

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate February 15, 2024
Rough Draft

ARCH: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-ninth day of the One Hundred Eighth Legislature, Second Session. Our chaplain for today is Pastor Roger Sloan, First Christian Church in O'Neill, Nebraska. Senator Barry DeKay's district. Please rise.

PASTOR SLOAN: Let's pray together. Father in Heaven, you are great and we are small. We are humbled and honored to be in your presence. You are the creator of heaven and earth. Creator of all mankind. We come into your presence here today to praise you and ask for your blessing. Praise because you are God of love and wisdom, strength and compassion. Praise because you care about us not just collectively, but individually. We ask for your blessings because we stand in need. Father in Heaven, I ask for blessings for each one here in this Legislature. They are sacrificing their time and energy to serve their communities in our state. I ask for blessings of wisdom as they seek for their constituents what is best for them and for this great state we call Nebraska. Lord, give them the courage for difficult challenges that they must address. Also, Father, I ask for joy. Joy in their service. In the precious name of Jesus we pray. Amen.

ARCH: I recognize Senator Lowe for the Pledge of Allegiance.

LOWE: Please join with me in the Pledge of Allegiance. I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

ARCH: Thank you. I call to order the twenty-ninth day of the One Hundred Eighth Legislature, Second Session. Senators, please record your presence. Roll call. Mr. Clerk.

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

ARCH: Thank you, Mr. Clerk. Senator Fredrickson would like to recognize the doctor of the day, Steve Williams of Omaha, seated under the balcony. Welcome, Dr. Williams. Mr. Clerk, are there any corrections for the Journal?

CLERK: There are no corrections this morning, sir.

ARCH: Are there any messages, reports, or announcements?

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CLERK: There are, Mr. President. Report of registered lobbyists from February 14, 2024 will be placed in the Journal. Additionally, agency reports electronically filed with the Legislature can be found at the Nebraska Legislature's website. Series of priority bill designations: LB175 has been designated Senator DeBoer's personal priority for the session. Senator DeBoer, LB175, personal priority. Additionally, from Senator DeBoer, the Planning Committee has selected LB904 as its committee priority for the session. Planning Committee, LB904. Senator Halloran, as Chair of the Agriculture Committee, has designated LB262 and LB844 as the committee priority bills. Communication from Senator Halloran designating LB262 and LB844 as the Agriculture Committee priority bills. Senator Meyer has designated LB71 as his personal priority bill for the session. Senator Meyer, LB71 as his personal priority bill. Senator McKinney communication stating that the Urban Affairs Committee has selected LB840 as a committee priority bill for the session. Urban Affairs Committee, LB840, committee priority. Senator Dover has designated LB1313 as his personal priority bill for the session. Senator Dover, LB1313, personal priority. Senator Ibach has selected LB1368 as her personal priority for the session. Ibach, LB1368, personal priority. Finally an announcement, the Agriculture Committee will meet in Executive Session in Room 2022 at 9:15, now in Room 2022. Agriculture Committee, Executive Session, now in Room 2022. That's all I have at this time, Mr. President.

ARCH: Thank you, Mr. Clerk. We will now proceed to the first item on the agenda.

CLERK: Mr. President, first item on the agenda, LB1087, introduced by Senator Jacobson. It's a bill for an act relating to hospitals; adopts the Hospital Quality Assurance and (Access) Assessment Act; and declares an emergency. The bill was read for the first time on January 9 of this year and referred to the Health and Human Services Committee. That committee placed the bill on General File with committee amendments. There are additional amendments, Mr. President.

ARCH: Senator Jacobson, you are welcome to open on LB1087.

JACOBSON: Thank you, Mr. President. I'm here today to introduce LB1087, which I believe could be one of the most impactful pieces of legislation that we have the opportunity to pass this session. LB1087 will create the Hospital Quality Assurance and Assessment-- Access Assessment Act, which is a program to allow hospitals across our entire state to draw down appropriate Medicaid reimbursement costs and to recoup their costs by-- they incur when providing care to our

constituents who are using Medicaid. If passed, this bill will increase and improve access to quality care across the state and give us measurable results for all Nebraskans. Nebraska's hospitals are facing significant financial challenges. Much like Nebraskans are feeling-- are feeling through the economy, Nebraska hospitals are combating inflationary pressures and workforce shortages. From the middle of 2020 until now, the average cost to provide care at our hospitals is up 33.2% on average. Some hospitals have reported cost growth during this period as high as 48%. During the same period, however, Medicaid rates have only increased an average of 2.25% per year. A majority of Nebraska hospitals are now losing money on operations. This includes 59% of our small rural critical access hospitals. These financial dynamics have forced Nebraska hospitals to make difficult decisions in the past 18 months. Three rural hospitals have closed their labor and delivery units. Two hospitals have closed their hospital-owned nursing homes. Hospitals have also closed behavioral health, hospice, and home health services. All of these are needed community services that could no longer be sustained by our nonprofit hospitals with current reimbursement rates. Just this week, the first rural hospital in Nebraska made the transition to a rural emergency hospital. This means this hospital will close its inpatient services and become a stand-alone emergency department with some outpatient services. Data from the Chartis Center for Rural Health showed that Nebraska has the second highest percentage of rural hospitals vulnerable to closure. This bill, LB1087, presents a lifeline to Nebraska hospitals and the Nebraskans they serve. In short, LB1087 allows hospitals to leverage additional federal funds to support Medicaid rate increases for inpatient and outpatient hospital services. This is carried out through a partnership between the state and hospital providers. Under this proposal, hospitals will pay an assessment to the state up to 6% of revenue that would then be matched by CMS. For each dollar in the program, the current federal match would be about \$2.19 per dollar of assessment. These Medicaid directed payments, as they're called, would be distributed through the Medicaid MCOs, the hospitals, based on their share of Medicaid inpatient and outpatient services. 44 states currently have a provider assessment for Medicaid hospice-- hospital services in place. Like Nebraska, Nevada and Delaware are also working towards establishing their programs this year. Only Alaska, North Dakota, and South Dakota remain. As many of you know, I currently serve on the governing board of my local hospital and I know from this experience how important this legislation could be. This Legislature has passed bills to improve Medicaid access and eligibility and rebase certain rates. But

those bills alone cannot touch the incredible hole that our Medicaid providers find themselves in. This program, which allows our state to dramatically increase reimbursement rates without costing our state General Fund any money, will have a dramatic impact on reimbursement rates, hospital services, and ultimately on the availability of healthcare across Nebraska. I will talk more about the specifics of the bill when we get to my amendment to the committee amendment, but for now I would like to thank Health and Human Services Committee Chair-- Health and Services Committee for their quick and careful work on moving the bill forward and to their Chair Ben Hansen. I also want to say a special thank you to Senator Christy Armendariz, who has named this as her priority bill. Also, I want to say a special thank you to the 32 senators who saw their way of being cosponsors on this bill. With that, I would close, Mr. President. Thank you.

ARCH: Mr. Clerk, for an amendment. Senator Hansen, you're recognized to open on the committee amendment, AM2404.

HANSEN: Thank you, Speaker. AM2404 strikes the original provisions of the bill and provides the following changes to LB1087. DHHS shall collect assessments from hospitals and remit the assessments to the State Treasurer for credit to the Hospital Quality Assurance and Access (Assessment) Fund, contracting parties collecting assessments language is removed. The amendment also clarifies that administrative fee is the fee retained by DHHS. Clarifies that the assessment total is a statewide aggregate assessment. The Hospital Quality Assurance and Access Assessment Fund shall only be used to pay DHHS, not contracting parties or programs established by a statewide association representing hospitals and healthcare systems in the state. The administrative fee is referenced in Section 5 of this amendment. The amendment also clarifies that DHHS shall prohibit a Medicaid Managed Care Organization from setting, establishing, or negotiating reimbursement rates with a hospital in a manner that takes into account, directly or indirectly, a directed payment that a hospital receives under this act. It also unnecessarily clarifies that unnecessary delaying a directed payment to a hospital or recouping or offsetting a directed payment for this reason is prohibited. A hospital shall not directly pass on the cost of an assessment to patients or non-Medicaid payers, including as a fee or rate increase. A hospital that violates the subsection shall not receive a directed payment for the remainder of the year. The subsection shall not be construed to prohibit a hospital from negotiating with a non-Medicaid payer for a rate increase. And lastly, the amendment also clarifies that DHHS shall discontinue the collection of assessments when federal

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matching funds are unavailable. In such case-- in such case, DHHS is required to terminate the collection of assessments beginning, beginning on the date such federal matching funds become unavailable. Also, just to mention that I know Senator Jacobson does have another amendment coming up here that further clarifies portions of the bill and the amendment which I'm sure he will touch on later. Thank you, Mr. Speaker.

ARCH: Mr. Clerk, for an amendment.

CLERK: Mr. President, Senator Jacobson would move to amend the committee amendments with AM2512.

ARCH: Senator Jacobson, you're recognized to open on AM2512.

JACOBSON: Thank you, Mr. President. AM2512 to the committee amendment contains the agreement between the hospitals and the administration as to how this program is to be administered. The crux of the bill remains the same. The agreement established in this amendment are the state administrative fee of 3%, capped at \$15 million. The amendment also establishes funding for health priorities with 3.5% of the assessment, which is capped at \$17.5 million. This funding could be used to fund nonhospital Medicaid rates for physicians, dental care, behavioral health services, or increased rates for nursing homes. It also could be used for continuous eligibility for children who came down as a-- that came down as a federal requirement on 1-1-24 through the CHIP Program, the state Health Information Exchange could be funded through this as well. It is also-- it, it is important to note that the money from the assessment used for these priorities will also have federal matching dollars coming to our state. The bill contains funding for clinical nursing sites at \$2.5 million, which will-- which will continue a program this Legislature passed last year. And the amendment contains a sunset on the program on 12-31-2026, which was requested by Governor Pillen. So many, many of us will still be here in 2 years when we can come back and examine this program is really working. The amendment notes an intent that Nebraska hospitals will invest a total of \$50 million per year in healthcare workforce development. And the amendment sets forth that DHHS will partner with Nebraska hospitals to implement initiatives to improve children's mental health, adult mental health, maternity care and senior care, all made possible by the program set forth in LB1087. It is important to note this amendment will also change the fiscal note. The language changes will solve the issue creating the \$466 million fiscal note from the bill as originally introduced. And once the amendments are

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adopted, we should actually see a positive impact on the General Fund as a result of this bill. Thank you, Mr. President.

ARCH: Senator Erdman, you are recognized to speak.

ERDMAN: Thank you, Mr. President. I'm going to deviate from the discussion about this bill. But I will say this, if Senator Jacobson has 32 cosigners, there's a pretty good chance that it might pass. Just, just saying. So I appreciate the discussion this morning. I'm going to focus a little bit on yesterday's comments made by the Governor to the Chamber of Commerce and just to announce to you that don't make any plans for the rest of the year because he said we're going to be in session until Christmas. Guaranteed, he said, unless we get 40% property tax relief. So I, I was-- I had some plans and several senators in here also were going to join me to go fishing in Minnesota the first week in June. And so I'll call Bob Shimmerouskie [PHONETIC] at the, the resort in Minnesota and tell him we're going to have to cancel because we're going to be in session. I'm not opposed to being here till, till, till Christmas if we're going to talk about real property tax relief. Yeah, that's not something that I would be-- shy away from. But yesterday the Governor made some other comments that I thought were very interesting. And one of those was when they talked and asked him if he was going to back up on some of the proposals that he had put forward and he said no. He said we're going to be here till Christmas. So the Governor went on to say, if you don't like my plan, if you don't like it come up with one of your own. Well, I'm not sure, maybe he hasn't been listening or maybe he hasn't understood what we're trying to do with EPIC option consumption tax, but that is a plan that's far better than the one he has and it's been out there for a couple of years. So to say if you don't like my plan, come up with one, I've done that. And other states are picking up on this. And I mentioned it the other day that Florida is introducing a bill to eliminate property tax and replace their property tax with a consumption tax. Imagine that. And so it's kind of amazing to see that we've had all this discussion for the last 57 years about property tax relief when, in fact, all that we're trying to do is decrease the increase. And so I would put this challenge to the Governor, come and talk to me about my plan, because I do have one. And I see that you're opening up the opportunity for me to do that because you say when someone has a plan for the solution, come up with it, so I did. So here we go. So this morning I'm willing and able to talk to the Governor and his staff or whoever wants to talk to me about my solution, which is real-- the real solution, which would eliminate a lot of the issues we had yesterday in Appropriations about building

workforce housing. And the issue we have is our tax problem-- our taxes are too high. And that's what the problem is with most of the situations in Nebraska. But we're not willing to address that. But we're going to be here till Christmas so get ready. And if you're going to do anything else this summer, don't plan on doing it because I didn't realize it but we're going to be here every day till Christmas. Thank you.

ARCH: Senator Armendariz, you're recognized to speak.

ARMENDARIZ: Thank you, Mr. President. I won't take up much time. As Senator Erdman stated, we do have a lot of support on this bill after last year getting vetoed our 2%. The hospitals did go to work to figure out how can they fill this need that they have when Medicaid doesn't reimburse fully for their costs? They did go down the federal path. There are funds available federally to do this. This is a great bill that helps satisfy their, their needs when it comes to treating Medicaid patients. This-- just this week in Appropriations, we, we met with a lot of testimony on Medicaid and how it doesn't meet the needs. It doesn't meet the needs of the workforce that's supporting Medicaid patients or even the products that, that are used to help treat Medicaid patients. We spent hours and hours this week in Appropriations discussing that. This bill helps, at least on the hospital side, supplant some of those unmet needs and costs that the hospitals are seeing. And, unfortunately, when the hospitals come up short treating patients, they go to other sources. More than likely to those private-pay patients are going to pay a little bit more to fill those unmet costs. So this is a great bill. I hope everybody gives us a green light and moves this through and we don't have to spend all morning discussing, discussing it. Thank you for your time.

ARCH: Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. Good morning, colleagues. Thank you to Senator Jacobson for bringing this bill and thank you to Senator Armendariz for prioritizing it. I rise in support of LB1087. I do have concerns about the amendments. But the concerns are-- well, it's, it's, it's-- this is very complicated if you look at the amendment and if you look at the fiscal note, this is a lot of moving pieces of, of funding. So the hospitals are paying an, an assessment and then the federal government is giving the state money because of that payment of an assessment. And then the state is paying the hospitals out the money that is coming through. So the state is acting as a pass-through, which is good. This is a good program. The state is

then taking a portion of the money that comes from the federal government and keeping it. And so that's where the amendment comes in that gets a little sticky and that I have concerns about. I will say my concerns are not so grave that I think that we shouldn't move this today. But I wanted to voice it today because on Select File, once we see a new fiscal note between now and Select, I probably will be having more conversations with Senator Jacobson about if there's any additional changes to be made to the bill. So-- and I was trying to take notes on, on the amendment as Senator Jacobson was speaking about it. But, essentially, I want to make sure that we're not taking too much money out of the hospital assessment that we're giving back to the hospitals for the state. And if we are taking money for the state that it is being used for healthcare-related things, beyond the cost to the state of administering this program, which, of course, we should be covering as well. So to that end, I would ask if Senator Jacobson would yield to a question?

ARCH: Senator Jacobson, will you yield to a question?

JACOBSON: Yes, I would.

M. CAVANAUGH: Thank you. So just quickly, you mentioned a sunset date, and I didn't quite catch what that was about. Could you maybe explain-- so was the \$2.5 million in the nursing-- the clinical nursing sunset is December 2026? Is that--

JACOBSON: No, the entire bill would, would sunset--

M. CAVANAUGH: OK.

JACOBSON: --on 12-31-26 and let's just say that, as you well know, there were a number of discussions and the numbers moved all around and I will walk you through if you want me to where the numbers ended up here and where they're going or I'll do it when I'm on my own time on the mic.

M. CAVANAUGH: We, we might not have time for you to get through it. So-- but--

JACOBSON: I will address it.

M. CAVANAUGH: OK. So I guess I have a concern about the sunset so I might be present, not voting on this amendment but, overall, I support what you are doing. I appreciate you bringing it. I appreciate Senator Armendariz for prioritizing it. My reservations on the amendment are

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the only thing that are causing me pause, but thank you very much and I will yield the remainder of my time to the Chair.

ARCH: Senator Dorn, you're recognized to speak.

DORN: Well, thank you, Mr. Speaker. And I, I also just like Senator Machaela Cavanaugh had those same questions, I call it, on the, the amendment and, particularly, the sunset and don't plan on talking very long here. I was going to ask Senator Jacobson some of those same questions, but I see he's in the queue next and he can explain it or walk us through. Part, part of what you, you need to understand-- I think everybody needs to understand here, when we set in motion a program like this, especially in Department of Health and Human Services, a Medicaid program, it's not one that, oh, tomorrow we turn a switch on and now it's going to be going and stuff. It's going to take time. And when I see a sunset out there, I, I-- my concern is and I think maybe some others have, too, is that we have ample time for this program to get developed, that we get to maybe have enough data in there, enough information so that we know the result of some of this so that, that sunset, when it does come back again, remember it may sunset at the end of, I think, Jacobson said-- Senator Jacobson said the end of '26. Well, we, we get out of session there probably in April in '26 so we have to know that information or some of that data by then. And just so that we have-- I call it, the program can do what it's intended to do and that we get to see that information, that result or those results, or we have enough information to know that, yes, this is working so that we can make that decision at that time. So I will yield the rest of my time and listen to Senator Jacobson.

ARCH: Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. I will try not to filibuster my own bill here this morning. So I'll try to just respond to the questions that have been raised. First of all, as it relates to the question of sunset, this was a request on the part of the Governor. I'm not wild about the timing of the sunset. I'd like to see it-- as Senator Dorn has outlined, I would have preferred to have seen a little more time because of the timing of how this would have to work through the Legislature. We need to keep in mind that this-- these dollars will get the program hopefully set up. The quicker we can get this bill passed, the quicker that negotiations can happen with CMS, NDHS, and, and the Hospital Association to get all the parameters in place. And then we'll really start seeing the effects of this bill coming in 2025. And so the purpose for the sunset was to say, how are

the hospitals going to use the dollars? Will the dollars be used appropriately? That was some of the unknown questions. We're, we're talking about \$1 billion of new money. OK? So if you run the math, originally that fiscal note was a fiscal note of what the hospital assessment would be, which was, like, roughly \$440 million at 6% of their billings. And then the federal government will match that 2.19 times, which takes you another billion \$20 million. So there's \$1.4, almost \$1.5 billion going into this fund to reimburse hospitals at a higher rate. And this is-- now, \$440 million of it's coming from hospitals, but \$1,000,000,020 is coming from the federal government to increase Medicaid reimbursement rates so the state doesn't have to pick it up. And, oh, by the way, so that we in rural areas as well as urban areas can take care of more Medicaid patients. That's the goal here. And so the question was, because it's so much money, do we need to evaluate how it's all working? So that's the reason for it. I would probably prefer to kick it out at least one more year so that we can truly see how it's working. But I don't know why we would not want to take \$1 billion from the federal government if it's there and other states are taking it as well. I also wanted to just mention, as it relates to the fee, the fee would be capped at 3% that the state would take out of this fund that the hospitals would fund-- would pay into, which would be capped at \$15 million. That would be dollars that the DHHS could use to administer the program to eliminate that fiscal note. We would also be looking at 7-- 3.5%, which would be capped at \$17.5 million to go to these other priorities that I mentioned, which would include nonhospital Medicaid rates for physicians, dental, behavior-- behavioral health, and, and nursing homes, and etcetera. So these are dollars that the state would otherwise potentially need to fund or should fund that would be coming out of this particular program. Now, there are limitations as to how much we can take from that fund at the state level and still maximize the federal funding. So we got to be careful on that piece. So through all these negotiations and including, that I might say, the \$50 million for healthcare workforce development is coming directly from the hospitals themselves as opposed to coming out of this fund. So this is net dollars in addition to their \$440 million. They'll be spending another \$50 million collectively for this healthcare initiative so this is a huge program for the state. I can't imagine why we would not want to continue this program as long as the federal government is going to be there to fund it. But, nonetheless, that was part of the negotiation and so that's why it's included in the amendment. And I would be willing to stand for any questions if anybody has other questions.

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Otherwise, I would agree with Senator Cavanaugh, let's not burn the whole morning on this. It's a great bill.

ARCH: One minute.

JACOBSON: Let's try to move it. Thank you, Mr. President.

ARCH: Senator Hansen, you're recognized to speak.

HANSEN: Thank you, Mr. Speaker. I appreciate all the, the hard work Senator Jacobson has actually put it into this bill and the communication he has had with the committee. I just-- I have a, a few questions about this bill. I think some of these that I raised during the hearing that I would maybe hope-- and if Senator, Senator Jacobson can't answer them, I think that's fine. I can kind of clarify some of these on Select File if I need to. Would Senator Jacobson yield to a couple of questions, please?

ARCH: Senator Jacobson, will you yield?

JACOBSON: Yes, I would.

HANSEN: OK. So just for clarity sake, I want to make sure I get this right. Hospitals take 6% of the revenue and they give it to the state, the state then takes that money, gives it to the federal government, and for about every dollar we give the federal government that hospitals give up, we get around \$2.15, something kind of like that?

JACOBSON: No, you got it partially right. There's a fund set up at the state level. Hospitals will put in up to 6% of their gross revenue, which it roughly is about \$440 million. That would go into the state fund, then the federal government's going to bring us an additional 2.19-- they'll match it 2.19 times. Now, the original fiscal note was there because we had-- the hospitals didn't want to fund-- couldn't afford to fund the \$440 million without getting their-- the additional dollars coming back from the total fund. OK? But we're talking about almost \$1.5 billion when you consider what the hospitals pay in and what the federal government brings in and you're saying, well, why does the-- why do the hospitals have to fund? Well, the hospitals are funding gross revenue. A percentage of gross revenues goes into the fund, and they're only going to get dollars out of the fund to the extent that they treat Medicaid patients. So if you're in a hospital that has a low percentage of Medicaid patients, you're not going to get a lot of money out of this fund. You'll, you'll-- every hospital should be able to get at least their assessment back. But to get

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significantly more, you're going to have to have a high Medicaid population that you're taking care of which, of course, provides an incentive to do more.

HANSEN: OK. Don't go too far yet.

JACOBSON: All right.

HANSEN: That makes sense. So for every dollar we-- the hospitals chip in, they get about \$2-- this fund gets \$2.19 back. OK. The purpose of this bill is to increase access and health equity. Is that-- with the-- with the federal government then, that's kind of the guidelines of the whole purpose of why they're, they're giving us this money. Correct?

JACOBSON: Yes. And there are-- there are 4 metrics-- there are metrics that have to be agreed to by the Hospital Association and DHHS and CMS that are going to be measurable outcomes that-- metrics that we have to hit. We can determine what they are with the consent-- with the concurrence of CMS. And that will be measured collectively by all hospitals throughout the state.

HANSEN: OK. So then-- the metrics, that's another thing I have a question about. So they're giving us some money for health equity and health access. My main concern is when they come along and say, OK, how do you measure health equity and health access and what are the metrics entailing that thereof? You're saying the state has a decision and what that-- what that means. So then the hospitals have to report to the state to record those metrics about how that's improving or not improving. Then does the state then report that back to the federal government or CMS? And then does CMS say, hey, look, we don't feel like you have increased health equity in access so you're no longer going to get this money. Is there a communication line between the state and CMS? Is CMS specifically asking for certain things?

JACOBSON: Actually, no, they're not. I think CMS is telling the state, you tell us what your priorities are, but we want to see better outcomes--

ARCH: One minute.

JACOBSON: --from the hospitals as a result of these new dollars.

HANSEN: OK. Thank you. Here's one of my-- here's one of my main concerns here. And so this is what happens, especially when it comes

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to some of these cash funds or some of the, the, the money we get from the federal government. I've seen this time in and time out in the last 6 years I've been here. What happens is, is we create this contract or this negotiation with the federal government. We're gonna give you a dollar. We get \$2.19 back. The federal government says, hey, look, we will let you guys decide. We're just-- we want health access and health equity. That's we're hoping to get out of this. The state kind of creates all this kind of stuff until about 5 years later, the federal government comes back and says, well, this is what we mean by health equity and access. We want to see these metrics now, otherwise you're not going to get this money anymore. And, of course, everybody on the floor here freaks out and says we can't give up federal money, federal funds. We can't lose federal funds. And so a lot of times we end of voting for stuff and continuing programs such as this that we may not agree with to not lose these federal funds. I've seen this multiple times here.

ARCH: Time, Senator.

HANSEN: Thank you.

ARCH: Senator Wayne, you're recognized to speak.

WAYNE: Thank you, Mr. President. Would Senator Jacobson yield to a question?

ARCH: Senator Jacobson, will you yield?

JACOBSON: Yes, I would.

WAYNE: Do you know if any of these extra dollars we will be receiving will go to property tax relief?

JACOBSON: No, they would not.

WAYNE: Would any, any transaction regarding this go outside of the realm of health access and equity?

JACOBSON: No, the, the, the final amendment and the last amendment, if you read through it, it outlines the dollars, how they go in there. Now, I know I had to tell people this at the bank one time that when you bring your dollars in for a deposit, I don't segregate that in a separate hole. I can commingle it with everything else. So to the extent that the state has some savings, I'm not saying they couldn't

reallocate dollars somewhere else, but these dollars are specific for healthcare metrics.

WAYNE: And then-- and we define-- I'm sorry, I haven't seen the amendment. We define the healthcare measures and what they are?

JACOBSON: We do. And I'm on the-- I'm getting on the mic next primarily to answer Senator Hansen's questions. And I'll tell you what the metrics are so that everybody understands what, what, what we're planning to do and what, what Nebraska wants to do in terms of better outcomes.

WAYNE: So here's my-- here's my only concern is that-- it's not even a concern. It's just that when you look at the fiscal note, we're talking some significant dollars. And I don't know-- at least my experience in the last 3 years, anything over \$100 million requires a whole lot of debate and I have-- I'm not seeing a whole lot of debate. So if that's the standard, I am willing to, to deal with that. But I just-- when I start reading through it, I want to make sure when we talk about healthcare access equity and making sure people are getting the healthcare they need, I want to make sure this isn't a-- and I'm not saying we are doing it, but when we start leaving it up to the discretion of agencies, it starts to become a bait and switch. I'm not going to say forgive me, but being down here from Education-- Department of Ed to DED to HHS, we pass a lot of legislation and we put money behind it and somehow it doesn't go where we think it's going to go. For example, in Education, we stayed here till late last night dealing with teaching kids how to read. And I swear we put money in that same kind of programs of teaching kids how to read 7 years ago. So I'm just concerned, and I'm going to look at the amendment again. I didn't see the one that was just filed, but I'll look at it again. But I'm really concerned of the discretion that HHS has or the Governor may have and whether this money will be moved somewhere else, particularly to property tax relief in the name of access to education. Thank you, Mr. Pres-- I'll yield the rest of my-- how much time do I have left?

ARCH: 2 minutes, 10 seconds.

WAYNE: I'll yield the rest of my time to Senator Hansen.

ARCH: Senator Hansen, you're recognized.

HANSEN: Thank you, Mr. Speaker. Not going to continue on with the, the previous point that I was trying to make. I do-- I do want to mention, though, that I do believe AM2512 that Senator Jacobson has brought has alleviated some of my concerns. And I think that is actually a good amendment that I would encourage everybody to vote for. I'm going to vote for the amendment and the HHS Committee amendment as well. I'm still trying to figure out what I want to do with the bill. But to back what I was saying, there's nothing in the bill from what I'm reading, maybe Senator Jacobson can clarify later, there's nothing in the bill that I see that prevents the federal government from altering the qualifications of us receiving this money down the road. I know the sunset portion that Senator Jacobson put it in there, I think, does help with some of that. But I don't think there's anything in there that says down the road the federal government, then, can change the rules halfway through and say, OK, now we're going to take back-- everybody knows here when people get government money, it's very hard to stop doing that or to take it back. I don't think I've ever seen that happen in the 6 years I've been here pretty much. And so here we are again--

ARCH: One minute.

HANSEN: --wherever the federal government is getting this money from, first of all, I don't know, if they're-- if they're putting it on another credit card somewhere, but we're, we're getting this money and then all of a sudden they can change the, the rules halfway in the game and then we either consent or we give up all of this money. And I can-- and I'll bet the farm on it that they're going to-- one of the decisions we're going to make here is we're not going to give up that money. And so it's, it's just a growing concern I've had here in the 6 year-- 6 years I've been here. And then the idea that it's money we're getting from the federal government so it's not really taxpayer money. It is. This is our money, but it's just coming from the federal government instead. I'm not opposed to the intent of this bill, like the idea that we are trying to make sure people have more access to healthcare and that we're, you know, making sure it's being fair. It's just the, the way we go about doing it is sometimes the problem that I have here. I just don't want to-- I hope we can stop falling into this trap of relying on the federal government for things.

ARCH: Time, Senator.

HANSEN: Thank you.

ARCH: Senator Jacobson, you're recognized to speak and this is your last time on this before your close.

JACOBSON: Thank you, Mr. President. Well, let me just respond to the last two questions. I think-- to Senator Wayne's question on the fiscal note, there is no fiscal note. OK? The fiscal note went away. OK? The reason for the fiscal note was there was a concern that there was going to need to be pre-funding of the hospital assessment portion because those dollars have to come in first before we get the reimbursement from the federal government. So there's been a-- we've done a workaround on that to where every quarter there will be-- assessments will have to be paid and the dollars will then come back within 30 days from the federal government. So we worked this out with, with the, the Governor's office and with Lee Will and-- to where there would be a loan into the program as opposed to an expenditure and now those dollars would come back out. And so that would be outstanding for about 30 days, be repaid, then, then at the end of the quarter we would do the same thing so it would be an advance into this fund. It'd be repaid once those dollars came back from the federal government. So, so it's not a-- an expenditure per se and so, therefore, that was the only reason for the fiscal note. Technically, the fiscal note on this bill is a negative fiscal note because there are dollars coming back to the state that we don't have today and all of the state's costs are covered from the assessment. So, so to Senator Wayne's point, it's a zero fiscal note. To Senator Hansen's point, we have no guarantees. We have no guarantees that that money is going to continue to be here. But I can tell you this program at this level has been operating for 7 years now, and we've given up, if you run the math how many dollars we've given up, we've given up over \$7 billion. \$7 billion that could have gone to hospitals that are struggling across the state and provided better access to Medicaid patients. So my view is there are no-- there are no commitments. This program gets re-upped every year. There has to be an agreement with the state and the federal government to re-up the program every year. I can't imagine that we're binding any future legislatures to funding \$1 billion. But I can tell you, and I don't disagree, whether the money comes from the federal government or the state government, it's still taxpayer dollars. But federal dollars are coming from a much bigger pool of payers-- taxpayers than the state is. So I would rather get federal dollars than state dollars. And, oh, by the way, if 44 and pretty soon 46 other states are taking these funds, who's the chump if we continue to stand on the sidelines and say, no, we don't want \$1 billion to come to our state to fund Medicaid and, and our rural and,

and many of our urban hospitals to help with healthcare costs. So, yeah, things can change. And, and they're at today, the metrics are set up to where we determine what the metrics are. I will tell you that the metrics that are-- that are being proposed for at this point in time, first metric would be to screen all inpatients for social drivers of health and make connections to needed community services, emotional health, food security, housing, transportation, and utilities. A lot of that has to happen now with the hospitals. This would amp that up. Another one would be to increase postpartum screening before discharge of new mothers with a focus on early identification of depression and anxiety. Number three, improve patient safety by reducing catheter associated urinary tract infections. One of the most common healthcare associated infections. And fourth, helping Nebraska seniors age where they want to by expanding the number of facilities, communities using the evidence-based, age friendly model. 23 hospitals and 29 clinics are currently certified. Nebraska hospitals will grow this by at least 50% over the next 5 years and work to establish a more age friendly-- more age friendly communities. This model provides healthcare--

ARCH: One minute.

JACOBSON: --to seniors in a way that creates outcomes that matter to the patients and it improves overall health of Nebraska seniors. These are metrics that the hospitals have come up with that will likely be approved by CMS. And so it's not top down, it's bottom up in terms of determining what those metrics are. So I hope that answered some questions. Again, zero fiscal note-- frankly, negative fiscal note. We're going to relook at this on an annual basis. The metrics are determined at this level. It's \$1 billion of new money that the state doesn't have to fund. Thank you, Mr. President.

ARCH: Colleagues, Senator McKinney would like to welcome some guests in the north balcony. They are members of Parent Ambassadors from across the state and four from his district. Would you please rise and be welcomed by your Nebraska Legislature? Mr. Clerk, for announcements.

CLERK: Mr. President, a series of announcements: the Transportation and Telecommunications Committee will hold an Executive Session under the south balcony at 10:00 a.m.; 10:00 a.m., Transportation and Telecommunications Committee, Exec Session under the south balcony. Additionally, the Banking, Commerce and Insurance Committee will hold an Executive Session in Room 2022 at 10:00 a.m.; 2022, Banking,

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Commerce and Insurance Committee, 10:00 a.m. And finally, Mr. President, the Urban Affairs Committee will have an Executive Session today at 10:30 under the north balcony; Urban Affairs Committee, Exec Session, 10:30 under the north balcony. That's all I have this time, Mr. President.

ARCH: Senator Hansen, you're recognized to speak.

HANSEN: Thank you, Mr. Speaker. I just-- a few more questions and I'll-- and I'll be done here. I'm not going to-- I won't take up too much time on Senator Jacobson's bill but I know there's a provision here that says the hospital shall not directly pass on the cost of assessment to patients or non-Medi-- non-Medicaid payers, including as a fee or rate increase. I was wondering if Senator Jacobson could answer, maybe, just a couple more quick questions for me?

ARCH: Senator Jacobson, will you yield?

JACOBSON: Yes, I would.

HANSEN: OK. How do we measure that the hospital is not increasing rates on patients because of this? So they--

JACOBSON: Well--

HANSEN: --they say they're not going to, right, which makes sense and I, I would assume they wouldn't, but how do we know?

JACOBSON: Well, I think it's pretty-- it's like anything else. I fully expect that not only will we see costs-- more access for Medicaid patients, but I'm expecting you're going to see a drop in the increases of costs and, ultimately, will result in, in insurance-- insurers to see some savings. I know the insurers talked to me about trying to write something in the bill. Frankly, with all the amendments in this bill, I think we got enough in here now. But I think we're all going to learn a lot this next year in terms of how these dollars get spent. But I think all the hospitals have been pushed to drive rates up. But with these new dollars coming in there's no reason to. I don't know that there's a-- I think what it comes down to is you can't have a line item that says, well, we got the assessment, we're going to tack that on like a sales tax. So I think that's, that's the assurance that you have, I guess is all.

HANSEN: Yep, and I-- and I agree-- I totally agree with it. And so one of the expectations I have of a bill like this passing is that we

would then expect healthcare costs from hospitals who get this to remain the same or, if not, go down. Because we're talking about, like you mentioned before, a significant amount of money that's going to the hospitals. And so a, a concern I have, you know, is because we hear typically from hospitals about a lack of revenue that they have, and they're giving up 6% of their gross revenue, which is a substantial amount, initially, and I don't know how long it's going to take for them to get their initial investment back. And then-- so there's going to be a stagnation period of where they're losing revenue and so my concern is then they will have to make up for that in some, some way. But the goal I would expect of this entire thing is relief of healthcare costs on the taxpayer, along with equity and access, but in essence also relief on the taxpayer in the-- in the lowering of healthcare costs. One other question that I have here is-- for Senator Jacobson is, what happens if the federal government does not give us the money? Like, who's on the hook for this? The state, the hospitals. Like, say, you know, you don't know, you know, that quickly things can change, whether it's administration, whether it's funding, whether it's who knows what. What happens if they say, look, we're going to stop the program. We're done right now. What happens?

JACOBSON: Well, if the-- if the program were to cease, then it's game over. OK? The hospitals would quit paying into the assessment and, and we would just-- we'd be done. The hospitals would keep their \$440 billion. We'd go back to where we are today. Hospitals will probably be back asking for rebasing of Medicaid rates because of the disparity and their costs and what Medicare-- Medicaid reimbursements are today.

HANSEN: OK. So we'd have that money still sitting in the fund then, correct?

JACOBSON: Well, let me be clear again on how that works. OK? The hospitals are supposed to pay in their funds upfront. So the workaround we've got with the state is that the state would loan those \$440 million on a temporary basis until the, the federal dollars come back to the state. The state would then get their money back out and everything else would be distributed through the fund over the next quarter, then up to 30 days before the next quarterly payment is due they would up-- they would front again the \$440 million. We'd get the--

ARCH: One minute.

JACOBSON: --state reimbursement, they'd get their dollars back.

HANSEN: OK. And I think that's one of the concerns that I mentioned before. The state is-- it's not a loan, but we're up front providing the money to hospitals, and then the state waits for the federal government to then reimburse them. I-- see that's, that's a concern that I kind of have is, like, there's, there's money sitting out there after the state has given up a lot of money back to the hospitals. Now the state-- if the federal government decides to end the program or not pay us or not pay the entire amount for whatever reason, that they view that we're not following the rules, then the state seems like they're on the hook and that's the Nebraska taxpayer. That's the concern that I have. Not saying it's going to happen, but it could. And then you, you mentioned earlier, too, that CMS has to approve the metrics that we put forward. What happens if they don't?

JACOBSON: Well, the-- they would-- there would have to be an ongoing negotiation. But I think these metrics are similar to what's been done with all the other states and they've been approved. So I think the goal of the federal government is they want to see that if they're going to bring \$1 billion to Medicaid that they see--

ARCH: Time, Senator.

JACOBSON: --a better outcome.

ARCH: Senator Riepe, you're recognized to speak.

RIEPE: Thank you, Mr. President. I just-- I hope that I can make some contribution to the discussion about the rates and the rate increases and the threats of that. Hospitals fundamentally are price takers and not price setters. And a high percentage of hospital patients are either Medicare or Medicaid. And in either case, the rates are not negotiable. The rates are set by the federal government. And so that even if the hospitals would want to raise their rates on a high percentage of their patients, it's not an option for them. Thank you, Mr. President.

ARCH: Seeing no one left in the queue, Senator Jacobson, you're welcome to close on AM2512.

JACOBSON: Thank you, Mr. President. I'll try to be brief on this. I just want to respond to any last minute questions here or any uncertainties. I think to, to Senator Riepe's points, that's largely true. We are rate takers as it relates to Medicare, Medicaid, however, that insured population are the ones who are currently picking up the

difference. So if you look at it from that standpoint, if you truly are a self payer, which generally a self payer means I don't pay, or you're Medicare or Medicaid, those rates are set. And as a general rule across Nebraska, hospitals are getting anywhere from around 38 to maybe 80% of their true costs reimbursed. Critical access hospitals are closer to dollar for dollar on Medicare and Medicaid. But the larger hospitals are, are much lower percentage of reimbursement. So how do you operate your hospital if you're getting reimbursed below your cost? Well, the way you get your dollars back is you increase the cost to the insured population, which causes the insurer-- health insurers to pay more, which causes their ratepayers premium-- higher premiums. So, so that's the rub and that's the model that we have today. So there are no guarantees out there. But I can assure you that hospitals collectively are losing about \$1 billion a year. And if we're going to keep them open, we're going to need additional funding, whether that'd be coming from the state through higher Medicaid reimbursements or whether it'd come from the federal government through this program or whether they just simply close. As I said in my open, look at the number of hospitals that have closed. Look at the reports that talk about the number of rural hospitals that are on the verge of closing because the numbers don't work. I, for one, do not want to see the state of Nebraska to have to increase their Medicaid rates if these dollars are available. Now, is there a risk that, that, ultimately, the federal government short-- shuts this down and reneges on their agreement to bring those dollars back? I suppose it could happen. Anything could happen. But we ought to ask ourselves then if that happens, are we just going to say then we're not going to provide any rural healthcare? Are we going to close all the hospitals or we're going to close all the critical access hospitals? That's what's happening today and it will happen more if we can't raise the funding. Do we want to do it at the state level or do we want to allow the federal government to come in and bring us \$1 billion which they're doing in 44 other states and soon to be 46 or 47 other states? Do we want to be the chump out there that says, no, no, we want to reduce the federal deficit by not taking our billion dollars? OK? I would rather the federal government pays it rather than the state of Nebraska and the taxpayers directly in the state of Nebraska. I would encourage everyone to vote for AM2515 [SIC--AM2512] and move the bill forward. I think it's a good bill. It's a clean amendment. It cleans things up. And let's get it to Select File. And if you got other questions, I'd be happy to talk to you. In the meantime, let's move it to Select and let's keep the bill moving. Thank you, Mr. President.

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ARCH: Colleagues, the question before the body is the adoption of AM2512. All those in favor vote aye; all those opposed vote nay. There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 18 ayes, 2 nays to place the house under call, Mr. President.

ARCH: House is-- 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 unexcused members are now present. Senator Jacobson, will you accept call-in votes? Mr. Clerk.

CLERK: Senator McDonnell voting yes. Senator Aguilar voting yes. Senator Slama voting yes. Senator Kauth voting yes. Senator Conrad voting no. Senator Hughes voting yes. Senator Ballard voting yes. Senator Machaela Cavanaugh voting no. Senator Arch voting yes. Senator Dungan voting yes. Senator von Gillern voting yes. Senator Lippincott voting yes. Senator Fredrickson voting no. Senator Holdcroft voting yes.

ARCH: Mr. Clerk, please record.

CLERK: 34 ayes, 3 nays, Mr. President, on adoption of the amendment.

ARCH: AM2512 is adopted. Senator Hansen, you're welcome to close on AM2404. Senator Hansen waives close. The question before the body is the adoption of AM2404. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 39 ayes, 0 nays, Mr. President, on adoption of the amendment.

ARCH: The amendment is adopted. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. Colleagues, I think there's a little bit of confusion over what just happened. Senator Jacobson brought an amendment and it had a sunset for 2026. And I, I think the concern is that the-- if without the sunset that the bill is going to be vetoed. So we as a body need to count our votes and see if we have 30 votes to override a veto. If we do on Select File, I think that we should bring an amendment to strike the sunset. A 2-year sunset on a bill that is intended to fix the problem so that we aren't constantly

debating provider rates. This is instead of doing provider rates, which the Governor vetoed last year in the budget, vetoed hospital provider rates. So this is a way to establish a way that hospitals can get reimbursements at no cost to the state. Yes, to Senator Hansen's comments, these are taxpayer dollars. They are taxpayer dollars that we pay to the federal government. So I think we need to really, first of all, pay a little bit closer attention to what we're doing. And second of all, we need to mind our own shop. We need to count our votes. We need to get a vote card going on LB1087 and see if we got at least 30 votes to override a veto if we strike the sunset. We cannot sunset every single bill that comes to this floor, and nor should we. So I am going to vote for LB1087 because I believe in LB1087. I, again, thank Senator Jacobson for bringing this. Thank you, Senator Armendariz, for prioritizing this. I think we can do better on Select File to make this a better bill. Thank you, Mr. President.

ARCH: Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. I was looking at the Jacobson amendment, AM2512. If you look at page 6, line 4 and 5: the act shall terminate effective January 1, 2027. So it's 2027 not 2026. And I put a sunset on another bill that was a new program that I support. Analyzing how well this is, I did also look at-- in the language, it looks like if the language, the way I read it, says if the federal government terminates their program, that the state also terminates its program. Because I think that's important because \$1 billion out of the state budget is a significant number. And so I'm, I'm supporting the, the sunset of 2027 so that-- although it's January 1 so it's December of 2026, which would be a 3-year deal. So I'm comfortable with that so that we can analyze it, make sure it's working and the way we think it is, it's a major new program so I just wanted to point that out. Thank you, Mr. President.

ARCH: Senator Wayne, you're recognized to speak.

WAYNE: Thank you, Mr. President. Thought this would be an appropriate time to talk about sunset. Senator Hansen and I did a bill 2 years ago, I think is worthy of a discussion and maybe we should do it again this year. Rather than sunsetting on the floor, colleagues, I think a better way of always thinking about sunsets is just set up an automatic mechanism that agencies and a committee-- a committee of jurisdiction reviews different programs every 5, 7 years and determines whether they should be continued or not. And so every year, and we kind of already have it in our rules with some of the-- some of

the committee stuff, but it should be a statute that every year before the committee that it just doesn't always go back to Appropriations for money every-- pretty much every year. These agencies come in and say we need a budget increase. But the committee of jurisdiction never reviews whether that program should still exist or not. And I think every year it should be part of a statute that we do at each committee of their committee of jurisdiction, bringing these agencies back in. You have a conversation about your-- all your programming and figure out whether or not it should even exist. It's not fair to Appropriations, who doesn't get to see the overall picture of that agency like we do, say, in Department of Corrections with Judiciary, that they just come in and ask for a budget request, but everything else that happens within that agency goes to Judiciary. But we may not, because if a bill is not brought, may not think to think about another program that maybe is already existing. So now we kick out another, another program on the floor. And here we are again, now we're doubling up. We do it all the time in Education. We have more reading programs that we continue to fund every year because we haven't looked back and said, what are your overall reading programs? And we're only going to fund the top two that are really working. So I think this might be a good time while everybody is listening about these problems, because we just did it the other day on Senator McDonnell's bill. Senator McDonnell's bill-- has a, a bill about mega sites. I agree with mega sites, but we already passed legislation called Inland Ports. How do those two work? And they're all going to be ran by DED. So let's just say that we give \$100 million to one and then \$100 million-- now we have two programs that are essentially potentially doing the same thing and we just doubled the money. And we're giving up our oversight of the other body by not bringing them back to our committee of jurisdiction and reviewing their programs. Now, DED wouldn't come to Judiciary, it'll probably go to Banking. If that goes to Banking, then they have a conversation about what should be funded, what should continue as a program? That's where we are really losing our, our independence as a third branch of government is we have put so much pressure on Appropriations, now they're trying to figure out programming. Every year they come back with workforce housing and affordable housing. But Urban Affairs, when I was there, and Government, we've never clearly defined what that looks like. So one of the questions I keep hearing in Appropriations is, well, what's affordable housing? We have different definitions, but the committee of jurisdiction has never took that on because we only handle things that are introduced by a bill. It should be every 5 years. And so annually these committees can break up, we're going to have a hearing

with this agency on these programs and figure out how this all works together because we have lost so much oversight as a body because we just keep doubling up and leaving it to Appropriations to fund. And that-- I don't know how much government waste we actually have because we've triple-- quadrupled programming that's supposed to reach the same kids, supposed to do the same thing, supposed to do transitional living. And we have all these programs and we don't know what's working or what's not because the committee of jurisdiction has never sat down and looked at the oversight of this. So I think it's a prime example of how we should be working together--

ARCH: One minute.

WAYNE: --and making recommendations so when Appropriations comes and they say we need this housing program. Well, Urban Affairs looked at that last year and they tweaked this and this and this. And we realize you don't need that much or maybe you need more. And that's a conversation for Appropriations. But too many times we are leaving the programming aspect to Appropriations, not on purpose, but just how we, we do business here. And so I think it's a great opportunity to revitalize that-- or revise that-- whatever word that begins with re that I was getting ready to say-- Senator Hansen, you know what I was going to say-- let's go ahead and do that. Thank you.

ARCH: I raise the call. Senator Hansen, you're recognized to speak.

HANSEN: Yes, I just want to expound just briefly on what Senator Wayne was saying. This, this is an idea that him and I came up with. I believe Florida might even do something similar to this where it kind of infuses a little bit of accountability and oversight by the Legislature with all of these programs and agencies that we create. I think what we see, and as Chair of HHS, which probably has, I don't know, it might have the most amount of agencies and programs there are, we create these programs. And then I wouldn't say we forget about them, but we term out, we don't get reelected, we quit. And then they just kind of seem to continue in perpetuity. And so, you know, the idea that we had was at least about every 5 to 7 years, these agencies that we create comes to the appropriate committee. The committee listens to them and says, hey, OK, the money we gave you, how are you spending it? Is your-- is the program that we created doing what we intended it to do? Almost kind of prove yourself back to us to continue on. And so I think then, you know, that gives us at least some-- it almost forces us to look at these programs and be held accountable for what we have created or what we have appropriated

money to, to make sure that they're working for the taxpayer. And so that was a bill that we brought 2 years ago and it's probably one I might end up bringing again next year and we can refine it here a little bit more, so. I do appreciate Senator Wayne saying that. With that, I'll yield the rest of my time. Thank you, Mr. President.

DeKAY: Thank you. Senator Erdman, you're recognized to speak.

ERDMAN: Thank you, Mr. President. Senator Jacobson, I'm going to read a couple of things here that I received from one of the hospitals in my district and then I'll ask you a question or two if you would yield to that. So I got this, this morning. Their comment was: Hospitals are in favor, but can't pay in and wait for reimbursement. Not all of the hospitals have the ability to pay in and wait for reimbursement. How do you respond to that question?

DeKAY: Senator Jacobson, will you yield?

JACOBSON: I will. Well, I believe I answered that earlier in that they will get their reimbursement from the federal-- they'll get the dollars from the federal government before they pay in that assessment. And that was the workaround. That's why there, originally, was a fiscal note of \$440 million, because that was the collective amount that the hospitals would have to pay in. And so the original plan was for the state to, to-- they-- it was being counted as an appropriation to fund that up front. We instead of using it as a-- as a-- a, a temporary transfer, which allows the state to put the dollars into this fund. The federal government payment comes in, state gets their money back again, and the rest of it, it gets distributed out to the hospitals. So they would not be-- they would not need to advance their dollars until they get the federal piece coming in which is a net-- new dollars to them.

ERDMAN: OK. So what you're saying is they'll get the-- they'll get their money in advance before they put in their contribution. Is that what you're saying?

JACOBSON: Correct.

ERDMAN: OK. All right. Then it goes onto say: The problem with these type of regulations, whomever thinks these up, have no idea how the end user will use them. It's the same with all CMS mandates. The hospital lose-- hospital costs went up 5.6% on average, and the increase in reimbursement was 1.6. So the question they have is, why

don't we just pay them for what it costs them to do business rather than jump through all these hoops? Why would-- why do we have to do it this way?

JACOBSON: Well, we, we could if the state wants to come up with \$1 billion to do that on their own by raising Medicaid reimbursement rates to 100% instead of where they're at today. But I think a better idea here is to let the federal government bring the billion dollars in and move Medicaid reimbursement rates closer to 100% which is what we're effectively doing.

ERDMAN: So in, in this program, if this goes through, you're going to-- you're indicating that reimbursement rates will be 100%?

JACOBSON: I'm representing they are going to be closer to 100%, probably closer to 90 or 95%, as opposed to the 40 to 80% they would be at today.

ERDMAN: OK. Thank you.

DeKAY: Thank you, Senator Erdman. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. Good morning, colleagues. I want to lend my voice to express my gratitude to Senator Jacobson for his hard work on this very important measure. And thank Senator Armendariz for her prioritization thereof. Colleagues, if you look at the bill as introduced and the subsequent procedural history where you see an incredibly strong and broad sense of support for this measure across the state and across the political spectrum. Look at the cosponsors' list. Look at the votes out of committee. Look at the committee statement. And it's no surprise that there is incredible support for this commonsense, common ground measure, because it touches a top need in Nebraska. That Senator Jacobson and our partners in healthcare all across Nebraska have identified. We can utilize updates to this innovative financing mechanism to try and infuse more resources into the provision of healthcare, particularly, for our hospitals and our hospitals in greater Nebraska, who we know from recent headlines and studies, far too many are operating in the red. We know from our experiences that year over year, we're seeing less access to care. We're seeing more pressure on our rural healthcare delivery system, and that hurts our objectives in delivering for Nebraskans' mental health, for addressing maternal healthcare deserts. The list goes on and on and on. So that's why it's so cool and powerful that Senator

Jacobson has put forward this measure that really does something, that does something meaningful to address these big and important issues that are impacting Nebraska. And that's why I voted against the amendment. I appreciate that we all have to make concessions as we work our bill through the process, and we have to keep our focus on the ultimate policy goal, but I think it unnecessarily and needlessly weakens a really smart, strong policy solution that essentially there's very, very strong support for. And I, I want to lift this up and I do hope that the body thinks deeply about this from General File to Select File because we need to ensure, we need to make a stand, and we need to be consistent about the fact that we are leading a coequal, independent branch of government. The Legislature is not a code agency for the Governor. It is not. It doesn't matter who the Governor is and it doesn't matter who's in the Legislature. That is a structural fact that we need to be aware of and we need to be careful stewards of. The elegance of our system requires strength and independence in each branch of government. Yes, it also accepts and anticipates dynamic cooperation, whenever possible, to ensure that we are upholding our individual oath to serve our institutions and deliver on important policy goals. But, colleagues, I'm concerned about what happened in regards to this measure because it's in a broader context wherein the executive branch, through the misguided actions of our Attorney General, has thumbed their nose at legislative oversight, has thumbed their nose at existing state law in regards to how we look after our most troubled institutions.

DeKAY: One minute.

CONRAD: Thank you, Mr. President. And, colleagues, there is a fine line between negotiation and capitulation. And I feel like we're getting very, very close to moving in the wrong direction. We have to be thoughtful about dynamic cooperation, but we have to maintain our independence and strength as the people's branch of government to do good policy work. That's exactly what Senator Jacobson and his proud cosponsors, including myself, are trying to do with this measure. And we need to ensure that we put forward a bill that is as strong as possible to meet our policy objectives. And if the Governor or others have a different point of view in that regard, they have tools available to veto the measure. And then we get to have a final say on that. And that's not the end of the world. That's exactly how the process is supposed to work.

DeKAY: That's your time.

CONRAD: Thank you, Mr. President.

DeKAY: Thank you, Senator Conrad. Seeing no one else in the queue, Senator Jacobson, you're recognized to close on advancement of LB1087.

JACOBSON: Thank you, Mr. President. I will be very brief on this. I think everybody is ready to vote on it and we've spent enough time on it. At this point, I think we've answered most all of the questions. I would just say this one point as it relates to a sunset. I know we started this the other day, yesterday, with adding a sunset provision to a new program. My only hesitation, and I'm going to just be very clear, we negotiated in good faith with the Governor's office, the Hospital Association, the Governor's office came to these conclusions, and there was a good faith agreement to, to bring-- to put a sunset in place. And so that's why I brought the amendment with the sunset. And I intend to continue to move forward with that for that reason. Now, do I agree with the sunset? No. And I would tell you that by setting up a January 1 of 2027, we need to keep in mind that the program if it gets established this year, we will not get much going until the beginning of 2025. Then we're going to have to figure out the outcomes prior to the end of the year of 2025, because if we don't extend the program in 2026, it will have gone away before we have a chance to come back in 2027 and pass a bill to "reimplement" the program. Personally, I believe that when we're putting limitations on the number of bills that a senator can introduce and the time it takes to go through committee and so on, I would much prefer-- as opposed to sunsets, I would prefer to look at it from the standpoint, if we don't like a program then let's bring a bill to kill the program as opposed to a bring a bill to proactively keep it going. We can also kill programs by taking the funding away. So there's a lot of things that the Legislature can do to stop programs, rather than putting a sunset on everything. And I just am concerned that if that's going to be a general practice, then we're all going to be keeping an eye on what's going to sunset and then what bills do we have to bring? And do we have the metrics in place to be able to make good decisions before we kick the can down the road a few more years? I would hate to think we'd reach a time when we tell the federal government, hey, no, keep your billion dollars. We'd rather pay for that locally. So with that said, I know there'll be discussion on Select File. I would appreciate everyone's green vote on LB1087. If you got questions between now and Select, I'd be happy to answer them. I think this is a good bill for Nebraska's hospitals. I think it's a good bill for the Nebraska taxpayer. I think it's a great bill for all of Nebraskans, so please give me your green vote on LB1087. Thank you, Mr. President.

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DeKAY: Thank you, Senator Jacobson. The question is the advancement of LB1087 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all voted who wish to? Record, Mr. Clerk.

CLERK: Vote is 40 ayes, 0 nays, Mr. President, on advancement of the bill.

DeKAY: The bill advances. Items for the record.

CLERK: Mr. President, your Committee on Health and Human Services, chaired by Senator Hansen, reports LB856 to General File as well as LB932, both having committee amendments. Additionally, your Committee on Revenue, chaired by Senator Linehan, reports LB1394 and LB1067 to General File, LB1067 having committee report-- committee amendments. And your Committee on Transportation, chaired by Senator Moser, reports LB1108 to General File with committee amendments. Amendments to be printed: Senator Bostelman to LB120; Senator Machaela Cavanaugh to LB1139; Senator Murman, LB1329, LB1331. Notice of committee hearing from the Natural Resources Committee as well as the Revenue Committee. New LR (LR302) from Senator Sanders, that will be laid over. Priority bill designations: Senator von Gillern has designated LB1023 as his personal priority for the session, Senator von Gillern, LB1023; Senator Ben Hansen, communication that LB1215 has been designated a Health and Human Services Committee priority bill, Health and Human Services, LB1215, committee priority bill; Senator Machaela Cavanaugh has designated LB62 as her personal priority for the session, Senator Machaela Cavanaugh, LB62, personal priority; Senator Murman, LB1092 has been designated as his personal priority for the session, Senator Murman, LB1092; Senator Murman has a communication as well from the Education Committee designating LB1329 and LB1331 as the committee priority bills for the session, Education Committee, LB1329 and LB1331 as the committee priorities; Senator Ballard has designated LB1300 his personal priority, Senator Ballard, LB1300 as his personal priority bill; Senator McDonnell has designated LB1363 as his personal priority bill for the session, Senator McDonnell, LB1363, personal priority; Senator Wayne has designated LB25 as his personal priority bill for the session, Senator Wayne, personal priority bill, LB25; additionally, communication from Senator Wayne concerning LB253 and LB348, both as Judiciary Committee priority bills, LB253 and LB348, Judiciary Committee committee priority bills. That's all I have this time, Mr. President.

DeKAY: Thank you, Mr. Clerk. LB905 is now the next bill on the agenda. Mr. Clerk.

CLERK: Mr. President, LB905, introduced by Senator Riepe. It's bill for an act relating to the medical assistance program; requires the Department of Health and Human Services to submit a waiver or state plan amendment for medical respite care as prescribed; and repeals the original section. The bill was read for the first time on January 4 of this year and referred to the Health and Human Services Committee. That committee placed the bill on General File. There are no committee amendments and nothing pending, Mr. President.

DeKAY: Thank you, Mr. Clerk. Senator Riepe, you're recognized to open on LB905.

RIEPE: Thank you, Mr. President and good morning, senators. I'm here to present LB905. LB905 directs DHHS to apply for a Medicaid 1115 waiver to fund two homeless respite centers, one in a metropolitan city, Omaha; and the other in the city of a primary class, Lincoln, as part of a pilot program. LB905 advances from HHS with 7-0 vote and was marked as a personal priority by Senator Wishart. And I want to thank her very much. Senator Anna Wishart, thank you. This legislation is modeled after a successful initiative in Utah and is designed to provide a standard of care for those experiencing homelessness who are too ill or frail to recover on the streets or in shelters, yet do not require hospital level care. This federal waiver would reimburse at a rate of 90% for eligible cost. The essence of medical respite care lies in its adherence to best practices for standard of care and supportive services. These practices include providing safe and quality accommodations, managing timely and safe care transitions, administering high-quality clinical care, and facilitating access to comprehensive support services. The bill would not, I repeat, not allow Medicaid to pay for the cost of the room. Working with the Nebraska Hospital Association and its foundation, they are-- consumed better outcomes and cost savings. The Nebraska Hospital Association is willing to provide grant funding to support this program. Our hospitals are engaged and committed to solving this problem of care for homeless citizens. Research demonstrates a clear need for medical respite care. Homeless patients stay in hospitals much longer and are readmitted more frequently than others. To address this, health systems are turning to community-based systems like medical respite care, which have proven effective in reducing hospital stays and readmission rates. Studies show investing in medical respite care saves money for states. One study indicated every dollar spent results in \$1.81 in savings, a figure likely higher in today's healthcare environment. It's worth noting Nebraska is not alone in recognizing the importance of medical respite care. Currently, 11 states have

already applied for medical respite programs for the homeless, signaling a growing recognition of its efficacy and value. The projected implementation speaking with share-- stakeholders will serve as an estimated 500 individuals per year split between Lincoln and Omaha. The Siena Francis, the homeless shelter in Omaha, will build out 25 beds in a separate facility and hope to expand to 35 beds in the near future. Lincoln has several organizations that have expressed interest but have anticipated-- and but we anticipate similar or slightly lower utilization. It's our expectation that homeless individuals are often those who routinely use our emergency rooms for standard medical care and stand to gain the most from supervised stability after medical treatment. LB905 represents a proactive step towards addressing the healthcare needs of our homeless population, while also demonstrating fiscal responsibility. By investing in medical respite care, we not only uphold our duty to provide compassionate care to those in need, but also stand to realize cost savings for the state. Again, LB905 advanced with a 7-0 vote from the HHS Committee and is Senator Wishart's personal priority. And I thank her once again for that priority. She understands the importance of this particular piece of legislation. With that, I conclude my remarks and urge your green vote on LB905. Thank you.

DeKAY: Thank you, Senator Riepe. Senator Wishart, you're recognized to speak.

WISHART: Thank you, Mr. President. Colleagues, I am honored today to be able to stand in support of LB905, a bill that I chose as my personal priority bill. This bill is very important to me because I happen to represent, in District 27, our City Mission here in Lincoln which has, in shelters, our sort of largest homeless population in our city. And I also represent in the-- in the district CenterPointe which also provides a significant amount of support and services for those who are unsheltered. When I was knocking doors and, and campaigning, I would often see a, a person's name in terms of, of voters who would be registered at the City Mission. And I committed in my campaign to those individuals that I would make sure they were seen here in the Legislature. You know, food, shelter, and water are essential for humans to survive. And today, there are people in our community who are unsheltered. And this is especially concerning to me during the winter when we experience below zero temperatures. And there are people-- a growing number of senior individuals who are living outside. As you can imagine, someone who is living in the elements that are challenging for all of us, even to spend a short amount of time in, are going to see themselves in healthcare situations that

lead them to emergency rooms. And so I see this piece of legislation as an opportunity for us to make a commitment to those who are unsheltered in our community, that they will be provided evidence-based medical services for the length of time that they truly need to heal. And also during that time, be connected to housing options, job options, sobriety support, and other types of essential services that can help somebody get onto their feet and get connected and be seen as a-- as a human being in our community that deserves to, to thrive and deserves to live. So, again, this is just such an important piece of legislation for me to be able to be a part of and I'm thankful for Senator Riepe and for the Health and Human Services Committee and all those who testified in support to, to see this bill on the floor today. I also want to say, colleagues, that I think it was my second year as a freshman senator, Senator Mark Kolterman prioritized a bill that I brought. And it was such a good-- it set such a good tone for me in the Legislature that a senator, a more senior senator, would look at my piece of legislation and see that it was worthy and go out of his way to support that getting across the finish line. And so I'm-- I also think this is an opportunity for me to follow in those footsteps and, and set that example as something that is an opportunity for us as senators moving forward to be able to work together to pass really good legislation for our constituents. So I encourage you all to support LB905. Thank you.

DeKAY: Thank you, Senator Wishart. Seeing no one else in the queue, Senator Riepe, you're recognized to close on advancement of LB905.

RIEPE: Thank you, Mr. President. I would close by saying I think this is a very worthy cause. I think we've got the assumption that we would have a limited number of beds, both in Omaha and in Lincoln, and we will find funding from sources other than the state to make this a viable operation. And I think it's critical that we get to that. I think it's an example that many of the homeless people are people that may have a need for insulin. Insulin has to be refrigerated. And these individuals need to have a place that we can shelter them for a period of time during their recovery. This is also-- by holding them into the hospital business or in the hospitals themselves, we end up with added cost and added nursing requirements and everything else and so I think this is a commonsense answer to part of our social needs. And I would simply ask for a green vote on this. Thank, thank you, Mr. President.

DeKAY: Thank you, Senator Riepe. The question is the advancement of LB905 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all voted who wish to? Record, Mr. Clerk.

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CLERK: 38 ayes, 0 nays, Mr. President, on advancement of the bill.

DeKAY: The bill advances.

CLERK: Mr. President, next item on the agenda, LB61, introduced by Senator Brandt. It's a bill for an act relating to dark fiber; authorizes the licensing of dark fiber by any agency or political subdivision in the state as prescribed; eliminates the Public Service Commission jurisdiction relating to certain violations and appeals; harmonize provisions; repeals the original section; outright repeals Section 86-578. The bill was read for the first time on January 5 of last year and referred to the Transportation and Telecommunications Committee. That committee placed the bill on General File. Mr. President, when the Legislature last left the bill, pending was the bill itself, an amendment from Senator Brandt, as well as an amendment from Senator DeBoer. There are additional amendments pending, Mr. President.

DeKAY: Thank you, Mr. Clerk. Senator Brandt, you have 1 minute to refresh us.

BRANDT: Thank you, Mr. President. What you're going to see is, is all the old amendments got pulled and there is now a combined white copy amendment that Senator DeBoer will be introducing. Basically, the, the parts that we had in our original amendment are all contained in there. The concerns were about safe harbor. Safe harbor is in the new amendment and cross subsidization where you can't use electrical to subsidize dark fiber and dark fiber to subsidize electrical. That was very important to us. And I guess as a refresher, I would encourage everybody to support the new amendment. Thank you.

DeKAY: Mr. Clerk.

CLERK: Mr. President, series of withdrawals. Senator DeBoer, I have AM2471 with a note you wish to withdraw. Pursuant to that, Mr. President, Senator Bostelman, FA215, with a note he wishes to withdraw as well. In that case, Mr. President, Senator DeBoer would offer AM2531 to AM2296.

DeKAY: Senator DeBoer, you're recognized to open.

DeBOER: Thank you, Mr. President. Colleagues, this is the results of the negotiations and work that Senator Brandt and Senator Bosn and myself and many others, Senator Bostelman, were involved in over the last couple of days. This amendment retains, as Senator Brandt said,

the pieces of his original amendment. It also incorporates Senator Bostelman's change, which would change it from underserved and unserved to just unserved as anything below 100 by 20. It adds into it a process whereby folks may challenge whether or not an area is served or not, but it limits that challenge to 30 days to make a challenge and 30 days for the challenge to be resolved by the Public Service Commission. The other thing it adds is what I call the don't cry wolf clause, which is a clause that says that if someone is sort of taking advantage of these challenges, there was a concern that someone might try to slow down the leases by just making a lot of frivolous challenges. So we've created a don't cry wolf clause, which is what I'm calling it, that says that if you have-- if, if you are making a challenge and the challenge is incorrect about the "servedness," about whether or not an area is served, the Public Service Commission can use its discretion to determine whether or not you may be barred from making any more challenges from-- for 2 years. And that discretion should, I would argue, be used to, to penalize those folks who are bad actors. Not for some inadvertent-- you thought you wrote down this number, but you actually wrote down a different number or something like that. It does, however, incentivize those who are going to make challenges to be reasonably sure that the challenges that they're making are true, that, in fact, if they say they served an area, they can be reasonably sure that they do, in fact, serve the area. So it sort of keeps everybody honest in the process of how to determine whether or not something is served or not served. And it seems like everybody's a little bit unhappy but mostly happy of the groups that I talked to, I'm sure there may still be some folks in the body who might have some questions or things to say, but this is the result of the negotiations over the last couple of days and I would appreciate your green vote. Thank you, Mr. President.

DeKAY: Thank you, Senator DeBoer. Senator Armendariz, you're recognized to speak.

ARMENDARIZ: Thank you, Mr. President. So this, this is a really complicated bill just because telecom is very complicated and all of the different structures around it protecting different areas. I'm going to try to keep it simple. I did work in telecom for many years. So I do know the business models that are out there. Ultimately, what we're trying to do is get the unserved and underserved areas served. The amendment, AM2531, I don't think goes far enough. I think it's a good amendment to try to motivate telecoms to build to those unserved and underserved areas, but they're still not cost effective to build to even with that fiber in the ground because, quite frankly, that

fiber has already been available for telecoms to use. I personally used it on a project from McCook to North Platte to connect an uplink center in North Platte. We did buy it from NPPD. They had dark fiber in the area. I did buy that dark fiber and used it to light that facility. We put the equipment on the ends. We lit it. At the telecom, it was available. So that fiber in western Nebraska is available. It's just not a cost-effective business model to build the unserved and underserved areas. Now with this amendment, AM2531, we are motivating those telecoms to go out and use that fiber to build those unserved, underserved areas. But the, the money is still not there to really motivate them to do it. So I'm going to propose, not today, but probably on Select a sunset to the restriction to only be able to use these fibers for unserved and underserved areas. And my intention is that these telecoms will go out and build those areas if there's an upside date on the end of that. Four years out, if they have met the requirement of 90% of the unserved are now served, you can now use these fibers to build in more profitable areas to recoup your costs. So we have a problem. We have a lot of people that are unserved or underserved in Nebraska. And we as a government interject in problems to solve them all of the time. I'm in Appropriations yesterday, and over and over again we had testifiers for hours saying we need money to prop up private housing builders because house prices are too high. We need extra money from the government to prop that up. Housing is volatile. It might be a good plan for government to interject to try to get people in houses, get houses built, get people homes. When we have an urgent situation that the free market is not fixing, government absolutely does interject to try to fix the problem and motivate the free market to go in areas that are unserved and underserved. This is an exact example of that. I think we need a sunset date to motivate those telecoms to build these underserved areas because they'll know at the end of that date they can now go into more profitable areas and try to recoup the costs of building those underserved areas where there is no margin. And with that, I'll yield the rest of my time.

DeKAY: Thank you, Senator Armendariz. Seeing no one in the queue-- excuse me, Senator DeBoer, you're recognized to close. Senator DeBoer waives closing. The question before the body is the adoption of AM2531. All those in favor vote aye; all those opposed vote nay. Have all voted who care to? Record, Mr. Clerk.

CLERK: 32 ayes, 0 nays on adoption of the amendment, Mr. President.

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DeKAY: The amendment is adopted. Senator Brandt, you're recognized to open on AM2296.

BRANDT: Thank you, Mr. President. AM2296 is now AM2531. Everybody, please vote green on this and on the next one. Thank you.

DeKAY: Seeing no one in the queue, the question before the body is the adoption of AM2296. All those in favor vote aye; all those opposed vote nay. Have all voted who care to? Record, Mr. Clerk.

CLERK: 32 ayes, 0 nays, Mr. President, on adoption of the amendment.

DeKAY: The amendment is adopted. Seeing no one in the queue, Senator Brandt, you're recognized to close.

BRANDT: Thank you, Mr. President. All I would like to say is this is how the process is supposed to work. There were some issues with about four different warring parties on this and, and we got together in a room and everybody gave up something, the telecoms, public power, the senators, PRO, and so this is-- this is an agreement of many. So everybody, please vote green on LB61. Thank you.

DeKAY: Mr. Clerk, you're recognized for announcements.

CLERK: I have a series of items on this bill or-- on this bill still, Mr. President, a withdraw from Senator DeBoer, FA213, and Senator Bostelman, AM2068, as well as FA29 from Senator Brandt.

DeKAY: No objection. So ordered.

CLERK: Mr. President, that's all I have at this time.

DeKAY: Thank you, Mr. Clerk. Senator Wayne, you're recognized to speak.

WAYNE: Thank you, Mr. President. Will Senator Brandt yield to a question?

DeKAY: Senator Brandt, will you yield to a question?

BRANDT: Closed.

WAYNE: I didn't know that. You've already recognized me, though.

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DeKAY: Senator Brandt has closed on the bill. We will vote on the advancement of LB61 to E&R. There's a request for a roll call vote, reverse order. Mr. Clerk.

CLERK: Senator Wishart. Senator Wayne not voting. Senator Walz voting yes. Senator von Gillern voting yes. Senator Vargas. Senator Slama voting yes. Senator Sanders voting yes. Senator Riepe voting yes. Senator Raybould. Senator Murman voting yes. Senator Moser voting yes. Senator Meyer voting yes. Senator McKinney not voting. Senator McDonnell voting yes. Senator Lowe voting yes. Senator Lippincott voting yes. Senator Linehan. Senator Kauth voting yes. Senator Jacobson voting yes. Senator Ibach. Senator Hunt. Senator Hughes. Senator Holdcroft voting yes. Senator Hardin voting no. Senator Hansen. Senator Halloran voting yes. Senator Fredrickson voting yes. Senator Erdman-- Senator Erdman voting no. Senator Dungan voting yes. Senator Dover. Senator Dorn voting yes. Senator DeKay voting yes. Senator DeBoer voting yes. Senator Day voting yes. Senator Conrad voting yes. Senator Clements. Senator Machaela Cavanaugh voting yes. Senator John Cavanaugh voting yes. Senator Brewer voting yes. Senator Brandt voting yes. Senator Bostelman voting yes. Senator Bostar voting yes. Senator Bosn voting yes. Senator Blood voting yes. Senator Ballard voting yes. Senator Armendariz-- Senator Armendariz voting yes. Senator Arch voting yes. Senator Albrecht not voting. Senator Aguilar voting yes. Vote is 34 ayes, 2 nays, Mr. President, on advancement of the bill.

DeKAY: The bill advances to E&R. Next item on the agenda is LB1104. Senator Aguilar, you're-- Mr. Clerk, items for announcement.

CLERK: Mr. President, Judiciary Committee will meet under the south balcony at 11:15 a.m., Judiciary, under the south balcony, 11:15 a.m. Notice of hearing from the Government, Military and Veterans Affairs Committee and the Judiciary Committee. Additionally, the Revenue Committee has selected LB1317 and LB388 as the committee-- Revenue Committee bills. Senator Linehan has designated LB1402 as her personal priority bill for the session, LB1402, Senator Linehan, personal priority. And Senator Bosn, amendment to be printed to LB2278-- or excuse me, to LB892. Mr. President, next item on the agenda, LB1104, introduced by Senator Aguilar. It's a bill for an act relating to the Legislature; changes the amount and distribution of lobbyist registration fees; provides an operative date; repeals the original section; declares an emergency. The bill was read for the first time on January 10 of this year and referred to the Executive Board. That committee placed the bill on General File.

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DeKAY: Senator Aguilar, you're recognized to open.

AGUILAR: Thank you, Mr. President and members of the Legislature. I introduced LB1104 in my capacity as Chair of Exec Board at the request of the Clerk of the Legislature. Under the Nebraska Accountability and Disclosure Act, every person employed, retained, or authorized as a lobbyist must file an annual registration with the Clerk of the Legislature. Currently, the paid lobbyists pay an annual registration fee of \$200, while unpaid lobbyists pay a registration fee of \$15. Any unpaid lobbyist who become a paid lobbyist must file an amended registration form along with the remaining registration fee for paid lobbyists. LB1104 would increase the annual paid lobbyist registration fee from \$200 to \$300. This registration fee has not been increased since 2005, when it was increased from \$100 to the current amount of \$200. Lobbyist registration fees are currently split between the Nebraska Accountability and Disclosure Commission, the NADC, and the Clerk's office, with three-fourths of the fee going to the NADC and the remaining one-fourth going to the Clerk's office. The current amount going to the Clerk's office is insufficient to pay the cost of maintaining a lobbyist registration system in their office so the Clerk is currently using General Fund dollars to supplement registration fees. Under LB1104, lobbyist registration fees would be split evenly between the NADC and the Clerk's office. Combined with the overall increases in fees, this would maintain the amount of fees directed to NADC at the same level while increasing the amount of fees directed to the Clerk's office. LB1104 saw no opposition testimony and was advanced by the Executive Board on an 8-1 vote. I would ask for your support and a green vote to advance LB1104. Thank you, Mr. President.

DeKAY: Senator Wayne, you're recognized to speak.

WAYNE: Thank you, Mr. President. Oh, I do have more to sign. I have more papers to sign. I would think on Select File, Senator Aguilar, I'd like to do a friendly amendment. The amendment would simply say that all registered lobbyists must inform the committee during their hearing that they're a registered lobbyist. With the changeover in lobbying and, and the changeover in the Senate, oftentimes, we don't know who's a lobbyist and who's not. And so I think they should have a duty to disclose, because we often can ask a lot more questions about their technical experience or why they're against something on a bill versus sometimes you don't want to have a whole big Q&A with the general public if they're here to express their feelings and maybe get something off their chest versus lobbying who have studied the bill

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and have a dialogue that I think it's important that they disclose they're a lobbyist in, in committees. So thank you, Mr. President.

DeKAY: Thank you, Senator Wayne. Seeing no one else in the queue, Senator Aguilar, you're recognized to close. Senator Aguilar waives closing. The question is the advancement of LB1104 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all voted who care to? Record, Mr. Clerk.

CLERK: 30 ayes, 1 nay on advancement of the bill, Mr. President.

DeKAY: The bill advances. Senator Blood, you're recognized for an announcement.

BLOOD: Thank you, Mr. President. Friends, in case you have been oblivious to the news, I want to make sure that you're all informed that Mr. Paul Contreras was the man that they mistakenly said was from Omaha, who is actually from Bellevue, Nebraska, who indeed helped to tackle the alleged-- one of the alleged shooters at the Kansas City Chiefs parade on February 14. I think it's important that we put it on record that we appreciate his valor and that he is indeed from Nebraska, and we are appreciative of the bravery that he has shown. And, again, as Senator Sanders and I are aware, he is from Bellevue, just like Offutt Air Force Base is from Bellevue, and not Omaha, Nebraska. Thank you.

DeKAY: Thank you, Senator Blood. Announcement would be that fourth graders from Loveland and Westgate "Elementaries" are in the north balcony. Senator Fredrickson's district. Would you stand and recognize them? Speaker Arch, for an announcement.

ARCH: Thank you, Mr. President. Colleagues, being this is the, the last day to submit your individual and committee priority bills, we are going to stand at ease until noon, at which time we will adjourn. But I want to give everybody a chance to make sure that they have that opportunity to submit those priority bill designations. And so we will now stand at ease. Thank you.

DeKAY: Thank you, Speaker Arch.

[EASE]

FREDRICKSON: Mr. Clerk, items for the record.

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CLERK: Thank you, Mr. President. Communications concerning priority bills: Senator Ben Hansen has designated LB1004 as his personal priority for the session, LB1004, Senator Ben Hansen, personal priority; Senator Bostelman has designated LB867 as a Natural Resources Committee priority bill, LB867 Natural Resources Committee committee priority bill; Senator Bostelman, a communication designating LB1370 as a Natural Resources Committee priority bill as well, LB1370, Natural Resources Committee priority bill; and Senator Bostelman, LB399 as his personal priority bill, Senator Bostelman has designated LB399 as his personal priority; Senator Albrecht has designated LB441 as her personal priority for the session, Senator Albrecht, LB441 as personal priority bill; Senator Bostar has designated LB937 as his personal priority bill for the session; Senator Bostar, LB937, personal priority; and Senator Brewer has designated LB1394 as his personal priority bill for the session, personal priority bill, LB1394, Senator Brewer. Additionally, Mr. President, the Government Committee will hold an Executive Session today immediately following their hearing in Room 1507, Government Committee, Exec Session immediately following their hearing in the hearing room. Finally, Mr. President, priority motion, Senator DeBoer would move to adjourn the body until Tuesday, February 20, 2024 at 10:00 a.m.

FREDRICKSON: The question is, shall the Legislature adjourn until Tuesday, February 20 at 10 a.m.? All those in favor say aye. All those opposed, say nay. The Legislature is adjourned.