amendment, AM1781. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

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ASSISTANT CLERK: 33 ayes, 0 nays on adoption of the committee amendment.

FOLEY: AM1781, committee amendment, has been adopted. Any further discussion on LB519 as amended? I see none. Senator Morfeld, you're recognized to close on the bill-- on the advance of the bill.

MORFELD: Thank you very much, Mr. President, and I appreciate all the thoughtful questions on the floor today. I remain open to any other questions between now and Select File. I just want to note that again, this is a very limited, very, very limited Good Samaritan immunity. It's been proven over the last four or five years in terms of working for drugs and alcohol. It has not been abused, and I think that this is something that we need to extend to victims of sexual assault because we hear from Nebraskans telling us that they are afraid to come forward to bring their perpetrators to justice, and that is something that we need to eliminate any barriers to. And I'd appreciate your green light vote. And if you have any questions between now and Select File, I'm happy to work with you. Thank you.

FOLEY: Thanks, Senator Morfeld. Senator Arch, you're speaking light is on, but I cannot recognize you. Senator Morfeld has closed on the bill. The question for the body is advance of LB519 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 29 ayes, 6 nays on advancement of the bill.

FOLEY: LB519 advances. Moving to LB598. Mr Clerk.

ASSISTANT CLERK: Mr. President, LB598 introduced by Senator Wishart. It's a bill for an act relating to the Department of Economic Development. Adopts the Small Business Stabilization Grant Program Action, declares an emergency. The bill was read for the first time on January 20 of 2021, and referred to the Business and Labor Committee. That committee placed the bill on General File with committee amendments. There are other amendments as well, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Wishart, you're recognized to open on LB598.

WISHART: Good morning, colleagues. Thank you, Mr President. I'm here today to introduce my personal priority bill, LB598, the Small Business Stabilization Grant Program, or as I like to call it, the Main Street Recovery Act. I represent in District 27 a diversity of

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businesses, including those that exist in the Historic Haymarket. Twenty-twenty and 2021 was devastating for the bar, music and restaurant industry, as well as many other businesses in the service industry. Many bars I met with were experiencing over 50 percent revenue loss, some over 90 percent revenue loss caused by the pandemic and the following shutdowns. While there was federal relief that came to them-- to most of them, it was frustrating to be out of session and unable to pass legislation on the state level to help our small businesses get through this extraordinary situation. So I got to thinking, how can we set up a targeted system of relief for the future where we have an emergency fund in place to help small businesses in Nebraska who experience devastation from a natural disaster or an emergency? This way, when we encounter flooding, wildfires or a future pandemic and our Legislature is out of session, our state has a mechanism in place to provide immediate relief. I was reminded when drafting this legislation of other legislation that we passed several years ago by Senator Erdman. It was championed by Chairwoman Linehan and passed unanimously by the body. It provided property tax relief for people who had lost their property from flooding. LB598 is channeling that same type of legislation. In this case, we are providing recovery support for our main street businesses in emergency situations. I met with many stakeholders on this legislation from the business community and the Department of Revenue, as well as had discussions with the Department of Economic Development when I put this legislation together. And we looked at all different types of mechanisms for how we could have a system in place to help Main Street businesses during a natural disaster, have the cash flow they need to survive and get through. I decided that we didn't need to reinvent the wheel and create a new program. Our Governor and his team, with Director Goins leading the way at Nebraska Department of Economic Development, had already created a small business stabilization grant program during the pandemic to channel federal relief to small businesses. And this fund really worked, and I have to give a lot of credit to Director Goins and the leadership of the Governor in quickly being able to get relief dollars out to many businesses across the state. So my thought is, since this has worked and we've used it in an emergency situation, we should codify this program into law. So here's how the fund will work moving forward. We create the small business stabilization program, so we codify what has already existed for the pandemic through Department of Economic Development-- Development into law. So following a natural disaster or declared state of emergency by the Governor, the Department of Economic Development has the ability to award grants to businesses physically located in Nebraska. Now these

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are small businesses, so the parameter is that they can have no more than \$1 million of gross revenue in the most recently completed calendar year. This is targeted for our small main street businesses, and then businesses must also show sufficient documentation that gross revenue over a period of one month or more has declined by at least 50 percent from the amount of gross revenue received over the same period in that year. And then the grant awards can be no more than \$12,000 to any one business. We can fund this program to the amount that we believe necessary to help our small businesses recover-- recover, similar to the way that we fund the Governor's emergency fund to give him or her the flexibility to help communities during natural disasters. While I included initially when I first introduced this bill an appropriation of \$20 million, that was when we were in the pandemic and it was when not all of the federal relief had been received. The committee amendment that the committee brought removes that \$20 million. I'm OK with that at this time, though, should this Legislature decide that from the ARPA dollars or additional cash reserve that we have, we would like to put an influx of cash into this emergency program should this legislation pass, I would be open to that as well. But I do want to tell you that for the time being, this is setting up the program and we are not funding it at this moment. LB598 was heard by the Business and Labor Committee last February. It received a broad range of support, including the Chambers of Commerce, Nebraska Bankers Association and the Lincoln Independent Business Association. This bill received no opposition and with the committee amendment, has no fiscal impact immediately. Main Street businesses in Nebraska are vital for economic vitality. We must have a system in place to help them recover when our state experiences natural-- natural disasters or pandemics. This grant program is one necessary step in ensuring our state help small businesses survive. I'd be happy to answer any questions, and I encourage you all to give a green vote. Thank you.

FOLEY: Thanks, Senator Wishart. As the Clerk indicated, there are amendments from the Business Committee. Senator Blood, as Vice Chair of the committee, could you offer the committee amendment, please?

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I bring forward AM549, which is a friendly amendment that was brought to the committee and adopted at the request of Senator Wishart. The amendment simply gets rid of the appropriation brought in the original bill. In practice, a specific fund will be created but not funded until the Legislature chooses to do so. So that if a state of emergency happens in the future, like the COVID-19 pandemic, we will have a designated shell fund available to provide relief to small

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businesses if this body decides it is necessary to do so. With that, I would ask for your green vote on AM549.

FOLEY: Thank you, Senator Blood. Mr. Clerk.

ASSISTANT CLERK: Mr. President, I have a note from Senator Hunt, she wishes to withdraw AM2126.

FOLEY: Amendment is withdrawn. Debate is now open on LB598 and the pending committee amendment. Senator Erdman.

ERDMAN: Thank you, Mr. President. Thank you, Senator Wishart, for your explanation. I had just-- I reviewed the amendment by the committee, and so you're striking the \$20 million, is that correct? Would you yield to a question, Senator Wishart, I'm sorry.

WISHART: Yes. Yes, that is correct.

ERDMAN: All right. So you are starting a new programs. Is that also correct?

WISHART: I am continuing a program that existed during the pandemic.

ERDMAN: OK. So when you struck the \$20 million I understand that, but I had a question and maybe this is rhetorical, you can decide. The appropriations was \$20 million for the project and then there was \$750,000 for implementation by DED. Did you see that?

WISHART: Yes, I did.

ERDMAN: So being on the Appropriations Committee, what I'm about to ask you won't probably surprise you. Did you find that to be exorbitant, \$750,000 to implement this program?

WISHART: I have not had a chance to speak with the department specifically about that. But I do think that this program has already existed. And again, it's just for emergency situations. It should not require a full-time staff.

ERDMAN: Right. Thank you for answering. I-- I just want to draw your attention to that. We have a lot of appropriations bills that come to the Appropriations Committee and, for example, the ARPA money for the distribution of that, they've put in \$15 million to decide who gets the ARPA money or distribute it or to check up to see if it's been done correctly. So we see these things come all the time with exorbitant fiscal notes about what it costs to implement it. And in

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many cases, there are people in these agencies who are already in place to do this, and it bothers me some that they come with these exorbitant numbers that don't mean anything. So anyway, thanks for answering those questions, Senator Wishart, thank you.

FOLEY: Thanks, Senator Erdman and Senator Wishart. Senator Dorn.

DORN: Thank you, Lieutenant Governor. Would Senator Wishart yield to a question?

FOLEY: Senator Wishart, would you yield, please?

WISHART: Yes.

DORN: Thank you for bringing this bill. I got a couple of questions I would like to ask. So number one is I think you talked a little bit about an emergency has to be declared by the Governor, for example, that would have included the flooding that we had in 2019. OK. Then the other thing is, right now, this bill, as I understand it going forward, it's-- it's we're-- we're starting the program, just as Senator Erdman said. But there is not or will not be funding out there for it. How do you see that happening or will the emergency have to be declared and then we fund it at that time or what-- what's going to happen?

WISHART: No, so ideally, this program can work very similar to the Governor's emergency cash fund. So let's say we anticipate that more floods are going to happen in the spring. Let's say next year, we anticipate that the Legislature in next January could say we're going to put \$10 million into this fund, that when flooding occurs, the Governor and DED will be able to use-- utilize it to help some of the businesses that maybe lost their entire business, just get through that period until they can get back up and running.

DORN: And this is the way I understand it, the federal funds that were used, the Governor had proposed for it. They were to help those entities get through that part of COVID.

WISHART: Yes.

DORN: Yes.

WISHART: They were-- they were short-term grants that went out to all small businesses that had experienced devastating-- devastation due to the pandemic.

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DORN: One other question because part of what happened during that funding when it went on at that time and I don't know if this is the same type program that was-- was asked then, I had several, I call it small restaurants or those types of things come up and told me they because of certain things they do sometimes they don't qualify for some of those. They didn't qualify for some of those funding programs. This here, though, limit-- I mean, this here puts in there just a stipulation that as long as they had half the revenue loss and that they were under a million dollars, so then maybe those type of businesses would qualify for this.

WISHART: Oh yes, absolutely. Those are the type of businesses that I'm targeting with this program.

DORN: Thank you. Thank you very much. And I'll yield the rest of my time.

FOLEY: Thanks, Senator Dorn and Senator Wishart. Senator Linehan.

LINEHAN: Thank you, Mr. President. I understand the intent here, but I'm concerned if the Governor was able to do this during the pandemic-- well, this is what I'm concerned about. We put something in law and we forget about it. And 10 years from now, when we're trying to be nimble and work with the federal government and distribute funds, this doesn't become a helping tool, but actually ties the hands of the admin-- of then administration and the Legislature just exactly what they can do. I just-- and I will hopefully-- I'm not going to ask you to respond, but hopefully she can explain why if we were able to do all these things during the pandemic and the flooding, why do we need to put something in statute that we maybe forgotten about until we need it 20 years from now and then maybe a million dollars isn't near enough and we disqualify a bunch of-- I just-- I don't know-- I don't understand why this needs to be in statute if we already have addressed these issues without the statute and I'll yield the rest of my time.

FOLEY: Thanks, Senator Linehan. Senator Clements.

CLEMENTS: Thank you, Mr. President. Would Senator Wishart yield to a question?

FOLEY: Senator Wishart, would you yield, please?

WISHART: Yes.

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CLEMENTS: I was wondering about comparing this with the Governor's emergency fund, why wouldn't we just allocate some more money for his emergency fund instead of doing this?

WISHART: Well, this takes a program that was put in place by the Governor for the pandemic, and it says this program worked. It works very well. And so why wouldn't we set this up for the future and not just to help in terms of pandemics, but to help in flooding or other types of natural disasters that we have an expectation the state is going to experience?

CLEMENTS: Does an emergency need to be declared by the Governor for this bill to take effect?

WISHART: An emergency does need to be declared, yes

CLEMENTS: By the Governor, but not federal, just state.

WISHART: Yes, by the Governor of the state, because there are some things like flooding, for example, that may not impact the United States.

CLEMENTS: The-- was the \$1 million gross revenue a factor that was used by the Governor?

WISHART: No, that's a factor that I put in after consultation with a lot of the business community recognizing that with limited funds, we want to target small businesses.

CLEMENTS: All right, thank you, Senator Wishart. Maybe that does help, but I do agree with Senator Linehan that it's somewhat duplication. Hopefully we don't forget about it with the-- the amendment to remove the \$20 million does help me in supporting this now. It's going to be available if we need it. I'm not 100 percent sure it's all that necessary, but I guess I'll listen to debate. Thank you, Mr. President.

FOLEY: Thanks, Senator Clements. Senator Ben Hansen.

B. HANSEN: Thank you. Um, I'm in favor of the-- AM549 and the underlying bill, LB598, and I encourage my colleagues to vote green on both. I appreciate all the work Senator Wishart has put into this bill, and the amendment does alleviate a lot of concerns that people had with the funding of this bill. But what, in essence, this bill does is set up the framework of relief should the occasion ever arise in the instance of an emergency, such as a flood, that the

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administration can use if needed during an emergency to help the citizens of Nebraska. And so I think-- I appreciate the framework that we-- that she's thought of in this bill. So I encourage my colleagues, everyone to vote green on AM549 and the underlying bill. Thank you.

FOLEY: Thank you, Senator Hansen. Is there any further discussion? I see none. Senator Hansen, did you care to close on the committee amendment, and she waives closing. The question for the body is the adoption of the committee amendment, LB549. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 40 ayes, 0 nays on adoption of the committee amendments.

FOLEY: AM549, committee amendments have been adopted. Any further discussion on LB598 as amended. I see none. Senator Wishart, you're recognized to close and advance the bill. She waives closing. The question the body is the advance of LB598 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 32 ayes, 0 nays on advancement of the bill.

FOLEY: LB598 advances. Proceeding now to LB1023, Mr. Clerk.

ASSISTANT CLERK: Mr. President, LB1023, introduced by Senator Hilgers. It's a bill for an act relating to water; adopts the Lake Development Act and the Water Recreation Enhancement Act and declares an emergency. The bill was read for the first time on January 13 of this year and referred to the Natural Resources Committee. That committee placed the bill on General File with committee amendments.

FOLEY: Thank you, Mr. Clerk. Speaker Hilgers, you're recognized to open on LB1023.

HILGERS: Thank you, Mr. President. Good morning, colleagues. I'm very pleased and honored to open up on LB1023. And I might start this morning, maybe on a note of gratitude. I really appreciate all, the number of people who have assisted in the making of LB1023. I want to thank specifically Senator Mike McDonnell, who has made this his personal priority this year. I want to thank the members of the STAR WARS Committee: Senator Flood, Senator Gragert, Senator McDonnell, Senator Bostelman, Senator Brandt, Senator McCollister, Senator Wishart, Senator Hughes, who helped work long hours over the summer

and fall last year to get us to this point. I want to thank all the members of the Natural Resources Committee and the number of stakeholders around the state, from Game and Parks to MUD, the city of Lincoln, to others, Friends in Knox County, the Keith County Economic Development Group for all of their amazing endpoint to get-- input to get us to this point. And I want to also maybe start with a note of gratitude for all the amazing recreational opportunities and beauty that we have here in the state of Nebraska that my family and yours are able to take advantage of around the state, from Lake McConaughy to Lewis and Clark to Mahoney State Park. And really those, those jewels in our state are the products of decisions made by generations before us. If you think about Mahoney State Park or you think about Lake McConaughy or Lewis and Clark, those, those are things that were created decades ago in the 1930s or the 1950s. And really, this is an opportunity for, for us to be able to stand up and help provide new opportunities for the next generation of Nebraskans and for generations to follow them. And so I wanted to start there of a note of appreciation and gratitude before I really get into, into LB1023. And as I start the discussion of LB1023, I want to take a little bit of a step back and just remind the body what it is that we were trying to accomplish. So when we came into session last year, Senator McDonnell had introduced LB406 and we had a significant conversation on the floor. You may remember last year, Senator Flood got up, Senator McDonnell, Senator Gragert and others about transforming LB406 into a broader task force. And that is what we've been talking about for the last year, the STAR WARS group. And we talk about STAR WARS and it's a great name. I think Senator Gragert is wearing his Star Wars shirt today. The STAR WARS means something very serious, which is the State Tourism and Recreation Water Access, Resources Special Committee and really was a collection of senators, 10 senators from across the state with a mix of ideological backgrounds and views coming together to find opportunities to enhance the natural resources and beauty of the state that we, that we currently are in. And we worked over the summer and fall together collaboratively with our consultant to determine what kind of projects might make sense for the state of Nebraska, and we identified a number of those. And we were tasked by the, by the Legislature to look at three specific areas. One was Keith County and the Lake McConaughy region. Another one was in Knox County, Niobrara on the west, the state park as well as on the East, Lewis and Clark Lake, and then also the Lower Platte South region. And we were trying to, we were looking at our water resources in particular, looking for different things. We were looking at flood control, we were looking at recreational opportunities, we were looking at water

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sustainability. And we were tasked by the Legislature to find ways to potentially catalyze additional economic opportunity throughout the state. And by the way, Senator Clements, I apologize. I'm thankful for you, too, Senator Clements. You were on the committee. I neglected-- I knew I missed one. And that was, that, that was what we were tasked with. And I think that's what we accomplished. And as we came into this year, the committee presented, and I'm very proud of the unanimous vote the committee presented, recommended to the Legislature. We recommended to the Governor and then subsequently to the Legislature and the Appropriations Committee, a number of projects in all those areas. One of the series of projects were in Keith County, and maybe the, the cornerstone of that is the new marina that we've proposed in Keith County. If you've been in Lake McConaughy, if you visited there, it's the number one, number one tourist attraction in the state of Nebraska. Almost 2 million visitors come to visit Lake Mac every year. Most of those come from Colorado, bringing in tax dollars from out of state and access to the water on Lake Mac is actually very difficult. And in order to scale economic development in Lake McConaughy, we are proposing a development of a marina in Lake Mac, as well as a number of amenities, roadwork, and the like there. In Niobrara or Knox County, I should say, we are looking at how do we enhance the projects around Niobrara State Park. One of the most beautiful views in the entire state of Nebraska is at Niobrara State Park. It is actually where the committee held it, one of its hearings. There's opportunities to build potential new lodging, recreational facilities in Niobrara, additional access to the waterway. And then in, in Lewis and Clark Lake, which is absolutely gorgeous and not too far of a drive from here, we're looking at expanding marina access in Lewis and Clark Lake. There's a number of other proposals, including very significantly, and I want to specifically thank Senator Bostelman for his work in this regard, helping additional flood control proposals around the Wahoo Creek and jetty system near Schuyler. In addition to that is the potential for building a potential new reservoir lake between Omaha and Lincoln, which is something that we've been talking about for decades, for decades. And we really are presented the opportunity here to take a significant step forward, not the only step that we'll need to take under LB1020-- that we'll need to take in order to accomplish it, but a significant step forward in LB1023. And I want to talk about that and I'll talk about sort of what is in the bill and what's in this phase that we're currently in. And I'll do that here in a second. But I want to just, just flag as we start that the approach of the committee and throughout this process has been one of abundance and one that's a win-win-win, something that's

not zero-sum. If you think of the previous proposals to build a lake or do some of this work that we are contemplating here with LB1023, it's usually-- it's pitted groups of Nebraskans against one another. It's pitted people in the city of Ashland against the Legislature or people who have built smaller reservoirs around that area or have put-- invested dollars into economic development around that area against the Nebraska Legislature. And I'm very proud to say that the supporters of this proposal, the supporters, supporters of this project include the city of Ashland and include a number of others who otherwise would be potentially adversely affected. And the reason why that is, is because from the very beginning of this process, we have listened, we have worked together, and we've tried to find winning solutions that accommodate everyone's concerns. So where are we here today? Where we are today is we are about-- what we are asking the Legislature to do is really embark on phase one of the potential projects. And within phase one, there are two tracks. One track is not actually in front of the body here this morning. That track is within Appropriations Committee. And I've had a number of conversations with Chairman Stinner and other members of the committee about the potential for an appropriation to help move these projects along. And for the lake in particular, it would be the necessary dollars to study and do design work and to really make sure that this is a feasible project. We have done some preliminary analysis with our consultant, but in order to do something of this magnitude, you really have to dive into the details. So one track is making sure that there's the appropriated dollars necessary to be able to design and do those studies so we know that this project actually could work. The second track is under LB1023 and LB1023 at a 10,000 foot level, essentially directs the Director of Natural Resources to start down the road of exploring a potential public-private partnership. And, and what we are contemplating is a public-private partnership that would elicit well over a billion dollars of additional private investment into the state of Nebraska. And with it takes time to think through that, to think through what the business plan could look like, just think about exactly how that might be executed. So those are the two phases. I'm sorry. Those are the two tracks of phase one, probably take two or three years to be able to accomplish. If we get to the end of those two or three years and phase one is complete and everything checks off, then the Legislature can take the next step. Hopefully that would be actually the development of the lake. But there's a number of ways that this could not, this could become unsuccessful. For instance, if we do a hydrology study and it turns out that the impact is not what we think it would be on the city of Lincoln's water supply as an example. That

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would mean we wouldn't be able to go forward. If there is an environmental concern, we are going to do that study. That would mean it wouldn't go forward. If we can't actually go and get the billion dollar-plus of private investment into that area, then it wouldn't go forward. If we can't acquire the land, then it wouldn't go forward. And so what we're asking the Legislature is to take yet just one more step, it's a significant step. We've already taken a number of them, but it's one more step in a journey towards, towards trying to be able to create a new opportunity for all of Nebraskans to enjoy. And as we think about where we sit here today and the competitive nature around the country where people want to live, work, raise a family, the ability to have quality of life and recreational opportunities for families of all, all backgrounds, all socioeconomic backgrounds to be able to enjoy here between our two biggest cities here in the state of Nebraska,--

FOLEY: One minute.

HILGERS: --I think it would be transformative. Thank you, Mr. President. So as we get into the debate today, I'm looking forward to the conversation. There's a number of changes in the committee, that the committee amendment has. There's actually another amendment that we've been working on. There's been some technical recommendations from Senator John Cavanaugh as well as Senator Wayne-- I appreciate their comments and input on this particular bill-- that we're working on for a potential Select File amendment. I'll get in, I'll get in the queue and talk through some of the additional benefits and the testimony that we received and also talk through some of, I think, the misconceptions of some of the arguments against it that I've heard and really talk through in a fact-based way that I think this could be a really transformative win-win-win opportunity for the state of Nebraska. And I'm asking for your green vote at the end of the day to be able to allow us to take that next step really in this phase one process to see if we can actually transform the state. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Before proceeding, Senator Vargas would like us to recognize six members of March of Dimes of Omaha. Those guests are with us in the north balcony. If they could please rise, I'd like to welcome you to the Nebraska Legislature. As the Clerk indicated, there are amendments from the Natural Resources Committee. Senator Bostelman, you're recognized to open on the committee amendment.

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BOSTELMAN: Good morning. Thank you, Mr. President. Morning, colleagues, I would like to give a shout out to "Rogue One," Senator Clements. Senator-- Speaker Hilgers left him out when he initially spoke of who the committee members were on the committee, but we'll call him Rogue One. In all seriousness here, good, good morning. I'm offering committee amendment AM1914 to LB1023 introduced by Speaker Hilgers. I am pleased to support LB1023, which provides for protects in each of the locations explored by the STAR WARS Committee. AM1914 is a white copy amendment which adds language to show the intention to adhere to the requirements of LB406 to protect or projects not to be built by damming the Platte River or flooding surrounding communities. It also encourages public-private partnerships and includes provisions to engage local stakeholders in the development process and a conflict of interest provision regarding public-private partnerships to provide greater transparency and build trust within the communities and the public. Finally, the amendment extends the STAR WARS Committee to 2026 and removes the appropriations provisions that were a part of the original bill, but that did not identify an amount. I urge your green vote on committee amendment AM1914 and the underlying bill of LB1023. Thank you, Mr. President.

FOLEY: Thank you, Senator Bostelman. Debate is now open on LB1023 and the pending committee amendment. Senator Flood.

FLOOD: Thank you, Mr. President. Good morning, members. I want to start by saying I am wholly in support of what the STAR WARS Committee has done. I want to thank Speaker Hilgers, Senator McDonnell, all the members, all the time. You may not know this, but last year there were three different groups looking at different options. One was a group of people that have been assembled in Ogallala and Keith County talking about Lake McConaughy. Senator Gragert and I, before I got in the Legislature, were lamenting the loss of the Core Discovery Center, which is just south of Yankton on Highway 81. We toured the Santee Reservation. We met with officials from the Ponca Tribe of Nebraska. And as I said last year on this floor, the most beautiful spot in Nebraska is to stand at the eagles' view area of Niobrara State Park and look at the confluence and the beautiful scenery of the Missouri River and the Niobrara River, making its way eastward down the northeastern ridge of Nebraska. If you find my Facebook page, you look at the, the profile picture, it's a picture of perfection. It's the same area that Chief Standing Bear chose for his home. It is magical. And for decades, Nebraskans have not made the investment, in my opinion, the most beautiful place in the state of Nebraska, something that you would not imagine in a million years existed, looking out over the valley there. This

proposal that you see before you builds an event center, a lodge, together with partners like the Ponca Tribe of Nebraska, subject to the fine tuning. And it also goes from essentially 100 boat slips at Weigand Marina to 700 boat slips. Yankton and South Dakota has had their way with tourism for far too long. And this is our chance as Nebraskans using these dollars to become very competitive, to create economic opportunity in a county that needs it, in a county that needs a shot of something that creates more opportunities for Nebraskans on the Nebraska side of the river. I also want to comment on what Senator Hilgers and Senator McDonnell have championed in between Omaha and Lincoln. The data shows that the more you increase water recreation, the more amenities you offer, the more opportunities you make available for water, lakeside living, water recreation, you attract a skilled workforce. You make it more attractive for people to live, work and play. Omaha and Lincoln have the greatest amenities in our state when it comes to the size of the population. This is big thinking. This is something that in 50 years we're going to look back and say Nebraska did something extremely visionary that made a huge difference in the trajectory of our state. Between what we're talking about at Lake McConaughy, Knox County, and the effort in between Omaha and Lincoln, this is an opportunity to make a sizable, significant, long-lasting, and very effective investment. And I don't know that there's a lot of states that took this visionary approach as it related to the ARPA funding, as it relates to general funding. This was a committee of 10 senators. One-fifth of the Nebraska Legislature participated. We visited all these places. We held public hearings. We got public input. We sought public input. HDR is the contractor that assisted the Legislature. And so the work product that you see here is not some rim shot political deal that was cobbled together for the purpose of finding a way to spend money. It's backed up by the engineers and the professionals and the consultants, the public, state senators that gave a lot of time over the summer to go to places like Niobrara, Crofton, Lake Weigand Marina, Ogallala. We took--

FOLEY: One minute.

FLOOD: --and I think Senator Clements will remember, we, we took a bus ride around Lake McConaughy in a pouring rainstorm. We got the best tour you could get without seeing anything out the windows because it was raining like you wouldn't believe. Six inches of rain came down on us during our tour. But what we learned going around Lake McConaughy is that that is an absolute jewel. We learned about the interplay between that and Central Public Power and Irrigation. This is a brilliant opportunity for us to grow the state. I want to

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again thank Speaker Hilgers and Senator McDonnell for their vision and for all the members of the committee and for the executive branch and their interplay here. We have something to be very proud of. I urge you to adopt the committee amendment and the underlying bill. This will make a difference. Thank you, Mr. President.

FOLEY: Thank you, Senator Flood. Senator Gragert.

GRAGERT: Thank you, Mr. President. I, too, stand in strong support of LB1023 and AM1914 Natural Resources. First of all, I, too, want to thank the members of the STAR WARS Committee. There was a lot of time put in over the summer traveling, had an opportunity to travel throughout the state and see some awful good things. This is an opportunity of a lifetime for Nebraskans. It is a time for economic development and job creation throughout Nebraska. I had the opportunity to be part of the STAR WARS Committee and watch the process work. It was impressive to see how the consultant hired brought the local people into all the decision-making process. I was able to personally travel to all the areas the state included in-- included in LB1023. However, because I represent the area specifically in northeast Nebraska, Knox County, I will concentrate on the portion of, of that LB1023. I have lived in Knox County my-- the majority of my life and I've raised my children there and now have grandchildren being raised there. I know the beauty that Knox County has to offer, and LB1023 provides us the opportunity to improve and showcase this beauty. We, Nebraska, are always compared to our friends to the north, South Dakota, and what they have to offer and how they do things. Well, LB1023 will enable us to build and showcase the beauty Nebraska has to offer, especially in northeast Nebraska. It enables us to build a destination place for tourists to flock to. I have literally traveled the entire world and have seen sunrises and sunsets in all parts of the world, and none better than the sunrises and sunsets that I've experienced in northeast Nebraska. The improvements proposed in LB1023 will not only create economic development, flood control, water access, but probably the most important thing it will do is bring tourists to our state, benefiting all Nebraskans. Some of the improvements which have been covered but I'd like to reiterate in northeast Nebraska, starting at Weigand area on Lewis and Clark Lake, is the enhancement of the marina from 120, approximately 120 to 700 slips. What this will do is keep Nebraskans in Nebraska. It'll, it'll enhance our area for a lot more people to be able to be able to use Wei--the Weigand area. And then moving to the west, the town of Niobrara that was mentioned, the Niobrara, the village of Niobrara and the improvements they propose, the improvements in the Niobrara State Park with the

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enhancement of the event center and the 40, approximately 40-room lodge. The, also the involvement with the Ponca Tribe and the Pow-wow area up in northeast Nebraska and the water facil-- access facility that the, the people of Niobrara wanted so badly. All this will enhance the area. It'll-- it'll make it a destination place for a lot of people to visit. And not, not only that, it will also synergize the area and bring the people together and work for a common cause. And in-- and in the final event, this will all help not only northeast Nebraska, but the state of Nebraska as a whole. So I guess with all that LB1023 has to offer, the great deal it has to offer, I ask your support to move LB1023 to Select. Thank you.

FOLEY: Thank you, Senator Gragert. Senator McDonnell.

McDONNELL: Thank you, Mr. President. Good morning, colleagues. I rise in support of AM1914 and LB1023. I want to thank everyone that I served with on the, on the STAR WARS Committee and their dedication and their interest in these, these potential projects. But also, I really want to thank HDR, John Engel, who led, led our-- the-- his team from HDR that set up the meetings with us to be able to sit with the people around the state of Nebraska from the three areas that we've, we've discussed today. These people came to us with their ideas and their concerns and their criticisms, and we did listen. And the reason we listened because they were the subject matter experts. They were from those areas and we were just asking, how do we help improve the area of Keith and Knox County with McConaughy and Lewis and Clark Lake and the Niobrara, which as a person that grew up in in south Omaha and, and didn't do a lot of traveling throughout the state, but sometimes we don't appreciate what's in our own backyard. And when you go to different parts of the state, as I did with the STAR WARS Committee, you really do see true beauty that we don't appreciate. And we should celebrate and make sure that we're, we're taking kind of a bow on this one and patting ourselves on the back of what a beautiful state we have. And that's something that I did, did learn during this-- during this committee process. And again, it's a process and with what we're trying to do and make the improvements at Niobrara and McConaughy, that's not what we're doing with the discussion of possibly a reservoir. The ideas that we're talking about, can, can there be a reservoir? Can we take the next step to have a reservoir that would positively impact our state? Now remember, the first discussions on this was, public discussion was 1896. That was the first time they had a discussion about a reservoir near Ashland. In 1969, you had Governor Tieman that is working on a plan to create a 880 corridor and a body of water that would be the largest body of water between Lake Michigan and the Great Salt Lakes

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with a international airport. When Governor Exon came in in 1971, he decided to go a different direction. This discussion has been going on. I know a number of senators since have brought a, a idea of of what, what this could look like, and their, their ideas. What we did was going back we met with the people of Ashland and we told them and gave them their-- our word that we were not going to do anything that was going to harm their community. We really were approaching it as how do we protect life and property? How do we mitigate flooding? How do we make sure that we have a quality, quality water? And of course, the third was, was recreation. But we didn't want to do it in a way where other people had approached, possibly communities and said, turn on your faucets and get out. That was not our approach at all. Our approach was we wanted to listen to you. We wanted to look at the areas and bring in some subject matter experts like HDR with, with their team to say what's, what's possible? And today, what we're discussing is what's possible for possibly a reservoir along 80. But we definitely are talking about what we can do and what's gone on in McConaughy and Niobrara is projects that we can move forward to to enhance, enhance our state and hopefully help retain and recruit people in the future. I will yield the remainder of my time to Speaker Hilgers.

FOLEY: Thank you, Senator McDonnell. Speaker Hilgers, 1:10.

HILGERS: Thank you, Mr. President, and thank you, Senator McDonnell. I do want to-- it's probably not enough time to get into some of the counterarguments or questions-- really, I wouldn't even characterize some of these as counterarguments, really questions about how this would develop, how this would be implemented. And I think some of that I'm going to talk about on my next time on the mike. But I do want to just point out as we talk about sort of the sea change in thinking and working through opposition, Senator Clements and Senator Bostelman in particular, were adamantly opposed to this when we first started our process with LB406 with the green copy of that particular bill and for good reason. They represent areas that would be impacted if we decided, for instance, to dam the Platte and try to do something like flood the city of Ashland. And I got to give both of those senators incredible credit because what they did is we sat down together in my office, worked with Senator McDonnell, walked through every one of their concerns to make sure that this process went the right direction and that it never got off the train tracks. And ultimately, by working with Senator Bostelman and Senator Clements, we were able to get a far better product. We were able to avoid the economic impact and community impact that they were concerned about, while also getting some additional flood control benefits and getting

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that win-win-win that we're talking about. So we wouldn't be here today without those two senators being willing--

FOLEY: That's time.

HILGERS: Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Senator Hughes.

HUGHES: Thank you, Mr. President. Good morning, colleagues. I also was a member of the STAR WARS Committee, and I want to thank Speaker Hilgers for his leadership in this endeavor. It's quite an eye-opening experience. I got on because I'm-- Lake McConaughy is in my backyard and I've seen the lack of development for that opportunity. It is the first or second largest tourist destination in the state of Nebraska on an annual basis. But it could be so much more. It needs additional funds to help fully develop that recreation area. I'd never been to the Niobrara area, Lewis and Clark Lake, and I will give a shout out to Senator Flood and Senator Gragert for the local individuals who turned out to welcome our committee and really showcase what they have, but also to point out what they need in order to make that a destination in Nebraska for tourists and local residents as well. The Platte project, the Platte Lake. It's very interesting when we move into this project because we're looking at an area that is highly developed, unlike the other two areas. But where can you find space to put a large lake and what are the obstacles? And that's part of the reason why we got \$2 million last year in order to hire HDR to help us answer those questions. You know, the fact that we are looking at a lake in the floodplain, you know, is that feasible? You know, those are questions that need to be answered before we go move forward. I guess this, this bill is the first step in a very long process as Senator McDonnell had mentioned. And I, and I still go back to Lake McConaughy back in the '20s and '30s when that was being built. You know, I've got a book on my desk that I'm reading about the history of Lake McConaughy and the individuals who worked for decades trying to make that vision come to life. And it took a long time, and it took a lot of money and a lot of vision and a lot of tireless effort. That's what we're doing here. There's a vision out there. You know, will it come to pass? I don't know. But if-- it's not going to if we don't try, if we don't start down this path. There's going to be obstacles. There's no question about that. And it's going to be a lot of money. But-- and I haven't found the figures yet of what it cost to build Kingsley Dam and Lake McConaughy. But 50 years later, it's cheap. It's really cheap. And those are the things that we kind of need to keep in mind, not keep

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looking for ways to derail these investments. We're in a very fortunate time in the state. We've got some dollars to work with. There's a huge amount of private sector money out there that's looking for a home that wants to develop things. I, I've had additional tours around Lake McConaughy. There's a subdivision that is laid out there and a golf course and power and water is there, and it's been sitting there since 2001. There's still a couple of little obstacles--

FOLEY: One minute.

HUGHES: --that need to be overcome in order to make that subdivision and an 18-hole golf course that would rival any in the state to come to fruition. There's a lot of people want to work and develop areas of the state of Nebraska, and we have natural resources that we just need to take the blinders off and work to overcome those obstacles. You know, we could have a tremendous boost in our economy through tourism if we continue down this path. Thank you, Mr. President.

FOLEY: Thank you, Senator Hughes. Senator Blood.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I want you to know before I start that I spoke to Senator Hilgers about this, and he asked that I do it on his bill. So I hate to break up this lovefest, this well-organized lovefest. I'm in favor of the, the amendment, but I'm going to listen to the debate on the underlying bill. And the reason I was allowed to stand and speak is because he had asked I do this instead of a point of personal privilege. So with that said, many of you are going to be pulled out of the body today out into the Rotunda and speak to a lot of young people in reference to suicide. And I hope that you do take the time to do that. We heard a very impassioned presentation from Senator Hunt yesterday in reference to a recent suicide here in Lincoln, Nebraska. But what I want to talk about today is about our healthcare workers because we just had healthcare workers week that ended, I believe, on March 4. And I just want to bring something in the forefront and I want to have this historically in our record. And the reason I'm saying this is because we have politicized our healthcare professionals, people running for office, people that are elected officials. We've taken a noble profession and made a circus out of it. And I want you guys to know that even before the pandemic began that the suicide risk was as high among female nurses, higher among female nurses compared with American women as a whole. And a lot of people don't seem to know that. Female nurses were found to be roughly 70 percent more likely to die by suicide than female doctors. More than 159,000 suicides

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occurred during a recent study time frame. Of those, nearly 2,400 involved nurses, roughly 8 in 10 of whom are women. That correlates with estimates indicating that 80 to 85 percent of nurses are women. So just over 850 suicides were cited among doctors, doctors of which about 85 percent were men. The remainder, 156,000 suicides, were among the general public. Three-quarters of those cases involved men. But the pandemic has added enormous strains to healthcare workers, especially nurses who provide the vast majority of the bedside care. One in five nurses have retired from active duty since the pandemic began. Nurses experienced suicidal ideation in greater numbers than other general workers, with 5.5 percent reporting suicidal ideation within the past year. Nurses, more than any other segment of the healthcare workforce, have died during the pandemic; 1,140 nursing professionals in the first year. I want to remind you, when the pandemic started, how many healthcare professionals weren't even able to go to their own homes. They couldn't kiss their loved ones, hug their loved ones. They couldn't even sleep in their own beds. When the pandemic first started, people were baking cookies and bringing bottled water and banging on their pans and making noise, and then it became political. And then we forgot the sacrifices that our healthcare workers were making. And so even though there is a lot of noise over here and nobody seems to be listening, I want to say that as you talk to these people about suicide, I want you to know that we tend to ignore-- can I have a gavel, please? Thank you. We tend to ignore these silent few--

FOLEY: One minute.

BLOOD: --that means so much to Nebraskans. If you're worried about a teacher shortage, you ought to worry about their mental health. If you're worried about a doctor shortage, you ought to worry about their mental health because it's been a crapfest the last two years. And we don't seem to identify that they need our help or be doing anything about it. And so with that again, I'm sorry to kill the lovefest. I know you guys are going to pick right back up where you left off. With that, thank you, Mr. President.

FOLEY: Thank you, Senator Blood. Senator Wishart.

WISHART: Thank you, Mr. President. I rise in support of AM1914 and the underlying bill. I was a member of the STAR WARS Committee and appreciate working with so many colleagues that are thinking big and for the future of Nebraska. I did want to speak on one issue before I yield my time to the Speaker. The Appropriations Committee, first of all, I'll back up and say that Speaker Hilgers and I have been

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working with the city of Lincoln and meeting with them to ensure that whatever project is built in terms of a lake in, in the area between Lincoln and Omaha that it will not impact Lincoln's current or future water. And so our Appropriations Committee, we did place a million dollars in our initial recommendation that you'll see before you in the budget when the budget comes up for debate. And this appropriation, it's part of the \$200 million that we are appropriating for the STAR WARS Task force projects. The one million goes to an independent study to make sure that the Lincoln and Omaha water resources are not impacted negatively by the large lake project. And again, the Speaker and I have worked on this. We-- I feel confident that a study of the magnitude that would come from a \$1 million investment will ensure Lincolniters and Omaha residents and MUD that this lake will not impact and perhaps in, in the future may benefit Lincoln in our water needs. With that, I'll yield my time to the Speaker.

FOLEY: Thank you, Senator Wishart. Speaker Hilgers, 3:15.

HILGERS: Thank you, Mr. President. Thank you, Senator Wishart. I thank you for all of your work on this project. The STAR WARS Committee worked incredibly well together, and Senator Wishart has always been an amazing advocate for the city of Lincoln, a city we both represent. And we've had a number of conversations with her and, as well as the city, on the potential impact on the water supply. And Senator Wishart and I both share a significant concern for the city, for the city's water supply and ensuring that this project would in no way have any negative impact on the city of Lincoln. And to that regard, Senator Wishart and I have talked about the, the, the idea that Lincoln needs a second source. As you know, in Lincoln, we have a single source water. It comes from the Platte and we are-- we, in order to continue our growth as a city, we need a second source. And so I support the efforts to go find a second source. And Senator Wishart and I have talked about appropriating, asking the Appropriations Committee to add \$20 million of ARPA funds in order to fund the beginning of that second source development through the Missouri River. It's a, it's a request that I fully support and will advocate for, for the Appropriations Committee on the floor of the Legislature. As we have done within this, within this project, a couple of things I want to point out, and I'm really grateful that Senator Wishart raised this. Number one, we did an initial analysis that I mentioned and the initial analysis, but again, preliminary, it's not final, is that the-- there would be an incremental positive benefit on the water supply in Lincoln. And the reason is, is during the low months, I'm not a hydrologist, but this is my understanding,

during the dry months in the summer of having this reservoir near the Platte would actually help refill some of the, some of the lower flows in the Platte and help, help the city of Lincoln make sure that we don't go too dry in the summer. For those of you who lived in Lincoln like I did in 2012 during the drought, that actually can be a meaningful difference. We're certainly not arguing at this point that the, the development of a lake would change the game just by virtue of creating the lake for the city of Lincoln, but we think that it's going to have a slight positive impact. Beyond that, though, I actually what I'm excited about is the opportunity and I've had some initial conversations about what this phase one might look like with the public-private partnership, where the development of a lake could actually catalyze additional development for that water infrastructure that would help, help us develop a regional water supply--

FOLEY: One minute.

HILGERS: --for both Lincoln-- thank you, Mr. President, for Lincoln and other communities in the area. And so that's, that's actually kind of an exciting way to look at it. And we think that this, there's at least a potential path to some transformative game-changing opportunities from a water supply perspective. I would also again underline I mentioned in my opening that I think it's worth highlighting over and over and over again, talking to the city of Lincoln and MUD, who also-- who MUD also has significant concern about the Platte that we have asked the Appropriations Committee to appropriate specific funds, I think it's a million dollars, to do the hydrology study, to do the necessary work to see whether or not this can go forward. And as I mentioned in my opening, if we do that work and ultimately we determine that it will have a negative impact, this project won't go forward. But then we will know, we will know that, that this is the project that is taken off the table and we can move on down other paths to find other transformative changes and opportunities for the state of Nebraska. So water is at the forefront of our, our list of concerns; and we've got a really good path in front of us, I think, to do the right study and also help potentially help Lincoln develop that second source of water. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Before proceeding, Senator McCollister would like to recognize the Nebraska Chapter of the American Foundation for Suicide Prevention. These are folks from all across the state of Nebraska. They're with us in the north balcony. Could

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those guests please rise so we could welcome you to the Nebraska Legislature. Continuing discussion, Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Mr. President. Well, I rise, I guess I'm-- at this point I'm not going to vote for this. I guess I don't know if I'm going to be present not voting or a no at this point. As Speaker Hilgers pointed out, I submitted some comments and concerns about AM1914, and there is an amendment being worked on that's going to be brought at Select. And so at this point, I'm going to reserve judgment until I see those changes in those amendments. But I just wanted to rise and for the record, point out the concerns that jumped out to me when I initially read AM1914. And so first off, a lot of people, I sit on the Natural Resources Committee and I heard the initial testimony for the STAR WARS Committee and the testimony from the folks at Lake McConaughy and the folks in Knox County and was duly impressed about the programs they have there, the services, and the need. And so those are the parts. I don't particularly have a concern as to those, and I would suggest-- I don't know if anybody's gotten this or if the, the Speaker has distributed this, but there is a very nice Special Committee of the Legislature Statewide Tourism, Recreation, Water Access and Resource Sustainability Preferred Initiative Overview that is a nice color breakdown, kind of a description of what all the projects are in pictures. But my concern and the concerns that I expressed to Speaker Hilgers and I do appreciate his willingness to work with me in addressing those concerns. And like I said, I'm reserving my ultimate vote until I see how those concerns are addressed. But I'll just kind of start walking through them. And I know there's a lot of folks who are going to talk on this, but I'll push my light again when I run out of time. So on page, well, it started on page 3 of AM1914 and it's about line 10, Section 13: It is in the public interest, and for the purpose of the act, that the state, (a) managed the construction and development of the lake in a manner that encourages private donations and investment, including through the use of public-private partnership, (b) maintain sufficient oversight to protect the state's investment in the lake, and (c) retain ownership of the lake as an asset of the state of Nebraska. So there's some good things laid out in there and we've talked about this. Speaker Hilgers and I have talked and I've talked with others about the concern that people have, that we will build this lake through a public-private partnership and that the charge of that public-private partnership is to manage it in a manner that encourages private donations and investment. And so the concern there is that it doesn't provide for permanent public access. And I think that if we're going to make this type of investment, and people

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can disagree about whether they want to make this investment or not, but if we're going to make it as a state asset and talk about it as this great opportunity, we need to ensure and enshrine in statute the fact that at least a portion of this needs to remain accessible to the public at all times. Because even though it is owned as an ownership asset of the state of Nebraska, there is still a possibility that access would be cut off to the greater public. And so I think that there is an opportunity and a requirement that we make that language stronger in the statute. I would like to see, and I think it would, it would be in our best interest to establish a state park as part of the lake. I've spoken with Game and Parks and I know others have as well, that Game and Parks is not interested and I don't think necessarily equipped to manage and maintain the whole lake and be responsible for the maintenance of this type of lake. However, I think that they would be interested and capable of managing a park that includes the trails that maybe would exist around the lake, a beach, campgrounds, and those sorts of things that are exactly what everybody envisions. If you do look at this handout, you can see that there are--

FOLEY: One minute.

J. CAVANAUGH: --contemplated in the design those sorts of things. But we can't let ourselves get caught up. This is an exciting project. Everyone's talked about how great it is. It is exciting. There is great possibility here. There is a-- but we can't let ourselves get carried away by the excitement and look past the important details that ensure that this actually accomplishes the thing that we're talking about. We have to make sure that we make sure that this statute puts in the protections for the citizens of Nebraska to, if we do build this lake, this, this amenity, this resource that we actually make it available and protected for the citizens of Nebraska at all times and not get carried away and say this is an economic development tool and the best way to serve that would be to close it as a private, private lake owned by the state of Nebraska. So I'll push my light again. I'll talk probably this afternoon by the looks of the list, but there are other, I have other concerns that I'd like to raise and that I think that Senator Hilgers and I have begun speaking about integrating into a future amendment.

FOLEY: That's time.

J. CAVANAUGH: Thank you, Mr. President.

FOLEY: Thank you, Senator Cavanaugh. Senator Erdman.

ERDMAN: Thank you, Mr. President. So I look at the list on the queue up there, it looks like we're going to go till after dinner loving this bill or whatever you want to call it, but I have a few questions about this. First of all, and I said this to somebody this morning, I'd like to divide the question and that, that's a joke, but I'd like to separate it. I think there's three issues here. It very well could be that what Senator Gragert wants to do up in Niobrara could have value, and it probably is something we need to do. And what they're trying to accomplish at McConaughy may also have value. But I'll just say this. I don't think anybody in this room, except maybe Senator McKinney and Wishart, will be alive long enough to ever see a lake built by Ashland. And the other day in the Appropriations Committee, we said something about we'll all be dead before we do a certain thing. And Senator Wishart interrupted and she said, not all of us. And so that's why I threw that in there. But getting permitting, getting the permits to build a lake is difficult, difficult. And where in the world will you put sediment, dirt, gravel from 4,000 acres 30 feet deep? And how long will that take? Now, Senator Bostelman has some issues with flooding, and I think those are issues we need to deal with. But as far as building a lake, a 3,900-acre, 4,000-acre lake by Ashland, people say we should think big. That is really big. But reality is the majority of us will never see that. And I think someone said 50 years from now, they'll look back, I think, Senator Flood said 50 years they're going to look back, and they said the Legislature was really forward-thinking. That may be the day when they start to implement the new lake. So if I had my way, I would say we vote for the improvements at McConaughy and at the Niobrara, and we do a little more research to see if we can get the permitting to build a dam by Ashland, a lake. So I wasn't on the committee. Every one of those committee members signed up for that committee and they took the necessary time to travel the state to look at those facilities. And I can appreciate that. But the point is they volunteered for it. OK? And so we thank all these people for spending all their time this summer doing that. And maybe it's rightfully so. But remember you signed up for it. We signed up to be senators, and so whatever we do here, we knew that was part of the situation. So I'm not sure exactly why we want to build a marina at McConaughy. That may be of value. But I think the issue that we'll have to deal with at McConaughy may be something that the Legislature has no control over is some of these things that they want to do there will need to get approval from Central. And I'm not so sure that we'll be able to get that permission as easily as we think it will be. So we'll have to see. And so as we go forward with all of these projects and I see they have a \$1.1 million for a sign--

FOLEY: One minute.

ERDMAN: --a sign at McConaughy; \$1.1 million for a sign. That's got to be some kind of sign. And this isn't STAR WARS-- this STAR WARS project is not ARPA money. This is rainy day fund. OK? \$200 million. So I'm not sure that I'm going to vote for this if it continues to have the lake included, but we'll see how the discussion goes because I'm sure we're going to have a lot of discussion because there's 15 more people in the queue. Thank you.

FOLEY: Thank you, Senator Erdman. Senator Clements.

CLEMENTS: Thank you, Mr. President. I was on the STAR WARS Committee this summer and enjoyed the information. We went first out to the Lake McConaughy area, had a hearing there and water access is a problem on that lake. I share Senator Erdman's concern about the marina. They do need water access but the, when we were there, they said the lake was 22 feet below normal. It was July, late July, I think. And how to get a marina that can handle that kind of a variation in water is a question to me that I think the bill does talk about marina in there, but I was hoping maybe we could use water access. If there's just a longer boat ramp, maybe that would work. We'll wait and see how the engineers come up with that. Then the Niobrara areas, I had not been to the Niobrara State Park and the Lewis and Clark Lake. It's beautiful area up there. Those two areas, west and northeast, I support the funding for improvements for tourism; and I think that's good for the economic development of both of those areas. The next thing I want to talk about was the reservoir, the potential reservoir on the lower Platte, which is next to my district. And my wife happened to be at a ladies group yesterday near Ashland. And one of the members of the group said Ashland is going to be flooded by a new lake. And she came home and told me that, and that's why I'm on this committee. And that's why Senator Bostelman and I got involved. And I want to read what we got put into this bill. And the amendment, page 2, line 24 says, "a reservoir could be built without a dam of a Platte River channel and without negatively impacting the city of Ashland, the surrounding communities, or the economic development already occurring in such area." I just want to assure the people of Ashland that there is not going to be a dam on the Platte River and we're not going to harm the Ashland area. Then the-- another thing about that project is the Lincoln and Omaha water supply. They get a lot of water. Almost all their water from Lincoln comes from that area, and Omaha gets quite a bit of their water too. And I support protection of their water supply. And as part of this study, that will need to be ensured. The

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most important part about the Lower Platte portion of the bill is the flood control and mitigation in my opinion. In my district, I have almost 30 miles of the Platte River. In 2019, there was many, many homes flooded along the Platte River, and we toured in Saunders County. The NRD there has what's been called shovel-ready projects of some flood control for tributaries that come down into the Platte River, and that's very important to fund those. And the city of Schuyler also in 2019, the flooding on the Platte River there eroded some of the Platte River Bank, and there's some river stabilization, river bank stabilization that's very important to be done to protect that city.

FOLEY: One minute.

CLEMENTS: Thank you. Then the, the reservoir along the Lower Platte, I'm OK with funding the research and studying, looking at the engineering. But the lake construction, I want to wait till we for sure know it's possible to do and that it's not going to be causing more damage than necessary. Especially there are a lot of landowners that own land where they're thinking about proposing a reservoir. And those landowners' rights need to be respected, in my opinion. And so I do support AM1914, and I thank you, Mr. President.

FOLEY: Thank you, Senator Clements. Senator DeBoer.

DeBOER: Thank you, Mr. President. I was wondering if Speaker Hilgers would yield to some questions.

FOLEY: Speaker Hilgers, would you yield, please?

HILGERS: Absolutely.

DeBOER: When you talked earlier on the mike about the public-private partnership, I was curious if that would have any effect on the public's access to or use of the lake.

HILGERS: The, oh.

DeBOER: Actually, I'll just yield you the rest of my time to answer that question.

HILGERS: Thank you, Senator DeBoer. I really appreciate the question. And it's one of, maybe the most common question I get, which is, are we just going to-- is the proposal here to try to build a lake or a reservoir that will just only benefit a certain subset of Nebraskans? And then the second part of that question is if the answer is no to

the first question, in other words, we want to have public access, how do we ensure that to be the case? What can we point to either in the statutory language or otherwise that would be-- give us confidence that what you say is going to be true? And so to answer the first question, at the public-private partnership is intended to get some additional private dollars, significant private private dollars to build the lake, but only if we can ensure it's a state asset and ensure significant public acts or public access to the lake. How are we going to do that? Well, first in the statutory language itself, in the green copy of the bill, we explicitly said that the state will retain ownership of the lake as an asset for all Nebraskans. And so if the state retains ownership, who manages that, whether it's Game and Parks or otherwise, as a starting point, that implies in the green copy that, hey, this is a state asset. It's not meant for just a select few. Senator John Cavanaugh raised the same question you did, Senator DeBoer, and said, look, can we do-- can we have a little bit more? Could we be a little stronger on that language to make sure not just that it's a state asset, but really make sure belt and suspenders that public access is ensured for whatever lake might be built? And so in the select copy of the, of the amendment that we're working on for Select File, which I've got a draft of which you and I dialogued about off the mike, make sure that whatever gets built retains public access to the entire lake. I think that's a critical component to what we, what we are trying to accomplish. If you think about Lewis and Clark, Lewis and Clark Lake has private development, but it has public access. The marina is-- Weigand Marina is-- was built and is managed by Game and Parks. If you think about Lake McConaughy, there is outstanding private development on Lake McConaughy, but it has public access and full public use and enjoyment of the lake. That's the model that we're trying to replicate here. I would also point out a separate in the green, I'm sorry, in the Select File amendment that we will bring to the floor is, is to include within the, sort of the overall, the sort of team that's looking at the public-private partnership, which includes the Department of Natural Resources. And in addition to that, we want to include Game and Parks. Game and Parks has indicated to us, hey, look, if you give us a 4,000-acre lake the size of Lake Okoboji, seven miles long, a mile wide, that's probably more than we want to handle. But we want to be involved and we want to be good partners. And I think Nebraskans have a lot of confidence that Game and Parks would ensure state public access to our state resources, state assets. So we are in a Select File amendment that we're working on, it would include additional language to make sure that Game and Parks is an ex-officio member of this group. And so Game and Parks

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will have a seat at the table, just by the way will the city of Lincoln and others. So we think there's-- I think there is very strong language in the statute in the bill itself. We will add some additional language to double down on that. Certainly, there's a record we're making here today. And at the end of the day, if there's any taxpayers' dollars put into this project, which is what we're proposing, it has to be and it's nonnegotiable, it has to be ultimately a state asset that provides the benefit to all Nebraskans, all Nebraskans, not just a select few. And so I appreciate the question, Senator DeBoer. I know I'm next in the queue, Mr. President. How much time do I?

FOLEY: One minute.

HILGERS: One minute and then may I continue through?

FOLEY: Yes, that's correct.

HILGERS: Thank you. Thank you, Mr. President. So I want to talk a little bit about some of the other, well, let me, let me talk through some other questions that I've received. And Senator DeBoer, if that, if there's additional information I give on that question, I'm happy to do so. I think it's a critical question to ask and answer through this process. I do want to talk a little bit about the economic impact of this particular project because we did do some preliminary analy-- analysis, as I mentioned, on hydrology and the impact of the city of Lincoln water supply. We also did an economic develop-- or economic impact study during the STAR WARS process. And in some ways, I think the number I'm going to give you undershoots significantly the positive impact of the different projects that we are proposing, in part because it doesn't take into account the quality of life, the things that are not measurable. How do you put a price or a value on a family coming to Lake McConaughy to be able to spend the day together or a family having a reunion at Lewis and Clark Lake or enjoying the day on the water? You can't put a dollar on the value of that, and so any economic impact analysis is not going to include those types of things. It also doesn't, didn't include the kind of follow-on investment that we think will happen. So as an example, a very small example of what we think this might catalyze is in Keith County. When we had our hearing on LB1023, representatives of Keith County who have been great teammates throughout this entire process, came and said, hey, just by announcing STAR WARS, we hadn't committed anything. We hadn't even committed to a proposal. We just, the Legislature had said, hey, we're going to study what we can do to help Lake McConaughy and the surrounding region. It cat-- just that

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announcement catalyzed additional investment and investment opportunities in Lake McConaughy. So whatever number we come up with is going to undershoot, I think, the long-term positive impact, economic and otherwise, of these different proposals that we have. Having said all that, it's a very long wind up, I'm burying the punch line. But our economic analysis said that this will have a \$5 billion-plus, \$5 billion-plus economic impact to the state of Nebraska and an ongoing yearly impact in the nine figures. So just from a cost benefit, I think there's so much more beyond just cost benefit, for the-- just in the dollars and cents terms, just that, that cost benefit suggested it would be well into the 10 figures. And I think that's pretty exciting as we're thinking about catalyzing economic growth, attracting and retaining people here in our state. I will tell you as an aside, I-- one of a major employer in Lincoln, I won't name them, emailed me just the other day and said, hey, we're-- our ambition is to have the largest Nebraska-based workforce in the entire state within the next 10 years. And this type of a project is exactly what we need to help attract and retain young talent here in the state. Let me talk with the few minutes that I've got left of my time on the mike, a couple of other questions. We talked a little bit about the impact on the water supply. I dialogued with Senator Wishart about that. I've spoken to several about the public access question. Senator John Cavanaugh raised that. Senator DeBoer raised that. I think there are some very clear answers to that. There has been some questions about, well, what about the landowners? And I think this is really important to talk about. We've, we've approached this from the beginning in a win-win-win, non-zero-sum way. And we've had some initial conversation with some of the landowners. I want to be clear, a final site hasn't been selected. That's part of this phase one process. But we've had these initial conversations and we want to make it a win. Any type of land acquisition, a win for those landowners, you hear these stories. We heard a few at the committee hearing where eminent domain is used and, and people don't get fair market value for their land. And they have, you know, land that's been in their family for, for decades or generations taken away from them involuntarily. And those are, those are not the stories that you ever want to hear, and that's not the approach that we intend to take. We want to have arm's length land acquisitions that are, that are win-win-wins for the landowners as well. And those-- they're going to have a seat at the table as phase one goes forward. And ultimately, if we can't acquire the land, then this is-- that would be another reason why we could never get to phase two. But that's something that is really important. We want everyone in the state to be excited about what-- not just the outcome, but the means to

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achieve that outcome. You know, outside of that, I, I don't-- I'm happy to dialogue if there are any other questions off the mike or otherwise. You know, the model we're trying to follow is what we've seen in Lake McConaughy or Lewis and Clark or other natural resource attractions. And we think doing it here at this moment, this is really the moment in time for us to do this because with the continued economic growth and the way that the Lincoln/Ashland from the west and Omaha from the east are growing, this is really the moment in time for us to see if we can do this. If we can't do it, then we'll kind of know we can take this off the table. But if we think we can, we can't, we shouldn't wait 10 years because in 10 years there's just going to be some additional economic growth that's going to be--

FOLEY: One minute.

HILGERS: --more-- thank you, Mr. President. It's going to be more difficult to try to do something what we're trying to do, which is to put a Lake Okoboji size lake between those two communities. In 10 years, I think the opportunity will be lost. In five years, the opportunity might be lost. As Senator Hughes said, we'll know one way or the other if we do phase one, whether we can do this. But if we don't do it, we might as well just take it off the table for our lifetime. And I think that's such a transformative opportunity that I don't think we should do that. I think we should pursue this as far as we can. And hopefully, unlike my good friend, Senator Steve Erdman, I think this is very possible, very doable, and we can achieve it and we ought to take this first step to do so. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Before proceeding, Senator Hilkemann has some very special guests with us today up in the north balcony: his wife Julie and five grandchildren from Waco, Texas. Nate, Isaiah, McKenna, Naomi and Timothy. If those guests could please rise, I'd like to welcome you to the Nebraska Legislature. Continuing discussion, Senator Friesen.

FRIESEN: Thank you, Mr. President. Well, I think this is one of these bills that I think we need to spend a lot of time with. I have a lot of questions and I'm going to lay them out in my five minutes that I have and then I'll be back on the mike and somebody can either address them in the middle or I'll be asking questions as we move along. But one of the big things that I look at is, you know, we've had-- we've got Lake McConaughy, we've got Harlan County Reservoir, we've got numerous nice lakes, Calamus, around the state. And when

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you watch what's happened and like, let's take McConaughy, a huge lake. You can call it one of our treasures, and we have not developed those resources there over I don't know how many, 50, 60, 70, 80 years, how long that has been in place, probably closer to 100. And we still haven't, I think, developed that lake. And if you go around there, you can look at what we talk about economic development. It just doesn't happen. It-- maybe it's located in the wrong spot I guess. It needs to be located between Lincoln and Omaha. When I look at Harlan County Reservoir, look at the communities around there. There's no excitement happening there. You go there to fish. Even the bait store isn't making that much money. Yes, we want areas for recreation. And yes, I would like them in central Nebraska so I didn't have to drive a couple hours to go there. When I look at what we're trying to do here and the process we're using to get it done, I have a lot of questions. And I wonder why, for instance, that the DNR would be in control of this lake rather than Game and Parks. The DNR has never, my knowledge, built a lake or managed it. They're managing our water, but they do not develop things. And so Game and Parks has developed lakes. They've helped develop McConaughy, what's there. And so to turn it over to a different organization for development, that, to me, already spells-- you're looking at the politics that's going to enter into the development of this lake. And when I look further at the, at the nonprofit that's going to be established and who gets appointed to that and what role they play in that, and I know NRDs will be allowed to join in. And so now you've got some taxing authority and some condemnation authority that you can take ground with and a property tax increase for others in the NRD. When we talked a lot-- you read the bill and numerous times it mentions flood control. And when I've looked at lakes that have been built and I'll, I'll use examples like around Central City, there's numerous sandpits have been built there and there's huge developments going around there and there's lots just around one of those sandpits that sells for \$100,000 or more. So this isn't going to be cheap residential housing development going up around this lake. These properties are not going to be allowed to be annexed so they'll not be a part of a city. But again, the Department of Natural Resources then will manage these homes or will they be an SID? Will they own their land? Are they going to lease it? Who's going to put it in the streets, the sewer, and the water? I see the potential there.

FOLEY: One minute.

FRIESEN: I see that need that, yes, there's people would probably pay \$200,000 for a lot to be on a lake that size. But to say that they can't be annexed, they're not going to be part of a city, they're

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going to be managed by the DNR and it mentions a nonprofit in here. And I still haven't figured out quite what their role is, but they're allowed to make a lot of decisions. They're allowed to take land adjacent to the lake. How far out are they going to go? You're going to go out four or five miles? I wouldn't mind living a half mile from a lake. I just think there needs to be a little bit more details before I'm willing to put money into a project like this because we have a lot of other needs and some of them were addressed earlier. But I'll be bringing some of those up later. But again, I look at this and I just, it brings to mind many questions--

FOLEY: That's time, Senator.

FRIESEN: Thank you, Mr. President.

FOLEY: Thank you, Senator Friesen. Senator Ben Hansen.

B. HANSEN: Thank you, Mr. Lieutenant Governor. I just want to share a couple of my thoughts about LB1023. I do appreciate all the work Senator Hilgers and his STAR WARS Committee has put into this. They're 10 very smart and capable senators who do have a vision for the state of Nebraska. And I always appreciate their thoughts, as well as other senators, such as Senator Friesen, with his unique perspective on the other side of some of the maybe unintended consequences that some of this can have. And I think that's the best way that we can work a big idea in a big bill like this out to make sure that we do the best for the people in Nebraska. I also want to echo a little bit of what my colleague, Senator Flood, said earlier about the STAR WARS Committee and their appropriateness of making sure that they listen to public comments, they listen to input from the public because I think that is crucial with a project such as this. As much as a, as us as senators have ideas on what we want this project to look like and some of our thoughts, I think it's more important that we listen to people in Nebraska with something like this. I think one of the times I last checked when I talked with-- when I looked at a recent poll about states and their tourism didn't rank, rank very high in the states that people are most likely to visit when it comes to tourism. I believe we're one of the last ones. And I'm not saying it's a lack of us trying, but I think it sometimes is a lack of resources or places to visit, interesting ideas that we lack. And I'm hoping that something like this will help fill that void. I think South Dakota has done a very good job over the decades and years about building their tourism when it comes to-- whether it's Mount Rushmore, whether it's other kinds of big ideas and projects that they have, whether it's, whether it's their hunting,

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whether it's their natural resources, such as their fishing. I think they've done a great job of advertising that, of building that. And so I'm hoping this is the direction that we're taking because that's kind of a big interest of mine, the future of Nebraska. And so another thing that I like about this bill is the reciprocating effect that it can have for the state of Nebraska. It's not that we're just making a lake that will be fun to visit, but what some of my other colleagues have mentioned and Senator Hilgers says, the, the amount of revenue. And I'm saying that's usually not why we vote for bills, but the amount of revenue that this can have for the state of Nebraska, not just as a state but as the local effect that can have in sales tax and, you know, for, for commercial property, that's one of the reasons why I like this bill. And one of the things I just want to make sure that we're conscious of, and I'm pretty sure that we are, because we've mentioned it a few times, is not just the public comments and the input, it's to make sure that we're also conscious of the landowners who will be impacted by this. I know Senator Hilgers, Speaker Hilgers just mentioned this a little bit ago, and my concern for the use of eminent domain. I want to make sure that we're conscious of that. And something another one of my colleagues said, Senator Cavanaugh, was making sure that we do make this accessible to people, and it's not just a giant commercial property that's already picked out for certain people and businesses, but that we do make this as accessible as we can for the people of Nebraska. That's an, an important fact that we have to make sure that we kind of keep in mind with something like this. Sometimes this kind of gets lost when we start talking about numbers and revenue, land acquisition, is making sure that we always think of the people of Nebraska first when it comes something like this, because they are the ones who are going to--

FOLEY: One minute.

B. HANSEN: --use this. They're the ones who are going to build this, which will then hopefully, in the future, allow us to do more projects such as this. We have to prove to the people of Nebraska that we can do this efficiently and effectively and with the taxpayer dollars in mind. If we do it right this time, which I really believe that's happening so far, we're off to a good start, we do it right this time, this might give us the opportunity to kind of look at doing some other things in the future. So I appreciate everyone's input. I'm listening. And so far, I am a yes on AM1914 and an-- and a yes on LB1023. Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Hansen. Senator Lathrop.

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LATHROP: Thank you, Mr President. Colleagues, good morning. I want to thank the committee that worked on this topic for nine months. I appreciate devoting time during the interim to a project like this, the amount of time it takes up. In fact, I've been involved in a lot of them myself, including in the last year, and we'll have a chance to talk about my efforts over the interim at a different time. I think that there's been a lot of, as I listened to the debate today, there's been a lot of sort of cheerleading, which is fine. It's an exciting project. And there's been a lot of dialogue that assumes that the public understands kind of where this project is at. And if you, if you don't mind, I want to ask the Speaker some questions just so that "Joe Six Pack," who is wondering about this lake that might be in-- come into existence as a result of this effort, understands what it's about. And so I'm going to ask some questions, and frankly, I don't know the answers to or I'd stand up here and and talk about it, so--

FOLEY: Speaker Hilgers, would you yield, please?

LATHROP: --if the Speaker doesn't mind?

HILGERS: Absolutely.

LATHROP: Thank you, Mr. Speaker. So can we-- can I start with this question? How much is this, this bill and the appropriations, how much money are we talking about?

HILGERS: So if I may, Senator Lathrop, the bill doesn't have any specific appropriation in it. There is a \$200 million request of the Appropriations Committee. That's broken up several different ways and I'm happy to unpack that, if you'd like me to.

LATHROP: If you can do it briefly, but it's \$200 million? Let me ask this question, a different one. There are different projects around the state. I understand there's one in Niobrara and one, for example, at McConaughy and some other ones besides the lake. How much of the \$200 million is going to those projects? And do they get done right away or do they wait for more engineering studies and more things to happen?

HILGERS: It's-- it's north of \$100 million for all those other projects. And they are-- there might be some design work that needs to be done depending on the project. But more or less, Senator Lathrop, those projects are ready to go. Only \$20 million, by the way, is appropriated for the lake.

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LATHROP: So if we're talking about \$200 million and only \$100 million is for other than lake and we only have \$10 (million) for the lake, where is the rest of it going?

HILGERS: So it's about \$20 million for the lake appropriated, about \$40 million that is then put in the Cash Reserve for potentially for phase two, if a future Legislature wants to be able to appropriate that, and the remaining \$140 (million) goes to those other projects.

LATHROP: Does-- do we have to do anything else other than pass this bill and the appropriations bill for the \$140 (million) to get spent and those other projects other than the lake to, to be a reality?

HILGERS: Other than the lake, I don't, I don't-- I'm not aware of anything else that we would need to do other than those two things to get moving on those projects.

LATHROP: So we pass the bill and the only thing left to do, we-- we appropriate \$10 million in a bill we'll see later on, and then other stuff has to be done, other work needs to be done to make the lake a reality, is that--

HILGERS: For the lake, absolutely, yes.

LATHROP: OK. Did the committee or any of the engineers involved in this process through the summer issue a-- any kind of a report? Is there something the guy watching this on the-- on his television can look at and make reference to, to find out, what did the STAR WARS Committee come up with, what did the engineers say?

HILGERS: Their-- the final report of the committee is going to be done this year, but there is a website-- and I don't want to misstate it. But there's a website that has all of the information, as well-- the pictures, the proposal, all the information that was given to the media is on that website.

LATHROP: OK, perhaps you can share that when-- on some other opportunity, when you-- oh, if you have it, then we'll let you share it so that the guy at home can watch and see what we're talking about.

FOLEY: One minute.

LATHROP: So Senator Flood has just handed me a study, but I don't see a website on it-- when you have an opportunity, on one of your

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opportunities to speak. But we don't have a report from the committee yet?

HILGERS: What you have in front of you, what Senator Flood did was, whether you call it a report or not, it's a summary of our recommendations and proposals. I think the committee has to under LB406 issue a final report by the end of this calendar year

LATHROP: End of this calendar year--

HILGERS: Correct.

LATHROP: -not '21?

HILGERS: '22.

LATHROP: OK.

HILGERS: For all intents-- oh, I'm sorry, Senator Lathrop.

LATHROP: When we talk about a public-private partnership, and I hear you say the state will own the lake, I assume we'll be responsible for maintaining it and digging it and all of those kind of things. What's the private partnership piece of this? Are there going to be developers that will then own the land around the lake and be able to develop that for home lot sales or that-- that sort of thing?

HILGERS: That's a great question, and that's really what--

FOLEY: That's-- that's time, Senators. Thank you, Senator Lathrop and Sen-- and Speaker Hilgers. Senator Flood.

FLOOD: Thank you, Mr. President. Good morning, members. I appreciate the dialogue that Senator Lathrop and Senator Hilgers are having on the project. I wanted to make a record, when we talk about a public-private partnership, what that looks like in Knox County. Obviously, I am very drawn to this area of the state. I think Senator Gragert, who represents it, will tell you it's the most beautiful part of the state. I want to talk to you about what we've done in Knox County. In a few moments, you're going to be getting three color pictures of renderings. The first one is going to be an event center and hotel at what is called the Eagles [SIC--Eagle] View on the campus of Niobrara State Park. The way we envision this partnership, and I have several communications back and forth with officials at the Nebraska Game and Parks Commission, is that the state of Nebraska, through the funding, would build the event center at this

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point overlooking Niobrara. Think of the amenities at Nebraska City with the Lied Lodge and what that has done for Otoe County and river country, right in there with Nemaha County, Johnson County, the draw that has been for tourism. The idea is that we would have this event center at Niobrara that would receive funding and be built on the campus of Niobrara State Park, and then the Game and Parks Commission would go out and work with a private partner. And right now, we're in serious discussions with the-- they are in serious discussions, and we are as a committee, with the Ponca Tribe of Nebraska. The Ponca Tribe of Nebraska is very interested in this because they feel that everybody else has been telling their story and they haven't been able to tell the story of Standing Bear, that they haven't been able to tell the story of their tribe and the Trail of Tears and the, the amazing stories about Standing Bear. And so what we have envisioned here in Niobrara is a partnership between a private entity, such as the Ponca Tribe of Nebraska, which would spend up to \$18 million, the state of Nebraska, which would spend upwards of \$30 million on the event center, and then on top of it, the Game and Parks Commission would be spending \$667,459 and that would be for the Niobrara Event Center and Lodge. This unlocks this part of the state to people that can't afford to build a cabin. And what we are doing in Nebraska here is we are saying, do you want to experience the majesty of the confluence of these two rivers? Do you want to see the most beautiful site in the state of Nebraska? You don't have to own a million dollar piece of property or have a half-million dollar cabin. You can experience it with your family, you can celebrate your wedding anniversary, you can have a business meeting, and suddenly we've created a tourism opportunity in a county that needs it. The other thing that we're doing in, in this bill is that there will be money for a Niobrara boat launch. The Game and Parks Committee-- Commission will match that with \$1,820,000. This match between those two entities, the state and the commission, will restore a boat launch probably west of the Niobrara State Park. Sedimentation in the Missouri, Missouri River is making it difficult to have that boat launch right outside of Niobrara because of all the silt everything that's coming down the river, so we're probably going to have to work with the Corps of Engineers, place that a little bit west of Niobrara State Park. And the third, and I think most compelling, picture you're going to see when it gets passed out here, is the new and improved Weigand Marina. Right now, there are 100 boat slips there and there's like a waiting list of 500 people, like it's unreal. South Dakota in Yankton has-- is running circles around us and we have this beautiful area that will go upward to 700--

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FOLEY: One minute.

FLOOD: --boat slips. Not only will that generate revenue for the Game and Parks Commission, the Game and Parks Commission represented in a January 6, 2022, letter to my office that they would cost-share the, the expense of the Weigand Marina to the tune of \$13,855,000. And so what I want to represent to you as it relates to Knox County, we truly have a public, state of Nebraska, Game and Parks Commission, Ponca Tribe of Nebraska, public-private partnership that we can be proud of. And you're seeing these pictures right now. You're going to want to celebrate your anniversary here, if you're still married. You're going to want to stay at this event center and this lodge, and it is going to be something that people will talk about for decades.

FOLEY: Thank you, Senator Flood. Senator Hilkemann.

HILKEMANN: Thank you, Mr. President. As one of the more senior members of this legislative body, it-- I rise to share an experience that happened to me over in 1970. I was a young freshman teacher at Table Rock, Nebraska. I coached football and I also coached-- or taught sciences. And this whole idea of putting an international airport between Lincoln and Omaha was one of the discussions. It was also a discussion, we were doing a lot of changes to Memorial Stadium at that time. There was actually some conversation of maybe we'll make a big stadium between Lincoln and Omaha, and maybe we could draw a professional team. I remember talking with my students about it. I was not-- I was more concerned about my football team beating Lewiston or Diller or Odell or Adams or some of those teams, but I-- because I wasn't that involved in the politics. But I thought about the big picture. I thought, wouldn't it be great if we had this wonderful new stadium that we could all, that we could possibly bring in a professional team? And I think one of the objections at that time actually came from our coach at the time. Coach Devaney was concerned, if we had a professional team, take a little off of the Huskers, if you all remember that. I don't know exactly why it didn't pass and move forward. Senator McDonnell alluded to it. There was a change of governors on that whole project. I know a lot of the people talked about how expensive this would be to do this. But maybe vision is expensive. And one of the things that they used to say was-- is that, well, we'll never see anything like that ever happen; that might happen, but it isn't going to happen in my lifetime. Well, I think about it as I drive down that corridor every day, that if we'd have done something 50 years ago, bold, audacious and spent some dollars, we probably wouldn't know the boundary lines between Omaha and Lincoln today. Our airport would be huge, probably international,

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regional type of airport. But that's big-picture thinking. Maybe we'd have had a big stadium there, maybe we'd have had a professional team, maybe not. We'll never know. But I do know that if we don't start sometime, we'll not-- none of us will ever see that. And so I can assure you that if we do this project, I'm guaran-- I know I will never see a lake between Lincoln and Omaha, that's probably not going to happen. But I know one thing, that if we don't start the process, if we don't start having the vision that was carried forth by Governor Tiemann, I guess, at that time-- and he was a young aspiring governor, as you, as you well-- you may remember, at least that's how I remember him-- indeed, if we don't start sometime, no one will ever see it. And with that, I strongly support both the committee amendment and this bill, and I hope that we move this forward. Let's move Nebraska forward and we'll have it between Lincoln-- we've got the thing going. McConaughy is a gift, as Senator-- has talked about, the whole area around Niobrara, it's, it is-- I have--

FOLEY: One minute.

HILKEMANN: --ridden my bike up around there. You talk about some of the most beautiful areas of the state of Nebraska. Let's move forward, folks. Let's advance this. Let's see what will happen. If we don't start now, in 50 years, there will be some other legislator here telling you, well, if we'd have done something back in 2022 when we could have done it for \$15 billion, now it's going to cost us \$40 billion. Think forward. Thank you.

WILLIAMS: Thank you, Senator Hilkemann. Senator McCollister, you're recognized.

McCOLLISTER: Thank you, Mr. President. Good morning, colleagues. I support LB1023 and AM1914. And I want to congratulate the Speaker. Speaker Hilgers has done a magnificent job leading this committee, and so has Senator McDonnell been as well. The leadership of these two gentlemen has been extraordinary. And I've been a part of the STAR WARS Committee, and it was a great process. It was well done, covering about nine months and a variety of meetings that we had for this, this process. And we-- I think this bill is a result of that great process. One of the things I was most interested of, of being a 30-year member of the MUD Board of Directors, was how this bill would influence the water supply for Omaha and Lincoln. MUD currently has three water sources, the Florence water plant on the Missouri River, the Platte westsouth-- Platte Southwest plant and also their Platte West Water Treatment plant. The Platte West plant is just north of the Lincoln wellfield, and both, both cities pull water from that

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source. And, of course, the Elkhorn River and the Loup River are the pri-- primary contributors to those water sources, not the Platte River. We should know that. And one of the things I think we need to look at down the road is that maybe MUD would supply water to Lincoln. MUD currently has a surplus of water, probably to the tune of 100 million gallons a day, and would be a simple matter to run a pipe from the Platte South plant to Lincoln and supply finished water to the city of Lincoln. And I think that would be a good solution for both towns and would be far more economical than building a water treatment plant on the-- any kind of river on the Platte River by the city of Lincoln. So I think that would be a better solution for the city of Lincoln. What I do like about the STAR WARS project is the way we can use the multiplier effect in those three areas that we're concentrating on. The area around Ogallala is prime for development. The folks on the eastern Front Range of Colorado could come out of the "Big Mac" and do some boating, and it's a beautiful facility. And I think that would be great. And of course, what we've seen with these photographs from Knox County, I think, would give testament to the multiplier effect that would-- would occur in that area around the Niobrara River. And of course, the lake between Omaha and Lincoln would be a multiplier effect as well. So I think that would-- as Senator Hilkemann indicated, we need a plan. And I think the, the-- it would be an economic boon to the state of Nebraska if we push this bill forward, and I support it wholeheartedly. With that, I would relinquish the balance of my time to Senator Bostelman.

WILLIAMS: Senator Bostelman, you're yielded 1:50.

BOSTELMAN: Thank you. Thank you, Senator McCollister. I wanted to say a couple of things on the mike real quick. Senator Lathrop asked about a website. That website is planpreserveplayne.com, all one word: p-l-a-n-p-r-e-s-e-r-v-e-p-l-a-y-n-e.com. That's the website that anyone can go out and look at timelines, progress, some of the concepts that's being done with this. Those are all listed on that website. Again, its planpreserveplayne.com. I would like to reiterate some of the things that Senator Clements had said earlier as it affects my district and the areas where we're at. This does provide some significant flood, flood control in the projects that we have identified, both in the Schuyler area and the Wanahoo creek area.

WILLIAMS: One minute.

BOSTELMAN: That provides-- thank you, Mr. President. That provides some significant relief, and especially when you get down through the Wanahoo Lake and that, below that area that then drains into the area

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where Ashland is at and the Guard camp, those areas. It does help with that by holding back water, slowing it down. We did do a lot of public input. I contacted NRDs, administrators, individuals throughout the county, supervisors and others in my district, and I know we reached out. That was one of the things that we took a lot of time on, reaching out to as many people as we could in the areas that this, this potentially dealt with or affected. We had hearings across the state in those areas, and we also did other reach-outs that HDR did and others did to make sure that we're really talking to the people that live there, that work there. And I will say that overwhelmingly in the majority of the areas that we have had overwhelming--

WILLIAMS: Time, Senator.

BOSTELMAN: --support and response. Thank you.

WILLIAMS: Thank you, Senator Bostelman and Senator McCollister. Senator McDonnell, you're recognized.

McDONNELL: Thank you, Mr. President. Just to reiterate a couple of things that have been said today, and going back to what Senator Lathrop had said, sometimes we get so far involved in something and we forget that we've been working on this for, for years and we forget about some of the questions of course the public would have and, and when we're discussing things on the floor. So right now, as Senator Bostelman just read the website, please take a look at that. But the idea of what we're talking about today is a possibility of a reservoir. And you know, sometimes the first steps are the toughest steps, but this is the first couple of steps of a thousand steps. And what we're, we're talking about then with McConaughy and Niobrara is true projects and what the STAR WARS Committee worked on with HDR. And just want to keep that in perspective that as we go through and we talk-- start talking about the studies, and if this moves on to, to Select, the studies will be looking at a reservoir on the Lower Platte. But real, true projects are going to go forward that's going to help our state in the west and the, the north of our state. And again, we looked at a kind of a trifecta how we can help the state, and definitely the-- what we have up in the Niobrara and McConaughy is truly special and we're going to try to enhance that. And I also wanted to thank Senator Hughes. From day one, when I first started talking with-- was-- he was the first senator I discussed this with in 2017. And and he told me, there's an old joke, Mike, he goes, whiskey is for drinking and water is for fighting over. And I didn't quite understand what we were getting into. We've had a number of

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meetings with people. But I gotta tell you, meeting with people around the state of Nebraska, and they're willing to sit with us and discuss ideas and concerns and criticisms, has really been rewarding as a member of the STAR WARS Committee. And I think we could all say that as during this process, we've learned a great deal. And we're going to continue to listen about the Lower Platte, but we are moving forward with some projects, hopefully, if this bill goes forward and what we've done in Appropriations with improving the Niobrara and McConaughy. I'd like to yield the remainder of my time to Senator Dorn.

WILLIAMS: Senator Dorn, you're yielded 2:50.

DORN: Thank you, Senator McDonnell. Would Speaker Hilgers yield to a question?

WILLIAMS: Speaker Hilgers, would you yield?

HILGERS: Absolutely.

DORN: Thank you. And my-- somebody might-- Senator Lathrop might have dwelled on part of this question. There's basically three parts to this proposal: McConaughy, Lewis and Clark, and then the Platte River one. McConaughy and Lewis and Clark, if this bill passes and the funding passes for it this year, those projects are basically a go?

HILGERS: There's no other step, material steps that I'm aware of for them to get started. They still need to do design and some permitting, but they're not at the scale we're talking about. Yes, they're basically a go.

DORN: Basically a go, and that still will take some time. But those projects then will be done in the future at some time.

HILGERS: That's correct.

DORN: The other thing I'd like to talk a little bit more about, you talked a little bit early on about the public-private partnership and that, which maybe with the Platte River part of that. Currently is, is there anything in, I call it, anything in this proposal that says this amount of money or this timeline or anything like that, it's other than a vision right now?

HILGERS: That's a good question. So if you look at our-- our timeline that we are targeting is about three years, I think, on the outer limits, to do this first phase. That's largely, I think, Senator

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Dorn, not driven by the public-private partnership analysis. It's really the appropriations. There's a certain amount of time to do a hydrology study the right way and an environmental impact study the right way and to look at, you know, identify the right land, the right, you know, the right opportunities to build the lake, the siting of it. That's one piece. I think within that, what this bill will do is would look at the private partnership, public-private partnership-- we have-- have a lot of questions to answer there-- and to see how we would pencil out the private investment, how much would it be, how much would it cost, where will those dollars come from, what does it look like. We-- I'm very confident that those questions could be answered within the same time horizon as the studies.

WILLIAMS: One minute.

DORN: So-- so that part of-- thank you. So that part of the discussion, I call it, is still more out there yet on the table than the forward-looking or the forward-thinking part of this, as is, I call it, the funding for the Platte part of this, the proposal for the lake and all that. That is all in the future yet and this body at some point in time will enact that or be making those decisions?

HILGERS: It's a great question, Senator Dorn. I'm glad you asked it. Absolutely. This body will have to weigh in a second time in order to make it happen. I'll give you an example. On the appropriations side, all, all we've asked of the Appropriations Committee is to appropriate the \$20 million for the study. It might take some more state dollars-- it would take some more state dollars that are being now in cash-- the only way that those Cash Reserve dollars would get appropriated is if a subsequent Legislature came back and said, yes, we've looked at the plans, it's a go.

DORN: Thank you very much. Yield my time.

WILLIAMS: Thank you, Senator Dorn, Speaker Hilgers and Senator McDonnell. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President, and good afternoon, colleagues. I appreciate all the work that's been done on this bill and I appreciate all the work that's been going forward. Obviously, as just been laid out, there's kind of three different parts, some projects and Lake McConaughy and up in Lewis and Clark seem pretty well close to fruition. So a lot of my focus and discussion for-- has been focused on what I guess we're terming the Platte River component or the, the between Lincoln and Omaha one. And for me, I think, you

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know, if you could ask me if I could, like, snap my fingers and give us one of the largest tourism bases or projects, of course, that would be something that I'd want to support and would want to get to the end. For me, though, looking at some of the things, I think I have some of the similar questions in terms of access to the lake, maintenance to the lake, as well as overall impact to water, and specifically what we're talking about, kind of the area that I think we're talking about, the drinking water and water supply for really the city of Lincoln, city of Omaha metro areas. I understand there's studies going to be going on before that point. But before I even start going down that line, I've just been listening to debate and wanting to know more about that, you know, because in a broad sense, like of course, it would be fantastic to have a great tourism location so nearby. But at the same time, making sure it's publicly accessible, making sure it's responsible to, you know, the growth of the city of Lincoln, the growth of the city of Omaha, making sure it's responsible in all other aspects, is something that I think we as a Legislature need to cautiously consider. With that, Mr. President, I'm continuing to listen to debate. And with that, Mr. President, I will yield the balance of my time to John Cavanaugh, Senator Cavanaugh.

WILLIAMS: Senator Cavanaugh, you're recognized at 3:10.

J. CAVANAUGH: I think-- there we go. Thank you, Mr. President. Thank you, Senator Hansen. And I appreciate everybody's conversation, and a lot of topics have been covered about this. And I was sitting here looking actually what Senator Flood circulated on Knox County. And I actually did have the opportunity to go up to Niobrara State Park this summer. I went on a tour of grazing lands up there with Senator Gragert. And I agree it is a beautiful area and certainly benefit from investment, and this does look like a place I would, if I, if I needed to have a wedding reception, I would consider it, maybe my anniversary, that lodge. But so we've had a conversation about the fiscal note. So the original fiscal note on this bill is now-- with the amendment would be struck and put into the general appropriations. And we've had some conversations, but I just thought I'd read through it for folks. So Lake McConaughy road improvements is \$6.8 million; Lake McConaughy gateway entrance, \$1.1 million; Lake McConaughy marina, \$34.3 million; Knox County slip marina improvements, \$41.5 million; Knox County Niobrara landing, \$2.8 million; Knox County Event Center, \$42.4 million; Lower Platte flood mitigation, \$25 million, which we haven't discussed very much, seems like the noncontroversial part of this bill, I guess; Lower Platte lake planning permit, \$20 million; and Lower Platte Lake capital

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account, \$26.1 million. And that's the part that a lot of people have been talking about. There's about, I think it's been said, about \$200 million appropriation expected for this project, \$46 million of it sounds like it would go towards the planning and some of the preparation of this lake that we're discussing that would be somewhere in the general vicinity of Gretna and Sarpy County or somewhere along there, that-- land to be located in or near Sarpy County is what the amendment says. I know there may be some changes to that and--

WILLIAMS: One minute.

J. CAVANAUGH: Oh, thank you-- within the floodplain and flood right-of-way of the Platte River. So I guess I'm going to run out of time here to really get into any of the other things. But I-- I am in the queue pretty soon, so I'll talk about it then. But I think that, well, I'll just reserve the rest of the time for when I come back on. Thank you.

WILLIAMS: Thank you, Senator Cavanaugh and Senator Matt Hansen. Senator McDonnell would like to recognize 100 Catholics at the Capitol from all across the state. They are located in the north and south balcony. Would you please stand and be recognized by your Nebraska Legislature? Returning to debate, Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you, Mr. President. I just had a few questions for Speaker Flood, if-- or God, that's a-- for Speaker Hilgers, if you please.

WILLIAMS: Speaker Hilgers, would you yield?

HILGERS: Absolutely.

PANSING BROOKS: Thank you. Thank you very much for bringing this bill. I think it's creative and innovative. I hope that it does provide a great destination spot for people to come visit our state and for people in the state to visit as well. So one of the things I talked to, to you about off the mike was, was the question about, will there be public access? I've seen lots of, you know, we do have-- lakes in various places, and I think he sort of spoke to it, but I don't think it can be confirmed enough that it should have access to the public. There should be a park that people could come and enjoy it as well.

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HILGERS: No, I appreciate the question, Senator Pansing Brooks. It may be one of the most important questions, I think, that should be asked and answered as many times as needed. The stat-- the bill itself includes language currently in the green copy talking about the lake will remain a state asset, and I think that implies public access. We're going to add more language on a Select File amendment to make triply sure, very explicit that that is exactly what will happen. And I think the model we're looking at is something like a Lewis and Clark or something like a Lake McConaughy, where, yes, there might be some private development. You might see a marina that's privately owned or a convention center that's privately owned, something like that, and you probably have some of that to be able to attract private investment. But the end of the day, we couldn't ask for-- I would never come and ask for a dime of taxpayer money if in any way I thought that would close off a-- an asset for the state of Nebraska to all Nebraskans.

PANSING BROOKS: OK, I'm glad to hear there's an amendment because I think state access could be seen as just like the State Patrol has access to, to enforce laws against--

HILGERS: That-- well, I didn't think about that angle, Senator Pansing Brooks, and I appreciate you raising that. We'll look at, see if we can tweak the language to be very explicit it's not just, you know, emergency or first responders or the like, and actually the public. I think we've got public language in there, but we'll make sure that that's not the case.

PANSING BROOKS: Good. I think that's great. And could you also, since I'm a Lincoln senator and there is, you know, the Platte River-- and so are you-- the Platte River is important to us. But this is not going to really touch the Platte River, is that correct?

HILGERS: It will have some impact on the water table. Our initial analysis, Senator Pansing Brooks, is it will have a small incremental positive impact. That being said, I've spoken to Senator Wishart. She has my commitment for additional funding for a second source project, as well as some spec-- Appropriations Committee, some specific funding for their hydrology study. This project will never see the light of day if it has a negative impact on the city of Lincoln's water supply. I share your concerns for the long-term growth of our city, the future of our city--

PANSING BROOKS: Yes.

HILGERS: --to make sure that that's protected.

PANSING BROOKS: Yeah. And of course, what I'm worried about is in a drought, there could be real issues for our water system--

HILGERS: Well--

PANSING BROOKS: --in Lincoln.

HILGERS: I'm sorry.

PANSING BROOKS: No, in Lincoln.

HILGERS: The preliminary analysis was that actually in the low times and in drought, drought-like conditions, certainly, if it's too extreme, that's one thing, but that actually having the reservoir will have some positive impact. That's the kind of the positive impact our, our consultant team has indicated to us. But that will have to be confirmed through the actual studies that will be done.

PANSING BROOKS: OK. Those are my main questions. Thank you very much. And I will hope that we can see language that really makes sure that there is public access to something like this, because it's a fabulous idea and it should be available for all Nebraskans.

HILGERS: Thank you.

PANSING BROOKS: Thank you very much, Speaker Hilgers.

WILLIAMS: Thank you, Senator Pansing Brooks and Speaker Hilgers. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Mr. President. Good morning, colleagues. I think this is my first time talking today. I rise uncertain about this bill. I am not opposed to the infrastruct-- infrastructure investments in our water in this state. I think that that is-- there's a lot of really important pieces to this bill. I do have concerns about the funding mechanism for it and I have concerns about what our priorities are. I think it was Senator Lathrop who said yesterday that when the budget comes up, there will be conversation over how it is a moral document. And whenever we are allocating funds to anything, we should be looking at what our priorities are, what is our responsibility to the people of Nebraska. And I appreciate all of the conversation about the economic development around this, the recreational economic opportunities, but I, I just can't get over the fact that we aren't filing or applying for federal assistance, rental

assistance right now. We are still in a pandemic. We still have high hospitalization rates. We still have people who are struggling. Schools are closing constantly, parents are being pulled out of the workforce as a result. And, and so the fact that we are leaving all of this federal money untouched, and instead of prioritizing that in the conversation in this body, we are talking about a recreational lake. And I don't think that this isn't warranting a conversation, but there are people in Nebraska in crisis, and our Governor is refusing to help them. And we have a bill on today's agenda that could have been first up today, people. We should be demanding that the Governor take action. The Appropriations Committee already did. Every member of our Appropriations Committee sent a letter to the Governor asking him to seek this money. I don't know how long people are going to be on this bill. I don't know how long, how many times people are going to take time on this bill today or when it's on Select or any other time, but I am so disappointed that this is what we are talking about for hours this morning and not requiring the Governor to apply for this rental assistance. He has until the end of this month. There is nothing else on our agenda that is more time-sensitive. We need the Governor to do this. The people of Nebraska need the Governor to do this. It is immoral that we aren't doing this. People are homeless because of this. We don't have eviction moratoriums. Thank goodness we passed that bill that allows for the tenant assistance program, where lawyers can volunteer to help out people who are being evicted. I think today-- I don't know actually if they do it on Wednesday. I know they do it on Thursdays and Mondays, maybe Wednesday as well, but it's a huge program that has saved a lot of people in this state from being evicted, a lot of people from my community from being evicted, but we could be getting that money and we could be giving it to the landlords who need the money. They-- it's their business, they rely on it, and the people need a home. What? So, sorry, got--

WILLIAMS: One minute.

M. CAVANAUGH: Thank you. I'm not going to take more time on this because, as I said, I am very frustrated that this is the conversation we're having. And I don't know if I'll ultimately vote for this bill or not, but right now I'm not going to vote for it because we need to help people in Nebraska stay in their homes, like now, not like philosophically in the future, now, today, tomorrow, the next day. Every single day that we don't apply for this rental assistance, another family is getting kicked out of their home. Children are sleeping in cars. We need to do this now. Thank you.

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WILLIAMS: Thank you, Senator Cavanaugh. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Mr. President. So I just wanted to be clear before-- I know "Rogue Leader" is up after me. I just named Bostelman that after he named Clements "Rogue One". But just to be clear that there's two separate portions of the, the Lower Platte, the \$25 million for flood control is a separate portion. So I didn't want anybody to conflate that that was part of the lake. So we've talked about the public-private partnership and the concern. And again, I don't need to belabor that point. I know a lot of people have talked about that concern, and it is, I think, a very serious concern, which is why people have been talking about it so much. Senator Hilgers, Speaker Hilgers and I have talked about it and there's, I think, going to be a change in the language going forward. But I will reserve judgment, again, until then. Other concerns that I have, though, about this bill and about the project going forward are the nature and, and structure of the oversight that we have, that we're putting in place for the public-private partnership, and that a lot of the language in the bill is development-oriented. Obviously, we're trying to entice, we're try-- basically what's going on here is we're trying to create a structure to, for us to put in about \$46 million and then to entice another several hundred million dollars in private investment that then will have that multiplier effect that everyone's talking about, which is achieved through development of houses along the lake, recreational tourism and other types of, you know, ancillary benefits as a result of making that investment in the lake that we're talking about on the Lower Platte. However, the, the concern that I articulated has-- about making sure there is public access has to do with the fact that we, if we become too focused on the economic return on that investment, we can lose sight of the other things that we're supposed to be looking at. And I think a lot of people have addressed that. Senator Lathrop pointed out that we need to see the hydrological studies and that, that is a note I have to myself here, where we explicitly said on page 4, going into page 5, "It's the intent of the Legislature that the lake be at least 3,600 surface acres," so we're explicitly saying the size of the lake; that "No dam shall be constructed on the main channel of the Platte River in order to construct the lake"; that "No city or village or any part thereof, shall be flooded" in the order-- "in order to construct the lake." But we don't explicitly say in there, one, that the lake should remain, have that remain public access, that the lake shall not be built if the, the-- has a detrimental effect to water quality, flood control or environmental concerns. And

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so I think that those type of things should be considered as we go forward because I know we've talked about them. They were stated at the hearing, which is one of the reasons I flagged it in the bill, is that it was one of the things that I heard at the hearing that gave me, you know, alleviated some of my concerns about the projects. And Speaker Hilgers said on the mike today that we will not go forward with this project if the environmental studies say that it will have a detrimental impact, if the water studies say that it will have a detrimental impact to Omaha and Lincoln and other communities. But I think that it's important that if we're going to explicitly say how big the lake needs to be, maybe it's also worthwhile putting in the bill that we say that we're not going to do it if it does-- has these negative impacts to our community and to our communities and to our state environment. And so that's one of the concerns that I've flagged going forward for the, for any amendments in this--

WILLIAMS: One minute.

J. CAVANAUGH: --for the Speaker. Thank you, Mr. President. I think I'm gonna run out of time here. Another one is as-- and this is a concern, I guess a question. And maybe I don't have time for the Speaker, but the part about on Section 5-- or page 5, Section 4: Notwithstanding any other provisions of law, not land-- no land within the Lake Development District, as designated by the Department of Natural Resources pursuant to Section 3 of this act shall be annexed. And I guess my question is, if we're developing houses that are near, say, Gretna, Nebraska, I-- and perhaps even in the Gretna school district, I'm wondering why those houses and those residences wouldn't end up, couldn't end up, shouldn't end up in-- within the city limits of Gretna, which I think is one of the faster-growing communities. I-- and that, I don't know if that's a concern. It's just a question that I have with my one minute left, and I will push the light and get back on and see if I can find out the answer to that in the interim. Thank you.

WILLIAMS: Thank you, Senator Cavanaugh. Senator Stinner, you're recognized.

STINNER: Thank you, Mr. President, and I know it's right before lunch hour, so maybe I can say some things that will upset you so you won't overeat. Anyhow, I want to thank the STAR WARS Committee. I know they spent summertimes, they spent a lot of thought in this, these projects. A couple of them are tangible projects that I think are worthy. But here's where I differ. We have, we have to think big, and I don't mind thinking big. But this was supposed to have been covered

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by ARPA. This billion dollars that are coming in is supposed to be covered by ARPA. There was a \$50 million request by the Governor in his recommended budget. Do you know where it's coming out of? I'll report to you where it's coming out of. You're going to spend \$120 million of General funds and \$80 million of Cash Reserve. Do you see ARPA in that? And here's the \$50 million request. If you want to look up on page 288 of the pronouncements that they sent out, it talks about dams and drinking water, and that's what we were kind of hanging our hat on. But there's a time limit as to when you can use those funds. Think about the lake, think about the permitting process, think about all of the things that have to go into that and think about the fact you have to spend it quickly. So anyhow, the Treasury says-- Treasury expects that in many cases it will be considerably more difficult to demonstrate that the construction of a new dam or reservoir would be necessary for the purpose of provisions of drinking water than is the case. And now, how many times have you heard drinking water in this? You don't think the Treasury is going to come in and look at what we have said? We're talking about recreation. But in any event, dams and reservoirs saving-- serving the purpose for a particular population, particularly giving opportunities to meet the drinking water needs through water reuse and conservation efforts, for these reasons, and given the relatively short period of availability of funds, makes new dams and reservoirs and construction with these funds less likely. Treasury has limited the scope of the final rule to dam and reservoir rehabilitation projects. This is not a rehabilitation project. That is why \$50 million came out of ARPA. So what we have to do here, folks, is kind of settle in. Is this a priority? A million dollars is a big, big-time number for me. When you put 200 of them together, when you put 500 of them on top of that, now you got my attention. Is this really how we want to spend money? We have two tangible projects I think probably deserve some merit. But the-- and Senator Hilgers and I talked about floodway. I can tell you about a floodway. City of Fort Collins got re-- reassigned floodplain and floodway. In a floodway, you are not allowed to have buildings because it is a high probability you'll have a flood. Structures will get torn down and it will take out bridges, et cetera. So in Fort Collins, they actually tore down half their downtown because they were in a floodway. This proposal talks about flood-- floodways. It talks about floodplains. It talks about-- and we're talking about economic development around it. I know Senator Hilgers is trying to address that and saying that the floodway will be encompassed in this lake. And I will ask Senator Hilgers, is that a, is that a correct statement? And you may want to elaborate on it as well.

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WILLIAMS: Senator Hilgers, would you yield?

HILGERS: Absolutely. Thank you for the question, Senator, Stinner. It is a correct statement. And to elaborate, the reason why we looked at the floodway was largely because we were trying to avoid existing economic development. We want to stay away from the city of Ashland, we want to stay away from other neighborhoods and communities--

WILLIAMS: One minute.

HILGERS: --that built up. Thank you, Mr. President. And the advantage of a floodway is you can't build, exactly to your point, but-- you can't build up, but there's no restriction to build down. And so what we are looking at is the floodway for the core of where the lake would go. In other words, you could put the lake there. Now you wouldn't build the development around it. You're absolutely right, Senator Stinner. And so as you look sort of at concentric circles beyond the floodway to the floodplain and then out of the floodplain, that is where the development would go. But there would be-- and you're right, you can't build, but that's precisely why we looked at the floodway, because that's the place that's encumbered. You can't build there anyway. We're not interrupting existing economic development.

STINNER: What is the-- is it the Corps of Engineers that will basically oversee this, the permitting process for this? Or is it some other federal body that will have to agree to it? And hav-- did the committee consult the Corps of Engineers as to any kind of problems or issues?

HILGERS: So you're going a little bit outside of my subject matter expertise. Certainly the Corps--

WILLIAMS: Time, Senator. Thank you, Senator Stinner and Speaker Hilgers. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. President. I've been listening to the debate around this bill, and I share the goal of wanting to expand tourism in Nebraska, but I'm a little bit skeptical of this method, I'm skeptical of this bill. And I'm skeptical of some of the claims that have been made by supporters that this is going to be something that becomes a huge tourism pull, that it helps with brain drain in Nebraska, that it helps us compete with Yankton, South Dakota. You know, I, I think in some ways we're thinking too big; in some ways, we're thinking too small. I'm also concerned and skeptical that this

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will end up being a \$200 million-plus, I mean, I don't think it's going to be just that, to a handful of contractors and engineers who are going to take that money and crunch their little numbers and do some work and find out that this might not even be a feasible thing. And I know that the committee has already done work to examine that, but I'm just skeptical that the problems to tourism and attraction and retention in Nebraska is a lake. It's not anything that I'm hearing from my constituents. When I ask them how we attract and retain talent in Nebraska, I think we just need to champion issues that matter to young people, like legalizing cannabis, like raising the subminimum wage in Nebraska of \$2.13 an hour. You know, when restaurants start opening around that lake, those servers could be making \$2.13 an hour. Like, is that a great thing for our state? Investing in public transit, defending reproductive rights. I have a-- I have a close friend in one of the departments at the University of Nebraska-Lincoln here, and she was telling me that they've had the opportunity to hire more faculty in the last several years, and they've been trying to get more women in the faculty. And they've made offers to dozens of qualified women and they keep hiring, in the end, conservative men, because those are the people that, frustratingly to the department, they're able to get to move here to Nebraska and take a job. And they've just been turned down by all of these different women. And the reason they don't want to be here, it comes down to, is the culture that we have in this state, and a lake is not going to fix that, colleagues. There are so many lower-cost things that Nebraskans are asking for. And it's perplexing to me, if you could see it on my face, I'm just, you know, kind of like we've debated things like paid family leave, like cannabis legalization-- just medicinal, not even talking about adult use-- raising the minimum wage, support for public transportation infrastructure, ending the death penalty, making sure we don't ban women's healthcare, like all of this stuff is what actually matters to people who are looking for a place to settle down, and this is borne out by research done by the Chamber of Commerce, by research done by the ACLU, by research done by Nebraska Appleseed, by research done by the Platte Institute. All kinds of groups in Nebraska who are concerned about growing our state and our workforce and our economy are coming to the same conclusions, which whatever lens you look through ideologically, it ends up being just listen to young people. Listen to the people who are leaving the state and listen to the people who don't want to come to the state, like all of those women that decided not to move to Nebraska for a job at the university.

WILLIAMS: One minute.

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HUNT: Thank you. For years, we have tried to get paid family leave and medical leave passed, and it's been filibustered, and that would be a truly forward-thinking investment and something that might actually make people want to stay or come here, you know, equity and rights for LGBTQ and trans Nebraskans, for women. And I also share concerns that other colleagues have mentioned about the environmental impact to the water in Nebraska. I think that we're facing a future where water is going to be one of the most precious resources that we have. And I think that we need to be thinking beyond the legacy of a few men in this body or the impact of the next 15 or 20 years and think more about the cultural changes and quality-of-life investments in the infrastructure of our state that need to be made before we start, you know--

WILLIAMS: Time, Senator.

HUNT: Thank you, Mr. President.

WILLIAMS: Thank you, Senator Hunt. Senator Lathrop, you're recognized.

LATHROP: Thank you, Mr. President. If the Speaker would yield to some more questions, I'd like to have an exchange with him.

WILLIAMS: Speaker Hilgers, would you yield?

HILGERS: Absolutely.

LATHROP: Mr. Speaker, can we talk about the-- the idea of a public-private partnership as it relates to this lake that we're talking about today?

HILGERS: Absolutely.

LATHROP: Can you tell us what that would look like? And here is-- and let me preface my question so that you can maybe have an answer that's responsive to it. When I hear the, the debate on the floor this morning, what I hear is that the state will own the lake and we're entering into a public-private partnership. So here's, here, here is the skeptic. The state is going to be responsible for digging a hole that will create a lake in this area in the floodplain, and that the developers will then have the lots and be selling the lots for \$200,000 or something. And we'll call it a public-private partner-- public-private partnership because they're going to put the sewers and the roads into the lots that they'll be selling. Tell us a little bit more about what-- what this bill provides for in that

relationship so that we know we're not doing a situation where we spend all the money to create this and the developers make all the money selling lots.

HILGERS: Appreciate the question, Senator Lathrop. So in the first instance, it's important that the language doesn't even require the department, the department, the public side, the department is the one that is tasked with and empowered to go and try to develop the lake. That's number-- point number one. It doesn't even require the department to enter into any kind of private partnership. And we did that in part because we don't know exactly how-- what would the, what would the pro forma look like, as it were, to be able to entice and bring in that investment? But to your second-- so I'll talk about that in a second. But one, the last thing you said, I think, is really critical. The state in no way-- in no way is the state, either through this bill, the appropriations bill or in any way contemplated, the state would put in more right now than the \$20 million we're asking for the, for the actual design study and permitting. That's it. Beyond that, it would take a subsequent Legislature to be able to approve an additional dime of money. So the first thing is the lake, as it's designed, is-- there's no additional state funds to the premise of saying or suggesting-- I'm not saying there is-- that's what you're suggesting. But I think it's important to say that the state in no way is, is, is it intended the state would put in a lot of money into this thing. How the private part? I don't know-- that's-- we want to get this phase one started and get the right people at the table to see what it would look like. You could envision a lot of different ways that this could look like, but it has to work within the framework of ensuring public access to the whole lake. Could a, could a private developer want to build a convention center or a marina that's open to the public, but they are able to capture the revenues? Those are things that maybe you have seen in other state parks or other areas like Lake McConaughy. I don't know precisely what it would take, but in either case, this Legislature would have and the Department of Natural Resources would have ultimate gating responsibility to ensure that whatever it is, is justified going forward. Hope that answers your question.

LATHROP: Let-- thank you. Let me ask a question, then, if all we're doing now is coming up with a design or a concept for this lake at \$10 million. Did any of the work you did this summer give you any idea what it would cost to dig a lake 30 feet deep the size of Okoboji?

HILGERS: We had some--

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LATHROP: What's that, what's that ticket look like if we were-- if we were to do it today, if we had the money and we were going to pay for it and start tomorrow, what would we spend to take 30 feet of presumably sand and--

WILLIAMS: One minute.

LATHROP: --pull it out, and pull it out of this area and create the lake? What's that number look like?

HILGERS: That's a great question. So the back-of-the-envelope math that we've, when we talked to some people who are in this business, suggested it would be around a half a billion to a billion dollars, depending on-- not just to take the dirt out, but maybe to develop some of the surrounding infrastructure. So that's sort of if we were all to do it at once. But playing into your question about the public-private partnership, some of this might get sequenced over time. You might do some, half the lake to start, the second half later, just kind of depends, but to answer your question, maybe half a billion to a billion dollars.

LATHROP: What do we bring to the table as a state on this? I get that the work that you guys have done, I appreciate, the concept that you brought to the table. But what are we going to do going forward, because a developer could do this if they wanted to, right?

HILGERS: Potential--

LATHROP: You find-- you find a bunch of developers and they think, let's make a lake. They're doing that all over Valley, right? On a very small scale.

HILGERS: Yeah, some of those-- it's a good question, Senator Lathrop. I think there's some-- some of those lakes are smaller. I think in this case, sometimes the state is the entity that's got--

WILLIAMS: Time, Senator. Thank you, Senator Lathrop and Speaker Hilgers. Seeing no one in the queue, Senator Bostelman, you're recognized a close on AM1914.

BOSTELMAN: Thank you, Mr. President. Thank you for everyone who contributed to the discussion this morning. This is a significant project, significant projects throughout the state in my district and other districts that really have transformational opportunities for a lot of the areas that we're talking about: McConaughy, Niobrara areas. We learned a little bit more about some of the, the

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interaction with, I believe it's, the Ponca Tribe and things that they can bring to the table to help with the things that they do in their area as far as powwows and other events they have. There's just not room for people to come there to stay when they have these events. This is going to provide that. We're hearing about boat access and access to the waters in the Niobrara where it doesn't exist today. And we need those type of things because, if you look across the river, there's a lot of development that's going on over there. And Senator Flood spoke to that significantly and handed out a lot of things about what those concepts are, what those things will be in those areas. One thing in AM1914 that, that I spoke to the Speaker on, I think, that you need to understand or recognize as well, this-- the committee stays till 2026 right now, it extends it out, and that's important to me because that continues to have this body's involvement in this project, projects. So it doesn't end early or at the end of this year, that it extends it out to 2026 to make sure we continue to have that oversight. Again, these are very important projects for the state. These are things that to build our communities, to build areas that, that need that development. We had overwhelming support for this in the communities and the areas that, that this works with and that these areas that are affected. Plus, it is in my district, in Saunders County especially, and up in Colfax County, we do provide some significant flood protection. So with that, I would ask you for a green light on AM1914 and the underlying bill, LB1023. Thank you.

WILLIAMS: Thank you, Senator Bostelman. Members, the question is the advancement of AM1914. All those in favor vote aye; those opposed vote nay. Have all voted that wish? Record, Mr. Clerk.

ASSISTANT CLERK: 29 [SIC-- 30] ayes, 2 nays on adoption of the committee amendment.

WILLIAMS: The amendment is adopted. Mr. Clerk for items.

ASSISTANT CLERK: Mr. President, your Committee on Appropriations, chaired by Senator Stinner, refers LB1193 to General File. Additionally, your Committee on Revenue, chaired by Senator Linehan, reports LB1261 to General File with committee amendments. Your Committee on Enrollment and Review reports LB450A as correctly engrossed and placed on Final Reading. Amendments to be printed: Senator Lathrop to LB1011 and Senator Brewer to LB709. New LRs: Senator Murman, LB321, that will be laid over; additionally, Senator McKinney, LB322, LB323, LR324, LR325 and LR326, those will all be

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laid over. Explanation of vote from Senator DeBoer. That's all I have at this time, Mr. President.

WILLIAMS: Members, is there any further discussion on the advancement of the bill? Seeing none, Senator Hilgers, you're recognized to close on LB1023.

HILGERS: Thank you, Mr. President. And thank you all, colleagues, for the great discussion on the mike, off the mike. There were some great questions. I want to in particular thank Senator Lathrop for his questions, and Senator DeBoer and Senator Pansing Brooks, Senator Wishart and others who-- and Senator John Cavanaugh, who have added to this debate. I'm very grateful for it. It will make the bill better. At the end of the day, this is a generational opportunity for us to really change the-- change the trajectory of the state and provide a new recreational opportunity for the citizens of the state of Nebraska, and I'm grateful for your support and I'd ask for your green light on LB1023. Thank you, Mr. President.

WILLIAMS: Thank you, Speaker Hilgers. Members, the question is the advancement of LB1023 to E&R Initial. All those in favor vote aye; those opposed vote nay. Have all voted that wish? Record, Mr. Clerk.

ASSISTANT CLERK: 29 ayes, 4 nays on advancement of the bill.

WILLIAMS: LB1023 advances. Mr. Clerk.

ASSISTANT CLERK: Mr. President, a series of name adds: Senator Bostar to LB717 and Senator Aguilar to LB933. Additionally, Senator Jacobson would move to recess the body until 1:30 p.m.

WILLIAMS: Members, you have heard the motion to recess until 1:30. All those in favor say aye. Opposed say nay. We are in recess.

[RECESS]

FOLEY: Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber. The afternoon session is about to reconvene. Senators, please record your presence. Roll call. Mr. Clerk, please record.

ASSISTANT CLERK: There is a quorum present, Mr. President.

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

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ASSISTANT CLERK: I do, Mr. President. Your Committee on Health and Human Services, chaired by Senator Arch, refers LB932 to General File with committee amendments. Amendments to be printed from Senator Albrecht to LB933. And Senator Vargas introduces LR327; that'll be referred to the Executive Board. Additionally, Mr. President, an announcement: the Banking Committee will have an Exec Session under the north balcony at 2:00; Banking, under the north balcony, at 2:00. That's all I have this time, Mr. President.

FOLEY: Thank you, Mr. Clerk. Members, Senator Erdman would like us to welcome 12 guests from Bridgeport, Nebraska, who are in town for the basketball tournament. Congratulations to your team, Bridgeport. Those guests are with us under the north balcony, if you could please rise so we can welcome you to the Nebraska Legislature. We now move to next item of the-- the agenda, Mr. Clerk, next bill.

ASSISTANT CLERK: Mr. President, LB1015, introduced by the Speaker on behalf of the Governor, is a bill for an act relating to natural resources. It adopts the Perkins County Canal Project Act. Bill was read for the first time on January 13 of this year and referred to the Natural Resources Committee. There are no committee amendments, Mr. President.

FOLEY: Thank you, Mr. Clerk. Speaker Hilgers, you're recognized to open on LB1015.

HILGERS: Thank you, Mr. President. Good afternoon, colleagues. I'm pleased to open today on LB1015. As I start, I want to thank Senator Hughes for making this bill his personal priority bill. And I think this is an incredibly important bill, not just for western Nebraska but for the entire state of Nebraska. So we think about the resources that we have here in our state and what we're-- what we are blessed with. At the top of this, of course, is people. But right behind that, I think, is our water resources. We have been blessed with tremendous water resources. They include the Ogallala Aquifer, and they also include the Platte-- Platte River. And these are resources that we've been blessed with, but they are also scarce. And what LB1015 goes to is protecting critical rights to the water flows of the South Platte River coming in from Colorado. And in many ways-- there's been a lot of discussion over this-- it's kind of, in some ways, a new concept, but in many ways it's an old concept. This is something that goes back to the 1920s, and I'm going to talk about, and in a lot of ways, the issue before us is very simple. Let me just describe it briefly. We have legal rights under a 1923 compact with the state of Colorado. That's a compact that has-- was agreed to by

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the two states. It was approved by their respective state legislature and also was approved by Congress as required under the constitution. And under that compact, it actually lays out our rights and responsibilities and obligations pretty clearly. During the irrigated season, between April 1 and October 15, Nebraska is entitled to-- without doing anything else, Nebraska is entitled to 120 cubic feet per second of water from the South Platte. That-- we don't have to do anything. We are getting that water now from the state of Colorado, and that is not really an issue with LB1015. During the nonirrigated season, so between October 15 and April 1, as outlined in the compact, we are entitled, the state of Nebraska is entitled, to 500 cubic feet per second of water from the South Platte, but only if-- and this is the key-- only if the state builds a canal, Nebraska builds a canal and reservoir system, to divert that water from the Platte, from-- in-- from Colorado into Nebraska. It's a really very clear "if-then" under the terms of the compact. Now, over the last hundred years, the state of Nebraska has received-- has received water during the nonirrigated season, but we don't have a legal entitlement to it. So in other words, the-- the state of Colorado could take, under the terms of the compact, if we do nothing, take the water from whatever the current flows are down and down to zero, at least under the terms of the com-- the compact. And as you see the tremendous growth in Colorado, in particular on the Front Range, and as the Colorado River Basin water supplies become thinner and thinner, the Co-- state of Colorado has made incredibly clear, been very explicit, not just with their words but with their actions and with their dollars, that they're coming after the water that they're legally entitled to under this compact. And whether we build the canal and reservoir will be the thing that will tell-- that will tell the state of Colorado whether we're entitled to either 500 cubic feet per second between October 15 and April 1 or none. Now we have a discussion, and we're going to talk about the cost of this, and I know the initial price tag, \$500 million, is a lot. There is a discussion on cost and the specific dollars that would be needed to build the canal and reservoir system. That discussion is in the Appropriations Committee. They have been working on what it would take to get the project started. I believe they voted yesterday to put \$53-- recommend putting \$53 million into the budget that would fund the first three years of this particular project. It would be land acquisition, design, and would get us fur-- far down the road; wouldn't be all of it, but it would be significant. If we do this, we are protecting our rights in Nebraska's water. I really can't put it any more clear than that. If we don't do it, with what Colorado has said they will do and has suggested they will do and will almost

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certainly do, we will lose those flows from the South Platte into Nebraska over the course of the coming years, and I couldn't think of many more catastrophic things that could happen to the state of Nebraska if we actually lose out on that water, if you think about our potential growth and think of all the things that it impacts. It doesn't just impact agriculture, although of course it does. It doesn't just impact our-- our power supply. Of course it does. It helps cool Gerald Gentleman, the largest power facility in the state of Nebraska. And it doesn't just impact western Nebraska. It impacts the eastern side of the state as well. In fact, on the committee-- you could see on the committee statement, and I'm going to read during the course of this discussion this afternoon, testimony from stakeholders and subject matter experts from across the state, from western part of the state, as well as the Papio-Missouri NRD, as well as the sink-- city of Lincoln. So the future of our water here in the state of Nebraska, in my opinion, it is critical if we-- to-- for the state to build the canal, to build the reservoir system, to be able to enforce the rights that we already have under the compact. We already have these under the compact. Now LB1015, what it would do ultimately is that-- wouldn't appropriate the money. There's no A bill in LB1015. What it would do would just simply-- it's an enabling legislation. It's empowering legislation. It would give the Department of Natural Resources the ability to go out, design, build, exercise eminent domain in Colorado, as provided for under the compact, as an example, to move the ball down the field towards the completion of this project. Now I-- we're going to have a good discussion today on this. I know there have been a lot of questions in the media, amongst colleagues and others. A couple of those questions I might-- I might preview now. One is, is this just a bluff? That's one of the questions. Is this just a bluff? Well, the-- the truth is, a bluff implies that you're trying to get something from somebody that you don't already have. We're trying to bluff Colorado into doing something, come to the table to negotiate. The truth is, we don't need Colorado to come to the table to negotiate. They came to the table 100 years ago in 1923 and negotiated and entered into an agreement with us, approved by Congress, that gives us the right to do this. Now, if we start down this road, they might come and try to get some better deal for both of us and, of course, I'm sure we would listen. But this is not-- this is not intended to bluff or to do some negotiation. We have rights under this contract. We're asserting these rights. If we don't assert them now, we may not be able to assert them in the future. That's one big question. The second big question that I've heard is the cost. Well, what-- we're in this period of time in which, boy, \$500 million is a lot. I'd take

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a step back and emphasize that the state of Colorado is spending billions of dollars on water projects now and in the near future to help capture the water from the South Platte River, billions of dollars. Of course, \$500 million at the end of the day would be incredible. But at the same time, think about the value that comes from making sure that we're able to capture that water. In some ways, it's hard to put a price on the ability to capture the water that we're entitled to. Even if you could put a price, and we-- and I'll talk about the testimony in the hearing where people try to put specific value, dollar values, on the water that we're bringing into our state. It's in the hundreds of millions, if not billions, of dollars. But putting aside that, our Appropriations Committee, after hearing the data, walking through the issues, I believe, has come up with a strong compromise to get this project started, while ensuring that the state of Nebraska still has funds to be able to weather any recession or storm that might come down the road, while also giving a subsequent Legislature the ability to make a final decision as to whether or not to put the money in to build the canal after it's been designed, after the land has been acquired. So I'd ask for your green vote on LB1015. I'm looking forward to a good conversation. I think this is really a critical bill for the state of Nebraska and the future of our state and our ability to grow. We are living in a world with-- that has-- a world of scarcity where our water supplies around the country are becoming more and more limited, and we have population growth in states surrounding us, including, and in this case, Colorado. We-- we should assert the right, legal rights that we already have, and we'll help go down that road to do so with passing LB1015. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Debate is now open on the bill.
Senator Hughes.

HUGHES: Thank you, Mr. President. Good afternoon, colleagues. I've designated LB1015 as my personal priority bill this session. As the representative of the 44th District, I come at this with a very unique perspective. My district includes much of the Republican River Valley, so I am very acutely aware of the importance and value of interstate compacts between rivers and the governance that they provide us in allocating water rights between states. The Republican River Compact allocates water between Kansas, Nebraska, and Colorado. To anyone who suggests that this project, the South Platte Project, is not going to effect change in Colorado's water management plans, I'd refer them to the good folks of the Republican River Basin, who not too long ago were-- we were forced to adjust our irrigation, and still are to this day, and other water practices to ensure Nebraska

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remained in compliance, that Kansas was getting the water that they were entitled to. Compact rights are powerful tools and must be used to their fullest extent to protect and preserve Nebraska's water. Moreover, Perkins County, in the northwest portion of my district, is the very place for which the canal project was named nearly a century ago. Current plans call for the water diversion near the town of Ovid, Colorado, a canal to carry the water into Nebraska and the storage of that water in multiple multipurpose reservoirs within the Platte River Basin. Of course, the water may be used multiple times as it-- as the South Platte joins the North Platte to form the Platte River, just east of North Platte, Nebraska. Water is diverted for irrigation and provides return flows to supplement critical water supply needs in the Central Platte River. As a result, it will continue to benefit municipal and industrial users, as well as wildlife the state has committed to protect as part of the Platte River Recovery Implementation Program. In short, this one-time investment pays back many times over in coming years. As you have heard, the bill provides the Department of Natural Resources authority to build, manage, and operate the canal and related structures. This canal is a legal prerequisite to Nebraska's ability to demand non-irrigation season water from our neighbors to the west. Let me be clear. This is water that we are already receiving, and if we don't build this canal, that water will go away, be lost to us forever, because as Colorado captures this water and converts it to residential use, we can never get it back. So it's imperative that we proceed with this project. Failure to pass this bill would be tantamount to giving away our water rights to users in Colorado. Despite whatever challenges might lie ahead, be they physical or legal, we must maintain the water supply that sustains the vast swath of this state. There is no viable substitute for water. We talked a lot this morning about Lake McConaughy, Lewis and Clark Lake, and the potential lake in the Platte River Valley between Lincoln and Omaha. The foresight of the individuals who built the lakes, Lake McConaughy and Lewis and Clark Lake, as I mentioned this morning during that discussion, the amount of money that was allocated to build Lake McConaughy, Kingsley Dam, and the canal system and the hydro-plants that irrigate 100,000 acres with surface water in central Nebraska, that cost was--

FOLEY: One minute.

HUGHES: --\$43 million in 1940. That's \$864 million today. What kind of a return would we be looking at 70 years from now once we have the South Platte Canal and a series of reservoirs and the economic benefit that all of that comes into, besides just maintaining the

water that we have built infrastructure to take advantage of already? I certainly look forward to this discussion. I know there's a lot of questions, and hopefully we will be able to move this bill forward today. Thank you, Mr. President.

FOLEY: Thank you, Senator Hughes. Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Mr. President. Well, I'm one of the people with questions, I guess. So I think I agree with Speaker Hilgers, as he characterized that there are big questions and he attempts to answer them, and that-- I guess I'm granting the premise that we're not doing this as a bargaining position. But I think it's important that, if we are going into this with the assumption that we're going to build this canal for the purpose of exercising our right to 500 cubic feet per second during the time of October 15 to April 1 every year, that it's important that we have the conversation about what is the full scope of our rights and our ability to assert those rights. As Senator Hughes just pointed out, we are already getting this water currently, and Colorado does view what they're giving us as in excess to what they have to give us, meaning that they don't have to give us the water that they're currently giving us. But to exercise our right to put a call on anyone else's water, basically, as Senator Hughes said in reference to the Republican River, you have to have a right that is senior to the rights that are being asserted and-- to put that call, which means to ask someone to stop using and to make sure that you get the amount of water you're allotted to. So what the compact does is establishes a right for the state of Nebraska for the 120 cubic feet per second during the time of April 1 to October 15. That's the only absolute right, as Senator Hilgers-- Speaker Hilgers mentioned. But as it pertains to this 500 cubic feet per second in that irrigation season-- non-irrigation season between October 15 and April 1, we have to build the canal to assert that right and be in that position. Those things are true. However, it's important to be conscious of what that right, those 500 cubic feet per second, are dependent upon. First of all, they are-- they are junior. It is a junior right to all rights that were perfected prior to that date, meaning anybody who had access, who had a water right that was established before the-- the compact. It is additionally junior towards a future appropriation by Colorado in that watershed, in that section of the-- the Platte River, for Colorado to build a reservoir of 35,000 acre-feet to be diverted from that flow. So the-- those are two things that with-- even if we build the canal, we cannot stop Colorado from doing. The third thing that we cannot stop Colorado from doing is appropriating water in the upper section, and that's an important dis-- distinction. There is-- this compact divides the

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South Platte River into an upper and a lower section, dividing at the Washington County line in Colorado. The section to the east and north of that, or coming into Nebraska, is referred to as the Lower Section, and the section to the west of that is referred to as the Upper Section. And the compact establishes-- this is-- Article VI, section (2) of the compact says the net future flows for the lower section of the Platte River, which may remain after supplying all present and future appropriations from the Upper Section, so this is an im-- important distinction. Colorado preserved for themselves in this compact the right to establish future appropriations in the Upper Section that would be senior to Nebraska's claim to this canal. And so this is a relevant point in the fact that if we're talking about building this canal, if we're serious about building this canal for the specific purpose of asserting a right against other claims to water and making sure that we have the ability to ask someone-- to tell someone to stop when we are not getting that water--

FOLEY: One minute.

J. CAVANAUGH: --thank you, Mr. President-- it is important that we recognize and understand what those rights are subjected to and, if we spend the amount of money we're talking about here, which has been set at \$500 million or more, whether or not we will actually get what we are talking about, if we're actually going to be able to claim and-- and receive 500 cubic feet per second. There are other concerns about how this water is allocated, and I'll-- I'll push and get in again, I guess. But if this is what we're talking about, this is what we're serious about, if we actually want to build it, everybody needs to understand what that means and the potential of what it looks like to spend that money and not get what we're talking about. Thank you, Mr. President.

FOLEY: Thank you, Senator Cavanaugh. Senator Flood.

FLOOD: Thank you, Mr. President. Members, I want to compliment Senator Cavanaugh on him diving into this issue. It's consistent with what he's done on the Natural Resources Committee, and I appreciate hearing his perspective. This vote today is going to reverberate across the upper Midwest for a long time. This bill is central to our water security in Nebraska. This bill, LB1015, protects Nebraska's water supply by providing the Department of Natural Resources all the necessary authority to develop, construct, manage, and operate the Perkins County Canal project, consistent with the terms of the South Platte River Compact, I think it's important to understand that if the state of Colorado fully executes on its Front Range expansion

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plans, 90 percent of the water Nebraska currently receives at the state line will be lost. This isn't a fight among different views of-- of what's happening in Nebraska. This is a critical issue between the state of Nebraska and the state of Colorado. If they execute on their plan to take 90 percent of the water that we currently receive, we will have no choice but to attempt to make up those lost flows from somewhere else, and that is a significant risk. Today our only feasible option to replace the lost waters would be from storage in Lake McConaughy on the North Platte River. This means lake levels will be lower, hydropower production will decrease, water supplies needed for irrigation water for our farmers and municipal supplies for our cities would be jeopardized, and the millions of dollars invested by the state and the NRDs to address the basin's over-appropriated water supplies will be for naught. That's what's at stake. In 2011, as we went and endured one of the-- one of the toughest years of drought in Nebraska, there was a point in time where I remember the city of Lincoln was this close to having to shut down irrigated acres in the Platte Valley to make sure that the Platte River could-- could deliver the water necessary for human consumption in the city of Lincoln. That is scary. Think about it. Think about putting the city's mayor in Lincoln in a situation during the middle of a drought and saying, we're shutting down irrigated acres. It's the priority system. It would happen for human consumption, but we can be visionary and head off these problems at the pass. All of the users right now of this water would be subjected to additional regulatory restrictions and substantial increases in the cost of service. If you're an Omaha- or Lincoln-area senator and you are working in this Legislature and you think we have troubles in rural Nebraska, start drying up those irrigated acres and ask southwest Nebraska how it's going to work out. I'm familiar with the crisis that we've had in the Republican River Basin, where the Upper, the Middle and the Lower Republican NRDs went to bat for their own area just to deliver, as part of the state obligation to the state of Kansas, our commitment in a water compact. This is real stuff, and when we find ourselves in a situation with Colorado, this vote today is going to signal to the state of Colorado how serious Nebraska really is about our water resources. If this project is not built, Colorado can simply cut off the supply. Their plans are now accelerating, including the new legislation. And, for example, the state of Colorado has an \$800 million plan to pump tens of thousands of acre-feet--

FOLEY: One minute.

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FLOOD: --each year 150 miles west to the Denver area. They're going to take this water and their wi-- and they will move it to Denver. The population is exploding in the Denver area, and they need this water. We have an opportunity today to send the message and to plan for the construction of the Perkins Canal-- Perkins County Canal, and take a substantial step toward ensuring our water security and sustainability for generations to come. I support LB1015. This is about building the Perkins County Canal and it must be done. Thank you, Mr. President.

FOLEY: Thank you, Senator Flood. Senator Erdman.

ERDMAN: Thank you, Mr. President, and good afternoon. I was reminded by Senator Slama that this morning, when I said those only people-- the people will only be alive when they build the lake would be Senator McKinney and-- who else did I say? Anyway, I forgot Senator Slama, so I wanted to tell her I apologize for forgetting her. The other thing I wanted to say this morning, and I turned my light off so they could vote-- we could vote before dinner, is we have an opportunity to vote for the Return of the Jedi in that bill that just passed this morning because we used to call it STAR WARS and now, with the amendment, we're going to call it the JEDI, so Luke Skywalker will probably be the Chairman. But anyway, getting to this issue in front of us, Senator Hilgers-- Speaker Hilgers spoke about purchasing land with this procurement or the appropriation that came out of the Appropriations Committee, and I-- I just want to clear up that for a moment. What we have granted was \$53.5 million, which is for design and permitting, as well as options on purchasing land. It-- I don't believe they're going to purchase any land, but they need to have options on land so that when they decide where they-- where they want to go, they have that land secured. And so Senator Hughes explained exactly the significance of having this water from Colorado, and I think Senator Flood in his comments exactly explained what the significance of this vote is. In rural and western Nebraska, this is a significant thing for us, and I think Senator Hilgers alluded to the fact that it is for all Nebraskans because we all own the water. And so the agreement that was struck back in 1923 was approved by Congress, and so we have an opportunity for us to do something that no other state has ever done, because I don't-- I don't believe another state has an agreement like we have with Colorado. And at the growth of their population, at the rate it's growing, they will continue to use our water and we will not get what we have been allotted to. And so in my area, we have several people that have moved from Colorado to our area and they have sold their water rights only. They still own the land, but they sold their water

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rights for as much as \$15,000 an acre. And so the city of Colorado, the state of Colorado, is looking to get as much water as they can for those residents that are moving there, those people that are moving there. So it's time for us, as Senator Flood said, it's time for us to send a message to Colorado we're serious about this. And I believe when we put that \$53.5 million set aside for the canal, they will understand that we're just not trying to bluff them, that we are serious about making this a permanent structure to get the water that we are required or they have-- have signed an agreement to give us. And so I'm in support of LB1015 and I would ask you to do the same. We in Appropriations Committee seen the significance of this issue, and so that has been our appropriations. That will be what we'll be bringing to the floor. So with that, I would yield back the rest of my time. Thank you.

FOLEY: Thank you, Senator Erdman. Senator Clements.

CLEMENTS: Thank you, Mr. President. I rise in support of LB1015. I strongly support enforcing the water compact that this canal will protect. And the Appropriations Committee-- this bill doesn't have the spending in it. We've got that in the-- will be in the budget bill, and it does amount to \$53.5 million. I looked at the Cash Reserve as of yesterday and, after taking-- this is the Cash Reserve, rainy-day fund expense, and after the \$53.5 (million) is removed we still have \$1.33 billion left in the Cash Reserve, so we're not depleting our reserve by approving this project. I read the compact and met with the Attorney General and his water specialist attorney, and I am in agreement that we will lose river flow if this is not passed. And so I think it is a very high-priority item that we should support and I would encourage your green vote. And with that, I would yield the rest of my time to Speaker Hilgers. Mr. President, yield the rest of my time.

FOLEY: Speak-- Speaker Hilgers, you've been yielded 3:30.

HILGERS: Thank you, Mr. President. Thank you, Senator Clements. And thank you, Senator Erdman, for the clarification on the appropriations for being for options for land and not the land itself. I appreciate that clarity, for the record. When I got up in my opening, I talked about how this is going to have a statewide impact, Colorado is on the move, and this is asserting our rights, that if we don't assert them, we actually have no legal entitlement to-- to anything from-- during the non-irrigated season. So I want to back that up with some of the testimony that we heard, make sure we get this in the record of the floor debate here this afternoon,

because it isn't just me saying it. These are experts across the state of Nebraska, across the state, from Lincoln and Omaha to the western part of the state, who-- who spend their entire careers focusing on maintaining and managing and-- our water supply and ensuring that we are good stewards and have enough for future generations. And these are the people who came to Lincoln to testify, and I want to read some of their testimony here this afternoon. So first, starting in the west, we had Kent Miller come from the Twin Platte Natural Resources District in North Platte, and he said: We need to worry about this and we need to act upon it now because Colorado is serious, and with all the people moving into the Front Range, they're going to use every drop of water and dry up the South Platte River unless we take this opportunity to use the only protection we have, the only protection we have on the South Platte River for water into the state of Nebraska. Everything he said is true. There is no doubt the growth in the Front Range is incredible. It's only increasing. There is no doubt the state of Colorado has made very clear they're going to spend what seems like any amount of money to capture additional waters that they can under the law. And there's also no doubt that the only protection we have is the-- what is in the 1923 compact, any meaningful protection. We also heard from Michael Drain from the Central Nebraska Public Power/Irrigation District. If you don't know, Central is the-- the public power district that is-- that manages Lake McConaughy. You heard Senator Hughes talk about the impact on Lake McConaughy. If we-- if we have to, if we don't have the flows that we normally would expect from the South Platte, those have to be made up somewhere and those come-- the most likely source would be from Lake McConaughy, which is fed generally by the North Platte. What did he have to say? Well, he said, Mr. Drain said: Left unchecked, Colorado clearly can and will deplete the flows at the South Platte that so many Nebraskans-- so many Nebraskans use, from irrigation to power production, from reservoir storage to groundwater recharge, and from in-stream flows to municipal wellfields fields that they ultimately rely on. Fort--

FOLEY: One minute.

HILGERS: Thank you, Mr. President. Fortunately, when the South Platte Compact was negotiated one year-- 100 years ago, our predecessors had the foresight to include a provision for a canal to bring this important South Platte water out of Colorado for use in Nebraska. There's actually more to this, but I only have 45 seconds left, and I think that the last point is worth really underlining here. Our predecessors did have the foresight to put this into the compact, negotiate a legal right for us today, in 2022, to exercise that right

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to protect the flows in the South Platte in the non-irrigated season, and to be able to protect those for Nebraskans. All we have to do is exercise what they already have done, which is to create the right for us. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Members. I'm going to pause the debate for a moment. We have a very distinguished guest with us today. Senator McCollister would like us to recognize Mr. Hiroshi Tajima, who's the Consulate-General of the Nation of Japan. He's with us today in the north balcony with three colleagues. If you could please rise, thank you, sir, for being here today. Welcome to the Nebraska Legislature. Continuing discussion, Senator Lathrop.

LATHROP: Thank you, Mr. President and colleagues. I have a special interest in water law, not a specialty in water law but a special interest. In 2014 I had-- well, actually, in 2013 I was invited by Senator Christiansen, then the senator from the Lower-- or the Upper Republican, who invited me down to get an education on the Republican River. And from there I spent, as did my then-legal counsel, Molly, a lot of time getting up to speed on water law. It's very fascinating and if I were a young lawyer, I'd get into it because we're going to be fighting over it forever. We're going to be fighting over water for a long time because we need it, we have a resource, and the fights be-- from producer to producer, from state to state, how we interpret these contracts, how we interpret these compacts, and whether we allow inter-basin transfers and the like will be litigated for years to come. So when I heard this proposal, I'm like, well, this is really interesting. And then I-- I heard a little bit more about it. It's a 100-year-old compact. Wow. Right? This thing's a hundred years old. All of a sudden we have some urgency. We got to do something today, by God. Colorado's taking our water. It wasn't important enough for us to do something about it over the last 99 years, but, God darn it, we need to do something about it this year. I wondered why. Well, we got a little extra money sitting around, so now-- now we got a problem we need to solve immediately. You know, it strikes me-- and-- and I understand that the Attorney General has somebody. And by the way, in 2014, when I was working on water issues, those guys weren't exactly telling the truth to some of my colleagues around here about the Kansas-Nebraska Compact, in my estimation, because I'd learned enough about it, I learned what my bill was about, and they were telling people I was going to blow the whole thing up, which wasn't quite true. So I'm a little skeptical when I hear a law firm that is political, the Attorney General's Office, say one thing, and then we got a professor over at the university that's saying something else, who really don't have a dog

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in the fight. And what occurred to me is that what we want to do is create enough of a problem with Colorado to find out if this thing's still worth any paper it's written on. Right? Do we have an appropriation? I think Senator Cav-- Cavanaugh made a great point. We may be fighting over water and the-- and the compact says you're fighting over whatever's left after we get done using what we want in the upper part of this river stream. Well, I'd kind of like to know about it before we dig a ditch all the way from this town in Colorado into Perkins County, and we haven't even talked about what we're going to do with it when it gets to Perkins County. I think we need to take a step back, and a breath, and-- and hang on a second. You know, sometimes when neighbors have a fight over something, and you rural guys maybe can appreciate this, if you've got a fight over something, you deliberately trespass, because that's a way to create a cause of action where you can sort out whether you have a right to something or to be somewhere or whether you don't. I'm not suggesting this is as easy as taking a backhoe to Ovid, Colorado, and start digging our ditch, but it may be as simple as trying to exercise our right of eminent domain. I don't think we need to spend \$20 million or \$50 million on something we're being told we have to do right now. This is the session.

FOLEY: One minute.

LATHROP: By God, they're taking our water. Did you say a minute?

FOLEY: One minute, sir.

LATHROP: They're taking our water. What's the urgency? This thing's a hundred years old. How about somebody-- and by the way, this water from the South Platte ends up in Nebraska. Why are we digging a canal to get it there a little bit sooner and having it go to Perkins County, where we don't even have a dam to store it or anybody in charge of supervising it when it gets there? I gotta tell you, I'm pretty skeptical of this. I'm very skeptical of this. If we need to create a crisis to see if we have an enforceable right, there's other ways to do it without spending \$20 or \$50 million to do it. There's other ways. We can go try to exercise our right to eminent domain. If we think this is a-- a binding agreement with Colorado, then somebody go over and try to eminent domain about six city blocks of the land between here and this town--

FOLEY: That's time, Senator.

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LATHROP: --that we're supposed to draw the water from. Did you say time?

FOLEY: That-- that's time?

LATHROP: OK, thank you.

FOLEY: Thank you, Senator Lathrop. Senator Jacobson.

JACOBSON: Thank you, Mr. President. And, colleagues, I really want to speak-- thank the Speaker for bringing this bill and for Senator Hughes for prioritizing it. In addition to being involved in banking, I'm also involved-- I own some farm ground, irrigated farm ground in south-central Nebraska, keenly aware of the importance of irrigation. As I look at my-- my constituents in Perkins County, Lincoln County, and-- and on across, I look at how important water is for those folks who are using surface water for irrigation and really the entire state that's going to have to rely upon this water flow. We also know that as you look at the North and South Platte, where there's been talk, this is on the South Platte. The North Platte's coming out of Wyoming. It goes to Lake McConaughy. There's release from there that-- and-- and the two rivers converge on the east edge of North Platte and it becomes the Platte River and runs on down through the state. We know that there are going to be environmental needs that are going to trump everything, and so we know that-- that that North Platte water that ends up in McConaughy may need to be released just to support environmental flows in droughts. If anyone's noticed-- look across the state today-- we're in a drought. We're in a fairly severe drought. Wheat right now is \$12.50 a bushel on the board, but most wheat producers are afraid to sell any of their new crop wheat because they're not sure they're going to have a crop. Irrigation is vitally important to this state. Water is vitally important to this state. Having water for our population base in the eastern part of Nebraska is critically important. I think that what we're talking about spending here is a drop in the bucket for an investment in what we think is going to be important to us in the future, And it will be. There's that old saying that whiskey's for drinking and water is for fighting over, and I-- there have been people that have talked about we should negotiate with Colorado. We have negotiated with Colorado. Now it's time for action. You can't negotiate-- in my years as a banker, I can tell you, if I have nothing to bring to the table, the negotiating table, there-- I'm wasting my time. We need to show that we're serious about this project if we have any hope of changing the trajectory of what's happening. We're talking about 500 cubic feet per second of water in that non-irrigation season, as opposed to

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120 during the irrigation season. This is a massive amount of water that we need to take advantage of. We've talked about being a visionary, but I'm telling you what, we're going to look back 10, 20, 50 years from now and say we really messed up if we didn't use this opportunity. And I'm going to yield the rest of my time to Speaker Hilgers.

FOLEY: Thank you, Senator Jacobson. Speaker Hilgers, 2:10.

HILGERS: Thank you, Mr. President. Thank you, Senator Jacobson. I couldn't agree more with those comments. I want to briefly respond to Senator Lathrop's comments. One-- one was-- and by the way, I agree we should all take a breath on something of this magnitude. We all ought to take the time in this body to be able to think through these issues and be able to debate the facts that we're given and work through the logic and the soundness of the policy proposals in front of us. I completely agree, which is what this process is for. What-- Senator Lathrop said, why the urgency? He said, it's been a hundred years, why not-- why the urgency? Well, we know the urgency. It's because a hundred years ago, Colorado wasn't spending billions of dollars on water projects with the stated intention of their legislature to take the vast majority of not nearly all of the flows through the South Platte. That wasn't maybe happening 50 years ago or 30 years ago or 20 years ago. The urgency comes from the actions in Colorado, the growth in the Front Range, the diminished supply of the Colorado River Basin. The urgency is coming from the facts on the ground that have changed, and it's not. Don't just take my word for it. Take the word of the subject matter experts who are dealing with this issue. They're looking at it. They're the ones monitoring; they're the ones dealing with the flows in the Platte. I've-- I've already read testimony from two of them.

FOLEY: One minute.

HILGERS: I'm going to read-- thank you, Mr. President. I'll read testimony from the city of Lincoln. Senator Flood, I think, very aptly talked about, appropriately talked about the drought conditions that we had 2-- in 2012 here in Lincoln. Seven percent-- and I'll read this testimony from the city of Lincoln: Seven percent of the flows of Lincoln's water supply you can trace back to the South Platte. If that goes to zero, Lincoln senators-- I know you share my concern for the water supply here in Lincoln. If that goes to zero, think about the catastrophic impacts that all have on our city and the ability for us to grow. There's a lot of reasons for urgency, and we'll talk about them as we proceed. Thank you, Mr. President.

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FOLEY: Thank you, Mr. Speaker, Senator Bostelman.

BOSTELMAN: Thank you, Mr. President. I do want to speak to a couple areas. I'll echo what Speaker Hilgers just said. The reason why this is important is because the legislation, the action that Colorado is doing right now. They have already passed bills. They already have bills where they are going to build these reservoirs, they're going to build these pipelines, they're going to stop the water, and they're going to pump the water back up to the Front Range, and the water is not going to come to Nebraska. Why now? It's because of the actions Colorado has taken. They haven't taken that action in the last 100 years. They're taking it now. So if we don't act, then we won't have an opportunity to act in the future. Keep that in mind. So during the hearing, I wanted to reiterate some of the things that you're also hearing from the Speaker saying we had overwhelming support and one opposition, one person come in, in opposition to this bill. So those who came in to support the bill, obviously, the Governor of Nebraska, the Director of Natural Resources, the general manager of Twin Platte NRD, the Nebraska Association of Resource Districts, Central Nebraska Public Power and Irrigation District, Nebraska State Dairy Association, Nebraska Soybean Association, Nebraska Farm Bureau, Nebraska Corn Growers, Nebraska Public Power, Nebraska Cattlemen, Pappio-Missouri NRD, Central Platte NRD, city of Lincoln, and Nebraska Water Resource Association, those all came in to testify in support of the need for this bill to move forward, for the actions of the state that needs to happen now, not in a year or two, not in three or four, because if we do that, Colorado will have their systems built, they will have the pipelines built, they will be pumping that water back up into the Front Range, and it will not come down to Nebraska. So we're exercising-- with this, what we'll do is to begin to exercise our senior water rights to ensure that the water comes to all the places that Senator Jacobson said, that Senator Flood said, and as-- as-- as, excuse me, Speaker Hilgers said, as well as all of the needs of the towns, the cities, the people along that Platte River. This is a critical move needed, LB1015 to pass, and I appreciate your green vote on LB1015. I yield the rest of my time to Speaker Hilgers.

FOLEY: Speaker Hilgers, 2:30.

HILGERS: Thank you, Mr. President. Thank you, Senator Bostelman. I agree with Senator Bostelman. I sat through the hearing, the overwhelming support across the state for this particular bill, and the reason is, you go back to urgency, the question of urgency. The state of Colorado has said and their stakeholders have said, we are

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taking this water, we will take this water as much as we are legally entitled to take it. If we don't build the canal, that is zero during the non-irrigated season. They-- we get nothing. They can take it all. That's the legal entitlement. Senator Lathrop said, well, why are we going to build this canal into-- into Colorado? Because that's what the compact says we need to do. We have to build the Perkins County Canal in order to trigger our right to 500 cubic feet per second. It's under Article VI. We have to do it; otherwise, we don't receive it. So the urgency comes from me sitting here as a policymaker, and I hope the rest of you, sitting here saying, wait a second, water is incredibly critical, and it has become more and more in a short supply. It's drying up in a lot of places around the country. Our neighbor to the west is growing very rapidly. Their current water supplies from other sources are-- are dwindling or diminishing. They have a stated intention, backed up by billions of dollars of projects-- they have 60 projects ongoing right now-- to take as much water from the South Platte as they possibly can under the law. As a policymaker, I'm saying that's pretty urgent. That's pretty important for us to address. It's pretty important for us to start the process of enforcing our legal rights. Now I can understand-- I certainly can understand those who would say, look, \$500 million--

FOLEY: One minute.

HILGERS: --thank you, Mr. President-- \$500 million, that's a big project, we have a lot of-- we have a lot of needs, maybe we shouldn't all-- allocate or appropriate all that now. I wouldn't agree with that position, but at the same time, I can certainly understand it. But to say let's not go down this road at all in the face of a clear intent from the state of Colorado to take what they could otherwise get under the law, I think, is a mistake. This is the time to act, and we can start that process with LB1015. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Senator DeBoer.

DeBOER: Thank you, Mr. President. So many of you know that I did my Ph.D. work in Syracuse, New York. What you may not know is-- Syracuse, New York, is called the Salt City because in the 19th century it supplied a vast portion of the world's salt. And the story up there is that the reason the Union won the Civil War is because of the salt springs that were up there, which helped them to have saltpeter for its munitions, for the Union. Salt was the king in the 19th century. In the 20th century, it was oil. We all know of all the

mountains that were moved over oil. And I would contend that in the latter half of the 21st century, water will be the king. We all know that water rights are going to be incredibly important, that the availability of water, freshwater, is going to be absolutely vital to our future. So Senator Jacobson beat me to the punch, but we've heard the expression that whiskey is for drinking and water is for fighting. And I think that we should be very clear with the rest of the country and with Colorado that we in Nebraska are going to fight for our water rights. I think that's important. I think that it's important for everyone to know. As for the urgency of this particular case, I will say, I once heard this story that if you put a frog in boiling water, it'll jump out. But if you put a frog in water and then you turn the heat on underneath it, it'll cook because there's never a moment where it says, now it's hot enough, I've gotta jump out. You need a paradigm shift. You need something to be introduced into the moment to say there wasn't urgency the second before, why one more degree, where does the urgency come from? It's a problem in creating that paradigm shift to know when it is that the urgency is there, so I would suggest that perhaps the urgency has been here all along and that we've been slowly boiling in the water and we didn't know it. So I don't know about \$500 million, and I don't have the answers to all the questions about this, and I'm still listening and trying to understand, but I suggest that the urgency is there. I'd like to ask John Cavanaugh some questions. Would Senator Cavanaugh--

FOLEY: Senator John Cavanaugh, would you yield, please?

J. CAVANAUGH: Yes.

DeBOER: Senator Cavanaugh, you were talking about the Upper Platte area, which I believe is sort of like the Denver area, and then the Lower Platte area. Is that right, or am I getting them reversed?

J. CAVANAUGH: The Upper Platte is the area they-- basically to the west of the Washington County line--

DeBOER: OK.

J. CAVANAUGH: --in Colorado, Washington County, Colorado.

DeBOER: And then the Lower Platte is everything closer to Nebraska.

J. CAVANAUGH: Right, between the Washington County line and-- and the state of Nebraska line.

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DeBOER: And under the compact, as I was reading it, what it said is that our rights will be junior to the rights on the western side of that line. Is that correct?

J. CAVANAUGH: All current and future uses in the Upper Section, which is to the West, yes.

DeBOER: But our rights under this compact are senior to any rights on the eastern side of that line that have not already been claimed by 1921. Is that right?

J. CAVANAUGH: Any subsequent appropriations with the exclusion of the 35,000--

DeBOER: That's right.

J. CAVANAUGH: --acre-feet of storage.

DeBOER: That's-- that's correct, sorry, yes, with-- with the exception of the-- the 35,000. OK, so my question would be, if we do this, Colorado, in order to--

FOLEY: One minute.

DeBOER: --to starve us out of water, would have to starve out every subsequent claim to water on the eastern side of that line. Isn't that correct?

J. CAVANAUGH: If Colorado was going to run the river dry at that section, they would in effect be affecting those subsequent rights as well. Yes, you're correct about that.

DeBOER: So they would probably want to continue to support that area because that's an agricultural area in their state. Correct?

J. CAVANAUGH: Well, I guess I don't know what Colorado's internal pol--

DeBOER: True--

J. CAVANAUGH: --water policy is, but--

DeBOER: True, yes.

J. CAVANAUGH: --that would be an effect.

DeBOER: But that is an agricultural area, right?

J. CAVANAUGH: I think so, yes.

DeBOER: All right. Well, thank you. That's-- that's helpful. Senator Hilgers, will you yield to a question?

FOLEY: Speaker Hil-- you've got ten seconds, Senator.

DeBOER: Oh.

HILGERS: Yes.

DeBOER: I only have ten seconds. I was going to ask you about who will own and maintain the canal.

HILGERS: How many seconds do I have?

FOLEY: One. [LAUGHTER]

DeBOER: Thanks, Speaker--

HILGERS: Speaker Hilgers, you're next in line.

HILGERS: Thank-- well, you could have said that, Mr. President, I didn't know. I'm sorry. I think Nebraska would own and maintain that canal. Which agency, I would assume it would be DNR, but I can clarify that for you. And I think Senator DeBoer's question was really-- the line of questioning and discussion with Senator John Cavanaugh, I think, is exactly right on this question of senior and junior appropriation. Senator Cavanaugh is absolutely right. John Cavanaugh is absolutely right that there are-- there are senior rights to Nebraska's under the compact. But Senator DeBoer's question was basically, as I took it, was Nebraska-- there are junior rights to Nebraska's rights under the compact if we do the canal, and the way that Colorado could starve out Nebraska, to use the word in the questioning, is to starve out parts of its own state, which I think is exactly right. They wouldn't cut off their nose to spite their face. Yes, there are some senior users. There are some senior rights to Nebraska if we build the canal, but there's significant junior rights that would enable us to ensure that we've got a call on the river that's significant. So I think that was just-- that was a really important point. I'm glad Senator DeBoer raised it, and I appreciate Senator John Cavanaugh working through the compact to talk about the senior and junior rights, because I think it's very important. As we go back to some of the testimony that we had, it's not just western Nebraska. I've said this a few different times, and I think it's important to-- to emphasize. Even though the South

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Platte is in western-- when it comes into Nebraska, it's the far western part of the state, obviously. And we think of Lincoln and Omaha being far away. One influences the other, and you don't have to take my word for it because we have the city of Lincoln who came in and testified in support of this particular piece of legislation. We had Elizabeth Elliott from the-- who is the director of the Lincoln transportation/utilities. And what she said is said, look I-- and by the way, we've worked with the city of Lincoln on LB1023, the STAR WARS bill. They're-- they are hyper-focused on the protection of Lincoln's water supply, as they should, and they do really an outstanding job thinking about it and ensuring that, from a database perspective-- data-based perspective, that they are making sound decisions, wise decisions for the city of Lincoln. And so that's what they did here. They said, look, we've looked at the data. She said, after reviewing the data, we believe the canal will assist in keeping water flow at its current level and offer protection for the state in times of drought. The South Platte River provides approximately 7 percent of the city of Lincoln's water during droughts like the one in 2012. If dry, this river would impact Lincoln's water. So the city of Lincoln came in and said, look, well, we looked at the numbers, is it 100 percent of our water that comes from the Lower-- or from the South Platte? No. Is it a meaningful amount? Well, yeah. And if you lived in Lincoln during the drought, 7 percent is significant, 7 percent is quite a bit. So this is a statewide-- it's a statewide issue, it's a statewide-- has a statewide impact. And the last testifier that I'll-- I will read from, from the hearing, and there were a number of them, and-- as Senator Bostelman pointed out, was from-- Mr. Winkler from the Papio-Missouri River Natural Resources District. And he said basically the same thing. He said: Look, it is imperative that we protect and enhance the resiliency of our water supply in the Lower Platte River corridor, where nearly 70 percent of the state's population resides. This effort to protect our water supply would be beneficial to the city of Omaha, the city of Lincoln, who relies partially or completely on the Platte River Basin for its water supply. So you have experts around the state saying, look, we-- we look at this, we care about this, we study it all the time, this matters. And they say, if we don't do anything, we have no right to this, none, no right to this water, no legal right to this water in the non-irrigated season. If we do build the canal and reservoir, we actually have significant rights to that water. So you have the experts saying--

FOLEY: One minute.

HILGERS: --there's urgent-- thank you, Mr. President. You have experts saying there's urgency. You have the experts saying this matters. All they're-- all we have to do to be able to enforce our rights, that our predecessors have given us 100 years ago, is to build the canal and reservoir system. That's it. We don't need to renegotiate with Colorado. We don't need to get them at the table and try to convince a dysfunctional Congress from actually approving something additional to what we already have. All we have to do is go down this road with LB1015 and the appropriations that will be in the mainline budget. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Senator Friesen.

FRIESEN: Thank you, Mr. President. So in my-- I've probably been involved in water issues for over 30 years. When you look at the-- how Colorado water law differs from Nebraska, and we were-- I think previously Senator DeBoer was talking about drying up sections of Colorado agricultural land. One of those areas, they're able to sell their water rights and keep their land so their-- their water rights are transferable and salable. And so the value of water in Colorado is determined by how much a city or municipality would bid for water, and there you're allowed to separate your water from your land. So the farmers, the irrigated ground in Colorado on the-- on the ranges closest to the cities there has all been sold and they really don't have irrigated crop ground anymore because the value was a higher value going to the urban areas for domestic uses. In Nebraska, we can't separate the water from the land. It is a "share and share alike" principle. So we operate under two whole different systems. We don't have junior and senior water rights when it comes to groundwater law, but we do with our surface water. So when you're talking about a right that is established in 1923 or '22, wherever that compact was signed, those are senior water rights and should be able to be exercised at any time to a junior water right. So I-- the-- the-- the thing I see here is that we don't know in the future what water is going to be worth to us. When you-- so when you look at the numbers of what they possibly could deliver to us, I think I saw the number of 300,000 acre-feet of water. I mean, everybody's talking about cubic feet per second. I understand water in acre-feet. So an acre-foot of water is one acre of ground a foot deep. In Nebraska here, I think our average-- well, in the Upper Big Blue, where we irrigate, we use about six inches of water to irrigate a crop in a normal year. So if you take that 300,000 acre-feet, that means you take 300,000 acres, one foot deep, and if you do that with half of that, you can now irrigate 600,000 acres of ground with the flows that we would get from Colorado. So that's to put it in a perspective

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of ag. And in Nebraska, most of our irrigation is with groundwater, which is at times commingled with surface water, most times not. The big issue with me here is when we have the Platte River Compact, with the Endangered Species Act, with Wyoming, Colorado, Nebraska, we are required-- and I think Senator Hughes covered this a little bit, too. We are required at times to release water from Lake McConaughy, and Lake McConaughy, we generate electricity. We irrigate from that. We have a system of canals there to do that with. To me, when I looked at this issue here, I-- I looked at that as this could replace some of those flows from the Endangered Species Act. So instead of having to release it from a reservoir like Harlan County, where it holds a higher value, this could be put into the Platte River to substitute for some of those releases when we don't want to dump water out of McConaughy. And so I think it's-- it's kind of a two-purpose thing here. It's--- it does let us manage our river flows for the Endangered Species Act, which we're required to do.

FOLEY: One minute.

FRIESEN: And it doesn't jeopardize the whole surface water, irrigated canal system that has been built off of the Harlan County Reservoir, because when that reservoir runs low, they shut off irrigation and those farmers don't get water at all or they're severely restricted in how much they get. So I see a value here. I think it does need to be looked at and I think by appropriating enough money and effort towards this project, it tells Colorado that we are serious about this and that maybe they need to hold up on some of their development until we decide what is exactly going to happen with this flow of water. So I'll be talking more on it later. And so I think it's a really important issue that we really can't quantify a value on today, but tomorrow might be worth a lot more than it is today. Thank you, Mr. President.

FOLEY: Thank you, Senator Friesen. Senator Briese.

BRIESE: Thank you, Mr. President. Good afternoon, colleagues. When I first heard about this canal coming out of Colorado into Nebraska, color me skeptical, I was skeptical of the project, a \$500 million project that the Fiscal Office tells us might cost a little more than that even. But then I started doing the math on this and, kind of like Senator Friesen just said, he sees value here, and at this point so do I. And I was wondering if Speaker Hilgers could answer a couple brief questions.

FOLEY: Speaker Hilgers, would you yield, please?

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HILGERS: I would.

BRIESE: Thank you, Senator Hilgers. So we're talking about the water during the non-irrigation season, correct?

HILGERS: That's right.

BRIESE: And that's five-and-a-half months' worth, correct?

HILGERS: Yeah, the October 15 to April 1.

BRIESE: Yes. And then pursuant to the compact, we're guaranteed 500 cubic feet per second during that time frame. Correct?

HILGERS: Correct.

BRIESE: And is it our intent or would it be our-- our intent to try to capture that entire 500 cubic feet per second?

HILGERS: Well, I would think so. Certainly that would be-- if I'm sitting as director of DNR, that would be my intent, but I would assume so, yes.

BRIESE: And presumably they would have to curtail some of the junior users in Colorado [INAUDIBLE]

HILGERS: If needed, to be able to meet the call, yeah.

BRIESE: Yes. And do we have an estimate as to how much would be available of that 500? Will we be able to access 500 cubic feet per second during that time frame? Do we know that?

HILGERS: It-- my conversations are the answer is-- to that is yes. And it fluctuates, as you know, Senator Briese. I think it can be low as 300 in the non-irrigated season or-- for the junior users or even-- or more than that. I think the general answer is yes though.

BRIESE: OK, fairly safe to assume that we could access 500 cubic feet per second during that time frame.

HILGERS: I think so, yes.

BRIESE: OK, thank you, Senator Hilgers. I appreciate that. Well, I started doing some calculating on that. You know, what-- what is 500 cubic feet per second? Five hundred cubic feet per second, if my math is right, during a five-and-a-half-month period, is 165,000 acre-feet. And so what's an acre-foot of water worth in Colorado? As

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Senator Friesen pointed out, you can buy and sell water out there, unlike what we do here, but you can buy and sell water out there. And you look online, and I looked at, I think it was, the watereducationcolorado.org, and they suggested Front Range developments are paying up to \$58,000 per acre-foot. Do the math on that: 165,000 acre-feet that we could access here, at \$58,000 an acre-foot, that's \$9.5 billion worth of water a year. And so you can run those numbers any way you want. Maybe \$58,000 is optimistic. Maybe 500-- 500 cubic feet per second might be optimistic. Don't know that for sure, but we're talking about water that's worth a whole lot of money out in Colorado, and that really puts us in a very enviable position at any future bargaining table if we chose to do that, if we chose to work a deal with Colorado. But at this point, I think, based on what I've seen, what I've heard, and after running the numbers and looking at the value of that, I-- I'm all in on this project and I would urge your support of LB1015 also. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Senator Blood.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I've been following this story from the very first time it was announced, and I have a long list of questions for Senator Hilgers because at this time I'm not sure I support LB1015. I'm not going to ask him to yield because I want to make sure I get my questions on record, and I'm hoping that Senator Hilgers can then come back and maybe answer some of these. So I do agree that our future prosperity is about how we manage our water in Nebraska. And I did miss the very beginning of Senator-- Speaker Hilgers' introduction because I was with constituents, so perhaps this has already been answered. But I-- I do remember visiting Julesburg, Colorado, when we left a ditch there because we tried to do this project in the 1800s. I know we tried to do this project again in the '80s. It was always derailed. There was always cost issues. And for me, having that memory was a red flag. So I've been listening to both sides actually of the issue, both in Colorado and Nebraska, and the questions that I have for Senator-- Speaker Hilgers is, has Colorado ever violated the compact?

FOLEY: Speaker Hilgers, would you yield?

BLOOD: No, I don't want him to yield. I'm going down the list, I said.

FOLEY: I'm sorry.

BLOOD: That's all right. So the list of projects that everyone seems to be referring to, I looked it up through the legislative history in Colorado. That list is from 2016, and it was a legislative report that was sent to the legislature there in Colorado, unless there's a new one, and it outlines possible water projects. But there's currently no activity on that work list, on tho-- that proposed list. So the only thing I could find is that when Governor Ricketts announced his plans for the canal, then Colorado rushed to craft legislation for water storage. But prior to that, there was nothing happening. So I would ask if there's a list outside that 2016 list that is being used, because that's all I'm finding. And then, is the Governor going to assert eminent domain over Colorado? Because, as Senator Lathrop pointed out, that means we're going to go to court. And if we use eminent domain to build the canal or-- or we're going to talk about if we can take more water out of the South Platte, how are we going to pay for this costly court battle? Because that's-- we know that's what's going to happen. And then I'm hoping someone can walk me through the meeting that our Governor had with the Colorado governor and why we chose not to work together, because I'm not finding any documentation that said that they actually met face-to-face or had a Zoom call. I mean, I would be curious to know, because when you look at some of the quotes-- and I think NPR was one of the quotes-- if Nebraska wanted to work together and have a conversation, we could do something together and share our funds to build either the Perkins County Canal or some other storage facility so we could be assured that we would have some of the water for both states. That's the part that I'm stuck on, is that I-- I don't see a clear path of conversations with our neighbors. What I see us doing is fighting for something that's very important in Nebraska, and that I do not disagree with. But when did we start infringing on other states without conversations first? Have we been told absolutely, positively, no, we won't work with you, absolutely, positively, we're going to violate something that we've never violated before? So these are-- are questions that are puzzling me, and I'd like clear answers. I'd like to see this list if it's re-- if you're referring to the 2016 list, outside to them rushing to do the storage bills that were recent--

FOLEY: One minute.

BLOOD: --and done as a knee-jerk reaction to what we put forward, let me see that evidence, let me see those documents, because I'm not seeing anything right now and I would love to have answers to these questions so I can feel confident that this is a great bill that's not going to cause more issues for Nebraska. And again, we've had two

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other attempts at doing this before, and they both fell through. So thank you, Mr. President.

FOLEY: Thank you, Senator Blood. Senator Hughes.

HUGHES: Thank you, Mr. President. Good afternoon again, colleagues. Water law, we've had some conversations about that, and as a businessman, one thing that I have learned, if you're not an expert, hire one, doesn't matter if it's a healthcare professional or a lawyer or a mechanic. You know, I'm a professional farmer. I know how to raise crops. I can do that. But there's a lot of things I can't do, so I hire experts. And the experts, you find one you trust and that's who you go with, whether I'm working on estate planning or whatever it is. When it comes to water, I trust the guys behind the glass here. As Chairman of the Natural Resources Committee and six years on that committee-- well, eight years on that committee, we've had a lot of discussion about water. Former-Senator Groene and I, we locked horns on the N-CORPE project several times, so we've had a lot of discussion about water law. And the gentlemen behind the glass are the experts. They're not the ones studying about the law. They are the ones making the law, and that's very, very important. For us as citizen legislators, in order to make informed decisions, we need to have enough information to make that informed decision, because we are not experts. We've gotta find someone who we trust that they know what they're talking about. The Attorney General's Office, the Department of Natural Resources, those guys live, eat and drink water law, no pun intended there. What's the urgency? Senator Lathrop, what's the urgency? The urgency is the Front Range of Colorado is projected to double within the next 30 years. That's a lot more water that they're going to require in order to support that population. If we don't exercise our right on this water and it gets diverted to human consumption, there's no court in the land that's going to say, oh, Nebraska, you know, you're entitled to this for irrigation, when it's already being used for human consumption. That's not going to happen. That's the urgency. Colorado has \$10 billion worth of projects on the drawing boards. They've completed several and they've got several more under construction of where they're going to capture as much water as they can and pump it back uphill. I'm a lot more familiar with the Republican River Basin and the Republican River Compact that we've had fights over, and that-- those waters are calm, and thank God, because the people behind the glass have done their job. We've gotten through that, those problems. But what's water worth? Colorado had a reservoir in northeast Colorado called Bonny Dam. They took that dam out, drained the lake, in order to ensure that Kansas got what they needed in the Republican River Basin flow.

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That probably happened 15 years ago. Just this year, Colorado has committed to Kansas in the Republican River Basin to take out 25-- between 25,000 and 40,000 more irrigated acres in order to ensure Kansas gets the water that they're entitled to in the Republican River Compact. The South Platte Compact is the same thing. How do you put a value on water? I appreciate Senator Briese doing the math. Three hundred thousand acre-feet of water per year--

FOLEY: One minute.

HUGHES: --is a huge amount of water, and that's the minimum. If we have a canal and reservoir system in place that allows us to capture excess flows, spring runoff, those type of things, there's no way to calculate the value of that water 50 to 100 years from now. Five hundred million is a big number. There's no question about that. Is that going to be enough? Nobody knows. But if we don't step up and do this now, Colorado is going to make sure that that water does not get to Nebraska. And if they get it for human consumption, there's no way we will ever get it. So that's the urgency now. Thank you, Mr. President.

FOLEY: Thank you, Senator Hughes. Senator Wayne.

WAYNE: Thank you, Mr. President. So there's a lot of interesting things going on about this as we talk about the importance of water and how this is important to all of Nebraska. And we don't have a real plan, we don't have a real study, but we're asking for \$500 million. But although we have a real plan and we have 24 studies for north Omaha, \$400 million ask for-- somehow that's so hard to-- to swallow. But-- but let's just throw \$500 million at a-- at a water project with no plan. Let me tell you the difference of what actually is going to happen when we pass this bill, and I'm not really going to spend a lot of time on it. But if you read Section 2 of the bill, we pass this as a body, whether there is money or not, we are committing this state to building this canal. Doesn't matter what the Appropriations bill say. This bill says it shall be done, so we are committing it today, over the next three rounds, to building this canal, which I find very, very interesting without having any more studies. So let me give you one example from a legal perspective, and I'm not giving legal advice, but there's a thing called a declaratory judgment. If you're watching at home, Google it; if you are at your computer, Google it. It is a way for parties, especially in federal court-- it happens all the time-- to go into court and ask for declaratory relief so they know exactly what their rights are under a current contract. So you don't have to go through the expense of

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going to a lawsuit and going-- you still file a lawsuit, but you don't have to go through the expense of litigating all the issues. It gives the opportunity for the parties to get a advance ruling on a subject. Why I think that's important here is because we won't be the only party with Colorado. U.S. Fish and Wildlife will be a party, too, because there is at least eight different endangered species that are in the South Platte. I just Googled them. It's pretty easy. Piper plover is a bird. The whooping crane, which we have a lot of attraction, is affected by the South Platte, the pallid sturgeon, the American burying beetle, the monarch butterfly, the blowout penstemon bird-- or plant, and western prairie fringed orchid, I think. I can't read my own handwriting. My point is there's also endangered species, so they will be an enjoining party, and we can actually figure out what our legal rights are before we actually build a canal. The reason why that's important is because even if we build a canal and start storage, we still have to get approval from the same agency that'll be a party because of all the endangered species around the South Platte. That's federal law. Federal law supersedes state law, if anybody wants to know why they will be part of the party. And Speaker Hilgers and anybody outside the glass knows this, that they will be a part of it. That's-- we can have a contract all day with Colorado. But when it comes to water rights and endangered species, the federal government supersedes us, so they will be a part of the party. So my point is, is there's a way that we can do this without spending \$500 million. And actually, there's a significant problem with the legislation in and of itself. I believe it's special legislation. When you have a closed class in which you are actually passing a statute that says you have to do this particular project, it is definition 101 of special legislation. See, we already gave the state authority to do this project in 1923 when we signed the compact. All we have to do is appropriate the money. But the fact that we haven't done it doesn't mean our rights go away, and what Senator Hughes is arguing is an equity argument where the court says, uh, I don't know if I want to do farming versus people. Well, that's already happened for 100 years, so the equity argument's there. It isn't going to go away tomorrow because--

FOLEY: One minute.

WAYNE: --we decide not to do something. My point is, this is special legislation 101. We've already gave the state the authority to do it. We just got to appropriate it, and that's done through the Appropriations. That's-- that's simple, plain language of the law, and we should probably ask the Attorney General to give us Opinion on this and see how it comes back, how it's not special legislation,

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because it clearly is. It's one project. You can't get a clearer definition of a closed class. The second reason is, declaratory judgment is the most cost-effective way to do this, to determine our rights, figure out where we're at, get Fish and Wildlife in to figure out, if we do this, how it affects everybody, and then we can have an actual plan from there. Thank you, Mr. President.

FOLEY: Thank you, Senator Wayne. Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Mr. President. Thank you, Senator Wayne, for those comments. It kind of goes to one of the points I was going to make about, even if we do build the project and we do assert our right to the water, how does that water get used? And part of it, what the compact requires, that the water be used for irrigation, and we can have a lot of, I guess, conversations about what that means, exactly. But again, as Senator Wayne pointed out, there'd be litigation involved, probably, to make those determinations. But one of the things that would be certain is that if we divert 500 cubic feet per second, or I think, as the math turned out to be, about 300 acre-feet of water a year. out of the South Platte River, through a canal, into reservoirs, even if you retime them and redistribute them into the-- the South Platte itself, which is, I think, questionable under the letter of the compact, you are still taking water out of the river in that in-between period. So wherever it is it comes out to wherever it goes back in is going to have 500 cubic feet per second lower stream flow than it had without the compact and without our-- our actions. And so that is a consideration as it pertains to habitat and wildlife and the river flow. So that's an important point as it pertains to with the compact, how the water gets used when it gets here, whether we are planning to use it appropriately, because I've heard a number of arguments as to what we intend to use the water for. But one of the things I wanted to read to you, so I've had some conversations, as Senator DeBoer, I think correctly, was raising the question is, what is Colorado's willingness here to turn the tap off on people who have the junior water rights to the canal in that section? And as Senator Friesen, I think, correctly pointed out, the water rights in Colorado can be movable, which means that some of these water rights, maybe all of them-- we don't know. I guess I have a list of water rights over here, but I can't tell you how they're being used. But a number of these junior water rights might already be converted to municipal use and not agricultural use. And there have been a lot of people who have stood up and said Colorado is willing to do whatever it takes to feed their need for water going forward. And so what I'm saying is, what I'm asking everybody to do, is to go into this appropriation, this allocation of funds, this

project with eyes wide open about whether or not we are actually going to be able to get this water. And so one of the arguments that's been made, and this was something I've learned in the process of studying this issue, is about return flows. And I think Senator Hughes talked about this a little bit, but basically what it is, is the phenomenon of where you pull water out of a-- of a river, you apply it to the ground in irrigation, and then it seeps into the groundwater and then returns back into the river, and a large portion of the water in the Platte River is as a result of that return flow phenomenon. And so the argument would be Colorado can and would appropriate as much water as they want in the Upper Section of the Platte, being that part west of the Washington County line, and apply it to the land and-- and return it to the river. And so there's this article called the Senate Journal, South Platte River Compact, dated April 27, 1923, written by Delph Carter [SIC], the "Silver Fox of the Rockies," who was the commissioner for Colorado, and he wrote this to the Senate of Colorado as to the explanation of why Colorado should enter into this agreement. And one of the arguments is on Page 111, where he says: The flows of the river at the interstate line was intermittent until the year 1919 [SIC]. Since hitherto, it has been perennial with increasing quantity passing over the interstate line, notwithstanding extensions of new development along the lower reaches or [SIC] the streams of Colorado. This flow is permanent.

FOLEY: One minute.

J. CAVANAUGH: It will improve with time. One minute? Thank you. Each new structure in Colorado will tend to further equalize the flow of the new streams at the interstate line. The extensive development between Greeley and Julesburg, completed since 1990-- 1909, has resulted in greater benefit to the flows in Nebraska. Basically, there's more I could read, but ultimately, if the argument is that Colorado-- the development in Colorado is-- is going to take more water out-- well, I need more time to explain this, but that at the time they signed this compact, everyone thought that the-- the flow in the river was good and going to get better, that we were on a-- on an upward swing, and they contemplated that Colorado would have free and unfettered use of the Upper Section and-- and it does not limit it to the style or type of use. And so if we're going in to assume that we're going to be able to impose upon Colorado the type of use that they had at the time, that that is probably a mistake because Colorado's-- even their predictions about the future--

FOLEY: That's time, Senator.

J. CAVANAUGH: Thank you, Mr. President. I'll press my light again.

FOLEY: Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Mr. President. I have a few things to say, but if Senator John Cavanaugh wants some time, I'll yield him some in a minute. There have been comments about-- which I've-- I've found kind of funny. So there's been comments about how Colorado is increasing their usage because their population is increasing. So I thought, wow, I wonder why that is. So I went on the Human Rights Council website and looked up different rankings. So Colorado is one of a few states that is ranked as working towards innovative equality, and Nebraska is at the other end of high priority to achieve basic equality. Why would people be leaving Nebraska and going to Colorado and increasing their population so their water usage is higher so we have less water coming into Nebraska for our agricultural needs? Maybe it's all the horrible policies that we keep passing to make people want to leave our state and move to Colorado. They have great investment in early childcare. They have-- they have a lot of equity legislation. They're innovative towards equity.

WISHART: Marijuana freedom.

M. CAVANAUGH: Marijuana, marijuana--

WISHART: Freedom.

M. CAVANAUGH: --freedom, marijuana freedom, marijuana, marijuana freedom, so-- and then I look at these bills that we just can't seem to get here in Nebraska: sentencing reform, income tax cuts for low and middle class, SNAP for drug felons, rental assistance, and postpartum care for Medi-- for women on Medicaid for up to a year. All of those things together cost \$41 million over two years, and we won't do them. And because we won't do them, people are leaving our state. And because they're leaving our state, they're going to places like Colorado. And then they have-- are using more water and we're getting less water and we're hurting ourselves, and it's a circular thing. Mr. Lieutenant Governor, I will yield the remainder of my time to Senator John Cavanaugh.

FLOOD: Thank you, Senator Machaela Cavanaugh. Senator John Cavanaugh, 2:30.

J. CAVANAUGH: Oh, thank you, Senator Machaela Cavanaugh, and thank you, Mr. President. So what I was trying to say is in this journal entry from Colorado at the time they were adopting the agreement, it

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was from their commissioner who negotiated the agreement with Nebraska and was making the argument why this is a good deal for Colorado. And one of our arguments here as to why there will be water for us is because of the nature of the use of water at the time was such that it would have these recharging return flows that-- from their use, and yet we're hearing the conversation here where everybody's saying Colorado is going to get into this consumptive use where they-- they need to use up all the water in the municipal use, so just wanted to make sure and point out the fact that contemporaneous understanding is not going to necessarily be relevant and it is not in-- this is not in the document itself. This is in an ancillary document. So this is not in the agreement. It would have to be brought in through litigation. But I-- I would just point out, additionally, where Mr. Carter [SIC] says: Nebraska is without injury to present to [SIC] future users in Colorado, and will permit practically unlimited expansion and development in Colorado. So what they're saying here is (1) that they expected that the-- the expanded use in Colorado would be a benefit to the flow, which we-- I-- we now know is not true.

FOLEY: One minute.

J. CAVANAUGH: We know that they expected the flows to-- to continue to increase, which we know is not true as a result of climate change issues, as a result of population expansion issues, as a result of a number of issues. But the fact that the compact contemplates and says specifically that Colorado has an absolute right to the Upper Section to all current and future uses, does not specify, does not con-- it does not say what is-- what type of use are those future uses. It also specifically says that Nebraska specifically waives any claims and agrees that same shall never be made or asserted as to against present or future appropriations of the use in the said Colorado River during that said period, so that additionally basically saying that Nebraska can make no claim against that water in that Upper Section and cannot make an argument that Colorado's use of that is outside of the bounds--

FOLEY: That's time, Senator.

J. CAVANAUGH: Thank you, Mr. President.

FOLEY: Thank you, Senator John Cavanaugh. Senator Murman.

MURMAN: Thank you, Mr. Lieutenant Governor. I strong-- I stand in strong support of LB1015, and I thank Speaker Hilgers for bringing it

and Senator Hughes for making it a priority. Water is the lifeblood of Nebraska. Colorado's got the Rocky Mountains for tourism. Wyo-- Wyoming's got coal. South Dakota has got tourism. Nebraska's got that big artery of the Platte River that flows from the length-- the length of the straight-- the state from west to east. If that artery is cut, our state dies. Fortunately, there are two branches of that artery and Nebraska-- or Colorado has every intention of cutting one of those arteries. And since there's two, the quality of life of Nebraska would go way down. A large part of the district I represent, District 38, is in the Republican Valley, and we understand way too strongly the importance of conserving water and the importance of water to this lifeblood of the state. There's a reason that a large part of the development in the state follows the Platte River. That's where the water is. If-- if the water was flowing more in the Republican Valley, that's where more of the development would be. A lim-- a limiting factor of the Front Range in Colorado is access to water. We need to protect the water that we're entitled to in the Platte Valley here in Nebraska, and we need to protect it while it's there or that water will be a limiting factor to development in the Platte Valley, and that's not just true in the western part of the state, but it will be true all through the middle part of the state. And-- and that water is not just important for irrigation and agriculture, but it's also important for residential, industrial use, power production, and it's important all-- all the way down to Lincoln, as-- as been mentioned on the mike already about the importance of-- we had testifiers in the committee from Lincoln that testified the importance of that water flowing down the Platte River all the way to Lincoln. We need to look at the foresight that our forefathers had in building Kingsley Dam and making Lake McConaughy for that irrigation development, residential, industrial development in the Platte Valley and all the development through the-- the middle part of the state, and also the foresight that they had, our fa-- our forefathers had, of building Harlan County Dam also on the Republican River, and do this right now while the water is still there. And it's only going to get-- water is only going to get more valuable in the future and we need to protect it while it's there. I'll yield the rest of my time back to the Chair.

FOLEY: Thank you, Senator Murman. Senator Flood.

FLOOD: Thank you, Mr. President and members. Again, I rise in support of LB1015. And I think one of the things we have to remember is that water is commerce. When the railroads were built, the railroads followed the rivers, the Elkhorn River, the Platte River, the Missouri River, just like our interstates follow the rivers. Look at

how the interstate winds through the state of Nebraska. It dips down in the Platte Valley and then shuttles itself towards Lincoln. If you're in Omaha or if you're in Lincoln or if you're in eastern Nebraska and you look at what we're talking about here, imagine if we brought I-80 down to one lane at Ogallala. What would happen? Well, North Platte would get a lot of business because the cars would be pulling off there after going 50 miles or whatever, however many miles it is, in one-lane traffic. And then let's say a little bit outside of North Platte, we let a car go every 20 seconds and they get to Kearney and maybe it's a two-minute wait. That package that you're waiting for from Federal Express doesn't get to Lincoln very fast. It doesn't get to Omaha very fast. We're all connected. Water is commerce. Roads are commerce. Railroads are commerce. If that water coming into Nebraska, and imagine the driest month ever, if that water doesn't come into Nebraska, the rest of us pay the price. It's the equivalent of going down to one lane and trickling traffic across the rest of the state. And if you're worried about state aid to schools, if you're worried about skyrocketing income taxes, think about what happens when Lincoln County dries up, Kearney County dries up, Phelps County dries up. Who's going to replace that revenue? And I-- I can tell you, my experience prior in the Legislature as it relates to the River-- Republican River Basin, you know what those farmers did down there? They self-elected to tax themselves occupation taxes for the ability to irrigate so that we could meet our obligations to the state of Kansas. Had they not done that, the other option was to dry up that ground along the Republican River Basin, which meant going out of business, defaulting on loans, drying up rural communities, shutting down schools, shutting down hospitals, shutting down commerce. Water is commerce. If this goes away, if the water goes away, rural Nebraska withers, and in 20 years we're going to have to ask ourselves-- and hopefully this gets built. In fact, it-- construction can be underway in 2025 or before. If this gets built with this bill, we won't be asking ourselves, where did the water go? Somebody in the Platte Valley won't be asking their dad, why-- why is Denver drinking our water? Think about it from an interstate perspective. You're on I-80 eastbound through the state of Wyoming. You know it's down to one-lane traffic at Ogallala. What do you do? You drop down on I-25. You go to Denver. That's exactly where the water is going to go. You can meet the water in Denver because it will get bypassed from the Platte River into Denver, and then you can easily take I-70 across the state of Kansas because that's how commerce will run. This is that serious, I think, and I applaud the Department of Natural Resources, Governor Ricketts, the Natural Resources Committee of the Legislature. All of this can be done while

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balancing our commitments to protect the natural environment that Nebraskans currently enjoy. If Nebraska fails to act now and assert its rights--

FOLEY: One minute.

FLOOD: --on the South Platte River, less water-- if we don't assert our rights, less water will cross the state line in the future. This is a modest investment for an unbelievable gain. And the other thing we have to say, and I appreciate what Senator Wayne said, but this isn't about a declaratory judgment. This is about electing our rights under Section [SIC] VI of the compact, of the-- we're going up to a vending machine. We don't have to ask permission to pull the lever to get what we want. We're just saying, we elect under Section [SIC] VI to build the canal, to deliver us water, and that is the issue. Thank you, Mr. President.

FOLEY: Thank you, Senator Flood. We'll pause the a debate for a moment. Items for the record?

ASSISTANT CLERK: Thank you, Mr. President. Your Committee on Education, chaired by Senator Walz, reports LB912, LB1158 to General File, both having committee amendments. Additionally, your committee on General Affairs, chaired by Senator Briese, reports LB876 to General File with committee amendments. Your Committee on Banking, Commerce and Insurance, chaired by Senator Williams, reports LB943 to General File. Amendments to be printed: Senator Albrecht to LB1011. And Senator Lathrop introduces LB896A, a bill for an act relating to appropriations; appropriates funds to aid in carrying out provisions of LB896. That will be placed on General File. Additionally, Mr. President. Senator Lathrop, amendments to be printed to LB1013; and Senator Albrecht, additional amendments to be printed to LB1011, as well as Senator Briese, amendments to be printed to LB876. That's all I have at this time, Mr. President.

FOLEY: Thank you, Mr. Clerk. Continuing discussion, Senator Vargas.

VARGAS: Thank you very much. Oy vey. OK, so it's a good debate. I wanted to weigh in on a couple things for a couple of reasons. One, you know, I've been listening to the debate and I wanted to make sure to react to a couple things, and also, look, our committee has been probably delving in-- into this since the beginning of the session. Obviously, Natural Resources has as well. But here's my take, and it's not-- not only coming from, you know, our time looking at the-- the why behind this but also the cost. I see-- I see an argument. I

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see the cogent argument. For those that are not lawyers that are watching this, I understand that there's a compact. I understand that there is a concern when you look at the water projects that the-- Colorado is working on, and I get it. The part that I have a very hard time understanding is whether or not the urgency that it has to be done and further binding our future senators and our Appropriations Committee to then spend money on something that we know is such a large amount of money that we have competing interests into the future. But please remember, I know we have money in our Cash Reserves, but like that's meant to be our savings account. It's meant to get us ahead of when something really terrible happens. We do forecasting. I don't want this to ever happen, but it's a matter of time when we have a downturn and the downturn hits us real quick. I mean, the first year we were here, we had to cut a billion dollars from our budget. It was the first things we did. The least popular thing that we can do is make sure we were being fiscally sound, cutting resources, but then doing it in a way that didn't harm Nebraskans. And now we're looking forward. And again, the-- what we're debating is not the full \$500 million, although I think Senator Wayne did say this pretty-- pretty correctly. If we pass it, we're saying we are going to end up doing it and binding the future Legislatures to that we've gotta move forward on the canal, it just is, that there's a "shall" in this language. It's not long. It's not just giving the authority; it's to do it. And look, I-- I'm speaking from somebody that when we were discussing this, I supported doing something for this. I don't mind studies and every time we have a major decision that's made in the Appropriations Committee, and Senator Stinner's talked about this many times, we want to know the rationale, we want to study it, we want feasibility, we want environmental impact, we want the fiscal impact, we want to make sure we can afford it in the long term. All those are super pragmatic pieces of rationale. And even when we had that, we said, you know what, yeah, we're going to move forward with about \$22 million. And then, even though it was something I didn't support, we went through and put an additional \$30 million that is going to provide us with some land option and some more flexibility. That was a fairly pragmatic rationale. But moving forward with the full essence of saying we're just going to move forward on the entire canal is something I have a hard time swallowing as a pill when I can see what data tells us in the future on what's going to happen in tough downturn years, with any tax reform that we take on, with what we will expect for more tax incentives to make sure that we're supporting business. Those are going to continue keeping on these next couple of years. These are all compounding on top of one

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another. It is the concern that I have regarding this. It's not whether or not I want to protect water rights or not. I-- I do. But in the article that I'm referencing here, that covered much of this, look, I'm going to read this verbatim because it's important. The 99-year-old South Platte River Compact between the states--

FOLEY: One minute.

VARGAS: --does outline plans for such a project, according to Anthony Schutz, associate law professor, University of Nebraska-Lincoln. But the project we started and abandoned decades ago, and the question of starting it up again might have to be decided in costly and lengthy court battle. Even if the canal is built, it's clear [SIC] how much extra water it would yield to Nebraska. We don't have any legal standing until even we have-- a canal is built. And even then, and this is already stated, the feds still have to give us some level of legal authority. There's going to that be-- there's going to be a court battle regarding that. This is something that's going to happen eight, nine years from now at the soonest. So sometimes I operate with urgency versus importance, and there are a lot of things that are important right now. The urgency part I'm still grappling with whether or not-- I don't feel that much-- as much urgency knowing we may not still have a legal standing, even if we did build the canal, and we're not going to-- none of us are going to be here, likely.

FOLEY: That's time, Senator.

VARGAS: Thank you.

FOLEY: Thank you, Senator Vargas. Senator Brandt.

BRANDT: Thank you, Mr. Lieutenant Governor. Thank you, Senator Hilgers and Senator Hughes, for bringing LB1015. I support this bill. The revi-- I reviewed the map with Senator Hughes and see a well-thought-out plan for water use by the state of Nebraska. We are a can-do state with a technical expertise in engineering, building and maintaining irrigation canals. This canal will allow Nebraska to fully capture up to 500 cubic feet per second in the off season and store it to be used when needed. As a farmer who irrigates, water is the difference in my business between success and catastrophe. If this Legislature has the means to make this happen, then I wholeheartedly support the effort. It brings value to the state. Vote green on LB1015, and I yield the rest of my time to Senator Stinner.

FOLEY: Thank you, Senator Brandt. Senator Stinner, four minutes.

STINNER: Thank you, Senator Brandt. I just thought that I would try to interrupt the proceedings here, talk a little bit about the appropriations process. If you recall, the original request was \$100 million of ARPA funds and \$400 million out of the Cash Reserve. That was the original request by the Governor on the Perkins County Canal. Obviously, if you saw the preliminary, we did not include that in the preliminary. We had way too many questions relative to the canal, the cost of the canal, and those dollars because they are significant dollars. But what the committee then finally-- and I introduced to the committee a \$2 million, a process, a process similar to what we did with STAR WARS, a process that says, do-- do a feasibility study, find out if it's-- if this canal idea is even viable, and get the right people around the table. And let's --let's do a study relative to the merits of this process. Actually, I was overruled by the committee. Senator Erdman, I looked to him because this is in his district. He said, I think this ought to be more significant than that; \$20 million would be the number. Senator Vargas came up with \$22.5 (million) which is actually the first part, phase one of this canal project and we all agreed to that, and that's what we initially put into the budget. I got a letter from Governor Ricketts asking, and I think he inquired to the-- to the rest of the committee, that we really needed the extra \$32 million to start buying land. So here's what we put together. We put together a package of \$53,500,000 transferred out of the Cash Reserve plan to the Department of Natural Resources. The Legis--and-- and the language that we're going to try to use, or hopefully harmonize with Appropriations with this bill, is: The Legislature finds that it is in the best interest of the state of Nebraska to authorize the Department of Natural Resources to begin designing, engineering, acquiring permits, and entering into options to purchase land related to the building a canal under the authority of the state of Nebraska consistent with the South Platte River Compact, and to contract with an independent firm for the purpose of completing a study of such a canal. There is a process, folks. It's a pragmatic process. Let's gather the information. Let's find out if this is feasible, viable. Let's look at all the options that we have as it relates to this. Five hundred million dollars is a lot of money, folks. A million dollars is a lot of money. You get my attention with that, but 500 of them, you really got my attention. So I think this is probably a step forward that makes the most sense, and I will try to get back on the mike and maybe talk about some of the issues that I have--

FOLEY: One minute.

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STINNER: --specifically with the \$53 (million). I did vote actually to-- for the options on the land. I will say I just was present, not voting, but the committee voted it in, so that's what you're going to see in the budget. And that's what I wanted to-- to say. I will try to get back on the mike and talk about a process and why we should follow a process that we always follow in the state-- in this state.

FOLEY: Thank you, Senator Stinner. Senator Lathrop.

LATHROP: Thank you, Mr. President. Colleagues, good afternoon once again. I listened to the debate since the last time I spoke, which has been a while ago, and, you know, the one thing that-- that occurs to me is this is a good time to ask some questions. So originally this was going to be \$500 million, is what the Governor, I think, asked for, but does that get it built, like how far do we get from Ovid, Colorado, to Perkins County for \$500 million?

_____ : A third.

LATHROP: A third-- a third of the way? [LAUGH] We get a third of the way. And let's say that we spend a billion-and-a-half dollars and get it all the way to Perkins County. Would that get it done? Senator Wishart is shrugging her shoulders. Here's the, here's the point that I'm going to make here. We're-- we picked a number, \$500 million. Let's, let's put \$500 million aside and build this, by God. OK, that gets us a third of the way from Ovid to Perkins County. Let's say that we put enough money to get it all the way from Ovid to Perkins County. What do we do with it then? Where is it going to be stored? Is it going to be absorbed by the, the dry land in Perkins County before it ever gets to a reservoir? Do we have to then build a reservoir, and what's that going to cost us? These are questions we ought to be asking now because we're about to commit \$50 million to this. And the question is, are we all in? Because if \$500 million gets us a third of the way from OVID-- or Ovid to Perkins County, we're going to need a billion and a half to get to Perkins, and we don't even have a dam there yet or anybody to run it or any governing. Like, OK, you want to do that, that's fine. If it means enough to you, let's find out if it does. So we still have some Revenue bills coming and we're going to need to start saving a lot of money for this. Do you want to pass on the tax cuts that are going to come up the rest of the session? Should we stick it into a capital account for this? Do we really mean it? So let's stop cutting taxes because we got to get the water out of the South Platte River from Ovid, Colorado to Perkins County because, as Senator Flood said, it's the lifeblood. Nobody's floating boats in this. Nobody's running

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barges up and down this canal. It's water going to Perkins County for irrigation. It's right there in the compact. And by the way, I'll make this point too. If-- this is a self-executing document. There's nothing in this compact that says, when you think you want to do it, then you need to-- you need to do a bunch of things and then you need to come back to Colorado to get our permission. We don't have to do that. Let's go eminent domain the first mile of this, then we'll know if we mean it. But Senator Wayne made a great point. This bill commits us. The language of this bill commits us to this. Are you curious about what it's going to cost? If we commit to this, are you curious about what, what it's going to cost? And, and if it's going to cost-- \$500 million gets us a third of the way there. That's hilarious. We're talking about a couple billion dollars if we build a reservoir for it. So are you in? Are you in, or are we just having a conversation today? Do we want to not cut taxes anymore and start saving our money--

FOLEY: One minute.

LATHROP: --because this is important and it's the lifeblood? I get that it's important, but we're not asking the questions legislators ought to be asking on something like this. It's-- we're trying to calculate whose idea is it, who wants it, and am I on their team? But this is a serious, this is a serious subject matter. This is a serious bill, and it says we will build it. Really? What do you want to give up to do that? By the way, Senator Brandt, none of this is coming to your neighborhood. Like, this is going into Perkins County, I don't know if you've ever driven across the Platte River and Grand Island on the interstate in the summertime, and you cross that thing, you could walk across it. It's dry.

FOLEY: That's time, Senator.

LATHROP: Thank you.

FOLEY: Thank you, Senator Lathrop. Senator Bostelman.

BOSTELMAN: Thank you. I want to get back to the bill real quick, in the sense that this is something-- what this does is gives the Department of Natural Resources the authority. That's what the bill-- that's we're asking for, is that authority. That's what the bill does. Funding issue, Senator Stinner, Chairman Stinner was talking about that, how that's gonna be handled. They're already talking about feasibility studies, that portion of information. We only go so far. We make sure that information is there before you move on from

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there. What we're talking about today in LB1015, we're talking about right now, is just giving that authority to DNR to begin looking at this project. And if it does become feasible, or whatever term you want to use, then they can go ahead and build that project. That's what we're talking about. If you live in North Platte, if you live in Grand Island, if you live in Columbus, if you live in Lincoln, if you live in Fremont, where does your water come from? It's coming out of the Platte. Crane Trust, somebody talked about environmental-- endangered species before. I think Senator Wayne did. Those species that are on the Platte River have to have that water. And if that water doesn't come from Colorado, where is it going to come from? It's gonna come out of groundwater. Sitting on the committee, I've heard NRDs are already talking about augmentation projects. What are those? Just pumping groundwater. Ogallala Aquifer, where's that water going to come from? We have a right to that water out of Colorado, and we need to make sure we protect that. So with that, I'll yield the rest of my time to Senator Flood.

ARCH: Senator Flood, you're recognized, 3:30.

FLOOD: Thank you, Mr. President. I'd like to ask Senator Lathrop a question.

FLOOD: Senator Lathrop, will you yield to a question?

LATHROP: Sure.

FLOOD: Senator Lathrop, tell me, what information do you need to make this decision?

LATHROP: I'd like to know, first of all, if we're-- actually have a right to the water that everybody keeps talking about, or whether it's been by, by the exception in the Article VI that allows for use by Colorado of everything below the Lower South Platte, whether we're, we're going to be able to take any water out of it, given the other prior rights that are reserved also in, in Article VI. Second of all, I'd like to know what the total cost is. And third, I'd like to know, once we get it to Perkins County, where are we going to store it? And--

FLOOD: There is no Perkins County. There is no Perkins County. There-- they call it the Perkins County Dam. But this, this water is coming into the state by, I think, Brule, Nebraska. Have-- we got to clarify that, but I think we have to try and get you answers to these

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questions so that we can put it on the record, which I think we have answers to all of those.

LATHROP: I think the compact talks about a, a line that's already been surveyed between Ovid and Perkins County.

FLOOD: Well, I have some materials here that they basically talk about the fact that this is-- they refer to it as the Perkins County Canal. I will get you the information, but I think, if I could summarize what you're looking for, you want to know the total cost in today's dollars of building the canal. That's number one. You want to know--

LATHROP: Number one.

FLOOD: --number two-- OK, so--

LATHROP: That's number one.

FLOOD: Number two, you want to know how-- what right do we have to the water in the state of Colorado?

LATHROP: Will we get what we think we're going to get?

FLOOD: Are you talking about the amount of water or do we have a right to--

LATHROP: The amount of water.

FLOOD: So you want to know the exact amount of water we have the right to, not that we have a right to the water?

LATHROP: It's clear that we have a right to some excess water from the South Platte that's not already taken before it gets to the south branch of--

FLOOD: OK, so you want--

LATHROP: --the South Platte.

FLOOD: One minute, Mr. President? OK. OK, so and then the third, we have to, we have to settle this question about the Perkins County--

ARCH: One minute.

FLOOD: --Canal. And I'm--

LATHROP: Yes.

FLOOD: --looking through my information here, because I have this somewhere. Oh, OK. While the project is called the Perkins County Canal Project, the canal and reservoirs would be designed and constructed to protect and preserve water in the Platte River Basin, so I think that's something we have to clear up just at the front end. And I will get you some information on that. And it's, it's a question that I think came up at the hearing that has been clarified by the committee. But I-- you know, I think if we want to be productive today, which I think Senator Lathrop wants to be productive, let's get these questions on the record and answered so that we have our eyes wide open about where this is going. And, you know, I appreciate the fact he's asking direct questions, and we need to get him direct answers so that when we vote on this, we're very clear about what we're doing. I support what we're doing. I think what we're doing is necessary. There is a cost, but the cost to not do this is literally--

ARCH: Time, Senator.

FLOOD: --I think clearly billions. Thank you.

ARCH: Thank you, Senator Flood and Lathrop. Senator DeBoer, you're recognized.

DeBOER: Thank you, Mr. President. I am looking at the compact here, and I think maybe the question about where it runs-- in the compact, it says, said canal may commence on the south bank of said river, the South Platte River, at a point southwesterly from the town of Ovid, Colorado, and may run thence easterly through Colorado along or near the line of survey of the formerly proposed Perkins County Canal. So somewhere somebody has got a survey that was done, I think it was in the 1890s, I heard, of siting this Perkins County Canal, sometimes called the South Divide Canal, it says in the compact. So I think that answers the question of where. I still have a number of questions about what happens once we build it, if we build it. So I wonder if Speaker Hilgers would yield to some questions.

ARCH: Speaker Hilgers, will you yield?

HILGERS: Of course.

DeBOER: Senator Hilgers, who will-- I tried to ask you this the last time on the mike. Who will operate and take care of and maintain this canal, let's say, on the Colorado side of the border?

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HILGERS: Thank you, Senator DeBoer. My understanding is the state of Nebraska will own it and will be operated and maintained through the Department of Natural Resources.

DeBOER: So ostensibly, if there's some trees that form a little jam or something in this, that we'll take our-- little trucks over and our people will go and clear the-- even if it's quite a few miles into Colorado, we'll clear the debris and get the canal running again?

HILGERS: That sounds like something that's fair to assume. Sure.

DeBOER: How much will it cost for us to maintain a canal of this size for that length?

HILGERS: So-- I'm sorry. So my understanding, the projections would pencil out about \$2 million plus or minus a year to maintain.

DeBOER: And how do we propose to pay for that?

HILGERS: I would assume, and again, we haven't completed the canal, that, that number might change, it might even go up, but I would assume that would be through General Fund appropriations.

DeBOER: So first we need to know how much it's going to cost to build the thing, if we're, if we're getting our questions that we want to have answered, how much it's going to cost to build it totally, then how much it's going to cost to build the reservoir and whatever kind of pumping or whatever we would need to get that so that it does go over to Senator Brandt's district. And then we would need to know how much it costs to maintain it, and then we would need to know where the money to maintain it would come from. I think those are some starting questions to determine whether or not this is something that we want to spend the money on. One of the things that people keep talking about is the "shall" language. I started to talk to you about this. There are a number of "shalls" in this legislation that make this required. So on page 2, Section 2, number (2), it's about line 14, is the "shall," I think, in question. "The Legislature declares that a canal and associated storage facilities, which shall be known as the Perkins County Canal Project, shall be developed, constructed, managed and operated under the authority of the State of Nebraska consistent with the South Platte River Compact and pursuant to the Perkins County Canal Project Act." So that "shall" right there, does that bind a future Legislature to do this?

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HILGERS: I-- well, certainly if it's in statute, then that statute says what it says until a future Legislature would, would modify if it so chose. And I disagree, not with your premise necessarily, but the premise that if this passes, then we are forever and always bound to have to build it.

ARCH: One minute.

DeBOER: And what is the reason you don't think we will be forever and always bound to do it?

HILGERS: Because I don't-- a future Legislature, one, could always change this. And this is a long-time horizon, so it's not as if the canal will be built tomorrow. Two, and I think critically, we're only appropriating, at least the Appropriations Committee has only said that they will commit to \$53 million, which only gets you part of the way down the road, to use the metaphor from Senator Lathrop. A future Legislature is going to have to come back and make a subsequent decision as to whether they're going to allocate additional dollars to build it.

DeBOER: All right, thank you. So I guess I would want to know whether or not we need to have that "shall" in terms of "shall be developed," whether we have some obligation to-- if we're obligating future legislatures to construct it, regardless of what the future cost might be, what would be necessary to get us started if that \$53 million dollars is in fact allocated this year--

ARCH: Time, Senator.

DeBOER: Thank you, Mr. President.

ARCH: Speaker Hilgers, you are recognized. This is your third opportunity and you'll have your close remaining.

HILGERS: Thank you, Mr. President. Good afternoon again, colleagues. I appreciate the dialogue, Senator DeBoer. I have not been in the queue since Senator Blood asked her questions. I did try to write them down as hopefully I got them conc-- comprehensively recorded. So I wanted to maybe-- I'll start with Senator Blood's questions. There are some other arguments or questions or-- and arguments made on the floor that I'd like to address on this time on the mike. So one of the questions Senator Blood asked was, do we have any evidence that Colorado has violated the compact? And I think the answer to that is clear, as far as I know, which is that, no, we, we have not. They have not vio-- violated the compact. They have given us the 120 cubic

feet per second that we're entitled to under the-- during the irrigated season. But the question is, what are we entitled to in the nonirrigated season? And if we don't do anything, they will never violate that portion of the contract, even if they take us down to zero. And what we're saying is we want to exercise our right. And by building the canal and reservoir system, then our-- the legal entitlement comes into play, we now have a higher floor, and they would be violating the compact if they went under the 500 cubic feet per second. So I think that's a critical-- I think that's the answer to that question. There is a subsequent list. I'm not sure of the list that Senator Blood was referring to. I do have an, an additional list, I'll try to give you that information, Senator Blood, of the projects that are planned, that are ready to go, and the ones that are ongoing in Colorado. And certainly the intention and signaling subsequent to 2016 have-- from Colorado has been they are going to spend a lot of money to, to draw from the South Platte River. And in addition, I can't speak to any conversations between the Governor-- between the governors of Nebraska and Colorado. All I'll say is this isn't a negotiation. We could go down a path of negotiation. We can try to achieve something from Colorado that would require approval of this body, the Colorado State Legislature, as well as Congress. But we don't have to do that because we already have what it is that we're seeking, which is a legal entitlement to a certain floor, 500 cubic feet per second, during the nonirrigated season, that we are entitled to so long as we build the canal. Senator Wayne had a couple of really good points. I want to address just a couple of them. One is he-- he said, look, and I'll probably use the same proviso that he provided, which is, I'm an attorney, he's an attorney. I'm not providing legal advice at all. And he said, one thing we could do is do declaratory judgment action. And that does allow you under certain circumstances to go to court and say, I don't want to wait for the other person to sue me, I want to get a declaration of my rights-- that's the declaratory piece-- before someone sues me, as to what a contract means. The problem is, even if you bring a declaratory judgment, or DJ action, it still has to be right. It still has to be a case in controversy before court. The court has to have jurisdiction. There has to be something real in dispute. The problem is today there's nothing in dispute. We don't have a canal. And if we don't have a canal, then the contract is clear: we get-- we have zero entitlement in the nonirrigated season. So in order to be able to litigate our right, we have to be able to ensure that we have the canal and reservoir system in the first, in the first instance. The next point, Senator DeBoer and I were dialoguing a little bit about, which has been raised by a number of individual senators, which is,

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hey, wait a second, we-- if we're in for a penny, we're in for a pound on this thing and we are, we're going all in, we have to do it. First of all, I think we should do it. So if that's ultimately the logic of what it is that we're doing today, I agree with it and I'm supportive. However, it doesn't mean that this Legislature-- and so far as the argument is, well, this Legislature is going to act and then there's no chance for a future Legislature to get off that track, regardless of future circumstances-- it could be a \$5 billion project, Colorado could come to the table and we can negotiate something that would be approved by Congress. That I don't think is right. And the reason is partly what I was speaking at-- speaking about with Senator DeBoer. One is a future Legislature can always change this particular statute. We do that all the time, even-- on sunsets, as an example. But secondly, I think more importantly, a future Legislature is going to have to sit down with the data, because the way we're proposing to do it now--

ARCH: One minute.

HILGERS: --thank you, Mr. President-- which is not fund the whole thing, a future Legislature will have to weigh in on with more information available to them than we have maybe at the moment to decide whether or not to appropriate. And at that point, a future Legislature could decide not to appropriate the money and not ultimately build the canal. So I don't, insofar as the, the force of that argument is meant to be, boy, we're making a decision once and forever and for always, I just don't think it follows from the fact that the Legis-- the bill says shall. Last, I know Senator Lathrop sort of suggested, hey, you know, how serious are we, or maybe the proponents of the bill, are you in on this or not? I'll be-- I'll tell you right now, if there was a bill right-- that would put at \$500 million, if there's an amendment on the mainline budget that they have \$500 million for the canal, I would vote for it. I think there's room in the budget and the Cash Reserve to do that, to do tax cuts, and do the other things that the body would like to do. I know I would have to tangle over Senator-- with Senator Stinner over that and I might lose, but--

ARCH: Time, Mr. Speaker.

HILGERS: Thank you, Mr. President.

ARCH: Senator Friesen, you are recognized.

FRIESEN: Thank you, Mr. President. So some of the questions that Senator Lathrop posed were, first of all, it is called the Perkins County Canal, but the water can't go to Perkins County because that would be in the Republican Basin, and that would be an interbasin transfer of groundwater-- or surface water and there's-- different rules that apply to that, and you can't do that. So the canal will be built to enter into the South Platte channel somewhere. And I've seen maps, but again, I think those are details that are going to be worked out down the road. The one thing that he did bring it up, and again, and I think Senator Hilgers touched on it really well, you can't bind future Legislatures. And so we've seen that here all the time. If at some point in time in the next year or two or three that we see that this isn't feasible, the Legislature, in my mind, would put a stop to it. The one thing I think people don't quite grasp, and I think that it is extremely important, and it is a question we need to ask is, so when you, when you go into Colorado and take a water appropriation, and if our water right is dated in 1923, whatever, I forget the year. But from that point in Colorado that they have designated your spot to take the water, you can only ask for appropriations that are upstream of that, that are junior to 1923. So an example of this is on the Platte system. I think if you want to be assured water at Grand Island or in that area, if you want to be assured water every year, you'd probably have to have a water right that dates back to the 1800s. And so not knowing what water rights are upstream of that point in Colorado with junior dates, I don't know that this is feasible either, because those are things I think they have researched. But what's clear is that from that point upstream, you can shut off any junior water right user until your stream flows are made whole, so they have to furnish that 500 cubic feet per second. But if you shut off all the junior users and there's only senior water rights up above you, if there's no water, there's no water. You cannot shut off a senior water right user. And so you are only entitled to shut off those junior water rights. And that is research that I think I'm-- I would hope has been done already. And I would assume, and I-- and this is part of, I think, the planning, is to know how many junior water rights users are upstream of where you want to withdraw that water and whether or not they could fulfill that water right that you're asking for. So those are important details I think that is part of the planning process. And I at least wouldn't be putting a shovel in the ground to dig a canal until I was assured that in most years you would get that water. But again, no one can ever guarantee you water because down the road, if there isn't water there, you can't squeeze water out of a river that doesn't have any. And we've all seen the Platte River at times with

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no water in it. It's a sand bottom with a little creek running through it that you can step across. That's the nature of the Platte River. And so as Colorado grows, and you've seen the cost of water in Colorado, when you're starting to pay \$50,000, \$60,000 per acre foot in Colorado, they actually lease water now. You can get a one-year lease for probably \$500 an acre foot.

ARCH: One minute.

FRIESEN: But as they grow, eventually, Colorado is either going to have to start shutting off development or find water. You cannot continue to grow at the rate they are, and if there is no water to be had with senior water rights or being able to purchase those senior water rights, your development is going to have to stop. And that's where Nebraska has been very fortunate in having such a good groundwater supply that we will continue to irrigate long after that and still have a lot of economic development left when maybe they have hit the end of their road. Thank you, Mr. President.

ARCH: Thank you, Senator. Senator Moser, you are recognized.

MOSER: Thank you, Mr. President. Well, having been through the hearing and listening to all the experts and the opponents, as well, a lot of those questions that are being asked on the floor were asked, and they are legitimate questions. I am kind of a Doubting Thomas many times myself, and the questions about the cost, I mean, these are estimates from a previous project that was studied sometime back. There still would have to be further engineered and, and determined to see if, you know, if exactly what costs those would be. But the size of the canal is not gargantuan by any means. The Loup Canal, which goes through the middle of my district, handles 3,500 cubic feet per second of water. That's its capacity. Typically, I think it runs around 2,500, depending on how much electricity they're generating with it. But in our case, the Loup River drops about 30 feet between Genoa and Columbus, and so that drop is what's used to generate electricity. I don't know that-- here, I'm sure there would be some drop in elevation, but I don't know that it would be maybe that drastic. I'm not sure. But the question comes down to a bit of a leap of faith. You know, we discussed this morning building a lake in eastern Nebraska with a lot less study than what's been done on the, the canal in western Nebraska. We have better data on this canal, I think, than we do on the lake. And we voted for the lake-- I say we. Enough people voted for it to make it pass. I didn't vote for it. But I'm going to vote for this. This isn't near as exciting, it isn't near as flashy, but it's something that needs to be done. If the

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supporters of this are right, we'll spend some money and we'll have water. If the opponents are right, then we're not going to have water. But I'd rather err on the side of trying to perfect our right and making sure that we have water. Thank you.

ARCH: Thank you, Senator. Senator Hughes, you're recognized. This is your third opportunity.

HUGHES: Thank you, Mr. President. A lot of comments, misinformation going around. I go back to my earlier assertion that we, as senators, we need to make informed decisions. And if we're not experts in that area, you need to talk to people who are experts. That's the Attorney General's Office and the Department of Natural Resources. They've been working on this for quite some time. This Legislature appropriated \$350,000 to DNR to study this very thing in 2019. That's what they did. They did it very quietly because they were aware of what Colorado was doing, and we didn't want to tip our hand. Once the Governor made this announcement that we are going to take steps to enforce the Perkins County Canal project, Colorado went into hyperdrive. We've got transcripts of meetings that they've been having since then. There's been legislation introduced in the Col-- in the Colorado legislature to accelerate, to give priority to the development of the South Platte reserv-- or reservoir system. They know, the sooner they get that water stored and delivered for human consumption, the less chance Nebraska has to assert our right in the South Platte compact. That's a fact. I do want to address another thing. This canal is not going to be in Perkins County. It's going to be in Keith County. When this canal was named, was before Perkins County was a lot bigger, and it would have been in Perkins County back at the turn of the century, or in the late 1800s when this was first proposed. Since that, the county line has changed. This canal will be in Keith County; it will not be in Perkins County. The cost estimates, we've been having quite a discussion about the half a billion dollars. The cost estimates have been put together by our experts, Department of Natural Resources, are \$503,500,000. Those are in today's dollars. That includes 60 miles of canal and two reservoirs and other necessary elements with an inflation factor. There's been talk of \$1.5 billion. We don't know what the cost is going to be. These are the best estimates we have today, and the longer we wait, the higher those costs are going to be. There's no question about that. Is it going to be worth it? That's the question we need to ask ourselves. Is it going to be worth it? Whether it's \$500 million or \$1.5 billion, in 50 years, my answer is absolutely, positively, yes. We look at the development that has happened at Lake McConaughy, Lewis and Clark Lake, and all other water developments in

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the state of Nebraska, all the surface water irrigation districts, the additional value that brings to the state of Nebraska in sales tax and income tax and property tax values, that's used. That's what our state runs on. Agriculture is our biggest econ-- biggest industry in the state. Tourism is not that--

ARCH: One minute.

HUGHES: --far behind. Thank you, Mr. President. We, we have experts. We have-- what-- are they right? We don't know. But they are our best guess. These are the people that look at the figures, that work in this world, that look at-- have been looking at this for quite a few years. This was not sprung on us. They've been working on this. We've been hearing about this, just bits and pieces. And the fact that we have available money to do it, that a lot of things came together at this point in time that this was the time to launch, and this is what we absolutely need to do. Thank you, Mr. President.

ARCH: Thank you, Senator. Senator Vargas, you are recognized.

VARGAS: Thank you, President. I just wanted to continue on, on a couple of different items. Again, you know, we were looking at this and we were debating this in committee. And Senator Stinner brought this up, like we, we're trying to weigh the, the long-term fiscal implications and the savings for the state. You know, we often heard the argument, which is a hard pill for me to swallow, the argument that we needed to move forward on the full \$500 million now because it might not be there later. And the reason I bring that up is it did concern me, I was like, why wouldn't \$500 million be there later? It's because we can have an economic downturn. We also have other things that are going to potentially draw down from future revenues that we will be debating, which are going to include tax reform, many of the things that we've already pushed forward and may pass, that are going to make it more difficult to have us have more revenue. And so the rationale that we need to then have the full \$500 million now because we may not-- we need it now to make sure that we don't run out of the money was a difficult pill for us to swallow. It's one of the reasons why I motioned for the initial \$22.5 (million). I, you know, I support moving things in an iterative process. That is largely how our committee has operated. We do not typically move forward on a large item unless there has been a very iterative process. And not saying the iterative process maybe didn't exist on the side of, you know, PRO and, you know, the offices and, and those that have been doing this research. It's that the iterative process wasn't done in collaboration with us until this year, where we're

really starting to get all the information and the data. And I think we first got the plan and the breakdown just about a month and a half ago on how the funds would be eventually spent, of the \$500 million request. I say that because I am just worried that we have to be extremely cautious about how we make decisions on spending items like this. It's not saying it's not warranted. It's saying, take a beat, is it necessary for us to do the full amount now, is it necessary for us to bind the hands of the future Legislature with the language that we currently have, and is there another avenue where we can make sure that we are fully assessing our, our legal rights? Are there other things we can do that push this forward that would allow us to then still see and whether or not we-- we have standing and we can litigate this and not have to wait eight years in the future? I'm, I'm still concerned about that. Again, I'm somebody that supported an initial amount, but the full amount-- and I think that we are sort of binding the future Legislature and, look, a future Legislature that's not going to have Chairman Stinner, that's not going to have Senator Kolterman, that's not going to have myself or many of us that are on the committee right now, are really trying to look out so that we're not putting an additional extra burden on the future Appropriations Committee to say you have a lot less in case something bad happens in your savings account. Let's not do that, because if we have an economic downturn, we really committed to moving forward with this. A commitment is not something light. When we work in the Appropriations Committee and there is something that needs to be funded because we said we were going to do it and we put in "shall" language, one of the first things that our fiscal analysts do is tell us, we passed this law, we have to fund it. Those are the first things they tell us. We're like, well, we did. We pass something and then we have to fund it. That is the concern that I have with this. It's not that there isn't some sound or cogent argument; it's that we've operated with a very iterative--

ARCH: One minute.

VARGAS: --thoughtful process in the committee, and we are the ones that have ultimately been deciding on whether or not this is the best investment. And we said it makes sense, but we still want to do more analysis on it. And that's OK. So colleagues, that's the point that I'm trying to make, that this isn't whether or not it's right or wrong or that there hasn't been legwork done beforehand. I know the people standing behind me, behind the glass have done some legwork. We've talked about it with them, and that's the reason why we moved forward on a certain amount of it. I don't want us to potentially bind our hands and bind the future Legislature to say that we have to

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follow through on the whole amount when we don't know what our future is going to entail and we have a lot of other requests and asks on our plate. Thank you.

ARCH: Thank you, Senator. Senator Stinner, you are recognized.

STINNER: Thank you, Mr. President. I can tell you that Senator Erdman, Senator Hughes, Senator Brewer, Senator Jacobson and myself live in the far west of this state. And we will tell you in unison how important water is to that part of the state. And Scottsbluff would not be Scottsbluff without water, without forethought, without our pioneers creating an irrigation system made up of canals. And it doesn't take you long to understand the importance of water because you can read it in the paper. During the wintertime, we look at snowpack in the mountains because that's where we get our water. You can also understand by reading the paper in many events about the importance of water as it relates to the general economy, because if we don't have water in that canal or we cut off water, it's significantly impacted. So when we talk about water, I'm all in, I'm all ears, and I'm not fighting this particular legislation that we have in front of us. And I do understand what's happening in Colorado. I started a business down there in 1999, and I read the paper and 5,000 people per month moving in. And I do know about the fact that, yes, they are buying water rights from farmers, the-- both developers as well as municipalities. Yes, they do have water projects. Yes, they do have conservation projects. That's been going on since the '80s, and I get that. So anyhow, I show up for session, and I can tell you this. This is a short session and this is my angst of this whole thing. So we-- I show up and I know that I have two budgets to pass, not, not just me but my committee has two budgets to pass, certainly the Legislature does as well, but I know we have salary adjustments to deal with, and with that, we have provided rates because the justification for the salaries are the same thing as the provider rates are having a problem with retaining-- hiring and retaining personnel. We have fully funded Medicaid that we had to deal with. We have the second half of the prison to fund. We had the ARPA budget, which we knew was going to take-- suck a whole lot of time out of the Appropriations Committee time. That was proven by an LR by Senator Wishart. I think we had over 55 people. We knew we were going to get overrun, and then we had this excess revenue that was being projected, that I was following, that I was also reporting to, to this body: Wait on the revenue package because we're going to have a better forecast. And we do have a better forecast. My problem is, is by the time we started this short session, I'm called into a meeting, we got a problem in Colorado where we want to do the Perkins

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County canal, not knowing what the number was. But all of a sudden I got a \$100 million ARPA request, which frankly doesn't qualify, and a \$400 million request out of the Cash Reserve because, because we have money. Well, let's go through this one time. Where did the money come from? It came from extraordinary, extraordinary expenditures by the federal government, a stimulus package that has yielded us 13.5 percent and over 10 percent in consecutive years. Hardly ever happens, folks. So what's this Legislature doing? Right now, we got \$1.7 billion in a reserve. Well, how did we spend it? Well, \$175 million went to fund a prison. Then we have STAR WARS that we just talked about, that's \$80 million. We have some other expenditures in there. But the fact of the matter is, this is extraordinary times.

ARCH: One minute.

STINNER: And a regular reserve under normal circumstances is 16 percent. That's \$8-- \$900 million. We're going to talk about a revenue package, and I'm all in on the tax discussion, because I think we can build the business case and I think we could do it sensibly. I think we can have \$400-500 million excess in reserve, which you're going to need to have, believe me. And to stand up here and say, and the Governor say, we can do all of this, that's fiscally irresponsible. That's not understanding where the economy is at and where we have to be as a Legislature if we're responsible to the taxpayers of the state of Nebraska. That's what I'm disgusted about. Five hundred million dollars is a lot of money to stick away in a fund on a long-term, complicated project. Fifty million dollars, OK, I'll green-light that. I didn't vote for it, but I'll green-light it. It's important that we do this.

ARCH: Time, Senator.

STINNER: I get that.

ARCH: Thank you, Senator. Seeing no one left in the queue, Senator Speak-- Senator Speak-- Senator Hilgers, you're welcome to close.

HILGERS: Thank you-- thank you, Mr. President. Good afternoon, colleagues. I really appreciate the conversation today on a multiple-- a number of different fronts. I appreciate Senators Stinner, members of the Appropriations Committee talking through the dollars and cents. I think the Appropriations Committee has struck a very nice balance of appropriating the dollars that we need in order to go down the road and get a lot of things meaningfully accomplished in showing Colorado that we are going down this road while also not

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committing to-- the state to the dollar amount that we might ultimately need without some additional information. I also appreciate Senator John Cavanaugh and his work thinking through and working-- walking through the compact and some of the implications on the senior users, the junior users and the like. It's actually a pretty dense document. I will also acknowledge a note of appreciation for him quoting, I think, Delph, the "Silver Fox of the Front Range" [SIC], is that when you called him, Senator Cavanaugh? I appreciate that. It was a good conversation. At the end of the day, I do think this is a very important issue for the state of Nebraska to be able to exercise the rights already given to us by those who have come before us. It is a large price tag, but I don't think when you weigh in the balance, on the one hand, the cost, but on the other, really, the priceless impact on the state of Nebraska by ensuring that we actually have the water supplies that we need over the coming decades, I don't think it's a very close call at the end of the day. Having said that, I will-- one last comment, I know Senator DeBoer has raised a couple of points regarding some of the statutory language, and I'll commit to her and any others to seriously work between General and Select on any additions-- additional changes that we can make to address any concerns, especially on the "shall" language in terms of committing this Legislature to some action 10 years from now or 15 years from now. With that, I would ask, Mr. President-- well, one, I would ask everyone for your green vote on LB1015 and I would ask for a call of the house and roll call in regular order.

ARCH: There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 31 ayes, 3 nays to place the house under call.

ARCH: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Senator McCollister, Flood, Linehan, Brewer, please return to the Chamber. The house is under call. Senator McCollister, please return to the Chamber. The house is under call. Speaker Hilgers, we're waiting for Senator McCollister. Would you like to proceed?

HILGERS: You can proceed, please.

ARCH: Mr. Clerk, please call the roll.

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ASSISTANT CLERK: Senator Aguilar voting yes. Senator Albrecht voting yes. Senator Arch voting yes. Senator Blood not voting. Senator Bostar voting yes. Senator Bostelman voting yes, Senator Brandt voting yes. Senator Brewer voting yes. Senator Briese voting yes. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Day voting yes. Senator DeBoer voting yes. Senator Dorn voting yes. Senator Erdman voting yes. Senator Flood voting yes. Senator Friesen voting yes. Senator Gragert voting yes. Senator Halloran voting yes. Senator Ben Hansen. Senator Matt Hansen not voting. Senator Hilgers voting yes. Senator Hilkemann voting yes. Senator Hughes voting yes. Senator Hunt voting no. Senator Jacobson voting yes. Senator Kolterman not voting. Senator Lathrop not voting. Senator Lindstrom voting yes. Senator Linehan voting yes. Senator Lowe voting yes. Senator McCollister voting yes. Senator McDonnell voting yes. Senator McKinney not voting. Senator Morfeld not voting. Senator Moser voting yes. Senator Murman voting yes. Senator Pahls not voting. Senator Pansing Brooks voting yes. Senator Sanders voting yes. Senator Slama voting yes. Senator Stinner not voting. Senator Vargas not voting. Senator Walz voting yes. Senator Wayne voting yes. Senator Williams voting yes. Senator Wishart voting yes. Vote is 36 ayes, 3 nays, Mr. President, on advancement of the bill.

ARCH: The bill is advanced. Items, Mr. Clerk. We raise the call.

ASSISTANT CLERK: Thank you, Mr. President. Your Committee on Education, chaired by Senator Walz, reports LB902, as well as LB1218, to General File, both having committee amendments. That's all I have at this time, Mr. President.

ARCH: We will now proceed to LB1073. Mr. Clerk.

ASSISTANT CLERK: Mr. President, LB1073, introduced by Senator Wayne, is a bill for an act relating to state government; states legislative findings; creates the Department of Housing and Urban Development; provides duties; provides for a director and staff; creates the Housing Advisory Commission; provides for an annual report; to transfer duties, functions, responsibilities, and jurisdiction as prescribed; provides for an updated housing affordability strategy; harmonize provisions; provides a duty for the Revisor of Statutes; provides an operative date; repeals the original section; outright repeals Section 58-704. The bill was read for the first time on January 18 of this year and referred to the Urban Affairs Committee. That committee placed the bill on General File with committee amendments, Mr. President.

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ARCH: Senator Wayne, you're welcome to open on LB1073.

WAYNE: Thank you, Mr. President. And, members of the Legislature, I know there's a-- if you look at the white copy, you can go ahead and-- I mean if you look at the green copy of the bill, LB1073, you can go ahead and delete that off of your page and open up the amendment, AM1916 [SIC]. I'm not going to spend a whole lot of time on it. This is-- Senator Hansen introduced this amendment, so I think it's appropriate for Senator Hansen to open on this, and I'll be playing the wingman on this. Thank you. I yield my time to Senator Hansen.

ARCH: Senator Hansen, will you yield?

M. HANSEN: Thank you, Mr. President. All right. Thank you, Mr. President, and good afternoon, colleagues. Let me start by thanking Senator Wayne for asking me to open on his-- or assisting me with his opening on LB1073, which is my personal priority. While the one-liner of this bill is about creating the Department of Housing and Urban Development, an idea I support, I would like to be clear that there is a committee amendment that would strike all of those provisions and replace it with language on accepting the second round of emergency rental assistance funds from the federal government, which is what I'll be speaking to. Earlier this year, I filed an amendment to a bill of mine addressing federal funds for housing, AM1737 to LB446. This was a straightforward amendment that would require the Governor to apply for federal funding available to Nebraska for a second round of emergency rental assistance. That amendment had a hearing on February 11 this year where over 20 different proponents testified in support of the material. From that point, working with Senator Wayne and the Urban Affairs Committee and staff, we worked to make LB1073 the vehicle and update the language from that hearing in AM1969, the committee amendment. Some background: Last year, the federal government made emergency rental assistance available to states to help households struggling through the COVID-19 pandemic. Our state government contracted with Deloitte and partnered with the Nebraska Investment Finance Authority, or NIFA, to create our program and disburse the funds. Under this program, individuals are eligible for up to 12 months of back rent and three months of future rent up to \$20,000, which is paid directly to landlords. Recently, the state has declined to apply for the second round of funding, leaving over \$120 million on the table. This is money that has already been allocated and will simply go to other states if we fail to accept it. The spend-down date for the second round of funding would be 2025, which gives us three more years of the program. Currently, 48 other

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states have accepted the second round of funding. Our failure to apply for this money will have direct negative impact on families in our districts, but only if we continue to fail to apply for the deadline. We know a successful state program is possible, as evidenced by improvements the Lincoln and Omaha programs have made to successfully distribute their funding. Although we missed the first deadline, the Treasury Department has extended the deadline to March 30 of this year to give us a chance to change our minds. I hope you have all heard from constituents and advocates from across the state, from folks who are on the ground with their communities and understand the urgency in utilizing these federal dollars. I want to thank them for their advocacy as we would not be here today without them. Going back to the hearing we had on February 11, we had over two hours of testimony in support for applying for these federal funds, including from landlords, tenants, and community organizations. We also had 58 letters of support for the record. We heard compelling testimony from across the state and people on the ground in their communities working to provide housing and prevent homelessness. As I said before, the spend-down date for the second round of funding is September 2025, which would give us three more years of this program. And if we don't spend all the funds, we can return them without any penalty. We have, as a state, decided to leave over \$120 million on the table, while Nebraskans are still struggling from the lasting effects of COVID. Colleagues, I believe the need for these funds are clear. And with that, I would ask you to join me today in advancing LB1073 and the committee amendment to accept these funds. Thank you, Mr. President.

ARCH: Thank you, Senator Hansen. Debate is now open. Senator Lowe, you are recognized.

LOWE: Thank you very much, Mr. President. I stand today in opposition of AM1969 and LB1073. In the committee, I was there and I listened to all the testimony, all the people that came and said how much we need this money, this free money that we're going to have because if we don't spend it, we'll lose it. When I came down to the Legislature, I would hear about the government agencies that would all say, if we don't spend it, we'll lose it. And that's a big part of our government problem that we have today. It's not that we're going to lose it because they say, rightfully, it'll be taken from us and it'll be given to some other state: Colorado, California, anywhere else but here in Nebraska. I'm sorry. That's my grandkids' money, my great-grandkids' money, my great-great-grandkids' money that we are spending. It was money that is being given out that shouldn't have been given in the first place. COVID is over. We are all back to

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being normal. We need to get back to work. We need to do everything we possibly can to get our people thinking right again that we don't need these government handouts constantly. This has been a year, two years, or three years of government handouts. We are good people. We are strong people. We are people that have endured everything. We are-- we are a state of all nations, of all colors, of all creeds, and we are strong. We need to get back to being that way. And by continuing this, that's the wrong path. Thank you, Mr. President.

ARCH: Thank you, Senator. Senator McKinney, you are recognized.

McKINNEY: Thank you, Mr. President. I rise in support of LB1073 and the AM1969. And I rise in support because my district was one of the districts in the state that had a huge portion of the request for this assistance and it's still an issue that is still prevalent in my community. And I'm sure it's still an issue that is prevalent in many communities across the state. Yes, we're trending down from being in a pandemic, but technically we're still in a pandemic and we have to recognize that. And we also have to understand that just because most people aren't wearing masks and, you know, catching COVID-19 anymore, that there's many individuals that have dealt with economic hardships for the past two years that still haven't recovered because they were dealing with economic hardships prior to ever getting into a pandemic. So it's going to take some time for those individuals to overcome the effects of the pandemic. And some of those effects will last longer for-- for many, mainly because, you know, for example, my district, high unemployment rate. We parade around our state having this low unemployment rate. But in a district like District 11, the unemployment rate is high. And you already have a district that is high in poverty that got worse because of the pandemic and things like that. And I think this would help not only for those that rent, but also for the landowners that keep filing evictions every week in eviction court in Douglas County and other counties across the state. I think it would alleviate stress on our courts, our communities, and it's something that is greatly needed. It's-- there is still a need. I don't see why we don't try to help as many people as possible. And whether or not somebody does or doesn't need it isn't up to us to determine. I think it's-- if it's a tool that we can use to alleviate economic hardships on Nebraskans, I think we should use it and I don't see nothing wrong with that. And we could do something after to help them in the future so they don't have to deal with so much hardship. But right now, you still have families that are still in poverty and were in poverty prior to the pandemic. So to say the pandemic is ending and we just need to get on and get on is not really fair because there are still families that are dealing with

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economic hardships that could use this money. And if Senator Hansen would like some time, I'll yield the rest to him.

ARCH: Senator-- Senator Matt Hansen, you've been yielded the rest of the time. You have 1:57.

M. HANSEN: Thank you, Senator McKinney, for your courtesy. I appreciate your perspective and what you've had to add. Again, it's kind of straight acceptance of the federal funds. It has been done in 48 other states. And as we've talked about and you talked about, you know, find me a person who has made it through this pandemic without some sort of financial hardship, without being downsized or furloughed or laid off or having their businesses hurt. Find me that person who's somehow escaped all of those things over these past two years. And if you do, that person's not struggling to pay their rent right now. The lasting effects, including spending down savings, taking out loans, things that people had to do, are COVID-related impacts and are still continuing to impact people's ability to pay right now, which is one of the reasons I believe we need to accept this. Thank you.

ARCH: Thank you, Senator. Senator Erdman, you are recognized.

ERDMAN: Thank you, Mr. President. Good afternoon again. I think I need to get up and explain my position here because, as you may know and seen in the news, that I signed on to a letter to the Governor asking him to apply for the \$120 million. And what I want to tell you is I did that before I did enough homework to understand exactly where we're at on this. And so as I begin to look at that and did a little more research, I found that there's still \$40 million left that has not been applied for. I'm not sure whether the people who are eligible for this don't know how to file for that or what may be the cause. But I think we received about \$200 million the first time and we used all of that except \$40 million. And that \$40 million, I think it was \$42 million went to Lincoln and Omaha or Douglas and Lancaster County, and there's still \$40 million left that hasn't been used. We also discovered that there's a significant portion of fraud going on, and that could equate to 10 to 15 percent of the total funding that was distributed may have been fraudulent. As Senator McKinney alluded to, we have a low, low unemployment rate. And every business, just about every business that I enter, whether it's in Scottsbluff or Ogallala or Lincoln or Omaha, has a "help wanted" sign. And there's got to be a reason that everybody needs help. If we have a 1.6 unemployment rate, there should be enough people to fill those jobs. So some people have just stopped looking, and some of

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that may be because they're getting rental assistance or whatever kind of other help they can get and they don't need to go back to work. And so I was mistaken by signing that letter asking the Governor to apply for that, and I will be voting against LB1073 or 969-- AM1969 today and LB1073 if that amendment does pass. So that's what happened with me, and I should have done more homework and research before I did sign the letter. Thank you.

ARCH: Thank you, Senator. Senator Aguilar, you are recognized.

AGUILAR: Thank you, Mr. President. Members, I rise in strong support of both the amendment and the underlying legislation, LB1073. I had an opportunity to have a meeting in Grand Island with the director of our United Way. And also present at the meeting were former Senator Dan Quick, Karen Rathke, and a gentleman by the name of Andy Marsh. Andy Marsh is a landlord, if you will, and probably owns over 200 rental units in Grand Island. He's already having a hard time keeping his head above water because of the amount of renters that have had to just walk away from their apartments and their homes because they couldn't pay the light bill, gas bill, or the rent. They couldn't deal with it anymore so they just walk away and he gets left in a lurch. He has worked hard, not only him, but his staff have gone out, knocked on the doors of the units of some of his renters, with their laptops, offering to help fill out the forms for the original ARRA funds and walked away frustrated by the amount of paperwork they run into and the difficulty in getting those funds. Some of the waits have been over a month long, and they still haven't received a response from the company. The company, by the way, I believe is-- is stationed in Texas. We-- we paid something like \$8 million to hire this company to run-- disburse those funds, and it's been nothing but an utter failure from ground zero. So I really think we need to take a look at this and encourage everyone to put out a green vote for this. It's really needed in Nebraska, especially in our area, and I'm sure western Nebraska as well. These people, they work. They work hard. Many of them, although the pandemic is supposed to be on its way out, many of them lost their jobs because their businesses closed. They closed and they can't do nothing about it. They can't find new jobs, many of them, and they need to get out of this hole. And this-- this \$20 million from the federal government would certainly help in giving them a hand up to get out of the hole they're in and get on with their lives. Thank you, Mr. President. I'd yield any time I have left to Senator Wayne if he chooses.

ARCH: Senator Wayne, you've been yielded time, 2:20.

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WAYNE: Thank you, Mr. President, I won't belabor the point Senator Aguilar so graciously stated. First of all, Senator Erdman, many of these people actually are underemployed or seeking jobs, but a lot of them are actually employed and they're trying to catch up. And so it's about playing catch-up. And when you live paycheck to paycheck and you're off for a couple checks, you're playing catch-up and then you have to pick between food versus rent, medications versus rent, and it becomes an obstacle when sometimes you say, I have to just delay my rent. Then you got late fees and it just compiles on each other. The point I initially was going to stand up and talk about was about the hearing. While Senator Lowe may believe that the pandemic is over, there are many parts of this state where the pandemic is not over. If we truly believe the pandemic is over, then we don't need to build a new beef facility in western Nebraska to address the issues in supply chains that were caused by the pandemic because the pandemic is over. But everybody supports that bill because there is lingering effects that happen in the business community, as is with residential people--

ARCH: One minute.

WAYNE: --who need to do something about the issues that we all suffered during the pandemic. But let's talk specifically about what happened in this case with the state. The state hired a company to put a bogged down system together, which we paid this company up to \$14 million, and the system didn't work. Every testifier in western Nebraska said they-- it was burdensome. Some of them were on the system for over an hour trying to figure out how to get the right documentation accepted because it would get kicked back because the scan wasn't clear enough, because of minor things, even though the landlord and the tenant both signed affidavits, committed, basically saying under the laws of perjury, here is what is needed, both the landlord and the affi-- and the tenant, but somehow that wasn't enough. We needed additional information and that's what bogged the system down, was the actual application.

ARCH: Time, Senator.

WAYNE: Thank you, Mr. President.

ARCH: Thank you, Senator. Senator McDonnell, you are recognized.

McDONNELL: Thank you, Mr. President. Good afternoon, colleagues. Yes, we as Appropriations Committee voted out LB1193, which I, I proposed had to do with the idea of not so much appropriating funds but

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actually directing them. That's how the discussion started. We did agree to send a letter to the Governor to encourage him to apply for ERA2 by March 31, because that's when the door closes. The reason we had knowledge of the need is because we've sat over in Appropriations in hearings, well over 100 hours, and we've heard the testimony. We've heard the testimony of people saying that-- now remember, this is only-- this is not only rental assistance, but it's also utilities-- of their need, the impact that COVID's had on them east, west, north, south, and in the state of Nebraska and what's happened. And then we did some more research and we looked at some numbers that we received from 211, which I'd like to just make sure we get these into the record: 211, we're able to identify 1,340-- thousand calls requesting rental assistance in 2021 and 52,108 for utility assistance. Excluding Douglas, Lancaster, and Sarpy Counties, excluding Douglas, Lancaster, and Sarpy Counties, 211 saw a 23 percent increase in calls for rural communities asking for assistance. As other support has ended, we've seen a dramatic increase in requests for rental assistance. For the month of January, 211 has reported a 10 percent surge in requests for rental assistance and a 531 percent increase over the normal month. At this pace, they're expecting over 300,000 calls by the end of the year, which is 21 percent higher than last year. That is an emergency. But let's say these numbers are totally wrong. Let's say everyone that came in and testified in front of Appropriations was wrong, that there's really not a need for us to apply for ERA2 at \$121 million. If that's the case, then we as the state of Nebraska, which, remember, this is our tax dollars; went to the federal government; it's coming back to us now. We earn \$7 million a year for our General Fund. But if we're wrong and these numbers are right and the people that are reaching out to us that need this assistance are telling us the truth, which I believe they are, not only based on their rental assistance, but utilities-- and remember, prior to us having this discussion back in-- or when we started having this discussion back in January, February, Europe wasn't at war. Think about utility costs. Think about the rise in utility costs and what that's going to do to the people of Nebraska. But let's again go back to the point where we're wrong and no one needs this assistance. Then, in a few years, we send the money back to the federal government. But if we do not keep our foot in the door and apply before March 31, that money does not go back to the federal government, does not go back to the U.S. Treasury. It goes to other states, and their people that are in need for rental assistance and utilities are going to use those funds. What is wrong with just asking for the funds and being the 49th state to request the ERA2 assistance? Now remember, ERA1 was started by

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President Trump. ERA2 was continued by President Biden, something both those administrations agreed on. And if you want to give back money right now, then give it back to ER-- from ERA1 because that's expiring. That's expiring coming up in four or five months.

ARCH: One minute.

McDONNELL: But the idea of ERA2 we would be able to utilize for the next four years. But again, if we're wrong and all these people that have come and testified, called us, reached out-- and we know we're not wrong. The people of the state of Nebraska need rental assistance and they need utility assistance. We know that is a fact, and we've sat through the testimony. We've sat through, and I know you have, had the personal phone calls from your constituents, the emails, the text messages saying, help us. Here's an opportunity for us to make sure before March 31 our Governor applies for ERA2 for \$121 million to help the citizens of Nebraska. Thank you, Mr. President.

ARCH: Thank you, Senator. Senator Kolterman, you are recognized.

KOLTERMAN: Thank you, Mr. President. I rise in strong support of LB1073 and AM1969. You know, I've thought a lot about this bill. I did cosign the letter, and I'm not going back on my word. It's needed. We listened in-- in Appropriations to over 125 hours, 125 hours of testimony of people that want something from us in Appropriations. And I can tell you, Senator Lowe, you're not-- I don't see you here. But you didn't have any trouble taking the money to do something in Kearney. It just doesn't make sense. Why are we picking and choosing winners and losers when the most vulnerable people in our state need this money? If we take this \$120 million and do nothing with it, we get the interest off of it. If we have to give it back, we give it back. In the meantime, we're putting money in the bank. But also, if we have people that do need it, they're going to get it. What's wrong with that? Senator Aguilar comes from an area where there's desperate need, desperate need for this money. We've got landlords that can't make their mortgage payments because they're banking on the rent. And people are hurting. They can't make their rent. So we're going to penalize these landlords now too. I had a chance to talk to the Governor about this, and I strongly recommended, personally talking to him, that he support this and that he ask for this money. We had-- in all the hearings that we had, we have \$1 billion to give away and we have \$4 billion worth of asks, \$4 billion. There's needs out there in this state. Now they're not-- there's not maybe a need for everything. Some of them are wants. I would agree with that. But I would challenge each and every one of

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you to think about where you-- where are we going to cut? This is money that's coming to us, whether we want it or not. There's no strings attached to this money, folks. If we don't take it, it goes to some other state. That doesn't make sense. If that-- if we're going to take that attitude, let's send the billion back. It would sure make our job a heck of a lot easier on the Appropriations Committee. I've been around my friend Stinner too long. I better slow down now. I'll yield the rest of my time back to the Chair.

ARCH: Thank you, Senator. Senator Friesen, you are recognized.

FRIESEN: Thank you, Mr. President. I was going to ask Senator Wayne some questions when he gets back to his chair, but one of the things that I have had explained to me, and I will kind of relay it to the body, and if somebody has other information, I'd be opening-- open to listening to that, but the way it was explained to me is the Douglas and Lancaster County each got \$48 million initial appropriation straight from the federal government. The state received then \$158 million, I believe, that went to the other counties out there. And so in-- in the meantime, the state hired Deloitte accounting firm to write some rules and to do the accounting, and this is what I've been told. And so the rural areas had to jump through a lot more hoops to get the money out. And so, Senator Wayne, would you yield to some questions?

ARCH: Senator Wayne, will you yield?

FRIESEN: So, Senator Wayne, your \$48 million, were there different strings attached to that money than there was to the \$158 million that was set aside for the rural areas?

WAYNE: No, there wasn't.

FRIESEN: So you're saying you're operating under the same rules and distributing that money through your nonprofits or different organizations that work with rental assistance and things that you had in place before.

WAYNE: Yes, the federal rules and federal guidelines are the same. And in fact, the city of Omaha hired the same company that the state did to manage some of their ARPA funds.

FRIESEN: OK, so do you-- are you familiar at all with what happened to the-- to the rural areas? Because there \$158 million was appropriated and there, there were some rules set aside that made it,

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what I was told, very difficult for some of those counties to-- to get that rental system-- assistance out to where it was needed.

WAYNE: Yes. They created a different program using an internet-based program that had additional certification or-- not certification, proofs of evidence requirements that made it difficult for both the landowner-- the landlord and the tenant to provide.

FRIESEN: So in Omaha and Lincoln, probably the requirements for providing that proof, or maybe it wasn't even asked for, it was a lot easier to do than in Hall County, for instance.

WAYNE: Yes. And so my understanding from the city of Omaha, when it came to the rural portion from the state, Duet-- or Deloitte, yeah, Deloitte added extra rules to rural, not the city of Omaha or in the Lincoln area, so they added their own extra rules. That could have been at the request of the Governor, could have been at the request or whoever is administrator. But we did not have all the additional rules that you had in western Nebraska.

FRIESEN: OK. So from what I-- numbers I'm seeing here, we've used about \$16,520,000 in rural areas, and I was told there's roughly \$30 million left in the fund. But what happened yet is someone transferred \$85 million from the rural areas to Lincoln and Omaha again, and you've distributed that money also?

WAYNE: Well, there was a delay in the-- in the-- in the transfer. For whatever reason, it took about four to eight weeks to actually transfer the money. So the city program got put on hold for several weeks. And we are now distributing that money underneath the same rules that we had in city that were, I guess, maybe less restricted, might be the right word to use, and that was in-- so, yes, rural Nebraska is now supporting our landlords and tenants in Omaha because of the system you guys put-- not you guys, but that was put in place.

FRIESEN: So how do we measure the pent-up demand in rural areas? I mean, it's hard to say here if we've only used \$16 million, there's \$30 million left, what is the demand in rural Nebraska versus how much money you've put into the Omaha area? I mean, you divide the numbers out, roughly you've had \$80 million distributed, or potentially, and in all the rest of the state we've done \$16 million.

WAYNE: Well, a lot of money is about working with your community organizations and making it--

ARCH: One minute.

WAYNE: --less burdensome. And what we heard in our testimony from Grand Island was there was no work-around. You had to go through the system rather than working with the community organizations to actually, who know the people and can assist with that process. So you literally had landlords, and at some point the executive director said that she was going door to door to-- actually, with a laptop, to help fill out the requirement because the only way you could do it was through the portal. And the issue, it seemed like, in western Nebraska was the portal.

FRIESEN: OK, thank you, Senator Wayne. So I'm-- I'm-- I'm struggling now whether or not to support this or not, because I don't know what the pent-up demand is in rural areas. If-- if we've only spent \$16 (million) and there's \$30 (million) left, it looks to me like it's adequate. But again, I don't know what the demand or why the demand is so high with unemployment so low in the urban areas. So I'm looking forward to hearing some documentation on what the need actually is. Thank you, Mr. President.

ARCH: Thank you, Senator. Senator Vargas, you are recognized.

VARGAS: Thank you very much. That's a good prompt, actually, Senator Friesen. We thought about the same thing. My hope is that the entities distributing these funds understand that we need to be more efficient in distributing the funds because, look, at the end of the day, this is taxpayer dollars that we're trying to get back to our state. The entire time I've been on the Appropriations Committee, when we've had federal dollars, we look at that as a way, how do we better leverage federal dollars that are going to come back to us and maximize efficiency and maximize impact for Nebraskans? That's it. In addition, we saw the very clear need for this type of assistance across the state. You have Tina Rockenbach from the Community Action of Nebraska, who said six of the nine community action agencies across the state experienced an increase in emergency housing and eviction prevention requests; seven of the nine requests exceed pre-COVID-19 levels; and a lot of what they're hearing from their agencies, that families are trying and working and trying to get back to work, and they want to make sure that they can get that payments to landlords, to landlords. This is a no-brainer; \$120 million to apply, make sure we have it, will accrue interest. It's going to save taxpayers. It's going to bring money back to the state. I was proud to sign the letter. More importantly, we are constantly trying to be more efficient as in a budget in Appropriations Committee, and we've done that. So I wanted to make sure that everybody knows that and it's very, very clear because that's what's at hand here. And with

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that, I support this bill. I'll yield the remainder of my time to Senator Stinner.

ARCH: Thank you. Senator Stinner, you have 3:20.

STINNER: Thank you, Senator Vargas. I, too, signed that letter and I am Chair of the Appropriations Committee. And with that, I've had several conversations with the Governor. And of course, he's remained fairly firm about (a) we haven't spent this money that we received in the first part. And I can tell you in the first part, there's a lot of confusion. And when I talk to the people in Scottsbluff, which frankly, is the eighth poorest county in-- in the state of Nebraska so we have some of those working poor that are in Scottsbluff. A lot of people didn't know about it for a period of time because the word didn't go out. A lot of people now couldn't find-- the tenant had to provide a lot of documentation. And you know, there was a lot of confusion about the application process and the like of that, so we got off to a slow start. But asking people in western Nebraska, in Scottsbluff, they truly could use it for either rent assistance and/or utilities. And that's the two things that-- that they qualify for. So if you just divide-- this a four-year program; it's about \$30 million across the state. Yes, the COVID emergency may be over, but the COVID overhang is still there, and that's called inflation, and it's biting into everybody's budget as it relates to how do I-- how do I buy fuel for my car, how do I buy groceries, and all of that is starting to pinch, and I think this program could definitely help. Now, on the side of administrative costs, there's no downside to this. We get X amount of dollars for administration. NIFA does the administration. Deloitte Touche actually does the audits to make sure that, you know, that we're checking up on the numbers, that we do have a system, and hopefully either reduce fraud or eliminate some of the fraud. I don't think you can ever eliminate fraud in some of these programs. I'm not that gullible, but it's certainly-- there is a process involved. If we end up with extra money at the end of the time, we just turn it back to them. And oh, by the way, we get to collect the interest on these dollars so we can actually make money, help the citizens of the state of Nebraska and make money. That's a pretty easy combination, folks. This is a business decision--

ARCH: One minute.

STINNER: --that every state, every state in the Union has made this decision, except for two. Now we're not going to save the United States from inflation, for crying out loud, because we don't take this money down. There's no downside whatsoever. We make money. We

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help the taxpayers and the working poor in the state of Nebraska get through this COVID situation. So I would highly recommend a green vote. Thank you.

ARCH: Thank you, Senator. Senator Friesen, you're recognized.

FRIESEN: Thank you, Mr. President. With the lack of information that I have right now, I mean, I was hoping that this discussion would carry on and we wouldn't have to go to a vote. The things running through my mind are, you know, we always keep saying the federal government's handing out this money and we should grab it while we can and quickly do something with it because otherwise they'll spend it somewhere else. And that's a little bit like a kid asking for his allowance, and he keeps blowing it and you just keep giving him more. Sooner or later, somebody has to grow up and say no. Now I want to know if there's a need for it. If there's a need for it, I'll support it. But if there isn't a shown need for it, if we're just shoveling it out the door, I can't support something like this because our federal government is in debt up to its eyeballs and we're borrowing money from everywhere else we can. And sooner or later, we have to stop and say no. And so I need to see some data that shows that there is an actual need and I will yield the rest of my time to Senator Aguilar.

ARCH: Thank you, Senator Friesen. Senator Aguilar, 3:50.

AGUILAR: Thank you, Mr. President. I'll be very brief here. I just want to throw out a suggestion that I heard from one of the directors. And that would be, why not put one of the-- put some of the agencies in charge of disbursement? The agencies themselves have an opportunity and an ability to vet the people that they're working with to make sure they do need it and make sure that when they do go back to work, the money stops. The agency that they have in charge of that can't do that right now. So why not do something that's a lot simpler and not pay out the Nebraska dollars to some other state to do this for us? Thank you, Mr. President.

ARCH: Thank you, Senator. Seeing no one left in the queue, Senator Wayne, you are welcome to close on AM1969 committee amendment.

WAYNE: Thank you, Mr. President. Colleagues, I remind you, even if you have questions about the bill and you're skeptical, vote for the amendment. It's really important because it's a white-copy amendment or the bill is a bill that creates a whole housing agency, which you

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probably don't want to do. I yield the rest of my time to Senator Hansen.

ARCH: Senator Hansen, 4:45.

M. HANSEN: Thank you, Mr. President. Colleagues, just addressing a handful of things, with this second round of funding, there is a different timeline than the first round of funding. If we do not apply for the second round of funding, any program we have now ends this September. If we do apply for the second program, any program we have can end in September of 2025. So in addition to the additional money, it's additional time. If there needs to be more proof, more data, more guide rails, I'd be happy to work with the senator on that. But if we do not keep this moving forward and we do not get our application into the U.S. Treasury by the end of this month, we have just given up on any options for three years' worth of funding. And as Senator Stinner pointed out, we've given up any options for three years' worth of interest. You know, in many programs, there's a state match, there's some sort of state spending requirement. In this program, we both get the money to-- to allocate as well as administrative cost, as well as get to keep the interest. It is as clear of a kind of a win-win-win from a fiscal perspective that we can have. In terms of the need, colleagues, I will just kind of affirm that we are hearing it from landlords. We are hearing it from service providers. We are seeing people being evicted for nonpayment of rent, and I will be happy to try and figure out which way to show that data in a way that anybody needs. But we have heard it in Urban Affairs. We've heard it in the Appropriations Committee. We know people had their bank accounts devastated by COVID: layoffs, furloughs, business closings, all of that. We know that has lasting effects still carrying into here. If we turn down this money this month, if we turn down this money now, we've given ourselves no opportunity to-- for any flexibility or any accommodations going forward; as opposed to voting for this amendment, voting for this bill, we give ourselves more time, more options, and more flexibility to figure out what we need to do and what we want to do in order to have an effective program. And colleagues, even if we accept all this money and we don't spend all of it, we are still helping the people we do spend it on who have to show the need, that they are in need of rental assistance. We have to show all of these things. Colleagues, I appreciate the debate. I appreciate everyone who has testified in support of this. I would ask for your green vote in supporting this Urban Affairs Committee amendment to accept the emergency rental funds.

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WAYNE: Call of the house.

ARCH: There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 35 ayes, 4 nays to place the house under call.

ARCH: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. All members are present. The question before the body is the adoption of the committee amendment, AM1969, to LB1073. All those in favor vote aye; opposed, nay. Has everyone voted who wish to vote? Mr. Clerk.

ASSISTANT CLERK: 29 ayes, 8-- or, excuse me, 29 ayes, 8 nays to-- for the adoption of the committee amendment.

ARCH: The committee amendment is adopted. Senator Wayne, you're welcome to close on LB1073.

WAYNE: Thank you, colleagues, and thank you, Mr. President. Colleagues, I'll keep this short. I know it's 5:00. The question is, what is the harm? But we know the harm if that one family gets evicted. But the harm is, if we actually don't spend a dime, our General Fund increases by around \$6-7 million and we send the dollars back. We represent all Nebraskans, and I represent and you represent, because we got emails from every part of the state, from at least every district, of two or three people who are facing eviction who need help. I understand there's concerns about the demonstration of we need more data, we need, etcetera, from Senator Friesen. I get that. But the general question is, what is the harm? What is the harm if we get this money and we have to give it back? But we know the harm if we don't. If we can just help that one family, if we can help that one individual, we're doing something positive for the state. There's not a downside to this bill. So I would ask for your green support, not maybe for the thousands and millions that you might think or you need to prove to vote for this. I'm asking for your green vote for the one family because every district has one family who can benefit from this. And there is no downside. Thank you, Mr. President.

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ARCH: Thank you, Senator Wayne. The question before the body is the adoption of LB1073. All those in favor vote aye; opposed, nay. Has everyone voted that wishes to vote? Mr. Clerk.

ASSISTANT CLERK: 29 ayes, 7 nays on advancement of the bill, Mr. President.

ARCH: LB1073 advances. Mr. Clerk for items. The call is raised.

ASSISTANT CLERK: Thank you, Mr. President. Amendments to be printed: Senator Briese to LB876 as well as Senator Morfeld to LB1045. Name adds: Senator Wayne to LB59, LB75, LB91, LB567, LB691, LB697, LB779, LB780, LB786, nine, excuse me, LB791, LB807, LB808, LB824, LB847, LB971, LB1173, LB1204. And Senator Wayne name withdrawn from LB1037; as well as name add, Senator Sanders name add to LB813; Senator Erdman name add to LB933; and Senator Linehan and Senator Aguilar's to LR318. Finally, Mr. President, a priority motion, Senator Linehan would move to adjourn the body until March 10 at 9:00 a.m.

ARCH: There's a priority motion to adjourn until 9:00 tomorrow morning. All those in favor say aye. Opposed, nay. We are adjourned till 9:00 tomorrow morning.