

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate March 31, 2025
Rough Draft

DEBOER: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the fifty-third day of the One Hundred Ninth Legislature, First Session. Our chaplain for today is Senator Mike Moser. Please rise.

MOSER: Please join me in prayer. In Matthew 18:20, Jesus is quoted saying, wherever two or three gather in my name, there I am with them. Thank you, Lord, for this day and all your blessings, which we enjoy. Give us wisdom and courage as we face the issues before us. Bless us with good health and healing, everyone in our building, everyone in our district, everyone in families. Help us understand why you have put us here at this time and in this place. For this is the day that you have made. Let us rejoice and be glad in it. Amen.

DEBOER: I recognize Senator Loren Lippincott for the Pledge of Allegiance.

LIPPINCOTT: Please join me. 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.

DEBOER: Thank you, I call to order the fifty-third day of the One Hundred Ninth Legislature, First Session. Senators, please record your presence, roll call. Mr. Clerk, please record.

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

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

CLERK: I have no corrections morning, ma'am.

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

CLERK: There are, Madam President. Your Committee on Judiciary, chaired by Senator Bosn, reports LB470, LB518, and LB519 to General File, LB519, having committee amendments. That's all I have at this time.

DEBOER: Thank you, Mr. Clerk. Speaker Arch, you're recognized for an announcement.

ARCH: Thank you, Madam President. Well, first I have to ask for your forgiveness this morning, colleagues, because this is kind of a long

announcement. There's a lot of things that we need to talk about as we head into our full-day debate, and so please, please bear with me. First of all, I want to give you a little snapshot of where we are in the session right now. Obviously, we know we're day 53, but we've, we've debated and passed a number of good government bills. We actually have now 84 bills approved by the governor or sitting on Final Reading awaiting final passage. So 84 bills, I mean that, that has been a very productive first part of our session and we're off to a great start. So today we begin our full day debate, day 53 as I mentioned. So that means that we have 35 days or approximately 250 hours for General File and Select File debate, including the anticipated evening hours. So kind of keep that number in mind, 35 days. I had them pass out a chart to you that shows where our priority bills are right now, if you want to, if you want to reference that. As you can see, we've had-- we have advanced beyond General File only nine of the 106 priority bills that have been identified. But actually, only-- almost half of the priority bills, are still in committee. So it hasn't given me the flexibility to schedule a lot of these priority bills. And so approximately half of them are still in committee. So I would ask chairs and staff to focus your attention on executing if you're going to move these bills, get them ready to move and, and, and move them so that I have some choices with prior-- with priorities. I would say given the number of days and priority bills remaining, the reality is I'm afraid to announce there's probably a slim chance we're gonna be able to hear all of the priority bills in this session. Those bills, of course, that are not heard do remain alive and, and are available again in January, but we can, we can discuss that at another time. So as a result, I will need to prioritize priorities for scheduling purposes, and I'd like to explain, explain how and why I will do that. First of all, the budget. We know that we-- we know that we have our constitutional responsibility to pass a balanced budget, and that, and that has to be done by day 80. And so backing up, if you look at the color-coded calendar that I passed out, that's also available to you, you will see that we only 20 days before we begin debate on the budget, so approximately day 73 we begin debate in the budget and here we are at day 53. So to complicate the situation, we have a very difficult budget ahead of us. We are \$289 million in the red, and we still have the April forecasting board to come. So this is the first time in a long time that it appears that balancing the budget will be contingent upon revenue bills, whether it be raising additional revenue or otherwise positively impacting the General Fund. Other years, we're able-- we, we'd pick up revenue bills after we do our budget. This

year, we have to pick up our revenue bills ahead of our budget so that there are-- that there is revenue available, if, if needed, for that \$289 million deficit that sits there right now. So these bills will need to be debated prior to Day 70. So putting it another way, the revenue and budget bills that may be required to fulfill our constitutional duty may consume up to 20 of the 37 remaining days in our calendar. I mean, let that sink in a little bit. 20 out of the 37 remaining days may be the revenue and, and appropriation bills. And it's not just one bill, it's multiple bills. So after that, with the remaining time that we have, I'm going to take a look at, I'm going to take a look at issues that are deemed to be essential, and here's how I look at that. For instance, if the proposed legislation does not pass, we lose federal funding, or the proposed legislation would provide an essential government service. So please inform me if your bills, whether it be committee bills or senator priority bills, meet that criteria essential, and we've, we've got to pass those. Bills with opposition addressed would be another criteria that I would want to use. Of the 52 priority bills on General File now, multiple bills already have priority motions to extend debate, and they're already filed on them. So if you have a priority bill for which opponents have filed priority motions to extend debate, I would encourage you to seek out opposition for discussions. Those bills for which the introducer has reached an understanding before debate will increase the possibility of the bill being scheduled this session. You may also have bills that need more work. This happens every year. More bills need more work, you come to me and say, hey, don't schedule it right now, wait, it's not, it's not ready, that's fine, just let me know and I will, I'll take it off the list of-- for consideration. Now, these criteria, of course, does not mean, of course, we will not have bills that will be filibustered. We understand that, that's, that's part of our process, and so we, we anticipate that, that we have had some of those already, and we will have some of those as well. And while these are my general guidelines for prioritizing the priority bills, I, I've got to maintain some flexibility in that, just not anticipating. And it's always difficult when I sit down and take a look at bills and say, well, how long do you think that'll take? Committee chairs, you have that same issue, right? How long should this hearing take? It's very difficult sometimes to know, and so I've got to have some flexibility. Now, today, for instance, you're going to see LB113 on, on the agenda. That is not a priority bill. But earlier it was a worksheet bill that moved off of General, and my commitment was that if it, if it had moved off of General, I would like to see those continue to move through and, and, and process. So LB113 is one of

those, and it's not a prior bill, so I, I need to maintain some flexibility. Consent calendar, another question that has been asked. I've been receiving several questions about it. And if we will have a consent calendar, and at this point, frankly, I'm undecided, a number of the Speaker priority bills, a number the worksheet bills that we've already passed, honestly, were, were of, of that caliber of, of consent in, in some of those cases. But if possible, I would like to have a couple small consent calendars this year. So we'll see how that goes, but at this point, I'm undecided on that. Debate times. So next, I want to, I want to announce some adjustments to our daily meeting times. Beginning next week, all days will begin at 9 o'clock. We've had, we've had a practice of beginning our first day of the week at 10:00 so people can drive in. Picking up an extra hour is probably a good thing and necessary, and so we'll start all days at 9 o'clock beginning next week. Our lunch recess will continue to be from noon to 1:30, but, but will be shortened to an hour recess from noon until 1 beginning April 22nd, the day that we begin evening. So, so the Appropriations Committee uses that lunch hour as they continue to work on their budget while we have full-day debates so they can be in the room with us. but that hour and a half is, is important to them. But then April 22nd, they'll be done with that work and, and we will do an hour then. Beginning this Thursday, April 3rd, the final day of the week, we will work through the lunch hour and adjourn mid-afternoon. And that's going to be our practice for those final days going forward to the end of the session. The last day, we'll work through noon and plan on approximately 1 to 3:00. Plan on 3:00, if-- we may be able to adjourn earlier just depending upon the progress through the agenda for that day. Extended debate. In the evening we'll begin on April 22nd, and I-- and there is a memo that will be coming to you at-- in, in just a few minutes here and that's got all the dates and those can be, your staff can put those onto your calendar so that you hold those dates. Doesn't necessarily mean that we will do those evening debates every one of those days, but-- and I will give you as much advance notice as I can if we're not going to. Dinner will be provided, there will be a half hour dinner break and it'll be provided down in the cafeteria for senators. And so that is, that is going to keep us in the room. I ask that you obviously stay and that you-- and then, and then return. So generally on those evenings we will adjourn somewhere between 8 and 9 p.m. Well, that concludes today's announcements. There's a, there's a lot there. I tried to anticipate as many questions as, as I perhaps would receive. There are sure-- I'm sure that there are more. So any further questions or any clarification, ask me, ask Laurie Weber in my office. And thank you, Madam President.

DEBOER: Thank you, Speaker Arch. Senator Dorn would like to recognize Dr. Eric Thomsen of Beatrice, who is serving as the Family Physician of the Day. Please stand and be recognized by your Nebraska Legislature. Mr. Clerk, we will now proceed to the first item on the agenda.

CLERK: Madam President, Select File LB113. There are no E&R amendments. Senator Raybould would move to bracket the bill until June 9th, 2025.

DEBOER: Senator Raybould, you are recognized to open on your motion.

RAYBOULD: Good morning, colleagues. Good morning fellow Nebraskans. Happy Monday. I rise before you to bracket legislative bill 113 for a number of reasons. And I want to take some time to talk about probably one of the biggest reasons, and as you may recall, this bill is intended to expand the, the number of locations that our craft brewers can offer service to, as, as well as expanding the amount of gallonage for the distillers and the brewers. I had concerns right from the beginning because I had been on General Affairs committee for a couple of years and we know that we had increased it in the past based on their earlier request. And so my concern and a concern of several of the lobbyists from the, the beverage industry raised this and I, I understood it really well because as a grocer, you know, we often have our wonderful suppliers and wholesalers come in with all kinds of new products that they would like us to put on our shelves and new items they would us to display. And it, it gets to be quite a lot for one store, one department, and one team to deal with. And if you are a smaller operator, you could be bombarded multiple times in one day from a whole variety of our craft brewers offering and asking for assistance to be able to, to have shelf space for their product and to be to expand their production of that as well. So with, with all these concerns in mind, I reached out to our Attorney General, Mike Hilgers, and asked if there is a conflict in doing so and keep increasing the number of locations and the gallonage, et cetera. I also heard from our Liquor Commission Director Rupe, and he was concerned as well, and, and I have known him for at least 20 years, being in the grocery industry, and he raised concerns. And typically, if you're serving on General Affairs, where you deal with alcohol and gambling, you usually listen to the director and their concerns, and his concern was that we are going to create this disparate, distinctly different preferential treatment for our craft brewers and our craft distillers that would raise red flags for perhaps a regional distributor would see that we're giving preferential treatments to our Nebraska craft brewers and

craft distillers. and a disadvantage to our Iowa or South Dakota folks. And they would flag that as being blatantly unfair. So to my surprise, really, that Attorney General Mike Hilgers came back with an Opinion that validated some of the concerns I had raised, as well as some of concerns the members of the beverage industry had raised. And so. I was very surprised. I enjoy working with Attorney General Mike Hilgers, but to be honest, we have never really agreed on much of anything except being very forthright and progressive on trying to put an end to sex trafficking in our state and the great work he and his team have done on that. But so he concurred, and I had sent out the Attorney General's Opinion to all of you last week and I can probably almost guarantee you were all way too busy to take the time to review and read it. And the reason why I feel it is so essential that we bracket it because there are a number of changes that need to be made to make sure that our public policy that we vote out and of the Legislature comports with our current laws and regulations and does not violate the Dormant Commerce Clause. And so for those of you who may not know it, I'm just going to give you a, a few snippets. I will not read the entire Attorney General's Opinion, but I'm going to just give you the essential points that I think you should be made aware of. And I'll, I'll be happy to, to continue to talk about this on, on the mic. But here is a quick summary for those who are interested. The federal constitution's Dormant Commis-- Commerce Clause forbids states from enacting laws that discriminate against interstate commerce. LB113 is a proposed amendment to Nebraska's regulatory scheme governing the production and sale of alcoholic liquor. LB113 would increase by at least seven times the amount of liquor certain in-state distilleries can sell to wholesalers or retailers. A change of this magnitude is likely to be interpreted as a difference in kind rather than a mere difference in degree. Because this expansion applies only to in-state distillers, if enac-- if enacted without revision, LB113 both presents heightened constitutional concerns and is likely to invite a Dormant Commerce Clause challenge. So skipping forward to some of the relevant court cases that they cited in their opinion, they talk about Costco Wholesale Corporation v. Hoen. And this was back in 2005. It involved Washington statutes that permitted domestic breweries and wineries to act as distributors, while prohibiting out-of-state entities from performing similar wholesale functions. The court held that the discriminatory nature of Washington's system was obvious because the privilege of in-state producers to distribute directly to retailers provides clear advantages to in-state wineries and breweries that out-of-state producers do not enjoy. Accordingly, the court held that the Washington system discriminated against out-

of-state producers in violation of the Commerce Clause, and struck the offending language, eliminating the domestic distribution right. So this was part of the opinion, and then they do have a really quick summary that I want to brief you on as well. But this goes to what we were saying, and I, I really enjoyed the comments of my colleagues, like, we need to stand up for the entrepreneurship of all of our craft brewers and distilleries. We need to promote it, we need to make sure that we give them preferential treatment because that's who we are as Nebraskans. We wanna promote our homegrown industries right here. We wanna create more jobs. But at the same time, my colleagues were saying all these wonderful things on camera, on tape, on video, they were just really feeding a potential lawsuit saying, see? These individuals, these state senators, were saying exactly what they intended to do. They intended to create this preferential treatment for our local talent of craft brewers and distilleries, which goes against, clearly, and like in the Washington state example, obvious discrimination against these out-of-state providers as well. And that is something that is prohibited by law. So going on to the Attorney General's Opinion, this is on page 13, they went on to say, any constitutional infirmities introduced by LB113 will likely result in the nullification of the offending provisions. So they're saying that if we push forward with LB113, that we're likely gonna negate all the good things that, that are in our statutes today that help support our craft brewers and that helps support our distilleries. I wanna quote "Hobie" with the Liquor Commission, and he said that this very famous quote that you've heard all the time, pigs get fed and hogs get slaughtered. So as you can imagine, in cases like this, there are growing pains as you get bigger and bigger. And you have to be in compliance with the three-tier system. I wanna go ahead and punch in because I, I see that my time is wrapping up and I will hop in to continue with the Attorney General's Opinion and why we do need to bracket it for further discussion and to really do a legal cleanup so that it is acceptable. and not subject to legal challenges. Thank you, Mr. President.

ARCH: Turning to the cue, Senator Quick, you're recognized to speak.

QUICK: Thank you, Mr. President. I rise in opposition to the bracket to, to move until 6-9 of '25, and we have an amendment later coming up that will address some of the Attorney General's position on that and currently that position is-- we are currently-- we, we have-- excuse me, but currently we probably are out of compliance with that, but this would actually allow us to address severability and address some

of the issues the Attorney General has, so with that, Senat-- with that, President, I will yield the rest of my time. Thank you.

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

JACOBSON: Thank you, Mr. President. I voted against this bill, LB113 the first go-around, and I intend to do so again. My concern is not that I want to do anything that would hurt the craft brewers. But there's only one craft brewer that's hitting the limits. Only one. And we're putting all the rest of them at risk of a bad outcome from the lawsuit that will come, that will come, if this bill is passed. So keep in mind that yes, we're outside the guidelines now because the law is very clear that we can't do anything in the Dormant Commerce Clause that's going to allow that advantage. But so far it's not been material. At what point do you hit that materiality threshold and going up the percentage that we did. I voted for the amendment to lower the amount of expansion, OK? Lower the amount of expansion. It was Senator Raybould's amendment to LB113 on General File. I thought that was more reasonable in terms of allowing everyone an opportunity, not just one company that's hitting the limit. We always talk about helping the little guy. But when you give someone more taprooms, what if they come to the town of that, of that person that's trying to, to start up the new distillery, they get there, and suddenly they put the other one out of business. If we truly wanna grow our craft brewing industry and our craft distilling industry, let's do reasonable things, let's make reasonable adjustments to the amount that we're willing to increase. And let's don't put the entire practice at risk. Because if there's a lawsuit, the lawsuit will be the entire concept is, is not-- unconstitutional. And if the ruling comes down that you can't do this, we may go back to zero. And I can tell you a number of craft distillers and craft brewers need distribution. They need to be able to have that distribution, but that's also going to limit their ability to be able to do any self-distribution at all. The little guys are the little guys. The one we're trying to help is not a little guy anymore. They're being able to get the best of all worlds. They're able to brew or distill, they're able to self-distribute, and they're able to retail. And here's an important point. They're also able to retail not only their product, which is what other states limit is limiting the sale of your product, but they can sell others' products as well. That's where the material difference is between Nebraska, what's being proposed, and what's happening in other states. There's no other state that has this level of self-distribution and the number of tap rooms and the ability to sell others' products as well. This is a bridge too far. It should have been amended back. If it would be

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amended back to fewer, I would be supportive of it. But I'm not supportive in its current form, and I will continue to vote no. Thank you, Mr. President.

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

RAYBOULD: Thank you, Mr. President. I wanted to continue with a, a, a li-- a few more snippets from the Attorney General's Opinion and have a continued discussion of-- on why this does matter. And I want to thank Senator Jacobson for his comments as well and why I continue to support the bracket motion. Any constitutional infirmities introduced by LB113 will likely result in the nullification of the offending provisions. and what I said, that puts in, in jeopardy some of the changes that we all voted for, except myself, I think Senator Jacobson and Senator Clemens, that would put in jeopardy and in risk our craft brewers. The Attorney General Opinion goes on, when faced with a constitutionally under-inclusive statute, there are two remedial alternatives. The court may either declare the statute a nullity, wipe it off, and order that its benefits not extend to the class that the Legislature intended to benefit; or it may extend the coverage of the statute to include those who are aggrieved by the exclusion. So the court really only has two options. The first option is to wipe out what we have enacted over the last several years, or make it wide open to everyone so that we are no longer in legal jeopardy. And here's the, the quick summary that they came up with. The Attorney General's Office states, the changes wrought by LB113 would increase the likelihood of a constitutional challenge and hamper the state's ability to effectively defend against such a challenge by limiting the defenses available to it. In the event of such a successful challenge, nullification is the most likely result under the law. So those are pretty strong words in an Opinion telling us that what we're about to embark on is likely to be legally challenged and that legal challenge is likely to succeed. So why does the Attorney General's Opinion even matter? Well, with growth comes added compliance responsibility, and we know that some of our craft brewers and distilleries have had tremendous success. Even in states like Kentucky, Maryland, and New Jersey, this also applies. It is only a matter of time that some regional distributor that plays by all the rules and adheres to the regulations and standards gets frustrated and files the lawsuit challenging all these states. As long as the craft brewers stay under the radar, they are somewhat insulated, and that is why any increase must be thoughtful, deliberative, and benefits all the craft brewers and distillers, not just that one or two that Senator Jacobson referred to, without rocking the legal boat on the sustainability of

their businesses. You know, as a business owner and a small business owner champion, I have steadfastly advocated for economic growth and entrepreneurship in our state, no matter the size of the business. Small businesses, we've all talked about quite extensively the last couple of weeks, are the lifeblood of our state. No one is saying that we don't support our craft brewery industry, as it is a wonderful contributor to our state's economic vitality and tourism. It is a homegrown industry and something we can all be very proud of. In Nebraska, the three-tiered system under which alcohol is distributed in Nebraska is not perfect, but grocers and other alcohol retailers do appreciate that the Liquor Control Commission continues to work with impacted industries, including retailers and distributors, to make compliance more straightforward. To at least some extent, the three-tiered system reduces the number of deliveries to a retailer, takes less staff time, less paperwork, and results in easier compliance. A smaller retailer is always willing to promote a fellow small business operator, but there are natural shel-- space limitations and tap limitations for these small businesses, and the time to engage with all craft brewers vying for recognition and this opportunity is, well, time consuming for that small operator.

ARCH: Time, Senator.

RAYBOULD: Thank you, Mr. President.

ARCH: Seeing no one in the queue, Senator Raybould, you're welcome to close on your bracket motion.

RAYBOULD: Thank you Mr. President. So colleagues, I, I urge you to support the bracket motion. We know that this bill, LB113, needs an overhaul. It needs additional work. It needs additional review by our Attorney General to make sure that it is compliance. And, you know, I would love to see it bracket-- bracketed and ideally I would like to see it kicked back to the General Affairs Committee so they can review and evaluate. Is this the right step to do at this right time? Do we want to put all of our other craft brewers and distilleries in legal jeopardy by pushing forward something that has, number one, been clearly flagged as something that would be subject to a legal challenge, and number two, would do some harm to our current industry, and number three, something that our Liquor Control Commission Director has clearly indicated that this is not a wise move in our efforts to suppor-- support our local craft brewer industry and our distillery industry. That there are better ways to show that we as Nebraskans really support the entrepreneurship, their, their go-to,

their hard work and endeavor to get their product out and to be proud of the products that are made right here in our state of Nebraska. But to do something like this without full thought and deliberation and reasonable modification and amendments before it comes back to us for consideration, I think is, is quite foolish at this point of time. And again, why would we wanna do something that would jeopardize our current system of checks and balances and our three-tiered systems? And for those that have been successful, that's wonderful. We couldn't be prouder of you. Which means because you're big, because you're successful, that means that you are subject to additional regulations and requirements. And at times, it might seem like restrictions, but it gives you all the more opportunity to work with our local distributors and wholesalers to really promote your product, not only in our state of Nebraska, but to go region-wide. And that's something that we all would love to see for any entrepreneur that has succeeded and has done so well that they advance to the next level of compliance and, and business level of distribution, which is something that we all hope for all of our entrepreneurs. So for having said all this, Mr. President, I, I ask you and my colleagues to vote green for bracketing this LB113. Thank you very much.

ARCH: Colleagues, the question before the body is M0143 to bracket the bill until 6-9-25. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 1 aye, 26 nays on the motion to bracket, Mr. President.

ARCH: The bracket motion fails. Mr. Clerk, next item.

CLERK: Mr. President, Senator Raybould would move to amend with AM626. I have a note that you would withdraw and substitute AM1-- excuse me, AM811.

ARCH: Without objection, so ordered. Senator Raybould, you are recognized to open on AM811.

RAYBOULD: Thank you, Mr. President. Thank you, colleagues. I feel like I am really hogging the microphone today and it would be wonderful if anybody wants to join on and engage in this important discussion. So basically AM811 is a substitution for AM626, and basically it would say that this product would now go through the three-tier system. The three-tier system as we have been talking about is not perfect. But it has worked all these years in helping local craft brewers and our distilleries get their product out to market. And for those that have

grown and succeeded, it allows them to, to work with our distributors in a different way. I, I honestly think that there was a little bit of a disconnect on the floor during the General File discussion of LB113. And I think the amendment that I am offering can help bridge that disconnect, as well as respond to some of the concerns raised in the Attorney General's Opinion. During floor debate, Senator Holdcroft stated that we, as a body, are supportive of the three-tier system, and that it works, and that we have no interest in harming that system. I agree. Senator Spivey asked Senator Quick whether this bill would impact the three-tier system. Senator Quick said that it would not and that the craft producers subject to the bill would still be operating in the three-tier system. This was not accurate. The truth is that under LB113, craft producers would not be operating in the three-tier system. They would be operating as the manufacturer, as the distributor of their own product to their retail facility, and as the retail facility seeking-- selling product to the consumer. No one else in this state gets to do that. So I'm going to repeat it again so it's, so it's pretty clear. The craft producers, they would be operating as a manufacturer, as the distributor of the product to their own retail facility. And that retail facility is selling the product to the consumer. So nowhere else is that allowed in our state of Nebraska. This is a primary point of concern for the opposition. LB113 takes an entire industry outside of the three-tier system, a system that everyone, including the chairman of the General Affairs Committee, agrees works and that we need to protect. The Nebraska wholesalers are not antagonistic to the Nebraska craft brewers growing, as was represented on the floor. In fact, they have told me that they want the crafts to grow. It is, as Senator Quick stated, in the distributors' business interest for the crafts to grow. We can create an environment that helps craft brewers grow, but the framework we put in place needs to be within the three-tier system. If we create an industry outside of the three-tier system, we undermine the entire three-tier system in this state. And at this point, I say, I'm going to reference Attorney General Hilger's legal Opinion on this matter. There are a couple of examples. Barry's in the hay market, which is phenomenal, it goes through the three-tier system. And there are health and safety reasons why. Brewsky's, McKinney-- McKinney's Irish Pub, and all the other beer-focused eateries have to go through the three-tier system. And there are costs that are associated with going through the three-tier system, to be sure. Let the crafts grow. Support local businesses like the craft brewers as the supporters of LB113 and myself want to do. But also support the local, even smaller businesses, that don't produce their own alcoholic product. Support

the entrepreneur in your community that wants to open a sports bar in a fair competitive environment where everyone has to pay the same costs of entry. The amendment I'm offering will address the goals of Senator Quick and those that supported the bill on General File. It will allow craft producers to grow their businesses and open retail establishments in competition with other local establishments. My amendment is straightforward, like my earlier floor amendment that I had put out there to all of you that went down in flames. My amendment is simple. It simply says that we are not going to give craft producers, producers a competitive advantage over our other entrepreneurs in this state. My amendment would allow all retail establishments to operate on a level playing field and require those establishments to acquire any products through the three-tier system, unless that product is produced on-site by a craft brewer or distiller. This is a compromise that we are searching for on Select File. This amendment also addresses some of the constituent-- Sorry, this amendment also addresses some of the constitutional concerns that threaten the three-tier system as a whole. The Attorney General's Opinion outlines two options if a court finds a constitutional violation. First, a court could order that all Nebraska craft brewers and micro distillers close their retail facilities as they are operating businesses that out-of-state interests are not allowed to operate. This is what the Attorney General believes would happen if these laws are found uncon-- unconstitutional. And that is a result that I don't think any of us want to see happen. But a contrary result, as the Attorney General explains, haphazardly extends restricted benefits to countless out-of-state entities without first ensuring sufficient regulatory systems are in place, referencing our three-tiered system. The second option allows out- of-state producers to enjoy the same benefits as Nebraska craft brewers and micro distillers. That would mean we have out-of-state producers that are shipping their products into the state without going through the three-tier system. I have not heard of any support for allowing such a concept. I don't think there is any way to address the regulatory compliance problems associated with a constitutional deficiency on our self-distributor statutes. If self- distribution is successfully challenged, I think those rights are going to have to go away, which should have minimal impact given that the vast majority of Nebraska craft brewers and micro distillers already have wholesale relationships. However, requiring transfers to craft retail locations insulates the problems that come with out-of-state craft burrs opening retail locations as those out- of-state interests would have to go through the three-tier system, just like every other restaurant and

bar in the state. So colleagues, I ask that you take a moment and pull it up, AM811, to get familiar with it. And I ask for your support as it is a substitute for my AM626 that is being pulled. So thank you, colleagues, and I look forward to continued discussion on this.

ARCH: Returning to the queue, Senator Quick, you're recognized to speak.

QUICK: Thank you, Mr. President. I rise in strong opposition to AM811. This would actually hurt the distributors and, and beer microbreweries by having them deliver their, their own products through the distribution system. So they, they wouldn't be able to deliver their own product even to their own locations. So I rise in strong opposition and, and ask for your red vote on AM811. Thank you Mr. President.

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

JACOBSON: Thank you, Mr. President. To be clear, I, I oppose this amendment. It seems to me that this would hurt the smallest of the craft brewers if they had to-- had no ability to do any self-distribution at all. When I served on the General Affairs Committee three years ago, we talked about what is the reasonable amount staying below what would likely be challenged in court, but yet still giving maximum flexibility for craft brewers to be able to self-distribute to some extent in the neighboring area where they're at and not have to distribute through a distributor everything that they produce and serve off-premise. That seems to be what this bill-- where this bill is headed. I, I would oppose that. I do think that the very small craft brewers do need distribution for anything outside of their area, largely because it's too expensive to try to do it themselves. But being able to self-distribute within a finite area off the premise where the product is, is produced is very important for the very small and medium-sized craft brewers to exist. So therefore, I would oppose AM811, but I would remain opposed to LB113 as well. Thank you.

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

RIEPE: Thank you. Thank you, Mr. President. I rise not on the amendments, but rather on the core of bill, LB113. And that is my concern is that the need to preserve the three-tier system as well as the interest is in representing, I also represent Omaha, which is the home of most of the larger distribution centers, and we need to

preserve their particular strength and what they mean to the community as well. As has been stated, the legislation appears to be supportive of one craft brewer in the state, and other mini brewers are dependent upon the three-tier system. So I simply wanted to get that onto the record, and thank you, Mr. President.

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

STORER: Thank--Excuse me. Thank you, Mr. President. Good morning. My rise in opposition to AM811. I'm actually just kind of fascinated by this whole conversation that we are looking for a variety of ways to limit the growth of entrepreneurs. Blows my mind. LB113 at its very crux, I've said it before, I will say it again, this embodies virtually everything that I ran on. I think what most of my conservative colleagues ran on. I've heard the governor also talk about it. Value-added agriculture, entrepreneurship, growing our base economy. This even plays into the opportunity for growth of a tourism industry for those that, that are particularly supportive of that. What AM11 [SIC] actually does is says, you know, if you make it under the same roof, you can serve it to somebody, but if you're gonna have to take it across town, you're going to have to pay someone to deliver that for you. That is about as anti-free market entrepreneurship as I can imagine. I just want to share a couple things from, from the hearing related to the testimony that was provided by Scott Strain, who's the co-owner of Kros Strain. Quote, I want to emphasize the importance of taprooms. They're critically important for all breweries, even brewers at my size. Last year, 90% of our volume was sold through wholesalers for distribution to bars and stores. Only 10% of it was sold through our taprooms. However, that 10% accounted for more than half of our profit last year. Again, I vehemently oppose AM811. I support LB113 because I support Nebraska, I support Nebraskans, I support agriculture, I support the ability for people to be entrepreneurial, creative, invest themselves into a business, and have the opportunity to grow. I would ask you also to push the red button on AM811. Thank you.

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

HALLSTROM: Thank you, Mr. Speaker, members. I rise in opposition to AM811, in support of LB113, and significantly in support Senator Holdcroft's AM851, which will be on the board a bit later. In this body, if we support a bill with a large fiscal note, we trash the fiscal note. If we oppose it, we think it's the best thing since sliced bread. Attorney General Opinions are a little bit different and

I intend in the next few minutes to address the Attorney General's Opinion that Senator Raybould has, has mentioned from a little bit of a different perspective. Typically, an Attorney General's Opinion has a clear, concise, definitive legal Opinion with regard to various issues. In this case, that is not the case. We have an Attorney General's Opinion regarding the Dormant Commerce Clause and the impact on LB113 with respect to that constitutional provision. And I'm going to just visit briefly about what the Attorney General's Opinion actually says, and perhaps more importantly what it does not say. The Attorney General did not declare LB113 to be unconstitutional. The Attorney General simply said the bill would increase the likelihood of a challenge. That's a speculative statement, not a definitive legal finding. The framework Nebraska uses today, including residency-based licensing and limited self-distribution, has been in place for years without legal challenge. Farm wineries, for example, have had the right to self- distribution of 30,000 gallons per year since 2003. LB113 doesn't introduce a new structure. It simply adjusts existing thresholds for producers. And even if a challenge were to be brought, and if a court were to strike a provision, as I referenced, Senator Holdcroft has AM851, which would include a severability clause to ensure that the rest of the law remains intact. That protects the broader regulatory system. which I support in general, the three-tier model. I would suggest that we need to focus on the actual impact of the bill as well. Craft distilleries in Nebraska can produce up to 10 thou-- a hundred-- excuse me, 100,000 gallons per year, but LB113 only allows them to self-distribute up to 3.5 percent of that total. This is a modest, limited privilege, not a disruption in the marketplace. In fact, if every licensed Nebraska distillery used the privilege to the fullest extent, their combined self-distribution would still amount to less than 1.5% of all liquor distributed in the state. That's what the courts refer to as a de minimis impact. and the Attorney General himself cites case law acknowledging that small advantages like those proposed under LB113 are not enough to trigger constitutional violations, violations. Opponents have raised concerns with-- about regarding this limit, expanding this limit, but in reality, many other states allow far greater levels of self-distribution. There are a number of examples. Colorado permits self- distribution up to 9,000 gallons annually. New York allows farm distilleries to self- distribute up to 10,000 gallons annually. Kentucky has a 5,000-gallon limitation on self-distribution and so forth and so on. All of those or many of those far in excess of what LB113 proposes. The LB113 expansion keeps us well within the national mainstream while giving our small producers a reasonable path to grow

without upending the three-tier system. Courts have also been clear that state alcohol laws deserve judicial restraint. In one case, the court warned that striking down state laws under vague economic tests would, quote, cast a shadow over laws long understood to represent valid exercises of the state's constitutionally reserved powers. In this case, the people of Nebraska through the Legislature have every right to regulate craft alcohol in a way that supports small business growth while maintaining structured accountability and fairness. LB113 is carefully written, constitutionally sound, and fully consistent with the rights of the Legislature to support entrepreneurship, local investment, and rural development. And I would urge your opposition to AM811 and your support for LB113. Thank you.

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

HOLDCROFT: Thank you, Mr. President. Well, Senator Halloran, I mean, Senator-- yeah, Senat-- not Senator Halloran. Yeah, well, I've lost that. Anyway, the senator who just spoke has stolen all of my-- Hallstrom, yes, what was it? Yeah, thanks. Senator Hallstrom has stolen all my thunder here on, on this, on this bill, but I'll repeat some of the things he said. First of all, I support the three-tier system. We-- the three-tier system in Nebraska has worked well and we need to keep it. I mean, it, it keeps good distribution, it gives us a variety of options in our stores, it allows for statewide transportation of products, and it, is very important to Nebraska and, and I would be-- I would not want to try to destroy that in any way. That's why, if you look at this, as the senator, as the senator said, it's only-- it only accounts for 1.5% of all the alcohol product in the state of Nebraska, 1.5%. And in hard liquor, it's-- where we're limited to 100,000 gallons, it only accounts for 3.5%. So it's not really a big impact when we come to self-distribution. Also, the, the distributors count, they take about 25 to 30 percent of the profit when they do the-- when they take-- do the distribution. In other words, you know, the, the direct sale distributors, I mean, I'm sorry, the directly sale brewers and distillers are losing 25 to 35 percent of their profit when they use the three-tier system. And, and that may be OK for the three-tier system. But it's not good for the small entrepreneur, who's-- when we're trying to grow these, these craft breweries, these craft, these craft distilleries. Now, the craft distilleries have not really been around that long. It was really only 2023 when we allowed them to do direct sales. And then we gave them minimal amounts, five tap rooms and 500 gallons. And that is really not enough to build a company up. So, there are only 12, there are only 12 distillers in the state of Nebraska, and a couple of them have

done very well mostly because they're set up in the Lincoln and Omaha areas. But our rural areas out west who rely heavily on the distribution systems are not doing quite as well because they have to pay this large amount for the distributors to take their product. So direct sales to them has really been a boon to help them build their companies. And increasing this amount, really, from 500 to 3,500 gallons, really not a large amount in the grand scheme of things, would help their companies tremendously. As, as far as the AG's Opinion and the concern about whether or not this is constitutional, I do have an amendment coming up if we get to it, AM851, which I think will address any concerns about that. So I will yield the rest of my time, Mr. President. Thank you.

ARCH: Senator Hughes would like to recognize some guests today. They're the Nebraska Music Education Association collegiates, there are 45 members, music students from UNO, UNK, Doan, and Wesleyan. They are seated in the North balcony. If you would rise and be welcomed by your Legislature. Senator Raybould, you are last in the queue. Would you like this to be your close, or would you like a separate time?

RAYBOULD: Let's see how long I go if that-- I'm reserve the right. Thank you, Mr. President. I would like to take a moment, if I may, ask Senator Quick a few questions.

ARCH: Senator Quick, will you yield?

QUICK: Yes.

RAYBOULD: So, Senator Quick, tell us a, a little bit about what you think about the, the existing three-tier system, if you think it's equitable and fair. And then the other question is, so explain or discuss how you hope to, I guess, perfect, or bypass, or cure the AG's Opinion.

QUICK: OK, well, and I think we've, we've heard a little bit about, Senator Holdcroft mentioned and so did Senator Hallstrom about the, on the AG's Opinion position and how that would-- this-- we would have an amendment coming up that would address the severability clause. Also, in the three-tier system, I do believe that it is working the way it's supposed to work right now. We do have the current laws that provide that distillers and microbreweries can self-distribute within their own locations, and up to, currently, 250 barrels of, of beer to self-distribute to retailers, and also 500 gallons of distillers to the current-- to retailers.

RAYBOULD: Thank you. Senator, do you agree that what we're talking about in any way stifles entrepreneurship? I know that my rowmate, Senator Storer felt like we are doing everything we can to squash the craft distillers, the craft brewers from, from launching on their lifelong dream of producing a world class beer. Do you, do you think in the state of Nebraska that we're doing things with the three-tier system or otherwise that really inhibits a craft brewer from starting their own brewery?

QUICK: I, I do think with some of the amounts that they're able to self-distribute and maybe with the locations that they are inhibited from being able to do what they need to do. And that's why we're bringing these-- this type of legislation to, to help with that. And I think with your amendment, it would actually take them backwards. So they would have to actually use a distributor and pay them to, to deliver it to their own locations. It rea-- really would be detrimental to them.

RAYBOULD: Did you think that the, the two craft brewers that were pushing that limit shouldn't be able to go and participate more fully in one of the tiers that we have of the three-tier system? For those-- it seems like we're crafting this legislation for like the top two biggest producers--

QUICK: Well, no--

RAYBOULD: --rather than-- forgetting about the, the entrepreneurs that want to just start their own brewery.

QUICK: OK, well and really it does address the smaller distillers' positions, because right now at 500 gallon their products aren't really getting out to the retailers like they'd like to. They hit that limit, and they produce different flavors but it's the whole, it's, it's all of what you produce. So they can only self-distribute 500 gallon. The 3,500 gallon would allow them to distribute their product to more retailers to get it out there, because what happens is is that the, the distributors don't, won't promote their products like they do the, the, the big products, you know, your, your Crowns and some of your bigger name products, so they won't promote those products for them because they don't provide enough to get out to the retailers and the retailers will refuse taking some of their products because it's-- you can't get me enough of the product to put on the shelves. So that's where they're, they're having the issues at.

RAYBOULD: But don't you think that is a self-imposed restriction of that craft brewer's own making, their inability to produce the quantities that they need to expand their distribution system rather than any type of regulation that we're coming up with. It's usually their lack of facilities, their lack of equipment, their lack of labor and manpower to, to, I guess, fulfill an obligation to some of those bigger retail outlets to be able to sell consistently and have their product on the shelf consistently. So do you have any thoughts on that?

QUICK: Yeah, well, this bill would actually allow them to do that. With that 3,500 gallon, it would allow them get more of their product out, and the retailers would go, yes, we would, you know, you can bring us more, we will put it on our shelves. And so this bill actually, LB113, would allow them to that with the 3, 500 gallons.

RAYBOULD: But I think, in all honesty, it seems like it's only helping and impacting two of the larger craft brewers.

ARCH: Time, Senator.

RAYBOULD: Thank you, Mr. President.

ARCH: Seeing no one in the queue, you're recognized to close.

RAYBOULD: Thank you, Mr. President. So I know I've heard some comments about like, why should we even pay attention to the AG's Opinion? It's not law. It's just a legal theory that he's thrown out there that may or may not be challenged in a legal court. Well, I have to tell you, since I've been a state senator, when the AG gives an Opinion, things start rolling in place. And I think of when we had our Inspector Generals [SIC], certainly of Health and Human Services and of our correction facilities, the Attorney General issued an Opinion that it was unconstitutional, that the Legislature actually appointed these Inspector Generals to have this oversight and who actually gave them that legal authority to have the oversight, just by his own legal Opinion. Everything ceased, communication ceased, access to either patient files or inmate files was immediately shut off. So I don't know about you, but I think we took his actions quite seriously, and I, I believe we have some legislative bills that will be up for discussion to actually correct some of what was considered the Attorney General's overreach. I admire and respect our Attorney General, and like I said in my initial discussion, we don't often agree on some things, and I was pleasantly surprised that we actually

agreed on this matter. And so having said that and having acknowledged that my colleagues have come out in support of this differential of in-state versus out-of-state, which is-- which would be perfect legal fodder for a future legal challenge, I think we perhaps should rethink how we're pushing forward LB113. I also heard a concern of the primary opposition is that, you know, it's unfair and that, you know that you're-- once you become and big enough to be in the three-tier system, you have to pay into it and the prices are 25% more, but you know what? How is it unfair for anyone who opens a local bar in your community? They, they have the, the same restrictions as everyone else who operates a small bar and being a participant in that three-tier system. So for these considerations, I ask my colleagues to vote in favor of AM811 because I think it's, it's a right course of action to go that does not stifle anyone's initiative and drive and success to be a craft brewer or engage in becoming a distiller. I don't think there's any basis to that, that we're trying to harm or limit or restrict or over-regulate anything that would prohibit someone from taking up the cause of becoming a brewmeister or a, a, a master distiller. So for all these reasons, colleagues, I ask for your support on AM811. Thank you, Mr. President.

ARCH: Colleagues, the question before the body is the adoption of AM811 to LB113. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 1 aye, 33 nays, Mr. President, on the amendment.

ARCH: The amendment is not adopted. Senator Lippincott would like to recognize some guests. There are 90 fourth grade students from Aurora Public Schools. They are located in the south balcony. Please rise and be recognized by your Legislature. Mr. Clerk, next item.

CLERK: Mr. President, Senator Raybould would move to amend with AM625.

ARCH: Senator Raybould, you're recognized to open on AM625.

RAYBOULD: Thank you, Mr. President. I wish to withdraw AM625.

ARCH: So ordered. Mr. Clerk.

CLERK: Mr. President. Senator Holdcroft, I have AM682 with a note that you would withdraw.

ARCH: So ordered. In that case, Mr. President, Senator Clements would move to amend with AM624.

ARCH: Center Clements, you're recognized to open.

CLEMENTS: Thank you, Mr. President. AM624 is an amendment that helps protect our tax base in a time when we're very much needing the revenue. The Nebraska Liquor Control Commission is a revenue-producing regulatory body. One of the reasons it can operate revenue-positive is because of the three-tier system to collect the excise taxes. The wholesalers act as a check and balance on the system. The Liquor Control Commission can check the data from the manufacturer of the alcoholic product, showing how much was shipped to the wholesaler, then cross-check the records of the wholesaler to make sure that all products are taxed. It's a system that has proven effective. The lone exception to this system are the Nebraska craft brewers and micro distillers. because those businesses are allowed to distribute outside of the wholesale system. Nebraska craft brewers and micro distilleries pay their own excise taxes. There's no third-party check and balance ensuring that these taxes are properly being paid. AM624 would require craft brewers and micro distillers that operate retail facilities separate from their production facilities to affix flow meters on their production tanks that would record the total amount of product they have produced. The data from these flow meters would then be reported monthly to the Liquor Control Commission as the check and balance on tax payments. I spoke with Director Rupe of the Liquor Control Commission. He would like to see flow meters as a verification method, which doesn't currently exist. He said that Colorado requires meters. And the federal regulators prefer them for verifying the federal tax, which these brewers and distillers also have to pay in addition to state tax. I'd note that this amendment only applies to those operating separate retail locations. Those craft brewers and, and distillers that are only operating at a single production facility would not be required under this amendment to have a flow meter. There would be the, those true small businesses would not be required to have the additional costs of the flow meters. So this would be an amendment that would add some verification to the production amounts that could be checked by the Liquor Control Committee-- would be reported, and rather than just self-reporting, we'd have a verification for that. So, I would appreciate your green vote on this amendment. Thank you, Mr. President.

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

QUICK: Thank you, Mr. President. And I rise in strong opposition to AM624. This would be another measure that would actually be harmful to the distillers and craft breweries. Currently they do collect and they

pay all their own taxes, pay all the taxes that are due to the state of Nebraska for their-- for the distribution that they have and, and the alcohol that they produce. They've never been, been in violation, and they've never been-- found out of compliance on this. So I don't think this is necessary to, to put this on to these, these small craft breweries and just distillers. There also-- this would be an unfunded mandate for them. It would cause them to have to-- the cost for producing their product, which is already high, would cost--would force them to raise their prices. And so with that, I would ask for your red vote on AM624. Thank you, Mr. President.

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

HOLDCROFT: Thank you, Mr. President. You know, I think putting flow meters on tanks would be an unnecessary burden on our distillers and brewers. I mean, if you know anything about distilling and brewing, you know what comes out of the tank is, is, is really almost unrelated to the final product that, that is taxed. So you may have a batch in a tank that goes bad, doesn't, doesn't ferment correctly and you dump the whole tank. Well, how do you justify that, that has now gone through the flow meter? Also for distillers they, they do a lot of testing. After the, after the product has come from the tank it's put into barrels which are stored for years. There's a significant amount of evaporation. And to base their taxation on what came out of the tank is, is, I think, is unreasonable. So I oppose AM624. Thank you, Mr. President.

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

CLEMENTS: Thank you, Mr. President. I did ask Director Rupe if he is able to audit these companies to double-check the records that they're keeping now. He said he has one auditor. He has 73 beer breweries, microbreweries, and 24 distillers, and one auditor can't get around very often to audit everybody. I think, I think he knows that all of the product that the meter shows is not going to be sold, but at least it is an indication of what's being produced. And I think it would be not that hard to have the brewer make a record of items that just used for testing purposes or a volume that was destroyed and report that along with their monthly report from the meter, and so I think it's still a reasonable request. Thank you, Mr. President.

ARCH: Seeing no one left in the queue, Senator Clements, you're recognized to close. Senator Clements, waives close. Colleagues, the question before the body is the adoption of AM624 to LB113. All those

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in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 10 ayes, 25 nays, Mr. President on the adoption of the amendment.

ARCH: AM624 is not, is not adopted Mr. Clerk, next item.

CLERK: Mr. President, Senator Dover would move to amend with AM843.

ARCH: Senator Dover, you're recognized to open.

DOVER: Thank you, Mr. President. A simple description of LB186 would be smaller cities and villages would to benefit from an entertainment district similar to Lincoln's railyard or Omaha's [INAUDIBLE] district without the burden of installing barriers that completely block off a street. These smaller cities and villages lack the financial resources to create a district like those mentioned earlier. Omaha and Lincoln Senators have now indicated they would like to be, to be included in the bill since they also have historical main streets, like Havelock in Lincoln, which would benefit from this legislation. It is important to note that the bill simply allows cities to create these entertainment district. It does not mandate them, although it is the local government that sets up the requirements for these districts. You may ask yourself, why is this necessary? Communities across Nebraska are looking to find ways to engage people to come to downtown areas, as well as to attract and appeal to young people to stay in their communities. The existing statute requires an entertainment district to have physical barriers surrounding the district. Blocking off the street in a small town is logistically impossible in some situations. In many smaller communities, a historical area or streets is the best location for entertainment districts since restaurants, coffee shops, bars, and shops are already there. This change makes entertainment districts work for these smaller communities. What safety measures would exist? Clear signage would mark the beginning and the end of entertainment district to ensure the safety of those within the entertainment district. Extensive lighting, clearly marked crosswalks, lower speed limits would also be present. Norfolk has a creative district, which could be considered for the entertainment district designation. With every-- at every intersection, it has a four-way stop. In summary, smaller communities want to benefit from the increased revenue generated by an entertainment district, and they want the opportunity for an entertainment district offers to retain their youth. Current law requires physical barriers that are not

workable in our rural towns. LB186 accommodates their needs by allowing an entertainment district to exist without-- with using prominent signage, lower speed limits, clear crosswalks, and any other safety measures that the local government deems necessary. I would appreciate your green vote on this amendment.

ARCH: Returning to the queue, Senator Quick, you're recognized to speak.

QUICK: Yeah, thank you, Mr. President. And I support Senator Dover's bill as AM843. We heard this in our General Affairs Committee, and I believe this will be a, a good option for communities to be able to utilize. I could see even the city of Grand Island being able utilize the entertainment district. I know the League of Municipalities supported it, and some of the other communities across the state. And so I do support AM843 and ask for your green vote on that. Thank you.

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

J. CAVANAUGH: Thank you, Mr. President, I'm just signing a resolution celebrating the Falls City boys and the Sacred Heart Girls state champions. For Senator-- for Senator Halloran. Senator Bob Halloran has asked me to sign this resolution. But I rise in support of AM843. I appreciate Senator Dover's work on this. I actually had the privilege in the three years that Senator Dover's been here. He brought this bill his very first year. We had a hearing on it. I learned a lot about Norfolk at that point in time. Then we had the opportunity to go up and visit Norfolk and see all the great work that they've done on Norfolk Avenue and investing in that revitalization of that area and turning it into a really great destination, and they're looking for just a little bit of leeway to continue to innovate on that stretch and the current entertainment district law is written for cities like Omaha and Lincoln, really, that have a place they can make completely cordoned off to no traffic. and smaller spots like Norfolk or some communities, other spots, we did hear that Seward maybe wasn't properly oriented for it, sorry Senator Hughes, but that they were supportive of the idea, Seward was. But what this would do is allow them to apply and to make a pitch to the Liquor Control Commission and say, we think we've made this safe enough, we think that we've enough constraints to allow traffic to flow through here and allow for this innovative approach to entertainment in their area. So I'm supportive of AM843. I appreciate Senator Dover has continued to work on this and that we're having this conversation on the floor at this point in time. And I would encourage your green vote. And then I of course

would encourage you to go and check out Norfolk for the entertainment district there. I think they've done some great work. And I guess they do have the kayak run, and the river should be open now, or well, when the weather gets a little bit nicer. I'd love to go up and check that out. But they're really turning it into a destination. They've done great work up there. So I encourage your green vote on AM843. Thank you, Mr. President.

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

HOLDCROFT: Thank you Mr. President. I also rise in support of AM843. This bill came out of the General Affairs Committee 8-0. Also, I, I was on the same trip with Senator Cavanaugh, it was 2023 or 2024, where we actually traveled up to Norfolk and we actually held a General Affairs Committee meeting in their city hall. We heard from all of the local officials. I, I can't remember the number of proponents, but I don't think there were any opponents. We then toured the facility. It is a great home town feel, you know, a rural, a nice set up, slow. You know, it's got a, it's got a nice island down the middle with trees and you know some bars and restaurants and a, a movie house, and, and just really a nice atmosphere for this type of application. so. I encourage your green on AM843. Thank you.

ARCH: Seeing no one in the queue, Senator Dover, you're recognized to close.

DOVER: Thank you, President. I apologize, I did not get a letter sent out here. But just so you know, Visit Neb-- Visit Columbus, River Point Creative District, Visit Norfolk, Sioux-- Sioux City Area Chamber and Tourism, York County [INAUDIBLE], excuse me, York County, Red Cloud Heritage Tourism, Visit North Platte, Adams County, Fremont and Dodge County, Visit Knox County, and I think it said Grand Island Tourism. They all signed a letter supporting this legislation, along as a number of, of mayors across. This is-- one last thing I'd just add on. This is very common across the United States right now, were Lancaster, East Aurora, Angola, and Evans, all in New York, Huntington in West Virginia. Ohio has over 100 of what they call outdoor refreshment areas. Topeka, Kansas has two. Indiana has 33 designated outdoor refreshments areas, and North Carolina has over 50 social districts. So this is a way that we can get people downtown, spending money, enjoying their conversations, and hopefully retain youth in our communities across Nebraska. So I'd appreciate your green vote on my amendment. Thank you.

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ARCH: Colleagues, the question before the body is the adoption of AM843 to LB113. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 35 ayes, 0 nays on adoption of the amendment, Mr. President.

ARCH: AM843 is adopted. Senator Storer would like to recognize some special guests. They are Nebraska grocers and wholesalers, wholesalers, members of the Nebraska Grocery Industry Association from across the state. Approximately 10 members are located in the north balcony. Please rise and be welcomed by your Legislature. Mr. Clerk, next item.

CLERK: Mr. President, Senator Holdcroft would move to amend with AM851.

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

HOLDCROFT: Thank you, Mr. President. OK, this is what you've all been waiting for. As you are all aware and have heard mention of on this floor today, Senator Raybould requested an Attorney General Opinion on LB113. The Attorney General concluded his report by saying only that the changes wrought by LB113 would increase the likelihood of a constitutional challenge. Where these different treatments already exist in our law and no challenges have been brought, the Attorney General is saying yes, it could, could be more likely someone could challenge this. Contrary to what you may have heard, been told, the Attorney General's Opinion does not say the bill is unconstitutional. And I thought that Senator Hallstrom really laid it all out as to the options and what could possibly happen. So this is a simple solution to the potential challenge. If, which is a big if, this new law is challenged, AM851 states that the provisions of the bill are severable, meaning that if, which is even a bigger if, a judge finds the provisions in this bill to be unconstitutional, only the provision that the judge finds offends the constitution would need to either be applied more broadly or stricken altogether. Meaning, the three-tier system stays in place and only the provisions on this bill allowing craft distilleries or self-distribution would be removed. We remain confident that LB113, as amended by this body, will survive a constitutional challenge based on the Dormant Commerce Clause. If or when LB113 passes, distillers will have the ability to distribute 3,500 gallons of their own product. It is important here to note that the 3,500 gallons must be compared to the 100,000 gallons of liquor that craft di-- that craft distillers are allowed to make in our

state. That's 3.5 percent of the entire product amount that they can make is what they can distribute directly, which is a de minimis benefit. The Attorney General's Opinion on page 12 quotes already decided case law and reminds us that a de minimis ex-- exemp-- exemption to the ban on interstate discrimination exists. Separately, I want to note a New York case talking about in-state deliveries stated, stated, we find that the de minimis advantage to in-state companies insufficient to establish a discrimin-- discriminatory effect. If every distillery in this state took advantage of this opportunity, that would equal less than 1.5% of the four million gallons of liquor distributed. One 1.5%, colleagues, is also de minimis. That is such a small benefit to the in-state producer as compared to the gallons being distributed by out-of-state and out-of-country producers. While opponents of the bill are focusing on the challenge-- on the change from 500 to 3,500 and calling it a seven times increase, they should instead be comparing 0.5% to 3.5% of the total product that can be self-distributed. We remain confident that LB113, as amended by this body, will survive the theoretical constitutional challenge based on the Dormant Commerce Clause. And more importantly, we are confident this bill will grow these micro distilleries businesses that you have been hearing from our main street, mainstays, and our communities across the state. Thank you, and I urge your support of AM851 and LB113. Thank you, Mr. President.

ARCH: Returning to the queue, Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. I, too, stand before you and am truly optimistic with these possible, plausible legal scenarios. But I, I do want to stand as objecting to AM 851. And the reason why, it's, it's certainly not up to us to try to second guess what a judge and how a judge will rule based on prior case history when they are given two choices. They can nullify the current language in its entirety of how we treat our craft brewers and our distillers. They can do that with one fell swoop where you have just jeopardized the class of craft brewers in its entirety. And I, for one, take the legal research that has been done by our Attorney General rather seriously. The other point that I made before, and I'll restate it again, is that our-- this body here has provided ample evidence that speaks to the contrary of what the intent behind us passing this legislation is. The clear intent stated by so many of my colleagues on video, on tape, and live TV clearly supports the contrary indication that would readily be shown in any court of law that a judge could clearly say, your protests don't ring true because your intention has always been to

single out and promote the in-state distributors. The other concern that I raised about AM851, it does nothing to address the increase from five to ten locations and the increase in the gallonage. You're just gonna go whole hog, literally, on this bill without even making any deferential nod to some of the concerns that we raised about perhaps you by passing this legislation have crossed a legal line by, number one, thumbing your nose at the Attorney General and his Opinion, thinking that it's total hogwash and you have no intention of abiding by it, but have found a legal getaway by saying that with severability that you hope that a judge who hears this case will say, hey, well, you know, we put this motion out there that we really didn't mean it. But on the contrary, all my colleagues here have stated quite openly that your clear intention is to really show preferential treatment to our craft brewers and by allowing them to grow exponentially, which is wonderful, we all agree, but by allowing to bypass the three-tier system that we put in place for all of the out-state distributors. So I, I'd love to be as optimistic as Senator Holdcroft. I'm hoping someone magically loses the tape of our discussions that we had earlier when this was brought before us on General File, that it is not our intention to give preferential treatment to our local in-state brewers and distillers at all, Your Honor. We have no intention of doing that. But by you pursuing your, your intention to not only put forward LB113 with no changes whatsoever to the number, you're clearly setting up, I'm not an attorney, we have a number of attorneys here, but I think that they would say, without a doubt, that you are creating ample evidence that would speak contrary to your clear intention of being neutral and unbiased and not discriminating. So thank you, Mr. President. I think I've spoken pretty clearly on this issue, and I will let my colleagues vote accordingly. Thank you very much.

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

QUICK: Thank you, Mr. President. I rise today in strong support of Senator Holdcroft's amendment, and I want to thank him for his leadership on this issue. This severability clause is a smart addition to LB113. The Attorney, Attorney General issued an Opinion suggesting LB113 would increase the likelihood of a constitutional challenge. Not that it would fail in court and not, and not that is unconstitutional, but simply that the challenge would become more likely. That's a hypothetical concern, and frankly, we believe it's highly unlikely. Senator Holdcroft's amendment gives this body a clear path forward. It says, if a court were to ever find a part of this bill unconstitutional, only that provision would be affected. The rest of

the bill and Nebraska's overall liquor regulatory framework would remain intact. I introduced this bill because Nebraska micro distilleries deserve the same opportunity for growth that we've already given other craft beverage sectors. For over 20 years, Nebraska has allowed farm wineries to self-distribute up to 30,000 gallons annually. That's six times more than what LB113 proposes. LB113 simply extends a version of that opportunity to microdistilleries at a much lower limit of just 3,500 gallons per year. That's three and a half percent of their allowed production. And if every distillery in Nebraska maxed out that allowance, which is unlikely, it would still be less than 1.5% of approximately 5 million gallons of spirits distributed this-- in this state each year. That's not market-- that's not market disruption. That's economic protectionism. That's a de minimis-- de minimis-- de-- excuse me, de minimis. adjustment, exactly the kind of modest and well-regulated opportunity that courts have consistently upheld and that our small businesses need to grow. Colleagues, this bill is about responsible growth. It's about giving producers the blended dis-- the, the Blended Distilling in York, a veteran-owned business, Wahoo Distilling, Flyover Whiskey in West Point, Brickway Distilling in Omaha, Prevail Distiller in Elkhorn, Long Dogs Distilling in Arapahoe. Loup River Distilleries-- Distillery in St. Paul, Johnny Byrd Distillery in Wayne, and others across the state the freedom to build their brand, reach, reach more customers and invest in their local community. These are the kinds of businesses that give back, that hire locally, that put Nebraska products on the shelves, and in gla-- and in glasses across the state. With Senator Holdcroft's seve-- severability amendment, we've addressed the legal concern. I urge your support of the amendment and advance LB113. Thank you, Mr. President.

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

HOLDCROFT: Thank you, Mr. President. I just wanted to correct a few things that Senator Raybould just mentioned. First, she said we were increasing the locations from five to ten. That is not true. That was the original request. And the committee took action to reduce that from, from ten locations to eight locations. So the expansion for the distillers and the brewers is from five locations to eight locations, only the distillers. And Senator Brewer-- and Senator Raybould, Raybould tends to confuse these terms, but brewers make beer and distillers make liquor. We are not increasing the amount that the brewers are, are allowed to direct distribute. They can do 250 barrels a year, and which comes to, I think, around 5,000 gallons. And, and it's only the distillers that have requested the increase in the

amount based on demand. based on the fact that their, their craft breweries are seeing more requests for their product. And so-- and again, it's only from-- if we go to the maximum amount, it would be from 0.5% to 3.5% of the total market. So I think that's reasonable, I think, that's de minimis, I think that qualifies. And I think with this amendment, we are in a good, good situation if it comes to a, a court case. So with that, I. I, I ask for your green vote on AM851 and also LB113. Thank you, Mr. President.

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

STORER: Thank you, President. And thank you again, colleagues, for your attention to the issue. I just want to share a few comments on this discussion about the Dormant Commerce Clause in general. And by the way, I, I do rise in support of Senator Holdcroft's AM851 as well as LB113. It, it is prudent, the amendment is prudent to, to give that ability of severability. But for context, in recent Dormant Commerce Clause challenges, the Supreme Court has affirmed the broad regulatory authority of the individual states, rejecting two expansive theories of the federal government's exclusive power under the Dormant Commerce Clause doctrine. More specifically, in a recent case, Justice Gorsuch, Gorsuch, joined by Justices Thomas and Barrett, warned that a freewheeling judicial power evaluating a law's cost and benefits would turn the Commerce Clause into, quote, a roving license for federal courts to decide what activities are appropriate for state and local governments to undertake, unquote. They argue that courts are not equipped to balance disputed moral and public health interest against economic interest, and that choices among such incommensurable goods are policy choice-- choices that, quote, in a functioning democracy usually belong to the people and their elected representatives. That would be us. So, there is not strong evidence. that the Supreme Court is willing to take a firm hand on these arguments, if they are petitioned, on, on all of these Dormant Commerce Clause cases. We have-- We first and foremost have a responsibility to represent the people that elected us. We have a responsibility to do things like help enable entrepreneurs to grow in this state. Agriculture is one of our number one industries. I will tell you I have a responsible to help that industry continue to become diversified. We want to add value to that industry. So with that, I just want you to keep this whole talk of the Dormant Commerce Clause in context. It is no disagreement or disrespect with the Attorney General's Opinion. He has, he has brought forth what he feels is accurate as he can. That doesn't-- understand that someone has to petition this, and the, and the courts at the higher level are continuing to demonstrate really--

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a really lame appetite to wield a heavy hand on the Dormant Commerce Clause issues, again reiterating that in a democracy there needs to be deference to the people and their elected representatives, beginning at a local and state level. That is us. So I ask you to please support AM851 as well as LB113. I yield the rest of my time.

ARCH: Seeing no one left in the queue, Senator Holdcroft, you're recognized to close.

HOLDCROFT: Thank you Mr. President. We remain confident that LB113, as amended by this body, will survive a theoretical constitutional challenge based on the Dormant Commerce Clause. And more importantly, we are confident this bill will grow these businesses, these small businesses across our state. Thank you and I urge your support of AM 851 and LB113. Thank you, Mr. President.

ARCH: Colleagues, the question before the body is the adoption of AM851 to LB113. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 40 ayes, 1 nay on adoption of the amendment, Mr. President.

ARCH: The amendment is adopted. Mr. Clerk?

CLERK: I have nothing further on the bill, Senator.

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB113 advance to E&R for engrossing.

ARCH: There's been a request for a machine vote. Colleagues, question before the body is the advancement of LB113. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 33 ayes, 2 nays on advance from the bill, Mr. President.

ARCH: LB 113 does advance. Mr. Clerk, for items.

CLERK: Mr. Pres--

ARCH: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR76, LR77, LR78, and LR79. Mr. Clerk.

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CLERK: Thank you, Mr. President. Amendments to be printed from Senator Harden to LB332, Senator Ibach to LB646. Additionally, Appropriations will hold an executive session in, in room 1003 at noon, exec session for Appropriations at noon in room 1003. Finally, Mr. President, a priority motion. Senator Moser would move to recess the body until 1.30 p.m.

ARCH: Colleagues, you've heard the motion to recess. All those in favor say aye. Opposed nay. We are recessed to 1-- until 1:30.

[RECESS]

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

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

KELLY: Do you have any items for the record?

CLERK: I have no items at this time, Mr. President.

KELLY: Please proceed to the first item on the afternoon agenda.

CLERK: Thank you, Mr. President. General File, LB246, introduced by Senator DeKay at the request of the governor. It's a bill for an act relating to adulterated food; amends section 81-2,239, 81-2,240, and 81-2-282 and 87-302. Defines a term and prohibits cultivated-protein food products under the Nebraska Pure Food Act; provides a decep-- provides a deceptive trade practice; harmonizes provisions; and repeals the original section. The bill was read for the first time on January 14 of this year and referred to the Agriculture Committee. That committee placed the bill on General File with committee amendments, Mr. President.

KELLY: Thank you, Mr. Clerk. Senator DeKay, you're recognized to open.

DeKAY: Thank you, Thank you, Mr. President. Good afternoon to the first afternoon of full debate of the 109th Legislature. LB246 is a bill I have brought in partnership with the governor. LB246 would quite simply ban the manufacture, sale, and distribution of what is referred to, and defined in the bill, as cultivated-protein food products in this state. With LB246, Nebraska would join Florida and Alabama, which have enacted similar bans in those states. Currently,

similar legislation is being considered in six other states. The bill would amend 81-2282 of the Pure Food Act, which prohibits selling or distributing adulterated food by declaring food that is or contains cultivated protein as adulterated. As an adulterated food, the department could enforce the ban through administrative stop movement, or removal orders by seeking injunctive remedies and potential criminal violation as a misdemeanor offense. This bill would also provide for the enforcement as a deceptive trade practice. This additional informa-- information mechanism is useful to enable the Attorney General to help in, in the enforcement when violators and/or manufacturers or distributors from outside of state targeting Nebraska con-- customers. In any event, the remedies under the Pure Food Act and the Deceptive Trade Practices Act enable enforcement through civil means or injunction and even negotiated settlements. Our goal is not to throw people in jail or impose heavy monetary penalties, it's just to keep the product off the shelves. I'm honored to stand alongside the governor on this issue. I share the governor's passion for the families and thousands of good people who work tirelessly and make the investments necessary to allow us here in Nebraska, the entire nation, and even the world to access affordable, nutritious, and diverse meat product proteins. Our meat industry is a remarkable success story, one whose future remains bright. Too often, our livestock producers are on the receiving end of scorn and ridicule and even character assassination. Yet today, with the march of technology, our livestock industry faces another unprecedented challenge, one that I believe will only add to the arsenal of those whose goal is to eliminate animal husbandry and socially engineer our dietary choices. Make no mistake. Regardless of any similarities in animal origin of cells that are propagated to make cell-cultured meat, cultivated meat is a synthetic product. Cultured meat producers will rely on the public's preference for meat as a protein source and market their products in a way that coups consumers' perception of the cultural, nutritional, and culinary values associated with meat derived from livestock. Until or unless there are clear labeling and marketing rules that adequately disclose that cultured meat is not real meat, its sales-- its sale allows synthetic meat protein products to unfairly benefit from industry investments in marketing and production. We ni-- need not fear competition, but we want the competition to be fair and honest. Additionally, I believe there are unknowns about the nutritional equivalence of synthetic meat compared to naturally grown meat. There is also uncertainty whether cultivated proteins can deliver environmental advantages that promoters of cultivated meats claim. On top of that, cultivated meat products may soon be entering the

marketplace with an unknown and uncertain record of safety. I do not believe LB246 is unprecedented. For example, almost all states have banned the sale and processing of horse meat. The question is not the safety of the horse meat, and there are segments of the populations who consume the product. But there are states-- but states have acted out of the sense of cultural values. And I believe those issues are not dissimilar here. Thank you.

KELLY: As the clerk stated, there is a committee amendment. Senator DeKay, you're recognized to open on the committee amendment from the Ag Committee.

DeKAY: Thank you, Mr. President. The committee amendment makes one change to the definition of cultured protein. The definition of a cultured protein foods is contained in the section 3 of the bill. As introduced, LB245 [SIC] defines cultured protein as a product that results from the manufacturing cells derived from animal stem cells or non-animal sources. The purpose of that phrasing was to try to stay ahead of technology in the event that there were means other than the extraction of actual animal stem cells such as generic [SIC] engineering to arrive at, at the starter animal cell lines used in production. The amendment replaces section 3 with the revised definition of cultured protein food products by eliminating the or other non-animal sources. The amendment is intended to avoid any interpretation that the bill would ban plant-based meat analog products. This amendment was suggested by the Plant Based Food Association. I would move to adopt the committee amendment. Thank you.

KELLY: Thank you, Senator DeKay. Senator Raybould, you're recognized to speak.

RAYBOULD: Good afternoon, colleagues. I'm also a member of the Ag Committee, and I appreciate the governor's concern and interest, and our chair, Senator DeKay, for bringing this issue forward. I know that when it came time to vote, I was a no vote, and three of my other colleagues were present not voting. So there was a number of reasons for how our committee viewed this bill. My rowmate, Senator Andersen, had a much more appropriate and better bill that he introduced and had before our committee which would address labeling as some other states have adopted. That labeling is critical. It's critical so that our consumers know exactly what is in this product, how it was made, and also the other pertinent nutritional information that is required nowadays. As we were debating this issue, the first thing that came to my mind is I felt it was like a solution in search of a problem. You

know, I acknowledge our, our wonderful ag industry is an economic engine for our state. But I failed to see that this is even a potential threat or a potential problem or can-- could not possibly compete. with our ranchers and our farmers. And I felt it was also using a little bit of a sledge hammer to take advantage of smashing an ant. You know, I've, I've been talking about being a grocery retailer a lot. And, you know, I, I feel like I've grown up in the grocery industry, and I feel I've seen many trends come and go, products come and go, different things that hit a shelf and that get removed right away. And so I have to say, I'm really putting my grocery retailer hat on on this one. You know, we sell all kinds of products that our customers choose to buy for all kinds of reasons. For example, you know, we have gluten-free items, we have vegan items, we have non-GMO items, we have GMO items, we have organic, we have soy products, we have all varieties of dairy and ice creams that are dairy-free for those that are lactose intolerant. We sell all items listed free of peanuts and nuts in their production, etcetera. I mean, you really get the idea. Bottom line, customers want choices, and as far as we know that these lab-engineered proteins have yet to see successful implementation in our marketplace, meaning would customers actually buy them once they knew how they were manufactured and the ingredients that went into the manufacturing of these engineered proteins. So I think that there's a lot of fear mongering with this in terms of it's, it's intentionally designed to put a nail in the coffin of our ranchers and farmers and I think that's just such a false narrative on this issue. I think customers want choices for whatever reasons they have. And the truth is-- say this project-- product is successful, and people want all these genetically modified engineered proteins. But the problem is they probably won't taste very good, and if they do, they've probably been doctored up with a lot of other things to be able to be sellable. But just because they're sellable does not mean they have a long shelf life of meaning would customers actually buy them? Like I said, we see products come and go all the time. But if customers don't buy them, don't ask us to stock these products, they're going to go away within a week or two. And my point is, why are we taking such a sledgehammer to a problem that hasn't even arisen. in our markets, in the United States. And so for that reason, you know, I was the one on our ag committee that voted no, but I know that three of my other colleagues, who are, some of them are ranchers, also were present not voting. So Senator DeKay, I appreciate your effort, but I will not support this bill, and I wanna thank you, Mr. President.

KELLY: Thank you, Senator Raybould. Senator Clouse, you're recognized to speak.

CLOUSE: Yes, thank you, Mr. President and colleagues. I rise in support of Senator DeKay's bill. A long-time Nebraskan, supporter of our ag and cattle-- cattlemen, the producers. And this bill just points to light some things that are on the way or could be on the way. And I think it's something we just need to be proactive about and take care of that. Now, if you really don't want to eat Nebraska beef or pork or poultry or whatever it may be, I have an article that I had found, and I was doing some research on this, and Senator Ray-- Raybould played right into it. And I'm going to read this to you. It said, some ants are edible. When she said we're beating it to an ant, although ants rarely appear on the menu in the United States, it's a different story in other parts of the world. Countries in Southeast Asia, Africa, and South America, not to mention Mexico and North America, all have traditional dishes or ingredient blends that contain ants. In Laos, weaver ants add an acidic tang to fish soups, while in Mexico, fried leaf-cutting ants are a fixture at the local markets. Although both larvae and adult ants can be eaten, the former is usually more appetizing. Adult ants contain less flavor, though they are richer in protein. Ants also contain fiber, vitamins, and minerals such as iron, magnesium, potassium, zinc, and phosphorus. In other words, ants just might count as a super food. Nutrition aside, perhaps the most convincing reason people might consider eating ants and other insects to their diet is how environmental impact of, of consuming these creatures. Compared to conventional livestock, and we have all heard this, which produce about 17 percent of the world's greenhouse gas emissions, raising insects for consumption produces less emissions, uses less land and provides other benefits, such as pollination and waste decomposition. Even substituting corn-based animal feed with insects could take a significant bite out of the agriculture industry's carbon footprint. With the world population expected to reach nearly 10 billion, by 2050, some experts argue that a green-friendly source of protein and vitamins shouldn't be ignored, even if some people will still need to get past that "ick" feeling. And the numbers don't lie. An estimated number of people around the world who eat insects on a regular basis is 2 billion. And, the largest ant that they consume is 1.6 inches. The speed at which a Dracula ant can snap its jaws, the fastest movement found in any animal, is 200 miles per hour. And the estimated number of insects species eaten by humans around the world is about 2,000 different species. So if you don't want to eat beef, if you don't wanna eat

poultry, if you don't wanna eat the pork that our state is so well known for, then here's a better solution for you than lab-based cultured products. So I would suggest let's start eating ants. And I yield the rest of my time. Thank you.

KELLY: Thank you, Senator Clouse. Mr. Clerk for an announcement.

CLERK: Mr. President, notice that the Nebraska Retirement Systems Committee will meet for an executive session under the south balcony today at 2 o'clock. Nebraska Retirement Systems under the south balcony, 2 o'clock. That's all I have at this time.

KELLY: Thank you, Mr. Clerk. Senator Kauth, you're recognized to speak.

KAUTH: Thank you, Mr. President. So when Senator DeKay first brought this up, I was a little skeptical, like, why would we ban something? So then I started researching it, and the answer is because when there are dangerous chemicals being introduced into our food supply, we should absolutely put guardrails on that. As I'm researching this, this one company says, our meat is produced from high quality cells with no genetic engineering grown in a nutritious feed. We can't speak to the fact that this is nutritious feed. Why does a slab of meat need to be fed? What's happening is they are extracting cells from living animals and dropping it in a vat of chemicals. Some of these chemicals, calcium propionate, we don't actually know how many chemicals they are because it's all proprietary. Here are some of the ones that were filed on a patent. Calcium propionates is a preservative that can cause migraines and headaches. It can lead to insulin resistance and has been found to increase irritability, restlessness, poor attention, and sleep issues. Sodium nitrate, which is a preservative known to cause high blood pressure. EDTA, a chemical compound used to bind ions. It can be used to purge toxic heavy metals from the bloodstream, but it's also been known to cause kidney damage. BHA and BHT are two preservatives that are believed to be carcinogenic. GCSF, which is a chemical used to treat leukemia, but it causes side effects of dys-- dyspnea, chest pain, nausea, hypoxe-- hypoxemia, diaphoresis, anaphylaxis, syncope, and flushing. EGF, IGF, and NGF are growth factors, which cause dry skin, retina swelling, osteoarthritis. GMCSF, a drug used in cancer treatments that carries side effects of bone pain, nausea, rash, headache, and fatigue. Interleukin 6, which is a chemical that can cause cancer and contributes to chronic inflammation and autoimmune diseases. According to an in-depth analysis by the FAO and a WHO expert panel, there are

53 potential hazards in lab-grown meat. And I would encourage you to-- there's a 134-page document, which I did not print out for everyone, about the food safety aspects of cell-based foods. These can lead to some serious negative consequences. The contaminations-- they include contamination with heavy metals, microplastics, and nanoplastics; allergens such as additives to improve the taste and texture of these products; chemical contaminants; toxic components; antibiotics; and prions. Particular attention should be paid to the mechanism, how they make this happen. They use bioreactors and they forcibly grow these tissues. What's really bothersome to me is a lot of times you'll see this portrayed as better for animals. However, to make this happen, they actually-- it's not kind to animals at all. They keep the animals alive and they drill down into them to get cells. For this to become something that is able to be mass produced, we will have many animals who are constantly being drilled into to pull their cells out and extract cells. to put in a vat and soak in chemicals to grow what is essentially tumors. I don't think this is what we want to have happen. I think we need to put this ban in place. If in 10, 15 years they get this so it can be proved to be safe. Right now there are no studies on this. There's nothing saying that all of these chemicals aren't going to hurt people. Let's see, I'm reading through a bunch of these things. I have a lot of these articles, if anybody is interested in reading, some of it's just really gross. The safety of ingesting rapidly growing genetically modified cell lines. These cell lines exhibit characteristics of a cancerous cell, which include the overgrowth of cells not attributed to the original characteristics of their primary cells. If this enters the market, there are several human health concerns, specifically that these genetically modified cell lines could exhibit the characteristics of cancerous cells. And in their public patents, they reveal that it actually creates oncogenic or cancer-causing cells, and they don't know if eating it, you can absorb those cancer cells from ingestion. The industry also is promoting the use of antibiotics to keep things from growing in these giant vats of goo. We have a problem already with too many antibiotics in our, our food stream, so this is gonna make it worse. They also don't disclose how they dispose of the toxins from the bioreactors. Conventionally produced meat, animals dispose of toxins through their urine and feces, but if these companies can't find a way for this meat to dispose of these--

KELLY: Time, Senator.

KAUTH: --toxins. Thank you. The long-term cultures could build up within--

KELLY: That's your time, Senator. Thank you, Senator Kauth. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. Good afternoon, colleagues. First afternoon of debate of the 2025 legislative session. I think I'm generally opposed to the bill, although I'm listening, and so a lot of that stuff that Senator Kauth was talking about is interesting and maybe disturbing is maybe a word. I was just saying, I don't know if food should have a patent. I guess maybe I'm speaking out of turn, but it just seems like food shouldn't have a patent. But in response to Senator Clouse's speech, I have eaten bugs, Senator Clouse. You know, it's OK. I had some candied crickets at an event called the Bug Symposium in Omaha, where they have a whole lot of things about bugs. And you could get candied crickets. And then they had crackers that also had crickets in it. So it wasn't that bad. It wasn't like-- I wouldn't say I'd go out of my way to go eat it or wouldn't use it as a substitute for other protein. But I do think that the, the question is, for me, about this bill and why I think I'm opposed to it is I maybe think that this is gross. It sounds, you know, like there's things in it I wouldn't want to eat. But I do think people have an option to eat things that they want to eat. And I think that the role for government is not really to ban stuff that we don't like or we find distasteful, in both the figurative and literal sense, I suppose, of distaste. But it would be to provide-- make sure it's safe. And so there's some question, I think, that Senator Kauth was raising about the safety, and provi--and make sure that people know what they're consuming. So labeling, Senator DeKay mentioned a, a need for labeling. I don't think this bill takes the labeling approach, it takes a just outright ban approach. And I think if we are concerned, that people are gonna buy it on accident or people aren't gonna know what's in it or know what the process is, the better system would be to create a labeling requirement wherein somebody would get to know that it was lab-grown meat or whatever it is that we're deciding is the appropriate label. And then perhaps, you know, like listing off the ingredients. I was just looking at Senator Kauth's listing off all those really scary, scientifically sounding names. I was reading my can of diet Dr. Pepper here. And it has, I think some of those words were in it. Things like sodium benzoate as a preservative, or-- and I probably need glasses, but I can't even pronounce this word, phenylglycolnucru [PHONETIC], and then phenylathalate, and then processed under the authority of Doctor Pepper. So there's words on here I can't pro-- even pronounce that are in something that I drink, we'll say twice a day. And I think if you just started listing off

scary sounding chemicals, they cer-- certainly can be persuasive to say that this sounds like a really terrible process. I mean, that said, I still-- I'm not interested in eating lab-grown meat at this point. I think that that's a bridge too far for me. But I also don't know if it's a realistic option. I don't if I, if I could possibly run into it at one of Senator Raybould's grocery stores or grocery stores anywhere else in Nebraska, or if I'd have to, like, get on a plane and fly to a lab in some kind of, you know, research triangle or something like that to get it, or if, you know, it costs \$1,000 an ounce or something like that. I just don't know if this is a realistic thing that we're talking about. And I do think that there-- somebody was talking about fear-mongering. Can I get a gavel, Mr. Lieutenant Governor, Mr President? Thank you. Not that I'm saying anything particularly important, but I do think I was trying to make a point, I guess. But, I-- so I think that it is totally legitimate to say, there are concerns about these things. And I think a regulation as to health and safety is a good idea. But-- Oh, I'm going to run out of time. But I do have something else I was going to say. But, yeah, so I think it's-- we could--The thing we should be doing is creating a regulatory structure, making sure that these things are safe, making they don't have these-- some kind of crazy chemicals in the process, and making sure they're labeled in a way that, that shows you what they are. And so, I-- at the moment, I'll be opposed to the, the bill, but I will listen to the rest of the debate and the conversation. And so thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Murman, you're recognized to speak.

MURMAN: Thank you, Mr. Lieutenant Governor. When I first heard about this bill, I thought, well, I-- it'd be better just to try and regulate lab-grown meat. That ought to work, you know, label it in the grocery store with the proper labels, just telling what's really in the product. People won't-- will be very hesitant to buy it. And then I thought about my previous life as a dairy farmer. I was active on the National Resolutions Committee of Dairy Farmers of America, and we worked with the National Milk Producers Federation to try and do some regulations on mislabeled milk products. You know, we can call almost anything milk in the grocery store anymore. Any kind of nut fluid or soy fluid, they actually call it milk. And milk is-- has a definition in, I think, in national legislation and, of course, in the encyclopedia even, or excuse me, the dictionary. And, you know, milk is-- it's really hard to say that milk is something you can get from almonds. You know I, I don't care how small of a tweezers you have, it

is really hard to milk an almond. I thought that would get, get a few laughs, but anyway, you know, we call, we call any kind of nuts milk, any kind of almond milk, soy milk, all those kinds of things milk, and they're not really milk. And of course the other problem is they're sold in the dairy case right beside real milk. So I do think, you know, as consumers get further away from the farm, generations away from farm, they don't even realize, eventually won't even really realize what real milk is. and that's a real problem. So I don't think labeling is the best way to go. So I am in support of LB246 and the amendment from the Agriculture Committee both. And by the way, I did have a bill last year that was heard in the Agriculture Committee to properly label foods that came from bugs or worms. I don't recall exactly what the bill said, but I think if, if I recall correctly, any food product that had more than 5% bugs or worms in it would have to be properly labeled. That didn't go anywhere either last year, so I do think just being proactive and making it impossible to sell lab-grown meat in Nebraska would be the way to go rather than just trying to label it properly and in that way telling the-- making the consumer aware of exactly what they are buying. So in summary, I think getting the jump on the situation, making it impossible to sell this product in Nebraska rather than trying to label it and regulate it that way is not the best way to go and for that reason I support the amendment and LB246. Thank you, Mr. Speaker. Mr. Lieutenant.

KELLY: Thank you, Senator Murman. Senator John Cavanaugh, I would like to announce some guests in the north balcony, 47 fourth graders from Washington Elementary in Omaha. Please stand and be recognized by your Nebraska Legislature. Senator Storer, you're recognized to speak.

STORER: Thank you, Lieutenant Governor. Yeah, I just wanted to, to share a little bit of information, and full disclosure, I know I've heard from some of my other colleagues that initially I was leaning on the side that, you know, that we regulate, we don't ban. I believe in the free market. But as I started to do more research, this is sort of where, where my mindset is at this point, is that when government ultimately even regulates something, we are in fact just sending a message to the people of Nebraska that we believe it's safe. Maybe we don't like it, maybe we think it's gross, but, but in effect, if we say yeah, it-- we'll regulate it and let you choose that we are sending the message that we believe that it's save. I cannot look someone in the eye right now and tell them that cell-cultured meat is safe. And I'm just gonna share a, a little bit of information from the World Health Organization just to illustrate that background. So there's four stages of the production, I guess, manufacturing of this

product. The cell selection, the production, the harvesting, and the food processing. At the cell-selection stage, here are some of the concerns of safety according to the World Health Organization. There's a concern of transmission of zoonotic infectious diseases. That should bring us some comfort. There's a concern of microbial contamination and chemical residue and byproducts. That's stage one. Stage two, production, which is the cell proliferation and differentiation. The concerns at that stage, microbial contamination, chemical residue, and byproducts, and biological residues and byproducts. Stage three, harvesting of the cell tissue. Microbial contamination, chemical and biological residue and byproducts, and I'm not sure I can pronounce this word, physicochemical changes. And the last stage, which is the food processing and formulation, according to the World Health Organization, they are concerned about microbial contamination, chemical and biological residues and byproducts, processing contaminants, and chemical changes. It's my understanding that the, the, the plants that manufacture this currently are not-- they're only inspected for cleanliness, basically. There is not an inspection process in place for the actual ingredients used and the process itself. So in other words, we're guinea pigs. It was described to me this way, which, I'm not trying to be crude, but in essence, what we're talking about is growing tumors. Now if you think you can look your constituents in the eye and say, I think this is gross but it's safe, vote against Barry's bill, Senator DeKay's bill, sorry. If you don't think you can look your constituents in the eye and assure them that this product is safe, then I ask you to please vote yes on LB246. With that, I will yield the rest of my time.

KELLY: Thank you, Senator Storer. Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. While I rise in support of LB246, I think that this bill is unique, and I think that Senator Kauth and Senator Storer really spoke to the safety elements. I would speak to the fact that Nebraska raises the best beef in the world. When you travel anywhere, people talk about when you say you're from Nebraska, United States of America, they comment on how wonderful our beef is in this state. I think it's worth protecting that as well. I can tell you that if I walked up to a fast food restaurant, say a year from now, two years from now, and they got the price of this cultured beef down to a more affordable level, then they would likely be selling it. And when you start talking about labeling, nobody's going to ask about the labeling. Can you send me the labeling through the, the window so I can read the labeling? I don't think so. You're going to buy it,

you're gonna eat it and say, this tastes like crap. And you're going realize, gosh, Nebraska beef has really gone downhill. So in part, it's a reputational issue. Agriculture is a big part of the Nebraska economy. And beef cattle is a big part as well of the ag economy. And I believe that people should be getting the safe, real product out there. I would also comment on the ants. I would be opposed to cultured ants as well. I don't think we should be making cultured ants. So let's, let's, let's keep from that as well. But I think it's a safety issue and it's a reputational issue. And with that, Senator John Cavanaugh asked to yield him some time to recognize kids in the balcony, so Senator Cavanaugh, and please restrict your comments to the kids in the balcony. With that, I'll yield the rest of my time to Senator Cavanaugh.

KELLY: Thank you, Senator Jacobson. Senator Cavanaugh, two minutes and 55 seconds.

J. CAVANAUGH: Thank you, Mr. President, thank you, Senator Jacobson. And as the kids-- the kids are just sneaking out, but I did promise them when they came, so Washington Elementary is here, the Washington Wildcats, I told them I'd mentioned the Wildcats portion. They-- that's the school my children attend, I don't have any fourth graders right now. But I do have a great opportunity to visit with those kids over last semester, and we did a great exercise about, which is a little apropos today. I was trying to teach them about legislating and what we-- how you make decisions and build alliances and things. And so we limited-- we took all the flavors of Jolly Ranchers and eliminated-- they had to choose which one was the only one that they have and then everybody would get that one flavor. And so then we had to have-- they had a robust debate in the classroom. They built the coalitions and broke up into the five or six different flavors. And then they built an alliance between two flavors to preserve, you know, for the second choice. But I told them I would mention Jolly Ranchers as like a secret code between us about that we all know that, you know, we've talked about this before. So anyway, so the Washington kids were here. They're probably out in the rotunda now, and so they can't hear this. But they understand, or at least they understood, you know, the nuance of this particular issue because they've talked about banning a particular food stuff before. So thanks for coming, Washington kids, and thanks for the time, Senator Jacobson. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Hansen, you're recognized to speak.

HANSEN: Thank you, Mr. President. Well, colleagues, beer and bugs. Tackling the important matters that matter to Nebraskans. I'm hoping eventually we'll get to property taxes. But in the meantime, I think these are important issues I think we can discuss today. And I'm not going to-- I do my best to refrain from talking about cultured ants or crickets. So I would like to talk about LB246. This is a little bit of a gray area for me. I don't know for sure exactly where I land on this issue. I am actually listening to comments from my colleagues. I think Senator Storer, Senator Jacobson, Senator Kauth, made some good points about the safety of cultured meat. And then what our role is as a government to ensure consumer protection. I'm not a huge fan of consumer protection, overly burdensome consumer protection, I think if people want to eat, quote unquote, cultured tumors, let them. I don't think it's my decision to deny them that. However, I think what makes this a little bit more different as compared to other issues is maybe the, the lack of long-term, I think, research and data and studies, since this is a new kind of process of making this kind of consumable, that maybe then that kind of lends some opinion from the Legislature on maybe how we want to regulate it or not regulate it. So that's kinda where the heartburn is for me when it comes to cultured meat and the ability for consumers to consume it. So in, in that fact i'm, i'm not against LB246. I'm leaning more towards voting for it. I think it's something we can kind of look at a little bit closer, maybe the private sector can determine maybe some more research and data on it so we can make a better decision on what we want to do. There's other things that we have banned or we have tried to ban in the state of Nebraska that does cause harm for people. There's a bill that I introduced this year that does that. There's bills in the past that other Senators have introduced to ban certain consumables because of chemicals or because of other issues that we're finding out because of research that might cause harm. I think that's kind of where Senator DeKay is coming from with LB246. I'm against the idea of banning an item because we're trying to protect businesses. I don't think that's a good idea. I think that's putting a big thumb on the scales of the free market, and that can cause some problems. So--but this does-- I think Senator DeKay's argument does lend some credence to the fact that we do have to consider LB246 and listen to what our colleagues are saying. And then if we need to come down the road, a couple years down the road, and address this again after some more research and data has come out, I that's totally within our purview and I think it's something we can do. So right now, I appreciate the, the dialogue. I appreciate what other senators are discussing right now. So with that, thank you, Mr. President.

KELLY: Thank you, Senator Hansen. Senator Brandt, you're recognized to speak.

BRANDT: Thank you, Mr. President. Thank you Senator DeKay for bringing LB246. I support the amendment in the bill, not only as a state senator, but as a fourth generation cattleman and cattle feeder. Nebraska is very unique. Cattle feeding is a cornerstone for Nebraska's economy, with the state consistently ranking as one of the top two states for number of cattle on feed. Climate, natural resources. access to quality feed, and feeding efficiency are among the top reasons Nebraska is a premier location for beef production. Nebraska has the top three beef counties in the United States, including the nation's number one cow county, Cherry County with nearly 166,000 mama cows, Custer County with 100,000, and Holt County is number three nationally with 99,000. In January 2023, figures illustrate that Nebraska continues to have far more, far more cattle than people with over six million cattle in the state. Cattle outnumber people three to one. Nebraska has a unique mix of natural resources. Our cattle herd turns grass from 24 million acres of range land and pasture, more than one half of Nebraska's land mass, into protein and many other products for humans. The land is grazed by cattle and allows more people to be fed than would otherwise be possible, particularly through a laboratory. More than one billion bushels of corn are produced here each year, 40% of which is fed to livestock in this state. Cattle producing families who make their living from the land have a strong incentive to protect their animals and the environment. Americans only spend 10% of their income on food. Income. that can be spent on safe, nutritious Nebraska beef. Cultured, lab-grown meat is not meat. I mean, I worked for Iowa Beef Processors as an engineer for six years. There are hundreds of cuts in a cattle carcass. My question is, what are we growing? Is this ribs? Top round? Chuck? Ground beef? What is this gonna be called at the end of the day? So I would encourage my fellow senators to support this bill, and thank you. I yield the rest of my time back to the chair.

KELLY: Thank you, Senator Brandt. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. I would like to echo some of the sentiment from my friend, Senator Hansen, just, I guess, in terms of taking stock about where we are in this session and this measure. It's interesting that it also comes on the heels of the Speaker's announcement this morning wherein he kind of gave a reflection about where we are past the midway point of the

session, what we've accomplished, and what we have in front of us. And obviously, we've all had a chance to hear that and review the accompanying materials that he shared out, kind of pointing to the fact that we have very limited time remaining. Our primary focus should be on things like revenue and budget. Yet here on the same on the same agenda we have a fake meat ban because the governor said so. That's, that's where we're at, that's what's happening. This isn't an issue that Nebraskans are crying out for us to address. This is not an issue Nebraska ag groups are crying out for us to address, if anything, they're asking that we would take this up with a truth in labeling kind of approach, not a restrictive, punitive ban. That has been a thoughtful path that has been put forward and adopted in some of our sister states, but is not present in the committee amendment, which actually is quite telling that they needed the committee amendment because the original language was, in fact, so broad to go far, far further than the governor or his allies in the body so intended. So when the governor first started floating this odd discussion point about the horrors of fake meat, the handful of neighbors that were reading about those statements in my district asked me, what the heck is the governor talking about? Is he trying to somehow ban black bean burgers? Is he somehow freaked out about almond milk? It, it's just it struck so many of my hardworking neighbors in north Lincoln as such an out of touch and weird priority for the governor of the great state of Nebraska to lift. And here we are past the halfway point of a long session with a huge structural budget imbalance without any significant accomplishments thus far except for undercutting working families and the will of the voters. Now, my colleagues are content to rush out and put in a big government, heavy-handed ban on a technology that doesn't even seem to have any presence in Nebraska or impact for Nebraska consumers or kitchen tables. And it's been quite interesting to hear so many of my friends in the body talk about, well, I'm a libertarian till I'm not. I'm against big government until I'm in it. I'm for entrepreneurs until the governor tells me otherwise. I think it is so interesting to hear how the rhetoric has changed both privately and publicly on this very, very strange measure. I guess I would also perhaps like to ask-- Oh, I see I'm almost out of time, so I'll punch back in. But I'll, I'll be asking the primary introducer, my friend Senator DeKay, some additional questions about the enforcement mechanisms and about the origin of the legislation. I think that this is a non-issue. I think it's beneath the Legislature. I think it's out of touch with what most Nebraskans want. And let me say, I'm a fifth generation Nebraskan. I love being from Nebraska. We buy our cow by the cow and are proud to

do so and are happy to lift up the incredible leadership Nebraska has in terms of our ag industry. But even ag groups are not asking us to put forward this ban. They're asking us to look at labeling. So why isn't that part of the conversation this afternoon? Thank you, Madam-- Mr. President.

KELLY: Thank you, Senator Conrad. Senator Hunt, you're recognized to speak.

HUNT: Thank you, Mr. President. Colleagues, I rise today in opposition to LB246, not because I think it's going to do catastrophic harm, but because I genuinely don't understand why we're spending our time on a measure like this. It's not a bill that solves a real problem. It is not responding to a crisis, a need from constituents, or a market failure. It's a solution in search of a problem. It's a political gesture aimed at something that barely even exists in our state. We're banning lab-grown meat, a product that isn't even commercially available here in any meaningful way, as if it poses some kind of urgent threat to our communities. Why? Supporters of this bill claim that it's about protecting consumers and protecting public health and protecting the farming and ranching industry here. But we already have robust food labeling laws and food safety regulations in place. The USDA and the FDA are overseeing already cultivated protein production, just like they do every other food product on the market. And if the concern is that consumers won't be able to distinguish between this and conventional meat, then the answer is clear, accurate labeling. The answer is not a blanket ban on an entire category of scientific innovation. That's not consumer protection, colleagues. That's overreach. What this bill really does is sends a message. It says that Nebraska doesn't welcome innovation. It tells researchers, entrepreneurs, and future-oriented businesses that if your work doesn't fit neatly into a box, into a traditional model, you're not welcome here. And frankly, that's a dangerous signal for a state that relies so heavily on agriculture. It needs to be thinking about its long-term sustainability. Agriculture has always evolved. It has always adapted. Our producers innovate because they have to. And if we shut the door on one of the next potential tools in the global food system, we're doing ourselves a disservice. I don't think there's ever going to be a time when people eat more lab-grown meat than conventional meat. But I don't think that it's right for us to take that off the market preemptively when the solution could be labeling. not a blanket ban on a product that's innovative, that's interesting, and that's also not really commercially available right now. It's sort of a ban on bans, if you will. It's another preemptive thing that the

Legislature is doing to stifle innovation, to cut off entrepreneurship, and also to potentially hamstring our farmers and agricultural industry in the future. Nebraska needs to be a part, always, about the conversation of feeding the world. And this shuts us out of that conversation in a future-oriented way. We are facing enormous challenges globally in food security, sustainability. And cultivated protein is not a magic bullet, and no one is claiming that it will replace ranching or it will eliminate beef or anything like that, but it could become an important part of the broader toolbox that helps feed the world while reducing strain on our natural resources. Countries around the world are investing in this research. Companies are exploring how it could create jobs, reduce emissions, diversify income for producers, and Nebraska, colleagues, could be at the forefront of that. Instead, with LB246, we're considering banning the product outright before we even give it a chance. Because of that, we are not protecting farmers with this bill. We're not improving food safety or affordability. We're not responding to any Nebraskans who asked for this. What we're doing is playing defense in a made-up culture war about imaginary hamburgers. And in doing so, we're undermining our own values. If you say you believe in free markets, in limited government, in consumer choice, how does this bill align with those beliefs? If you believe innovation, entrepreneurship, growing our economy, how does this help? I trust Nebraskans to make their own choices. I trust that people are smart enough to read a label. I know that Dan Hunt, my dad, is not going to be accidentally buying any lab-grown beef and putting it on the grill, and neither are any of you. There's no need to ban the future to protect us from the past. We can do both. We can honor our agricultural heritage while embracing new technologies that give people more tools, more options, and colleagues more freedom. LB246 doesn't do any of that. It doesn't protect anyone. It just restricts. I trust that our state is strong enough to lead in food innovation as we always have in America's breadbasket, not run from innovation. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. I was going to ask Senator DeKay to yield to a question, if he, he's coming up there. So I had a question about the protein. Senator DeKay, would you yield to the question?

KELLY: Senator DeKay, would you yield?

DeKAY: Yes.

M. CAVANAUGH: Thank you, Senator DeKay. So, rea-- in reading this over, it talks about grab-- lab-grown proteins. And there's a big move with, like, sorghum proteins and pea proteins. And those are-- are those included in that?

DeKAY: Yeah, any ag-based product, veggie burgers, insect burgers, soy milk, almond milk, those are excluded from being in this. Those are ag-based products that were developed for the purpose of helping with allergies and other things, and people's taste preference on that.

M. CAVANAUGH: OK. You just mentioned something that-- I've been trying to listen to the debate, but you know, multitasking, and I keep hearing people talk about ants, and then you just said insect burgers. Could you--

DeKAY: There are insect burgers out there. And yeah, one of the people that talked about eating insects, crickets in particular, might have been your brother. So.

M. CAVANAUGH: Where can one purchase insect burgers?

DeKAY: He was at-- your senator brother said that he was at an event in Omaha that had--

M. CAVANAUGH: Oh, Senator Cavanaugh said he had--

DeKAY: Absolutely.

M. CAVANAUGH: Oh boy, I can't wait to unpack that.

DeKAY: So that might be a car ride conversation.

M. CAVANAUGH: I--If, if it was tomorrow and he said that, I would have thought it was an April Fool's joke. Well thank you, Senator DeKay. I was very curious why people were talking about ants. I think Senator Kauth and Senator Jacobson were talking ants and I was like, what does this bill have to do with ants? So thank you for clearing that up. It all is Senator John Cavanaugh's doing, I guess. I am intrigued by this bill, but I am concerned about innovation and, and if we're maybe stifling innovation, because as I am aware right now-- or I'm not aware of this being at market currently, and actually would-- If Senator DeKay would be willing to answer more questions

KELLY: Senator DeKay, would you yield to a question?

DeKAY: Yes.

M. CAVANAUGH: Would you yield to a question?

M. CAVANAUGH: Thank you. So do we currently have these fake meat proteins at the supermarket?

DeKAY: Not in Nebraska, but there are two patents that were approved in California, so those-- there are products available in California that could probably be purchased.

M. CAVANAUGH: OK, and so can you explain, does your bill, does it block the sale of this type of product, or does it blocked the development, or is it both?

DeKAY: Basically, both. It doesn't block the sale or being able to buy it. If you're in Nebraska and you want to purchase it somehow in a state like California, you're still able to buy it and bring it back and consume it.

M. CAVANAUGH: OK. And are there people who want to start developing it here in Nebraska?

DeKAY: Potentially, yes. One of them is called Good Foods Institute.

M. CAVANAUGH: Is a-- I'm sorry, say that again?

DeKAY: Good Foods Institute, which is in California.

M. CAVANAUGH: Ah, and they are considering opening business here?

DeKAY: I'm not 100% sure on that, I-- my intent with this is to be more proactive with what we're trying to do rather than being reactive and being behind the eight ball if it's not a healthy product that they are trying to produce and sell here.

M. CAVANAUGH: And is there data to back up that it's not a healthy product?

DeKAY: Would you repeat that? I couldn't hear you.

M. CAVANAUGH: Is there data to back up that it's not a healthy product?

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Rough Draft

DeKAY: There are a lot of health concerns. Over in France, in particular, they talked about the health concerns. Some of the data that was brought forward with some of the ingredients that go into producing it. And I can give you some of the--

M. CAVANAUGH: OK.

DeKAY: --[INAUDIBLE].

M. CAVANAUGH: Yeah, I'll take a look. I should mention, just for full disclosure, I don't eat meat. So, I, I don't have a, what do they say, a dog in this fight, a horse in this race. Not my circus, not my monkey, but you know, I care about consumer protections and being good stewards, so yeah, go ahead.

DeKAY: Well, being a vegan and not eating meat, you will probably still be able to consume this.

KELLY: That's time, Senators.

M. CAVANAUGH: OK. Thank you, Mr. President.

KELLY: Thank you, Senators DeKay and Cavanaugh. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President, and, again, good afternoon, colleagues. Unlike my friend, Senator Michaela Cavanaugh, I do eat meat. We eat a lot of meat. I'm from a rural district, I'm a 4-H kid, and even though I represent a district in north Lincoln which has incredible ties to the ag industry and the meat industry with both the home of City and East Campus and Innovation Campus, I think that the vast majority of my constituents enjoy a Nebraska steak and hamburger as, as much of those-- as those constituents in ea-- our districts out of state might as well. But my bottom line on this is I don't need the government telling me what to eat and what not to eat. I am an adult. I am a fully knowledgeable consumer. I can figure out whether or not something seems risky or safe to me as an adult consumer. I don't think that there has been a clear record as to a significant public health and welfare endangerment issue provided that would take away consumer choice and innovation otherwise. So I do have a couple of questions for my good friend Senator DeKay if he would so yield.

KELLY: Senator DeKay, would you yield?

DeKAY: Yes

CONRAD: Senator DeKay, in looking at, thank you so much, looking at how other states have taken this up, some states have actually put forward criminal penalties to enforce similar fake meat bans. I think there's maybe a handful of states that have looked at policies like this. Maybe only one or two have put forward a ban and the rest have all moved to labeling that have taken it up. But what is the enforcement component for your measure?

DeKAY: Well, the enforcement component of it is is, number one, it's a ban, so there wouldn't have to really be an enforcement because it's banned and not being produced right now anyway.

CONRAD: OK. And I think perhaps there's a reference to the Uniform Deceptive Trade Practices Act, which is primarily, I think, maybe some civil penalties, perhaps some misdemeanors, but gives a pretty broad grant to the Attorney General's Office. So would you be opposed to any new or enhanced criminal penalties in enforcing this measure? Do you think it should be primarily a civil-based enforcement?

DeKAY: Yeah, I don't want to enhance any penalties any--

CONRAD: OK.

DeKAY: --more than what they are. I just-- right now, if we can limit the scope of where-- the amount of, if any of this can be produced, I think that's the--

CONRAD: OK.

DeKAY: --enforcement mechanism.

CONRAD: And then, Senator DeKay, I know you had mentioned that you had, you know, kind of your eyes on the horizon trying to identify emerging issues to take up as part of your legislative work, but where-- how did you draft this measure? Was it a model bill given to you by the Governor's Office? Did you work with different industry groups or different advocacy groups to draft this? Can you help us just get a better sense of how you drafted this measure and what research you relied upon?

DeKAY: Well, I, I was thinking about this over the interim, and it was brought to my attention that the governor was also interested in this. We worked in our office with my team and my legal analysts to start drafting this legislation. We took some of our verbiage from what happened in Alabama and Florida and constructed a bill that way.

CONRAD: OK, very good. And then, Senator DeKay, I, I thank you for, for being such a patient friend and a good advocate. But since this is a new and emerging issue, and since it does insert big government into an emerging industry and area, and it does stand out of alignment to the public policy approach that even ag groups are asking us to take up, I think it's probably worth it to get a little bit more in the record here so that we can be clear about what this bill is and what it isn't and what it attempts to do. I see we're out of time, so I'm going to punch in again and see if we can just talk a little bit more about the research and development implications and make sure that part's clear for the record. Thank you, Senator DeKay. Thank you, Mr. President.

KELLY: Thank you, Senators Conrad and DeKay, Senator Hunt, you're recognized to speak.

HUNT: Thank you, Mr. President. As Senator Conrad said about research and development implications, I think that's on the right track in terms of what we need to be considering as far as potential unintended consequences for a bill like LB246. I think Nebraska needs to remain a part of the conversation about the future of food, because I believe in our farmers, I believe our ag industry, our ranchers and producers, and because I want our rural communities to grow and thrive and not be left behind. This bill takes a very reactionary, and our governor is super reactionary. Our governor could be triggered and tricked and provoked into doing anything if he heard the right message from the right person. And this bill is another example of that reactionary mindset, that is an approach to a growing industry that could actually, in fact, create opportunities for Nebraska agriculture if we're smart about it, if we're forward-thinking instead of reactionary. But instead we're being asked to ban the future before it even gets here. Let's talk about what cultivated protein actually is. It's not fake meat, it's real animal protein grown from real animal cells, but the research on that is changing, the research on that is developing, and I think it's something that proponents don't fully understand because it's still a growing field. We know that it's made using inputs like soy, corn, and other crops that Nebraska farmers already produce. And if cultivated protein companies succeed, and it looks like they will, it's going to require a steady supply of those crops. So can we anticipate a bill in the future saying any soy, any corn, any grain that cannot be used for the purpose of cultivated protein? In other states? You know, think about the commerce implications for something like that, because this industry is going to succeed somewhere, colleagues. This product is going to require

processing, distribution, cold storage, skilled workers. That's all economic activity. That's job creation. And with LB246, that's something that our Legislature is saying, we don't want Nebraska to be a part of in the future. We are considering a bill that would shut down all of that potential economic opportunity, not today, but in the future. And it's a bill that sends the message that Nebraska isn't interested in innovation. Nebraska isn't interesting in the next generation of food production. Nebraska isn't interested in opportunity. And we have incredible food researchers, food scientists, food labs here at the University of Nebraska, who could be leaders in innovation on this industry. We have producers of soy, corn, and other grains that could contribute to this industry and make a lot of money doing so. Colleagues, there's no reason that we can't support our ranchers and also support new technologies that could help meet the growing global demand for protein. In fact, cultivating both industries side-by-side could strengthen our agricultural economy as a whole. And if our governor was not a reactionary thinker, if he could not be triggered and tricked and could hold and convinced to support any of the latest, you know, any latest social issue that somebody moves across his desk from Mar-a-Lago, then he would see that. He would be able to be a big picture thinker. And that's why we have the people's house and the Legislature. So we have, you know, 49 of the brightest minds in Nebraska here to put our heads together and see the big picture for a governor whose head is in the sand. We have already seen interest from investors in plant-based and cultivated protein projects looking to locate in the Midwest. If we pass this bill, those opportunities won't come here. They'll go to Illinois, to Minnesota, to Colorado, and our farmers, our communities, our universities will be left out of the value chain of the supply chain entirely. We represent a state with some of the best agricultural land. and some of the hardest-working producers in the entire world, and I want them to have every opportunity, every available chance to succeed in this changing world. I want to them to access to these new markets, to not be boxed into a corner because of a reactionary governor and a Legislature that marches in step, and that will help rural Nebraska grow, not just cling to yesterday, but lead in building tomorrow. You don't have to love cultivated protein to vote no on this bill. You just have to believe that Nebraska should have a seat at the table. Let's not be the state that banned the light bulb before electricity showed up. Let's now lock ourselves out of the next generation of ag innovation. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator Conrad, you're recognized to speak. This is your third time on the amendment.

CONRAD: Very good. Thank you, Mr. President. And then if my friend, Senator DeKay, would be willing to continue the conversation and yield.

KELLY: Senator DeKay, would you yield to some questions?

DeKAY: Yes.

CONRAD: Thank you, Senator DeKay. I heard yourself and other proponents of this measure, like Senator Kauth, talk about their sincere concerns regarding health implications for Nebraska consumers if they were to utilize these products. My question is, was there specific information presented at the committee level that detailed how these products caused specific health concerns for consumers?

DeKAY: There was, we talked about, number one, we're talking about a sterile environment in a, in a lab grown facility. Right now that sterile environment, there are concerns even of contamination that could cause different multiplication of bacteria. And with that, going back to the original part of the bill, some of the drugs or ingredients that do have cancer causing and agents that can contribute going forward. So yeah, they were all discussed in committee.

CONRAD: OK. And then, Senator DeKay, I guess my question is, if your primary consideration, Senator Kauth, the governor's primary consideration is to protect Nebraskans against carcinogens, you're primarily worried about protecting Nebraska consumers against cancer-causing agents, Why haven't you put forward a smoking ban?

DeKAY: This is my-- this bill is my priority right now. I'm, I'm concerned about what we're doing with this. I take one bill at a time, so.

CONRAD: Do you think that smoking causes more cancer than fake meat?

DeKAY: I don't know if it causes more cancer, but it probably contributed to taking years off my father's life, so yes.

CONRAD: Senator Decay, do you think nitrates in our drinking water are a carcinogen?

DeKAY: We have a definite nitrate problem in spots throughout the whole state. So yeah, those nitrates are a definite concern.

CONRAD: OK.

DeKAY: Yeah, they could cause cancer too.

CONRAD: Do you think nitrates have caused more cancer for Nebraskans than fake meat?

DeKAY: At this time, probably they do, but we-- I'm still addressing that.

CONRAD: OK. And why, why haven't you brought forward a ban on nitrate?

DeKAY: I'm working to try to limit nitrates and try to figure out how they got into the soil==

CONRAD: OK.

DeKAY: --whether it's through fertilization, whether it is through natural causes. And yeah, I'm working with other Legislators on reverse osmosis systems, and basically ways to clean up our--

CONRAD: Yes, and I've supported those and I think that's, that's great. Senator, also the research does show that alcohol is a primary causation factor in regards to the development of cancer. Do you think alcohol has caused more cancer in Nebraskans than fake meat?

DeKAY: Probably, because fake meat's not on the market yet.

CONRAD: And then the list goes on and on to other carcinogens, right? And it shows the disparate approach here. So I think we get the record and thanks for your candid answers there. My question then to follow up on that, Senator DeKay, is if your primary concern is regarding Nebraska consumer health with these particular products, if we have a ban in place, how do we-- then don't we prevent any sort of research and development from happening that could address potential health effects? I don't understand how a ban is going to address potential health effects if they exist. Can you talk a little bit about the thinking in that regard?

DeKAY: Yes, the ban is to stop production and selling of lab-grown protein in the state of Nebraska. There's not a place in our bill that

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says anything about banning research. And when it comes to research, university has a lot of --the Innovation Campus and stuff.

CONRAD: Yes, yes. It's in my district, yes.

DeKAY: And I am a huge proponent to that. There's other states dealing with the research on the labeling and banning of petri dish meat, so--

KELLY: That's time, Senators.

CONRAD: Thank, thank you, Mr. President. Thank you, Senator DeKay. Thank--

KELLY: Thank you, Senators Conrad and DeKay. Senator Hunt, you're recognized to speak, and this is your third time on the amendment.

HUNT: Thank you, Mr. President. Good afternoon, wonderful souls in the room and all of those listening online. Senator Conrad had a well-taken point about nitrates and think about whose pig farm has been extensively reported on for cancer causing nitrates that are causing real problems in Nebraska communities. Is fake meat causing real problem in Nebraska communities? No, this bill has only been introduced as a big government nanny state reactionary policy insisted upon by a governor who can be triggered by anything. So I want to speak out again against LB246, not from a partisan perspective, but from one grounded in real Nebraska principles that I was raised with by my conservative Republican family because at its core this bill contradicts the values that so many of us claim to stand for, limited government, free markets, personal freedom. LB246 is a government ban, a preemptive prohibition on a product that's not even widely available yet. We're not talking about banning something harmful or fraudulent, we're talking about banning innovation before it even has a chance to compete in the workplace. That should raise red flags. for any Nebraskan, especially in America's breadbasket, in the place that feeds the rest of the world. If we truly believe in the power of the free market, shouldn't we let consumers decide what they're going to buy and what they are going to eat? Shouldn't we allow entrepreneurs and farmers and researchers to explore new revenue streams for our state and technologies that will help them diversify their income and stay sustainable in our growing global market that's increasingly changing, increasingly volatile, increasingly insecure? What message are we sending to the business community when we tell them that we're willing to shut down new industries, not because of fraud or because of danger, but because of fear? Because of fear. This bill doesn't

solve a real problem. It doesn't address food safety. It doesn't protect ranchers from unfair competition. And it certainly doesn't stop companies from selling plant-based or lab-based products across state lines. All it does is make Nebraska look hostile to innovation and closed off to emerging industries. And I'll tell you something else. This bill could create confusion for local businesses if you're a grocery store or a restaurant, and you're sourcing food not just from in Nebraska, but from global sources. I ate at a restaurant on Saturday night that had fish that they sourced from Japan and that's a huge point of pride and the Washington Post has written about it and people come from all over the country to go to this restaurant in my district. Anyway, I'm not trying to take part in a filibuster but I could talk for probably two hours about the great restaurants in my districts. If any restaurant or any grocery store wants to bring in a new product, and they now have to check if it's cultivated in a way that meets the legal definition in LB246 and AM226, are they liable if it is misclassified? What kind of compliance burden are we putting on grocery stores and restaurants? The sushi restaurant in my district that's sourcing ingredients from all over the world wants to try something innovative and different with cultivated protein. What kind of liability could they be under if they accidentally import or buy something that's banned in Nebraska? That's not conservative, that's not pro-business. I understand wanting to protect Nebraska's beef industry. I support ranchers and farmers too. I eat my share of beef and meat and pork and chicken and everything else, and I'm proud to stand with them. But let's be honest, this bill does not support beef producers. It doesn't invest in them. It doesn't give them any new products or tools. It doesn't invite them into new markets. It just bans an alternative product and calls that protection. It just bans a new innovative product and calls it protection. But that's not strategy. That's not protective. That's a talking point. Real support for agriculture looks like investing in broadband, rural healthcare, market access, water infrastructure, property tax reform. It looks like helping farmers innovate, not shutting the door on the future. If we can honor Nebraska's agricultural roots without becoming hostile to progress, that's what markets are about, that's what innovation is about, and that's what Nebraska has to do to remain a global leader in food production. Thank you, Mr. President.

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

FREDRICKSON: Thank you, Mr. President. I will yield my time to Senator Conrad.

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CONRAD: Senator Conrad, 4 minutes 55.

CONRAD: Thank you, Senator Fredrickson. I was just-- I had just two more questions for my friend Senator DeKay if he would be willing to yield.

ARCH: Senator DeKay, will you yield?

DeKAY: Yes.

CONRAD: Thank you, Senator DeKay. I just wanted to follow up, too, because there's this kind of thread throughout the committee debate and then on the floor here today that we're concerned about genetically modified agricultural products, I guess, and the, the health impacts therein. So there's been a lot of research and dialog and advocacy about whether or not there should be kind of broad GMO bans in place in regards to our food system. So tell me how you kind of approach that issue and how it intersects with this issue. So, you're against genetically modified fake meat, but you don't care about genetically modified other components within the food system structure. Is that a fair assessment of where we are today, or can you help me understand how compare or contrast the GMO issue outside of fake meat in the food supply?

DeKAY: Right now, my concentration is on the banning of lab-grown protein--

CONRAD: OK.

DeKAY: --so that's where I'm going to keep my time on that.

CONRAD: And then my last question would just be, because the university's such a big part of my district and such a huge part of our state and has such a special place in terms of leading ag research and innovation, I was just wondering if you've had a chance to talk with them and if anything in this measure, for example, would disqualify or prevent any institution of higher education, I guess, for example, in Nebraska, not just the university, but would this prevent us from drawing down any sort of food safety research or development grants in this emerging area or industry? And if, just maybe if you could let us know if you've thought about those possible implications, if you had a chance to discuss that with researchers in higher education.

DeKAY: I've talked to a lot of the researchers at UNL and at UNMC in the last week about this and other issues concerning health and cancer in the state of Nebraska. We are not wanting to go after research. Research can continue and it is being done, I'm sure, in the State of California where the food pans are now available. But my, my interest in this, and especially with the Innovation Center, is to have research that's taking place that can cure potential cancers through nuclear medicine and other forms of medication and not be basically researching a product that could have implications as far as promoting cancer in the future.

CONRAD: OK. Very, very good, Senator DeKay. I, I agree, our university has done a, a lot of incredible work trying to cure and address innovative cancer treatments and, and we have a, a lot to, to be really proud of in, in that regard. But, and thank you, Senator. I think that ca-- covers most of the questions that I have, and again, I appreciate your time and your candidness. But, friends, let me be clear. I don't plan to go out and buy or try lab-grown meat or fake meat at any point in the near future. I'm not planning to serve it at dinner. But this comes down to a role of government for me. Why are we doing this now? What are the unintended consequences? Why is there a disparate approach? I, I just, I, I really think that this is a strange bill that has a paper thin record in regards to significant or serious public health or welfare or consumer safety issues today that would necessitate such a stringent approach, i.e. a, a, a blanket ban in Nebraska today. Proponents have talked about their general concern about health effects, but we don't have a lot of research there. We also know that other substances--

ARCH: Time, Senator.

CONRAD: --and practices-- Thank you, Mr. President.

ARCH: Seeing no one in the queue, Senator DeKay, you're welcome to close on AM226.

DeKAY: Thank you, Mr. President, and first of all, I'd like to thank everyone that spoke in support of this bill. I gotta collect my thoughts and be able to read my notes, I scribbled. But first, for the record, this bill came out of Committee 1-5-2, it wasn't a 4-4 vote, as previously stated. And this is not a solution in working for-- looking toward a problem. And I am not afraid of competition. And competition won't be there until it is. And what I mean by that is if banning isn't enforced at some time in the future, there are

organizations that's going after-- to end animal agriculture in the state of Nebraska. And if that goes away, that takes away one source of choice. And we just talked about choice this morning. We talked about choices in the beverage world, of what we can put on the shelves in a supermarket. But yet, we still want to be able to put this-- we want to keep those products off the shelves, but we still want to be able to put this one on the shelves in grocery stores. That's confusing to me. My main concern is the health. And there-- the list of health organizations that have shown concerns with this, the UK, basically over in Europe, the UK, the French government, they are not-- they are banning cell-grown meat in the country of France. And by the way, culinary-- horse meat is a culinary meat source in France, so you can put two and two together where I'm trying to come from with that. And I've always--with the-- going with the ban on this, I'm not restricting research. That is not the intent of this bill. Research should and can continue. But the ban comes in to stymie the production of meat and-- or protein until it is able to be safely sold. And until that time comes, I want a-- I would like to have a ban on it. And at some time, if this ban does take place, if it's proved viable and proven safe in the future, the ban can be lifted. It can be a safe product at that time. Right now, given a blessing that it is safe with just labeling, I don't think that's the answer that people should be reflecting on. And lik- we talked about earlier, this is not going after any other sector of agriculture. Agriculture is still going to be innovative and still sourcing new products worldwide. So going after-- saying this is-- could go after veggie burgers, almond milk, soy milk, any of those in the future, I have absolutely no intent with this and I don't think anybody else does either. And those products basically are, especially the milk products, almond, soy milk, those are products produced to protect people from different allergies. Lab-grown meat is just a synthetic protein source that, as Bill Gates once said, a rich nation like the United States should be eating 100% synthetic protein source, and they can acquire a taste for it. I don't think that's what our citizens want. I don't think that that's our producers want. And I don't think that what the state of Nebraska wants. And I would urge your green vote on this bill. Thank you for your time.

ARCH: Colleagues, the question before the body is the adoption of AM226 to LB246. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 33 ayes, one nay on adoption of the committee amendment, Mr. President.

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ARCH: AM226 is adopted. Returning to the queue. Senator Hunt, you're recognized to speak.

HUNT: Thank you, Mr. President. Appreciate that vote. I supported that amendment because I do think it's important to define what we're talking about here, that it's not Morningstar Farms, that it is not Impossible Burger, that it's not whatever various nut milk you're able to, you know, pull out of whatever nut that you're talking about. But I rise again to make-- I-- there's two other points I want to make and I'll, and I'll take the time it takes to do that. Because I think we need to be defensive and future thinking about Nebraska's potential to be a part of solving global challenges. Because right now, this bill is asking us to walk away from that. This is not a product on every shelf yet. This is not something being marketed to schools or threatening our cattle markets today. This is innovation at the edge of development. And instead of exploring how it could benefit our economy, our universities, our agricultural producers, we're being asked to shut the door before the market even begins. Why would we do that? Why would tie our own hands when we are facing a global hunger crisis that is worsening? Why would a state like Nebraska, which feeds the world, reject a potential tool in the toolbox for food security globally? We already grow the corn, we already grow the soy. And whether you believe in cultivated protein or not, the companies building this technology are going to need those crops to make it work. They're gonna need space for their businesses, they're gonna cold storage, they're going to workers to process it. All of that could happen in Nebraska if we were open to innovation. And that's not a blank check. That's not saying no oversight, no accountability, no regulation. But with this bill we're saying, no, period. No to any of it, none of it at all. If we were forward thinking, we would be asking how Nebraska could lead in this space. We would asking how we could position our farmers and our producers and our researchers to benefit from this market. We would be exploring public-private partnerships, new markets, and economic development opportunities. But instead, if we advance LB246, we're telling the world, Nebraska's not interested. Nebraska says no before we were even asked the question. And colleagues, the irony here in context of the rest of what's going on globally and nationally with the leadership in our country is painful. We're cutting ourselves off from feeding people at the exact moment that the government, the federal government, is pulling back on sending food abroad. Programs like USAID, which used to ship peanut butter packets, peanut butter protein packets to starving children, are frozen. People around the world who relied on the generosity of

the United States of America and on the products from our producers here in the heartland are frozen. The United States is shipping less American-grown food to people who need it around the world. And now with LB246 and the context of all of that, we're saying no to the chance to grow more, innovate more, and do more to meet that need globally. We're saying no to a market. And frankly, we're saying no to billions of dollars of potential investment, all while we're staring hunger down in our own country, in our own communities, while we cut off resources for hungry people in our own neighborhoods. So please tell me, who are we protecting here with LB246? Because it's not consumers, we already have food labeling laws. It's not cattle producers because this product isn't even available at scale yet. And it's certainly not Nebraska's economic future as we turn down billions of dollars in investment for this new innovation. This is not a serious policy proposal, it's another culture war bill. It is a solution in search of a problem and it hurts more Nebraskans than it helps. It hurts us in ways that graduate students at UNL will be doing research to quantify for decades to come. Colleagues, I'm asking you to stop making Nebraska the punchline. Stop cutting us off from innovation before we've even had the conversation, and stop sabotaging our own potential because someone, somewhere in the world, said lab-grown and scared the governor. We are good at growing food in this state. We're good at feeding people. Let's not be so proud of our tradition that we forget that our strength is also adaptability, innovation, leadership. And let's not pass a bill that tells the next generation of innovators that they're not welcome here. The world is changing and we can change with it in a way that benefits everybody in Nebraska. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Again, good afternoon, colleagues. I'm hoping to finish comments at this time on the mic, since it seems like the body has very little, if any, appetite, no pun intended or perhaps pun intended, to debate the role of government in regards to a stringent ban on, I guess, fake meat or lab generated meat or whatever it is here. But my question, I guess, rhetorically, and maybe Senator DeKay can respond to it or maybe we can take it up later debate today or on Select File, and to be clear I'm probably going to file an amendment on Select File to make sure that we can have a straight up or down vote on labeling, because I think that seems to be a more prudent course of action that doesn't have a lot of the same policy, legal, and practical concerns. I-- it seems to be a smarter path that our leading ag voices in industry is actually calling out for in

contrast to the ban that's proposed in LB246. So I think it's important we at least have a debate and a record on that on Select File. But my question is also, as to Senator DeKay's line of advocacy, if we're at some point in the future the ban could be lifted. Of course we can't bind a future Legislature. But my question is, what is the criteria for lifting the ban in the future? How many studies do we need to have? What do they need to show? Who is conducting them? What, what is the criteria to lift a ban in future if the primary goal is consumer health and getting more research and development in regards to these products available? There has been no indication to that. It's just kind of an empty future promise kind of thing that this isn't really a restrictive ban in perpetuity but might be revisited by some Legislature in the future, which of course applies to absolutely every action of the Legislature. So there's nothing unique or special or interesting in that regard. The other questions, if Senator DeKay would be willing to yield, is I just want to make sure we have a, a practical understanding of what this measure does today.

ARCH: Senator DeKay, will you yield?

DeKAY: Yes.

CONRAD: Thank you, Senator DeKay. So I think in-- today and then in news reports and at the committee level, we've identified that this isn't really a thing in Nebraska but perhaps it's a thing in other states. So to-- if your bill passes and a Nebraska consumer buys a lab engineered meat or a fake meat or whatever it is on Amazon or through another online marketplace, what, what happens?

DeKAY: First, it's a lab-grown protein, I wouldn't consider a meat product.

CONRAD: OK, Thank you for the clarification, but--

DeKAY: But if a, if a person does buy it, off of Amazon or any other source, it's their prerogative right now to be able to consume it.

CONRAD: OK. So if your bill passes though, if a consumer buys this product online or otherwise and brings it to Nebraska, what, what happens? What's the enforcement component? What happens to Nebraskans who want to order or try these products if your bill passes?

DeKAY: If my bill passes, if the consumer wants to buy it, what will happen?

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CONRAD: Yes.

DeKAY: They will be able to consume that product without any law enforcement mechanisms being put in place. They would be able consume it, but they're also consuming it at their risk, not knowing what the total health implications are.

CONRAD: OK. And then, did you-- I don't know if you had a chance to hear kind of my rhetorical, but I guess now in-person question. You've mentioned that if more research comes forward that shows this is safe, that you would be open to lifting the ban in the future. What is the criteria you envision for lifting the ban in the future?

DeKAY: I guess that would be dependent on states such as California that are already doing some research and to have those come from credible research studies. And the University of Nebraska could be one of those too.

CONRAD: OK.

DeKAY: But have those from credible research studies rather than a special interest group that might be just trying to promote, promote--

ARCH: Time, Senator.

DeKAY: --a product for sale.

CONRAD: Thank you, Senator DeKay. Thank you, Mr. President.

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

HUNT: Thank you, Mr. President. You guys are the most scared people. You're scared of what your kids are reading in the school library, you're scared of what the chemicals and the fake meat could do to your body, what you're not even buying because it's not even for sale in Nebraska. There's just this cascade of bills falling upon us. And people like Senator Hansen say, well, I really would rather be working on property taxes. I bet if I got every single one of you up on the mic and ask, would you rather be working on property taxes? All 48 of you would say yes, so let's do that. Oh, Megan, I would love to do that, why don't we get to a vote on this bill so we can do that? Well, what's next in the list of wonders here? We've got a bill from Senator Quick, change reciprocity provisions for credentialing of marriage and family therapists, interesting. We've Senator Raybould's really helpful bill to overturn the will of the voters and change the minimum

wage act so that kids don't get a fair wage because that's how she'd like to contribute to the state. We've got Senator Ibach provide for exempt feed lots into the Livestock Brand Act. All of these things are important to the introducer. Many of these things are important to the constituents represented by those introducers. But can you take a big picture look at what it is we're doing here? The things that you say are your priorities are not the things that we're talking about. And what we are prioritizing in our schedule, in our committee hearings, with our 20 special bills that we are all allowed to introduce, because again, Senator Hansen thought it would be really good if we could put a limit on the power that we have to represent our constituents by just doing 20 bills. We use that time to push things based on fear. Senator DeKay just said in his conversation with Senator Conrad, if somebody were to buy a product banned under LB 246 on Amazon, or if I bought it from a specialty grocer online, or something like that, and they shipped it to my house and I ate it, would there be some kind of enforcement? Would I then be criminally liable for having some contraband, similar to if I ordered, you know, mushrooms or marijuana or LSD or something else from some other state and had it here and then consumed it. And his answer was-- and I'm not, I mean, I would like to know if, if you're correct. I would to know of an attorney could weigh in on this or if you could get an opinion from an attorney because I know you're not one. But what he said was, no, you wouldn't be liable, but you wouldn't know-- you know, I don't remember what you said verbatim, but you said something like, you wouldn't know what it was doing to your body. That consumer wouldn't know what it doing to their body. This paternalistic attitude is underlying all of the fear-based, fear-mongering, preemptive legislation that we're discussing in this Legislature that I think four, eight, ten, twelve years ago, conservative leaders would never have wasted their time with. Many of them are now, you know, they went through the revolving door, now they're in the lobby laughing at us. This bill is a joke to everybody. As soon as the governor brought this up as a potential priority for him, everybody was laughing about it. You can't be serious. We're really gonna spend time on this? What do you think of this? And by the way, maybe 75% of Republicans I talk to in this body don't like it, agree it's a waste of time. It's silly. It's performative. But we have to do it, because what are the political costs if we don't do it? When we pass laws in this body, we're making a statement, not just about policy, but about who we are. Every action that we take in the Legislature is a signal about who think government is for, what we think government is meant to do, and who we think it serves. And with LB246, we are choosing to use

government power, not to solve a real problem, not to protect public safety, not even to respond to something actually happening in Nebraska, but simply to say, no, I'm too scared to something unfamiliar that could actually result in billions of dollars of investment innovation for our producers in Nebraska. We are preemptively banning a product that does not yet exist at scale in our state without any clear evidence of harm and without Nebraskans asking us to do so. Our food labeling laws already exist. The USDA and FDA already regulate what can be called meat and beef and chicken, et cetera, in the marketplace. And if a company misleads customers, they can already be held accountable for consumers under those laws. It's not about--

ARCH: Time, Senator.

HUNT: --consumer protection. Thank you, Mr. President.

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

STORER: Thank you, Mr. President. I didn't really intend to jump back on the queue because I think we've pretty much covered all the issues. But there's a few things I guess I want to respond to that have been said here this morning or this afternoon. I apologize, it's first afternoon on the floor. And I, I, too, don't know why we're taking so much time on this, Senator Hunt, but I will say this. What's not a joke, what's not a joke is the agriculture industry of this state, \$31.6 billion. That's not a joke. What is not a joke is the beef industry alone. Billions of dollars to the economic impact of, of this State. It's not joke to me, it's 100% of my income. That's not a joke. What's not a joke is that, again, I feel strongly that when an elected body of officials puts some regulations on anything, and we could argue about all the different things that maybe aren't regulated appropriately, and we can be here for weeks. But we're talking about this right now. We're not talking about nitrates right now, we're not talking about tobacco. By the way, tobacco is labeled. It does say it's hazardous to your health. But when we put our stamp on something and say that we think it's OK to be regulated and put out on the shelf for human consumption, then we're telling those people that we think it's safe, and I can't tell people that. We're not even to the point with this product, there was just preliminary regulations came out less than a year ago on this. We are not to the point where we can say-- and I guess I'm not OK with the wait and see attitude. I, I hear that a lot, like, well, it's new. What do we know? We don't know, we don't know that it's bad. You're right. Why don't we just let our

constituents be the guinea pigs? And if and when people start having massive health impacts from this, then maybe we'll do something. I am not willing to take that approach, and I don't think that's responsible. I don't think it's scared either. We're not, we're not scared of the product. I think it is called responsibility. Again, this is, this is new. I don't think anybody in this room could even say what it is we think we should be labeling because we don't understand the process and the ingredients well enough to know that. So if someone has a suggestion as to exactly what we warn people about, other than that it's cell produced, I'd be interested to know that. I can't say that I do know what it is that we warn people about. So until we get to that point, I think it's incredibly irresponsible that we'd even consider putting a label on something that we don't know enough about to be able to tell the constituents of our state what effects it may or may not have. So saying we're not going to allow it for sale today, maybe in four years, five years, six years, I don't know. Maybe there's enough information we're like, all right, well, it's your choice. We're not there right now. So it's not scared, it's responsible to not mislead constituents by saying it's OK to label it and put it on a shelf and tell them it's safe to eat. I'll yield the rest of my time.

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

CONRAD: Thank you, Mr. President. Is this number two for me on the bill? Do I have one more?

ARCH: Yes.

CONRAD: OK, very good. Thank you, Mr. President. And thanks to my good new friend, Senator Storer, for her perspective. I find her entry into the body very welcome and I am always interested in her perspective, and I think she represents her district very well which looks very different than, than my, my district and it's, it's always helpful to learn from friends and colleagues who have different priorities and different issues popping up in, in their area of our beloved Nebraska. But I think Senator Storer also kind of makes some of the points that I and Senator Hunt and others have raised very well, actually. I mean, it's fallen into, perhaps, kind of some rhetorical traps there. But number one, let's be clear. I think her passionate speech in defense of the ag industry and animal agriculture is just that, grounded, grounded in passion for the way of life, for the economic impacts. And the questions that Senator Hunt and myself are asking, legitimate questions about role of government, about unintended consequences, et

cetera. I know proponents of this measure, like Senator Storer and Senator DeKay and Governor Pillen, want to provoke this kind of fake debate about if you're not for the fake meat ban, you're against the ag industry. That's, that's just, that's false. The ag industry and ag leadership is not in wholehearted support of this ban. They are asking, asking, asking the body to take up a labeling approach instead of a ban. So let's be clear about that. Additionally, Senator Storer noted, well, we, we, we absolutely have to ban it because we don't know, you know, what it is, we don't know how to label it. Like, that doesn't quite follow, because I think if you know what is to ban it, you know, what it is to label, right? And I really do appreciate the fact that, you know, it also underscores that the present state affairs, the status quo, has no ban and has no labeling requirement, and the world has not fallen apart in any way, shape or form. The other piece that I think is very interesting from my friend Senator Storer's comments, you know, really lifts up, again, this fascinating thread that's coming through the 2025 legislative session, that if it impacts your family business' bottom line, you should absolutely jump in to squash the competition and, and do anything you can with your power as an elected official to increase your family business or your personal financial perspective. So whether it's Senator Raybould having a clear conflict on undercutting the will of the voters in regards to minimum wage increases, because it impacts her family business' bottom line. She files-- the conflict, she decides she's gonna vote for it, she prioritizes the measure, it's two down on the agenda today. Whether it's Senator Storer who says, this number-- this is absolutely about impacting and protecting my family's bottom line from competition and that's why I'm gonna use the power of my voice and my vote in the Legislature to protect my family's financial position against potential competition. That's, that's very interesting. That's a very interesting thread. Eleven years in the Legislature, I've never heard senators be that candid on the record about using their position in the Legislature to advance their personal economic and financial interest. That is striking. But I guess that is where we are in the Nebraska Legislature in 2025. And at the same time, these senators use their power and their position and their voice to impact themselves, enrich themselves financially against the will of the voters or against competition or otherwise. At the same they undercut earned sick leave. At the same time they're pushing to eviscerate the safety net. At the same time, they're working to stop things that actually help family farmers and the economy and working families like SNAP benefits, for example--

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ARCH: Time, Senator.

CONRAD: --that are win-win-win kind of policies.

ARCH: Senator Hunt, you are recognized to speak, and this is your third opportunity.

HUNT: Thank you, Mr. President. Listening to Senator Storer speak just now, it sounds like she and I completely agree. I completely grew with everything she said. It sounds like she heard everything I said, and instead of realizing we agree, we've come to different conclusions. Her conclusion is to support LB246, and mine is this, is why we should oppose LB246. Many such cases, this is often what happens in floor debate, and I've missed full-day floor debate so much, I love it. Here's my whole point. This is all it is. Consumers want to know what they're eating. I agree that consumers should know what they're eating, and so do the other 48 of us. And we already have laws requiring that. They're called labeling standards. If the concern here is that people might be misled, if they don't know what they're eating, the answer isn't to ban an entire category of food. The answer is to label it. We don't ban oat milk because it's not cow's milk. We label it. We don't ban veggie burgers, we label them, and we let consumers [AUDIO MALFUNCTION]. Because we also have laws that require all the ingredients to be listed on a package. In many states, they take it further and they require all kinds of other things to be listed. So now in Nebraska, because of laws passed in California and New Jersey and stuff, we get even more information on our food labels about what's inside of them. And that's going to be the case no matter what the food is. This is what a free market looks like and this is what our food system looks like today. This is what it is now. So it's fine. LB246 is a ban. It's a ban that says we're afraid of the future when what we need is a label that just says we are ready for the future. Thank you, Mr. President. The, the solution isn't a ban, it's just a label. Thank you.

ARCH: Senator Conrad, you are recognized to speak. This is your third opportunity.

CONRAD: Thank you, Mr. President and colleagues. I, you know, there's, there's so many benefits and values to floor debate and deliberation in our state's only deliberative body, the Nebraska Unicameral Legislature. And one of the things that's great about it is that we get real-time feedback from our second house about the issues that we are taking up that maybe weren't on people's radar screens previously.

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And so I got a note from a legal expert in Nebraska that let me know that Senator DeKay's measure almost mirrors a Florida law that was passed last year and that's been stymied, stopped, or enjoined in the federal courts in Florida because of a host of different legal issues, including the Interstate Commerce Clause and other matters. So, if Senator DeKay would yield to a question.

ARCH: Senator DeKay, will you yield?

DeKAY: Yes.

CONRAD: Thank you, Senator DeKay. Now to be clear, I don't put a lot of stock in Attorney General's Opinions for a lot of different reasons. Number one, we have the same credentials and I don't need him to tell me his legal analysis on a measure, but because of the identical nature of your measure with what's been passed in Florida and tied up in the courts, have you sought or thought about an Attorney General's Opinion in regards to whether or not this is a legally sound approach?

DeKAY: I've had conversations, not necessarily with the Attorney General on this subject, but--

CONRAD: OK.

DeKAY: --with that we, we see that there was a case and it's being stalled in Florida right now, so there hasn't been an opinion come down on that, so--

CONRAD: OK.

DeKAY: --right now I think it looks favorable for this bill.

CONRAD: OK. Thank you very much, and thank you, Senator DeKay, that's all I have at this time. But I just want to have a, I guess, closing perspective or, or point here that I've tried to focus on issues that impact working families and civil rights as kind of the key priorities during the course of my service and in other aspects of, of public life and engagement. And I've always really appreciated and enjoyed having a focus on kitchen table issues, issues that impact working families. Those are issues near and dear to my heart. They are the top priorities for my district. And in fact, and indeed, I think there could be a lot of common ground on coming together to help working families succeed. I think that's the common thread through the election results, right? People voted for President Trump, they were

working hard, they can't keep their head above water, they wanted an economic disrupter. They almost sent a union leader to the U.S. Senate over a career politician. And then they voted resoundingly for things like earned paid sick leave. Working families are crying out for their government to have a different path to help them succeed. And one thing when it comes to kitchen table issues is people who are focused on their kitchen table have not asked us to take up measures that ban fake meat, because it's not even a part of their discussion and their daily life and their dialog. But what is, is the ability to earn a fair wage. What does impact their kitchen table and their family economics are earning sick leave. Both of those honor not only the will of the voters, but also help working families succeed. They deliver on kitchen table economics. This measure is not about kitchen table economics. This measure is a manufactured fake political issue that's meant to give the governor a win. It flies in the face of the thoughtful advocacy Nebraska's leading ag groups have asked the Legislature to take up, a path of simple labeling. It has a reflexive, punitive ban with scant research as to why from a public health or consumer perspective, we should utilize the heavy hand of government to stifle innovation, research, development, or consumer choice. I am not a fan of fake meat. However, I don't need my government to tell me how to make my choices as a consumer. And that's what I don't like about LB246 at its heart. Thank you, Mr. President.

ARCH: Seeing no one in the queue, Senator DeKay, you're welcome to close on LB246.

DeKAY: Thank you. First of all, I'd like to thank everybody that participated in the conversation. I do appreciate the different perspectives that were brought to the floor with these discussions today. Number one, banning this product right now is just putting guardrails in place until we know that the safety, the health mechanism, the safety and health concerns are put in place. that we are going to be putting a safe product in front of consumers in the future. Rather, it's on the statewide level, world level. I don't want to put a product out there to help address world hunger and not know that we're feeding a health-- an unhealthy product to a source of people that are starving. And that's all-- that's the only opportunity they have to have anything put in their stomachs. But with that, we talk about-- everybody's talked about today, talking about how they would never eat this product, they would never buy this product. So I don't know how that is going to address and bring in millions of dollars worth of revenue into the state. If everybody's in agreement that this isn't a good product, then the only reason we shouldn't be

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doing it is because somebody's got a stamp that says we want to ban fake grown products in our state right now. So, with that I will close, and I appreciate everybody's conversations today, and I would urge you-- ask you for your green vote on this bill. Thank you very much.

ARCH: Colleagues, the question before the body is the advancement to E&R initial of LB246. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 33 ayes, 4 nays, Mr. President, on advancement of the bill.

ARCH: LB246 does advance. Mr. Clerk for items.

CLERK: Thank you, Mr. President. Amendments to be printed from Senator Jacobson to LB 474. Senator Hallstrom, LR99, LR100. Senator Jacobson, LR101. Those will all three be laid over. That's all I have at this time, Mr. President.

ARCH: Please proceed to the next item.

CLERK: Mr. President, next item on the agenda, General File, LB257, introduced by Senator Quick. It's a bill for an act relating to marriage and family therapists; it amends sections 38-2125 and 38-2130; changes provisions relating to reciprocity and repeals the original section. The bill is read for the first-time on January 14 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. There are other amendments, Mr. President.

ARCH: Senator Quick, you are recognized to open on LB257.

QUICK: Thank you, Mr. President, and good afternoon, colleagues. Today I'm introducing LB257. The purpose of LB257 is to adopt a way for marriage and family therapists who have a valid and unrestricted license in another state to become licensed as an MFT in Nebraska. This legislation improves licensure portability. for MFTs by removing un-- unnecessary requirements that hinder the ability for MFTs licensed in other states from obtaining a Nebraska-- a license in Nebraska. Currently, the licensure process for MFTs is disjointed among states. For context, if a mar-- if a licensed marriage and family therapist moves to another state, they will likely have to take the same classes they already took. or complete additional hours of supervision in order to be licensed in their new state. The AAMFT has developed a model of license portability that promotes more

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objectivity and standardization between states. This policy and bill propose that a full and unrestricted license shall be issued to an applicant to practice in Nebraska as an MFT if they have a valid and unrestricted license to practice as an MFT in another state. have completed an application for licensure and paid any required fees, and have passed the Nebraska Jurisprudence Examination. In 2023 and 2024, 13 states adopted the Model Portability Law or modified, or modified their portability reciprocity laws to match AAMFT's model policy, including border states such as Iowa and Kansas. Ten other states are looking to introduce such legislation to encourage MFT portability. If you are a licensed MFT in another state and in good standing, then you should be able to move to Nebraska without taking extra steps to get licensed. LB257 would attract additional therapeutic talent to Nebraska, and address, and address the mental health professional workforce shortage. LB257 came out of Health and Human Services Committee 7-0, and there was no opposition in testimony in the hearing. Thank you for your attention and I ask that-- for your green vote on LB257.

ARCH: Mr. Clerk.

CLERK: Mr. President, Senator Quick would move to amend with AM850.

ARCH: Senator Quick, you're welcome to open on AM850.

QUICK: Thank you, Mr. President, and good afternoon again, colleagues. AM850 is a result from conversations I've had with DHHS. It clarifies that out-of-state marriage and family therapists will receive an, an equivalent license already being issued and, and eliminates language to clarify the streamlined process to obtain a marriage and families therapist certification. I ask for your green vote on AM850. Thank you, Mr. President.

ARCH: Seeing no one in the queue, Senator Quick, you are recognized to close. Senator Quick waives close. Colleagues, the question before the body is the adoption of AM850 to LB257. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 42 ayes, 0 nays, Mr. President, on adoption of the amendment.

ARCH: AM850 is adopted. Mr. Clerk, next item.

CLERK: Mr. President. Mr. President, Senator Hansen would move to amend with AM866.

ARCH: Senator Hansen, you're welcome to open on AM866.

HANSEN: Thank you, Mr. Speaker. AM866, I, I had this discussion with Senator Quick beforehand. He is approving of this amendment. This is my LB630, and it's brought to me by the Nebraska Occupation Therapy Association. They-- I-- we were going to end up putting this in one of the priority bills. I had the committee hold off on this, because we wanted to make sure we finish the 407 process and run some language by the Attorney General. And so since then, it has made it through the 407 process, which is unusual, I think, for many bills. And actually it did get approval from all three agencies, got signed off on. So I wanted to make sure we got through that process before bringing it to the floor. So what this bill does, the scope changes in the bill reflect the most current evidence-based occupational therapy service provisions across practice areas with varying populations. It includes clarifying the roles of occupational therapists and providing interventions that support occupational performance, including additional training that may be needed, clarifies the use of dry needling. and promotes the ability of certified occupational therapy assistance to reflect current practice and modern entry-level education. OT services are provided for habilitation, rehabilitation, and promotion of health and wellness for clients with disability and non-disability-related needs. The primary goal is to enable patients to participate in activities of everyday life and engage in the occupations they want to, need to, or expected to do, or by helping them modify the occupation or the environment to better support their life objectives. And so this did get voted out of committee 8-0. It did not have any opposition. And so basically this is just clarifying language, especially when it comes to dry needling and occupational therapy. I believe they haven't had any kind of scope changes in a long time and so been a while. We want to make sure we kind of tighten things up here with the language with occupational therapists, and when it come to their scope of practice. So with that, thank you, Mr. Speaker

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

QUICK: Thank you, Mr. President. And I want to thank Senator Hansen for bringing this bill. I supported it in committee. And so with that, I would ask everybody's green vote on AM866 and also on, on LB257. Thank you, Mr. President.

ARCH: Seeing no one in the queue, Senator Hansen, you're recognized to close. Senator Hansen, waives close. Colleagues, the question before

the body is the adoption of AM866 to LB257. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 43 ayes, 0 nays, Mr. President, on adoption of the amendment.

ARCH: AM866 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

ARCH: Senator Quick, you're recognized to close on LB257. Senator Quick waives close. Question before the body is the advancement of LB257 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 43 ayes, 0 nays, Mr. President, on advancement of the bill.

ARCH: LB257 does advance. Mr. Clerk, next item.

CLERK: Mr. President, next item on the agenda, LB258, General File. Senator Conrad would move to indefinitely postpone LB258 pursuant to Rule 6, Section 3(f) with MO7.

ARCH: Senator Raybould, you are recognized to open on the bill.

RAYBOULD: Thank you, Mr. President. I do appreciate that. I just wanted to make sure I'm also in the queue. Good afternoon, colleagues. I want to say I have been honored and humbled to be and have served as an elected official for 15 years, almost as many years as some of my colleagues right here. I have had the privilege of being also in two statewide races as well. I listen to my constituents, I do my homework, and most importantly I reach out to the stakeholders that this legislation, LB258, would impact. I am truly grateful for the overwhelming number of emails that I have received of all your concerns. I have read them all. I hear you. I want to say thank you. I want to say thank you for the trust that you have placed in me all these years. And I consider that an extraordinary privilege. Since I introduced this bill, I have reached out to nonprofits, daycare centers, retailers, both small and large, chamber of commerce, so many business-- businesses throughout our entire state, and yes, many of my constituents. My constituents know me, and they know that I have hit thousands and thousands of households, from door knocking to events. I show up, I listen, and I want to say, most importantly, it is not just one voice I hear or one opinion that I hear. I hear many voices and many concerns on both sides of the issue. We have heard a lot that people of our state are a co-equal branch of government. I believe

that wholeheartedly and 100%. With our unique Unicameral, this is something that is so very true. And you don't have to look any further than our constitution to see that the power of initiative is given to the people, and the power to enact changes to those initiatives is given to the Legislature upon a vote of at least two-thirds of all the members. I know we have heard many arguments, a lot of misinformation back and forth throughout this entire session on increasing the minimum wage, on not listening to our constituents. We have to strive for a balance. We have to achieve a balance, we have to create great public policy by creating that balance. The constitution also gives the people the right to a referendum of measures that the Legislature passes. It works both ways. To suggest that it is wrong for the Legislature to deliberate and bring thoughtful changes to legislation passed by initiative, you're saying that it is wrong for people to have the right to a referendum, and I say that is wrong. Being co-equal branches means equal. The power of initiative gives the people two choices, for and against. They don't get the opportunity to consider option A or option B. The language is set before them and they take it or leave it. As a co-equal branch to the people, we hold that responsibility, and we respect that as well. I want to say that I've handed out a number of things, and I'm going to try to go over them with you all today. And so I've, I've punched back in the line, and I hope that my colleagues will give me their time to, to actually explain this much further. So starting out, one of the handouts shows three elements. There are three elements in this bill. The first one is called the CPI cap, the second one is called the youth wage, and the third is called the training wage. And I think it's important that we keep all these three separate and distinct. The CPI cap. The CPI cap that I'm proposing in this LB258, is once minimum wage hits \$15, and we know that right now, minimum wage is \$13.50 per hour in our state of Nebraska. That makes Nebraska ranked 18th in the entire United States of the highest minimum wage. For those Nebraskans out there listening, I know you're probably aware, or you may not be aware, but Nebraska ranks number 10 as one of the lowest cost of living in our entire United States. I speak to this measure because I seek to create a balance. We're not derailing or undermining the will of the people, because we are going from \$9 an hour to \$15 an hour, unimpeded. I support that. And I acknowledge that. What I'm saying going forward in January 1st of 2027 is that we tie it to a fixed predictable rate of 1.5%. On one of the sheets, I go forward and explain how I come up with that 1.5%. Number two, the youth wage. I want to discuss that briefly. Right now, there's no such provision in our statute. I'm saying we create a minimum wage for those that are 14

and 15-year-olds of \$13.50, which is the minimum wage right now. And every five years, that increases by 1.5%. You're thinking that, why would I do that? Why would I make young people have a different wage? Young people that are 14 and 15, and on one of my handouts there's a whole list of OSHA regulations and requirements that young people may not do, they are not allowed to do, such as slicers, compactors, balers, bakery ovens, fryers, you name it, they are allowed to touch that. They're limited by the number of hours that they may work during the school year. And they can't work past 7 p.m. So it is intended to be that initial entry-level wage. And I've heard some of my colleagues say, you know, these are hard young people working for their family's benefit. And I say to them, no one wants to hire a 14- and 15-year-old at \$15 or more per hour and have them go through the training process. But you know what? If that 14 and 15-year-old doesn't get a job even, how are they helping their family? At \$13.50, they are helping their family. The training wage. This was not touched or discussed in the ballot initiative. Currently, in our statutes in our state of Nebraska, the training wage is 75% of the federal minimum wage. Federal minimum wage is \$7.25. That would make it \$5.44. So for all those Nebraskans out there listening, the training wage for 90 days in our state of Nebraska is \$5.44. My bill here raises it up to \$13.50, which is 90% of the minimum wage for 90 days. After 90 days of that training period, it bumps up to the state of Nebraska's minimum wage. 90 days at 90% of minimum wage. This would increase annually by that 1.5%. So I ask that you look at some of the handouts I provided. And I'm going to try to, to go through my original presentation as quickly as I can. The one thing I hope you take a look at is what the Secretary of State on this ballot initiative wrote in describing what this ballot initiative does. And I want to read the pro and con that are listed in the Secretary of State concerning Initiative Measure 433 that was passed by the voters in 2022. Supporters contend Nebraskans who work hard full time should not have to live in poverty. Right now, working families can't make ends meet because wages haven't kept up. And parents can't afford to pay rent and put food on the tables at today's minimum wage of \$9 an hour, just \$18,000 a year. Initiative 433 will gradually increase the minimum wage to \$15 an hour by 2026. This will benefit people employed as home care aides, school aides, wait staff, and skilled assembly line workers as well as thousands of children in Nebraska whose working parents make less than \$15 per hour. When a minimum wage worker in Nebraska gets a small raise, that's money that goes directly into Nebraska communities, small businesses and the local economy. Opponents contend the minimum wage was never meant to be a living wage but an entry level wage for young

people or first-time workers. These wage increases are a 66.7% surge over three years and increase inflation. Most minimum wage jobs are with small businesses or franchisees and those owners cannot afford higher wages. This hits rural Nebraska harder where the cost of living is lower. This increase causes employers to raise prices for their product or service and pass those costs on to consumers. Increasing the wage every year will force businesses to step up their other salaries, which is also inflationary. A higher minimum wage forces--

ARCH: Time, Senator.

RAYBOULD: Thank you, Mr. President.

ARCH: Senator Conrad, you are welcome to open on your motion to indefinitely postpone.

CONRAD: Thank you, Mr. President. And just as a reminder, I have 10 minutes on my open, is that right? Five?

ARCH: Yes.

CONRAD: I just cannot hold the numbers in my head this year. I [INAUDIBLE]. Thank you for the reminder. Thank you, colleagues, and good afternoon again. I know sometimes we file motions to structure extended debate. This is a very serious motion. I'm hoping that we can dispose of this needless, harmful measure with a vote on this motion. It seems like there's a significant amount of discomfort in the body with undercutting the will of the voters and undercutting Nebraska working families and young workers as required by the ballot initiative to raise the minimum wage in Nebraska. So while Senator Raybould has been consistent in her efforts to demonstrate her disdain for the will of the voters when it contrasts with her business bottom line, I, I, I disagree with that approach. Senator Raybould knows that there is a non-interference, a non-meddling provision in our state constitution when Nebraska voters enact laws by initiative. It sets a higher bar to keep the Legislature from meddling with the will of the voters. The will of the voters was expressed clearly over multiple years and multiple occasions to consistently increase the minimum wage in a modest, yet meaningful way in Nebraska. And here's the quick CliffsNotes version of it. So for many, many years, the minimum wage had not increased on the state level or on the federal level. The first bill I introduced in the Legislature back in 2007 was to increase the state minimum wage, and it passed. And it coincided with efforts on the federal level. Then, after multiple attempts to find

additional increases over the years that were stymied by the Legislature, I helped to lead a broad diverse coalition of Nebraskans to pass modest but meaningful minimum wage increases via citizen initiative in 2014, and it passed resoundingly. Then in 2022, my good friend Senator McKinney picked up the reins to help lead forward a citizen minimum wage initiative to bring forward additional modest yet meaningful increases to our lowest-wage workers in Nebraska. And again, it passed. It passed back in 2022. And all of the detrimental effects that my friend Senator Raybould and others will lift up about how this is a business killer and bad for their personal financial bottom lines and on and on and on, it just doesn't play out in regards to the research and the reality. When you look at macro studies, research of research that, that has been demonstrated-- I'm not sure if there's any economic issue that's been researched as thoroughly and robustly as minimum wage since its inception decades and decades ago-- you will see that proponents' claims do not come to fruition. There is not widespread job loss. And in fact, look at Nebraska. You have seen steady, consistent, low unemployment post-2007, post-2014, post--2022 that we continue to enjoy today. You continue to see a vibrant business economy, including a small business economy in Nebraska, post-increases in 2007, 2014, and 2022. But now three years later, Senator Raybould comes in, because it's not good for her family business's bottom line, to undercut the will of the voters and to pick the pockets of low-wage workers. And it's wrong. The non-meddling provision tells us there should be a higher bar, number one. Number two, you should not use your position to impact your personal business. Number three, it is not up to Senator Raybould to say what is sufficient in terms of affording the will of the voters to be carried out. The will of voters said: we're going to have modest yet meaningful increases in the minimum wage to keep pace with inflation. It didn't have carve-outs, it didn't have different standards. Because you know what? Young workers bring the same value to consumers and the businesses as do older workers. And if there are OSHA requirements against having younger workers do certain jobs, guess what? You're not employing them for that regard, but you are employing them for other purposes. And it brings the same value. So when you're a consumer and you walk into a grocery store, you don't know if a 14-year-old or a 34-year-old put the can on the shelf. If you're a consumer, you don't know if a 16-year-old or a 26-year-old put the pepperoni on your pizza. It brings the same-- the work brings the same value to the consumer and the business, regardless of the age of the worker. And guess what else? Young workers in Nebraska are working hard for a variety of reasons. A lot of them are, are parents. There's thousands

of young workers that they themselves are parents that are trying to buy diapers and formula and daycare and take care of their young families. And when they're doing the right thing, when they are working, when they're not relying upon public assistance, we should ensure fair pay for fair work. We shouldn't push young workers and young families further down the economic ladder when they trying to raise themselves up. Young workers also contribute to their families' bottom lines. A lot of working families, a lot of low-wage earners, contribute to their families' bottom line. The teenagers in their households don't pocket their paycheck for bubble gum, Senator Raybould. They turn it over to their parents to help pay for rent. They turn it over to their parents to help pay for gas in the car. They turn it over to their parents to help pay for their brothers' and sisters' college educations. There's a lot of working young workers who are taking care of their own families and contributing to their families' bottom lines. And you know what? There's also young workers that are out there that are saving for a dream car, that are saving for a college education. And as college tuition rises, as gas prices rise, as childcare costs rise, as food prices rise, as inflation makes the cost of living more expensive, all of these things impact young workers as much as they impact other workers. So the only policy underpinning that Senator Raybould and proponents of this measure has brought forward is that it costs their business too much money. So they're going to use their power and position to decide how much, in fact, low-wage young workers can earn. They're going to use the power and prestige of this posit-- position to decide exactly how much of the will of the voters they'll allow to move forward. And that's wrong. It's absolutely wrong. And Nebraska voters know it, and that's why they're speaking out. They've consistently moved to increase the minimum wage in Nebraska, without carve-outs, without age carve-outs. And in fact, Senator Raybould and members, when other members have tried to carve out minimum wage protections for young workers or otherwise, the people who sat in your seats had the wisdom to say no. They had the wisdom to understand that we do not turn our back on the will of the people and we do undercut workers, including young workers. We hear all the time about how young people need to develop a strong work ethic. I agree. But then we shouldn't pick their pocket when they show up at work and they provide values to businesses and consumers while they help take care of their families or save for their future. Why would you penalize young workers who are out there trying to work their way up the economic ladder just because it's bad for Senator Raybould's business? Give me a break. That's offensive and it's wrong. This minimum wage increase has been on the books for three

years, and it didn't need any carve-outs to support a vibrant economy, which is exactly what Nebraska has today. When Nebraska workers have money in their pocket, they reinvest it into small businesses. They reinvest it--

ARCH: Time, Senator.

CONRAD: --into local businesses. Thank you, Mr. President.

ARCH: Senator Dungan, you're recognized.

DUNGAN: Thank you, Mr. President. Good afternoon, colleagues. I do rise today in favor of Senator Conrad's IPP motion, and opposed to Senator Raybould's LB258. Colleagues, I anticipate that we're going to be speaking for a little bit of time, both today and tomorrow on this bill. And I think that it's important that we have a conversation about a number of different aspects of this. Senator Conrad, I appreciate her opening. I think she hit the nail on the head with sort of the overarching complaint that I think a number of us have, which is this is yet another step that we've seen in the Legislature this year to walk back the will of the voters. And I think when you have these ballot initiatives with resounding support, it is very problematic when we the Legislature step in and try to supplement the wisdom of the, the voters with what we believe to be the quote-unquote right thing to do. And the fact that this has been on the books for a number of years, and there has not been any need to walk it back, there has been any catastrophic effect that I think some had talked about, being concerned about when this first passed, is indicative of the fact that we do not need to act here today in an effort to further curb the will of the people or to further curb the ability of hardworking folks to be able to make ends meet. And at the end of the day, that, that, that's what I think this is really about. We're talking about minimum wage. Literally, we're talking the least amount of money that you can legally make. And when we have a discussion about what is minimum wage, it is almost always tied to a discussion of what it takes to make ends meet. Prior to these, this initiative passing, the wage that folks could make, and the minimum-- the minimum wage folks could make was not a living wage. Nobody can live off of that. And so what you'd end up seeing are people trying to make ends meet by working maybe two, maybe three jobs and having to work during the day and in the evenings and overnight to just try to put food on the table for their kids. So what the voters supported with this ballot initiative in 2022, I believe, was this idea that we as a state should be paying the people who are hardworking folks at least a

minimum wage that gets them closer to the opportunity to make ends meet with a job. And when I talk to my friends who are applying for new jobs or are looking for jobs, they talk a lot about how expensive life has gotten. They talk about how a lot expensive rent is. A lot of my friends, colleagues, they live paycheck to paycheck. And I think that we as a Legislature sometimes forget what that looks like for people outside of the bubble that we live in here. And I-- this is part of a broader theme that we've obviously been discussing this week and last week, which is this idea of what it means to truly live paycheck to paycheck. And I think that we forget how difficult that is. And I've talked to a number of people in my professional life, in my personal life, who have worked those multiple jobs and have had to work all day, come home, feed their kids, and then leave in order to go work a third shift overnight, maybe at a factory, or working security somewhere because they're trying to make sure that they can provide a better life for their children. And so when the voters spoke and said on this ballot initiative that they wanted to increase that minimum wage to something, again, I wouldn't even call it a living wage necessarily, but to something closer to a living wage, they did so resoundingly. I believe it was almost 60% of the state of Nebraska supported that. And they didn't support that with a caveat. They didn't the support that thinking that somebody would then come in and walk it back. They supported that with the understanding, A, of what they were doing, and B, of what the impact would be. And so I think that, colleagues, we have to be very careful when we continue to have these discussions that assume we know more than the voters, or when we continue to have discussions where we assume that the people in the public didn't know what they were voting for. Because I don't think that's true. And I've received a number of communications and emails and calls, as have a number of us I know. where people have said, I know exactly what I voted for, please don't take that away. And so, colleagues, I do, again, support this IPP motion. I do believe it's a legitimate motion, not simply to drag out the conversation. But we do have an opportunity with that motion to stop this bill and to actually support the will of the voters. And I believe that's what our job is. So in the discussions about this, I will always stand on the side of working people, I will always stand on side of young people who are working jobs, and I would encourage my colleagues to do the same. Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. Good afternoon, colleagues. Well, I rise in support of Senator Conrad's motion to indefinitely

postpone LB258. And I would echo a lot of the comments that Senator Dungan and Senator Conrad have made so far. And I appreciate Senator Conrad's history lesson on how many times the voters have spoken on, on wanting an increase in the minimum wage. And I think that that goes to the seriousness with which the people intended for the increases here. And that's one of the cruxes of this conversation, is the Legislature, as proposed here by Senator Raybould, would change the people's intention, as adopted on the ballot initiative, for how to increase the minimum wage. And as Senator Conrad knows well the history, the first ballot initiative didn't have an increase, stepped up after the going up to, was it 9.75? I can't remember off the top of my head. But after that first increase, and then so this ballot initiative addressed that-- one of those gaps. And I know Senator Conrad handed out this flyer that shows \$9 on January 2022, \$10.50 on January 2023, \$12 on '24, \$13.50 on '25, \$15 on 2026, and then percentage increases, which are 16, 14, 22, and 11. So, one, obviously the voters knew exactly what they were doing when they were increasing those dollar amounts. Those dollar amounts were in the statutory language. And then the voters adopted the language specifically that's in, in the bill, which is increasing-- shall be increased by a percentage in August of the previous year over the level of August of the year preceding that year in the Consumer Price Index for all urban consumers, CPI-U, for the Midwest region. And it's not hard to Google, you just go and Google and say CPI-U Midwest and they'll bring up the Department of Labor's website, and it'll tell you what the CPI-U percentage was for those years. And Senator Raybould, I think, broke those down through 2020, which is where she came up with the average of 1.5%. and so, in the proposal of LB258, one of the mistakes that it makes, aside from being disrespectful to the will of the voters, is putting in the percentage of 1.5 or less ignores the fact that to get to 1.5, you had years that were higher than 1.5 and that those-- the, the going below 1.5, so in here we'll say 2015, where it was a negative growth, so obviously you'd have no growth in the minimum wage in a year like 2015. And then in 2020-- 2018, it was 2.1. So you'd get no growth. And then, in 2018 you'd only get 1.5. So you would have inflation would be growing faster than the minimum wage. The voters particularly picked this-- pegged the growth to this instrument so that the minimum wage would continue to grow in line with inflation. So, if you pick an average like that. you're always going to get less and less and less. So the years that Senator Raybould left off here, I did some math, it's 4.7, 8.0, 4.1 in 2021, 2022, 2023. So what you would have when inflation is growing by that amount, the minimum wage would only grow by 1.5 percent. But then say you get to another year

down the road and inflation grows by less than 1.5 and you would get that lesser amount. Meaning the minimum wage would be perpetually being eroded against inflation again, which is the problem we had previous to the ballot initiatives and why we had a second ballot initiative, and why you see the ballot initiative specifically having growths that are in the 16, 14, 22% range is because those, those growth was specific to catch up to inflation. So I understand, again, businesses very much don't want to pay people more, and I'm sure that businesses voted against this minimum wage. But the people voted for this and they voted for it knowing full well what they were doing. They intentionally raised the minimum wage, and they intentionally pegged it to inflation so that they wouldn't have to continue to come back to the ballot and raise the minimum wage. This Legislature had not acted in between those times because of the business interests that carry so much weight here, but the people asked for this increase. And so to put into the statute an increase that is purposefully below and will purposefully erode that will, as expressed by the people, is contrary to our charge here. And so I'm in favor of the IPP put up by Senator Conrad, I'm opposed to LB258, I am opposed to undermining the will of the people. I think that we should do everything we can to make sure we're respecting that. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Thank you, colleagues, and you're exactly right Senator Cavanaugh. The reason they put in the index to inflation in the 2022 ballot initiative was by design. It was to ensure that there were modest but meaningful increases to help the minimum wage keep pace with inflation, the increased costs in goods and services that particularly hit low-income working families the hardest, and knowing that they didn't want to come back to the Legislature for inaction or go back to the ballot continually when the minimum wage neglected to keep pace with inflation and then would result in less value for, for frontline workers. And indexing or tying to inflation was absolutely part of program design for the 2022 initiative and has been utilized in our sister states as well. So as proponents of this measure jump up, including Senator Raybould, who does do a great job of talking to constituents and talking to stakeholders, and I admire her longstanding commitment to public service. But I do wanna push back on her opening comments when she talked about her public outreach. Senator Raybould, show me your campaign speech when you said send me to the Legislature so I can undercut the will of the people. Show me on your campaign flyers where

you said, send me to the Legislature, so I can stick it to low-income working families. Show me where you said that. If in fact that was part of your outreach in getting into this body, that's a different story, but I don't think it was. So that, lifting that up is a bait and switch and you know it. Additionally, I want to talk about where this Legislature's at, at the halfway point. They're working to gut the safety net. They're working to gut the will of the voters. Two times in two days, mind you, this Legislature has focused on measures to undercut the will of the voters as expressed through a earned, a modest earned paid sick leave measure that they bullied through last week, and said, not for you, not you, not for you, and we'll give-- we'll effectuate the will of the voters when it's convenient for us in some instances. And then today, back at it, to attack low-income working families again by undercutting fair wages for fair work. The priorities of this body, as evidenced in recent days, are to attack the will of the voters and attack low income working families. Period. Because that's the end result. No matter how you dress it up with your speeches or your statistics, where are the people impacted by these measures supposed to come up with the difference? What's your plan once you take this earning out of their pocket to help them pay for child care? What's your plan when somebody has to miss a day of work without paid-- pay, but they work at a small business to be able to cover their family expenses? So you've seen fit to help businesses cover their bottom line, but you offer zero solutions to low-income working families that you exempt from basic protections of generally applicable laws like earned sick leave and minimum wage. And let's be clear, nobody's getting rich making minimum wage, or having access to earned sick leave. But they do afford a sense, a modicum of dignity, a sense of respect for the contributions that hardworking Nebraskans make to keep our economy running and moving and vibrant. And it's wrong for politicians to undercut not only the will of the voters, but to stick it to low-income working families. And that, thus far, is the hallmark and the priorities of this Legislature, and it's wrong. This Legislature, more than any in the entire country, was supposed to put aside commercial interests and partisan interests and be a voice and a force for good for the people. For the people of Nebraska.

ARCH: Time, Senator.

CONRAD: Which this measure undercuts. Thank you, Mr. President.

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

McKINNEY: Thank you, Mr. President. I rise in support of the motion to IPP, in opposition of LB258. I'm in opposition of LB258, number one, because it goes against the will of the voters and the people, which has been a common theme this session, which is sad, to say the least. You know, the conversation about minimum wage and the increase kind of frustrates me, because the people voted to increase our minimum wage for multiple reasons. One, this Legislature didn't pass anything, because I introduced a bill to try to raise our minimum age, never went anywhere. I'm sure other people, I know other people introduced other pieces of legislation to do so as well, never went anywhere. So the people took it upon themselves to increase the minimum wage in this state. Because although we have a low unemployment rate, we're one of the worst states when it comes to people working multiple jobs. Which is bad in a lot of ways. Stagnant wages have been an issue for a long time. And they're a issue because when you have stagnant wages, you have people stuck in a, in a cycle. And then you have people telling people to pull yourselves up by your bootstrap, do all these things, but we have stagnant wages, and that's the issue. And the data shows that increasing the minimum wage doesn't hurt the economy, it actually helps the economy. So when people get up and say that, oh, the increase to the minimum wage is going to stifle business growth or harm businesses, where's the evidence? Where's the research? Because you also hear, as I heard in the hearings, most businesses are already paying \$15 an hour. You can't even hire nobody for this under \$15. So. makes you wonder, it makes you ask yourself, OK, if you're already paying \$15, why do you need a bill to, one, limit how much young people can make, and two, go against the will of the voters? Something isn't adding up here. If businesses are already paying people at or, or a little close to the minimum wage, why do you need this bill? Why is it needed? Because if, if, if you're already making this money, it's clear your profits aren't being harmed because you're already paying people \$15 an hour, and you're making a lot of money doing it. And you want the-- you want Uber to keep making money. You don't want people to get adequate paid sick leave. I'm, I'm just trying to understand. Why do we continue to keep trying to harm people, harm the people we represent? That's the, that's the question of the day. Why do want to harm the, the people we represent? It's really interesting. Because the people in my district, again, voted overwhelmingly to raise the minimum wage. 89.6% of people in my district did. I think that's a good number. Senator Raybould, 75% of your people in your district voted to raise the minimum wage. I, I think that is a substantial amount of people. Which means we shouldn't be going against their will. We should be doing things to raise revenues in

this state, bring new businesses to this state, increase things like that. Not strip away earning potential for the people we, we represent. That is the, that is a problem. And that's a common theme of this session is to work against the will of the people that we represent. It started with the Uber bill--

ARCH: Time, Senator.

McKINNEY: All right, thank you.

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

SPIVEY: Thank you, Mr. President, and good afternoon, colleagues, and folks that are still joining us online and potentially somewhere in the building. I stand in support of the motion to IPP this bill and against the carve-outs and bill put forward in LB258. I wanted to start just with some reflections that Senator Dungan orig-- originally uplifted, where he stated that a lot of folks in this body have forgot what it's like to live paycheck to paycheck, or their experience being just working people. And I would say I disagree. That was one of the reasons why I ran for office is because I understand what that looks like. I am a working person. I work a full-time job. I lead a nonprofit. My husband and I have a modest takeout burger joint. We are now a food trailer. And he also works a second job. We are a working family. And so I understand what it's like to live paycheck to paycheck, or where you have this thing costs \$800, who is going to pay for that and what does it look like? And that's why I was excited to be in this body. I was excited to be in this body and come to Lincoln to bring those perspectives and to really advocate for a lot of the policies that we have seen this body try to claw back, from paid sick leave, to minimum wage, to thinking about health care access and reproductive rights. Because, again, I understand what that looks like on a day-to-day. My family is not immune, my community is not immune, I am impacted by the policies that I pass and that my colleagues pass. And it is disappointing that we are having this conversation day after day around our second house that has stood up to keep us accountable. We have not honored what they have wanted as we have been working here before my time and currently, and so they have said this is how we want to get this done, this is what it looks like. And we say things like, well they don't know really what they voted for, or they don't understand what this looks like. And I can tell you that everyday working people, people on the front lines, they are in tune, they are brilliant, they have the leadership skills, they're just not here in the body representing us. And so we do have a responsibility to honor

and support what they say as we think about the legislation that we put forward. And so in general, the premise of having a floor for minimum wage is integral to, again, building stronger economies and lifting folks out of poverty. So the Center for American Progress, they talked about raising the floor to \$15, and how that would increase wages for at least one out of four workers. So nationally, that can be upwards of \$40 million, and states are even seeing numbers in that same revenue spectrum when looking at creating a floor of \$15 for minimum wage. On average, it can increase wages of up to \$8,000 annually for our lowest income workers. And so, again, imagine the difference that it makes when we have that floor. It also reduces pay equity issues that we are seeing for women and especially folks of color because we know that we paid less on the dollar than some of our colleagues. And so for other states that have passed minimum wage floors, that have said it is going to be \$15, \$12, whatever that looks like, they have seen issues with carve-outs. And I will punch in again to talk about what New Jersey specifically saw around carve-outs for young people, and, and, and the hardships that it created and why that is not reasonable or appropriate to do. But the goal, again, around having a minimum wage and having a floor with no carve-outs is opportunity to build economic security. And we know that young people are, again, adding to their families. Carve-outs create a system of exploitation. So when you think about what does that look like, it undermines the purpose to ensure all workers can earn a living wage. And again, I see my light is on. And so I think this is going to be an important, an important conversation for us to have and spend time on. And I will punch in again to specifically talk about other states that have carve-outs for young people and the harm that it caused to our younger workers. Thank you, Mr. President.

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

HOLDCROFT: Thank you, Mr. President. And just for the record, when I started working at-- for minimum wage at age 16, the minimum wage was \$1.65. So I think we should have a little survey in the-- from the body here of when they started working, how much the minimum was, and see if they can beat \$1.65 per hour. But this mor-- this, this afternoon, I'd just like to continue my good news from the Department of Health Human Services, and this is more of a, a public service announcement that the DHHS invites residents to participate in the Behavioral Risk Factor Surveillance System Survey, a vital effort to improve health across the state by gathering critical insights into the health and well-being of Nebraskans. The Behavior-- Behavioral Risk Factor Surveillance System Survey is a nationwide phone survey

that collects valuable information about health, risk factors, and healthcare access. Topics include chronic disease, mental health, physical activity, and others. Thousands of Nebraskans share their experiences each year, helping shape public health programs that benefit communities across the state. Your response helps identify health trends, provide crucial data to guide public health decisions, addresses local health needs, improves health care and prevention, and protects your privacy. All responses are completely confidential. The survey is conducted throughout the year. If Nebraskans receive a call from a trained interview on behalf of the Nebraska DHHS, please take a moment to share your input. It truly makes a difference. Your participation helps improve health care, prevention, and education for all Nebraskans. If you get a call, please consider taking the survey. And I'll repeat this a few more times this week. And with that, I'll defer the rest of my time to Senator Raybould.

ARCH: Senator Raybould, 2 minute, 45.

RAYBOULD: Thank you, Senator Holdcroft, and thank you, Mr. President. You know, I wanted to take some time to read some of the letters and emails that I've received from concerned people so that it-- you can understand that this is not just a one-sided issue of trying to undermine the voters and their will. I think it needs to be said that we talked about paid sick leave. And the good news to all Nebraska working families out there, we are going to have paid sick leave for the majority of Nebraskans and Nebraska working families. I think we need to keep that in mind. We also need to keep in mind that our minimum wage will increase to \$15 in 2026. And it will continue to increase on an annual basis. So Nebraskan's need to hear that. But here's a letter from one of-- a family member. "Hello, Senator Raybould, Thank you for speaking up for small businesses. You laid out legitimate challenges and offered reasonable resolutions regarding the minimum wage for small employers. My husband and I recently closed the business we had owned for 35 years. We chose to make wages and benefits a priority, but our profit margins suffered and some quarters were very, very tough. Just wanted to let you know we appreciate your proposals and you championing small employers." And I responded, "I am so terribly sorry for the decision to close your business. I'm sure it wasn't an easy one after serving your community for 35 years. So many folks don't understand or have any empathy for small businesses and the challenges they face to comply with regulations while at the same time caring for their employees. I'm grateful for your kind comment as I'm really getting bombarded by so many that feel that this is a voter

betrayal to the ballot initiative. It is simply creating that balance of what was approved and what will allow our businesses to succeed. Thank you. I hope your family is well and enjoying this new chapter of your life." Here is another one. "Senator Raybould, I support your efforts with LB258 as you try to mitigate the effects of the minimum wage in small businesses in Nebraska. The minimum wage was never intended to be a living wage. You are absolutely correct about that. This is a fair-minded attempt to craft some centrist legislation, and it is predictably being criticized by the left wing of your party. And I, I see that I'm up next in the queue, but I can start this letter, and then I'll pop right back on when my time runs out. This letter is from a multi-unit franchisee of a coffee business in Nebraska. "I want to express my strong support for LB258--"

ARCH: Time, Senator.

RAYBOULD: Thank you.

ARCH: And you are next in the queue.

RAYBOULD: Thank you. "I want to express my strong support for LB258, which would exempt minors from the current minimum wage law and allow businesses to set wages based on market conditions. While the intent behind increasing the minimum wage is to support workers, the reality for small businesses like mine is far more complex. The rapid rise in labor costs has forced franchisee owners to make difficult decisions, including reducing staff, limiting hours, and prioritizing experienced workers over hiring young entry-level employees. For many minors, part-time jobs are their first introduction to the workforce, teaching them responsibility, teamwork, and financial independence. However, when wages are set too high, businesses cannot afford to hire inexperienced workers, ultimately reducing job opportunities for teenagers who would benefit the most from early employment experiences. LB258 would provide critical flexibility for franchise owners, allowing us to continue offering entry level job to minors, while maintaining financial stability. It ensures that Nebraska businesses can make real-world wage decisions based on market conditions rather than on a one-size-fits-all approach dictated by the government. I strongly encourage the Nebraska Legislature to support this bill and help protect valuable workforce development opportunities for young people. I appreciate your leadership on this issue and I am happy to provide further insight into how this impacts small business owners across the state." And now I want to talk about daycare centers and affordable childcare in the state of Nebraska. I

don't think people understood clearly or were aware, or maybe they didn't even care about the impact this would have on daycare centers in our state of Nebraska. We have had far too few close. because of the pandemic. And those few are struggling to reopen and we hear so frequently about daycare centers closing. Well, I took it upon myself, since I introduced this bill in 2023, to reach out to daycare centers and try to understand their business model and how we can make it affordable for them so that they can provide affordable, reliable daycare for children in our state of Nebraska. And I asked them, how are you handling some of these wage increases? And they said quite candidly we have-- we just have to pass them on to the families. And I said how is that impacting the families and their children that attend your daycare center? She said, in 2024 we lost seven families. Seven families had to pull out from being able to pay the increased fees to keep their child in daycare. Now this is all too frequent with other daycare centers around our state of Nebraska. And the sad thing is, we have a workforce shortage. We have a work force shortage. So that means that one parent has to stay home with their children, which they happily do because it's something that they can no longer afford to have both parents work outside the home. But the point is, you just lost that worker, and we have workforce shortage. And, you know, I, I'm, I'm sad that Senator Conrad makes me her punching bag and has impugned, you know, my, my integrity, my honesty, and my passion for serving the people in my community, my city, and my state of Nebraska. And that's disheartening, but I... I assure you that I stand here before you really being an advocate to make sure that we can employ our young people. We need them in the workforce. We want them in the workforce. Because it makes sense. If we have young people, they learn such important life skills. But so many businesses will no longer hire 14 and 15-year-olds. Going back to the daycare centers, they don't want to hire 14- and 15-year-olds because there's so many things that they cannot do and are not allowed to do without the appropriate supervision. So when my colleagues want to beat up on me, please do, I can take it. I am proud of my work and service to my community and my state all these years, and I will stand up for a balanced approach to creating good policy that keeps our Nebraska families safe, healthy, and most importantly, emp-- employed with benefits and competitive wages. So thank you, Mr. President.

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

GUERECA: Thank you, Mr. President. Good afternoon, Nebraskans, good afternoon, colleagues. I rise in opposition to LB258, in support of the motion to IPP. I've been saying all session that when I look at

legislation, my litmus test will be, does this expand the good life? Are we creating an environment where folks can stay in Nebraska and feel like they can thrive? Folks will be attracted to our great state because they feel like there's an environment where, where that growth, that, that enjoyment of the good life is possible. An argument you-- I hear time and time again is that the minimum wage was never intended to be a living wage. I think we all could agree on that. It's not supposed to be a living wage. But the unfortunate reality is that for so many people here in the state, it's-- that is their reality. And actually, I, I, I thought to myself, how many people are we actually talking about? How many people across the state actually make that bare minimum wage? Who are we affecting? I've long said that when I, when I push my button either green or red, I want to see the faces of our fellow citizens that this legislation either supports or affects. Nationally, that number, according to the Department of Labor, is 1.1 percent making the bare minimum wage. We apply that to Nebraska, we're talking roughly 6,100 people out of a state of 2 million. This legislation will look at those 2,000-- 6,100 people and say, you know what? That extra \$1.50 that you need to put food on the table, to make sure that your kid has decent shoes, to make sure you can afford your medication, you're not getting that. You're not getting that. That's what this does. To 6,100 of our fellow Nebraskans. that we go work alongside, pray alongside. try to enjoy the good life alongside. That's what we're doing here. Now we're gonna have a long, robust conversation talking about disproportionate effect of carve-outs, the rapid increase in inflation on the cost of food, what the cost of rent has been over these last few years. But I want you to have that in mind over these next few hours, that this legislation affects roughly 6,100 people. Now, we're going to say to them, that \$1.50, you don't need that. And a lot of folks in this building have never had to have that conversation of where \$1.50 adds up to whether or not you're able to afford a new coat for your kid, or to make sure that your car's tires are safe so you can drive to work every single day, or that we make sure the heater works on what's becoming colder and longer Nebraska nights. That's what we're talking about here, folks. 6,100 people. It wasn't meant to be a living wage. But the reality is, for far too many, and I'll be the first to say it, for far too many of our citizens, that is a reality that they live every single day. So, yeah, I'm gonna stand up, because they need that \$1.50. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. I was just talking about moving dirt. Fascinating side conversations we have here on the floor of your Nebraska Legislature. I rise in support of M07 and opposed to LB258. I, you know, probably don't have anything necessarily original to say on this that hasn't been said already, but I'll say it again. I, I think that the voters have spoken, and I would like to side with the voters and maintain what they have put forward as a state. And then additionally, we have had bills on minimum wage introduced. I remember Senator McKinney, I believe, brought a bill a few years ago, and the Legislature chose not to take action. And we do keep seeing this, that the Legislature refuses to take action on specific issues that then turn out to be wildly popular amongst the people of Nebraska. It goes to a ballot initiative and then that passes. And then we, then we take action and say, whoa, we can't do that. We can't do that this way. So, you know, I don't agree with that. I would love for us to put some other things that we've done in here to a vote of the people and see if they say, whoa, you should not have done it that way. Be interesting. But also, I know that California, like, does most things by ballot initiative, and-- or on the ballot you have to vote for a lot of different things in California on the ballot to an extent-- extensive amount, and I don't know that that's really the right way to legislate either. So we've got to find that happy medium. But when we introduce legislation that does a specific thing and the Legislature time after time after time refuses to take action on that specific thing, and then it goes to the vote of the people and the people speak, and I think we should honor that. And so I'm going to be opposed. I do appreciate that it's, you know, it, it's hard, it's, it's hard to increase the wages, and it's going to cost more to the employers to increase the wages, I understand all of that. But the reality is that without increasing wages, but having inflation, we're, we're going to have a workforce that's really struggling, really, really struggling. And we are, we are struggling here in, in the Legislature to move anything that helps these people. We, we don't expand eligibility to SNAP. We don't expand eligibility to child care. We don't expand eligibility to TANF. And so these same people that are qualifying for those programs-- well, some of them aren't, because we won't expand them, but they're not tied to inflation. So a lot of these people don't qualify for those programs, but because of inflation, because the cost of food is going up so much, they can't afford food, but they also don't qualify for these programs, and we're not keeping pace with inflation in their pay. And so we gotta make some choices. Senator Riepe says often that, you know, these things are business-- the businesses should be stepping up and doing this.

And I agree, generally speaking, that businesses should stepping up and do things, but sometimes we have to, we have to push that a little bit. We have to help businesses get, get to the same place at the same time. Not always, they don't always have to get to the place at the time. But when it comes to minimum wages, not livable wages, or just wages, but minimum wages, we got to get them there at the same place at the same time. And so that's why I will be opposed to this bill. Also, just a little-- I forgot to wear my legislator pin today, but I did vote today at the election commissioners in Douglas County, Omaha. Tomorrow is our city elections. So you can still vote today in person at the election commissioner. Don't forget to vote. That's your opportunity to have your voice be heard by elected officials. So don't forget to vote, Omaha, tomorrow. And I believe Lincoln has city elections next week. So thank you, and I think I'm out of time. Thank you, Mr. President.

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

HALLSTROM: Thank you, Mr. Speaker, members. Senator Raybould has talked a little bit about the impact of the minimum wage and the continuing increases in the CPI that's to come that will have on our youth and the youth training wage. And I'll talk a little more about that probably tomorrow. I suspect I'll get another opportunity on the mic. What I'd like to do now is maybe go back and reiterate some of the things that we talked about during the debate on the paid sick leave measure, LB415. We talked a little bit about the history of the constitutional amendment that allows the Legislature to modify the provisions of a citizen statutory initiative. And as you might recall from the debate the other day, prior to 2004, the threshold was a simple majority, or 25 of us, could have made a change to a statutory initiative. And in 2004, the proposed constitutional amendment in a vote of the people, raised that threshold to a requirement of two-thirds of the Legislature in order to make any changes to a statutory citizen initiative. And during the debate the other day, I see Senator John Cavanaugh is in the queue, so he'll have another opportunity to refute anything that I say if he's so inclined, and I'd encourage him, if I don't paraphrase what he talked about last week correctly, to correct the record for me. But in paraphrasing, I think he cited from an Omaha World Herald article back in 2004 that seemed to indicate, by my way of thinking, that the people weren't necessarily upset with the Legislature for anything that they were going-- were doing at that time, but that there was a common thought that if they were going to make changes in the law, that we ought to provide them with some encouragement to do it by way of citizen

statutory initiative rather than to memorialize things in our Constitution. And that makes some degree of sense because it's the easier path to follow. And the trade-off, though, is that if you take the easier path, and the reason I call it an easier path-- I've tried to do some quick checking-- if you do a citizen statutory initiatives, I think the threshold is 7% of the registered voters. That comes out somewhere in the neighborhood of 87,500 signatures that's required for a statutory initiative. By contrast, if you do a constitutional amendment where you can ingrain and embed something in the Constitution that is sacrosanct and inviolate, it takes 10% or approximately 125,000 votes. That's a difference of 40,000 signatures. So, it's a significantly tougher pull, if you will. And as a result of the trade-off, once again, between having to have 125,000 signatures versus 87,500, if my math is correct, is significant, and the tradeoff is the very fact that these citizens authorized us, admittedly at a higher threshold of 33 votes, to make changes in those statutory initiatives. I think the other thing that I'd note from my comments today is that when we look at the discussion of the opponents on the floor of the Legislature and suggesting that we cannot defy or disavow the will of the people, and I don't think that's what we're doing in any respect, either under LB415 or under LB258, that cuts both ways. This particular bill, LB258, in fact has something that I would suggest is more beneficial in connection with the youth training wage. Senator Raybould has talked about the fact that the current law limits that to, I think, it's 75% of the federal minimum wage so that you have current law, I think it's a 60-day time frame and maybe one extension at \$5.47 an hour, probably something akin to what we're paid for a 40-hour week, by the way. And this would change them to lock them in at \$13.50, plus they would get the advantage of the CPI going forward, which is adjusted, I think, on an every five year basis. So all in all, I-- there's a good balance under LB258. I'm opposed to MO7, and supportive of LB258 and the committee amendments. Thank you.

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

HUGHES: Thank you, Mr. Chairman. I just wanted to get up and talk just a little bit about minimum wage as a, as a whole. Minimum wage has always bothered me, because in my opinion, for example, for the United States, the minimum wage should be the state that has the lowest cost of living, whatever that minimum wage would be, and that should be for all the United States. So, for example, I was just trying to kind of Google this, but it looks like Arkansas or West Virginia is, is, are two of the states that have some of our lowest costs of living. So whatever minimum wage is there is what should be for the United

States. Now is that probably what California should pay or New York? No, because their cost of a living is a lot higher and therefore that, again, it's that minimum, but you can always go over. So then you say, OK, let's apply this to the state of Nebraska. Living in Omaha is a lot different than living in Utica, Nebraska. And to say that there's a minimum wage for the state, we looked it up. The cheapest county cost of living in Nebraska is Thurston County. So that should be our minimum wage. And should Omaha pay that wage? Probably not. It should be higher because there's a higher cost of living there. So I've just always had issue with when we say certain minimum wages, because what a minimum-- again, what a minimum wage in, in Omaha, then we're making every business across the state pay that same minimum wage, even though that cost of living in that little town or county is much less, that hurts that business much more. Senator Raybould also sent out a map of the current minimum wages of our surrounding states, and it is quite eye-opening. By 2026, we're going to be, the state of Nebraska is at \$15, and Kansas is at \$7.25, Wyoming's at \$7.25, Iowa's at \$7.25, South Dakota's at \$11.50. So that's just around us. So we're already, by 2026, starting off the bat, much higher than the states around us, and I have-- That, that gives me concern, but this was voted in, and this is, you know, what we're gonna deal with, and what we're making some changes on. I very much do support the 1.5% increase in place of that CPI, and the reason being that gives small businesses planning. They know that next year that it's 1.5. I believe it was two or three years ago, if we would have been CPI, your wage would have jumped up 5%. And when you've got a small business that's planning, that is a huge jump that you do not even know what that is until that CPI number is calculated. So I very much support that, the 1.5%. I'm going to still listen on the teen wage. There, there is some merit there for that 14 and 15-year-olds. I know for a fact a 14 or 15-year-old, if they're working in a kitchen, they're not supposed to hold a knife, there, there's dif-- they, they are not allowed to do the same things as somebody that's 16 or over. I've always found that interesting, because yet we can send kids in the fields at age 13 with a hatchet to cut down weeds, but you can't hold a knife in a kitchen. But that's another point. So, like I said, I do support the 1.5% versus CPI. I'm going to listen on the teen, the, the wage part, and voice my opinion on our minimum wage just in general. And I yield any of my time back to Senator Raybould. Thank you.

ARCH: Senator Raybould, one minute ten.

RAYBOULD: Thank you, Mr. President. Thank you, Senator Hughes. I just wanna read one more letter for you. This is from Roni Branting, a

fellow grocer, and she says, "I'm writing in support of LB258. My husband and I own a grocery store in Stromsburg, Nebraska, and currently have 19 employees. Seven of these are high school students and are entry-level employees. Arriving to work on time, managing their time well, problem-solving, and learning to work with other employees to accomplish tasks are just some of the soft skills they acquire while working at our store. These are skills employers are looking for, and we feel we are giving them a head start on their future employment. as they work at our store during their high school years. We have not hired a high school student in over a year. This is a direct result of the minimum wage increase. Establishing a youth training wage would be an incentive for us to continue to hire young people. We always have high school students looking for employment. Working at a grocery store is a great first job for the reasons mentioned above, and we would like to continue hiring students. But if no changes are made, we plan to reduce the number of high school employees at our store. Two years ago, we had nine high school employees. We strive to serve our small community of 1,170 people by keeping--"

ARCH: Time, Senator.

RAYBOULD: Thank you, Mr. President.

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

MEYER: Thank you, Mr. President. I rise today in an appreciation of the conversation we're having. We've got a lot of different perspectives. Many of us have started out our work career in a very low-paying job, and so I appreciate hearing that and hearing the perspective of everyone here. That being said, I would like to yield the balance of my time to Senator Raybould.

ARCH: Senator Raybould, four minutes 30.

RAYBOULD: Thank you, Senator Meyers. Thank you, Mr. President. I, I wanted to just remind everyone, and I think Senator Hughes touched on this, so with this minimum wage increase, we are the 18th highest in the United States, the 18th highest. And again, our cost of living, we're ranked the 10th lowest in the United States. And I appreciate Senator Hughes pointing out that our surrounding states are still at the federal minimum wage of \$7.25. So I want to read some testimony that was provided two years ago when Senator Briese had introduced the training wage that I brought up. And I want to just repeat, the

training wage in our books, in our statutes right now is 75% of the federal minimum wage. So it's \$5.44. And so my proposal would be to increase that amount to \$13.50 for 90 days, which is 90% of the minimum wage for 90 days. And then it annually increases by 1.5%, like the Nebraska-- state of Nebraska minimum wage. So 90% percent of the state of Nebraska's minimum wage for 90 days. This is from a daycare center provider, and she said, "I am owner of the Hastings Early Childhood Development Center. And I'm here to share support for this legislation. Our family moved to Hastings in 2018 as a result of a career change for my husband. Our infant daughter was just five months old and we learned firsthand the challenges that exist when it comes to finding available childcare. Over the next 18 months, we learned more about the staggering statistics that exist and the gaps for quality early care and education. We opened the Hastings Early Child Development Center, Center in February of 2021 to serve working families as part of the solution for the child care crisis that exists in our community. So our work is nowhere near complete, but we continue to make great strides every day for the quality. And some days, progress on this improvement is only minor, but inches matter every bit. I encourage your support for this legislation because it provides a framework that will allow our business to invest in providing specific education and training wages that will directly improve the development and professional training that our teachers receive that will result in improving the quality of care and education our teachers provide to children. This truly allows our business to work in partnership with working families by maximizing their investment in tuition that is used to pay teachers to provide direct care and education for children in classrooms instead of paying for teachers to experience training. For the calendar year, the calendar of 2022, our business employed 68 teachers. Of those, 20 teachers are employed with us still today. And of those seven are under the age of 19 years old. Unfortunately, our business illustrates and confirms the challenges that are real when it comes to recruiting and retaining teachers in early childhood education. Challenges include uneven or insufficient education, training, and preparation, high stress workloads that require managing a variety of situations coupled with leading a breadth of activities. These challenges combined contribute to turnover and instability in early childhood programs across the state, and directly impact the quality of care that children receive. Our business requires every teacher to complete a variety of onboarding procedures and training procedures, both as a responsibility to comply with licensing and regulatory requirements, as well as for fulfilling our own expectation for quality." She goes

on to say this. And now I'm going to quote a famous comedian, because I think it's about time we had some comedic relief. I'm going to quote Groucho Marx. I can get on the mic all day long as long as Senator Conrad can do the same. But Groucho Marx said, who are you going to believe? Me, or your own eyes. And so I ask my colleagues, if you haven't talked to a daycare center, nonprofit, your local grocer, or any other retailer, to ask them what are the challenges they're facing, then I would like to say that you haven't done your homework. And you don't need to listen to anything else I say unless you reach out to those small businesses who work under shoestring budgets and are struggling at this point of time. So I ask you take a moment, reach out to them, reach out your local grocer who might be the next person to create a food desert in your rural community. Thank you--

ARCH: Time, Senator.

RAYBOULD: Mr. President.

ARCH: Mr. Clerk, for items.

CLERK: Thank you, Mr. President. Motions will be printed from Senator Spivey to LB632. New LR, LR102 from Senator McKinney, and LR103 from Senator McKeon. Those will both be laid over. Your Committee on the Judic-- Judiciary, chaired by Senator Bosn, reports LB606, LB322, LB412 to General File, LB322 and LB412 having committee amendments. Name adds. Senator Murman, name added to LB169, LB170, and LB258, and Senator Ballard to LR92. Notice that the Transportation and Telecommunications Committee will meet in room 1507 instead of room 1510 on Tuesday, April 8th, 2025, TNT in 1507, a week from tomorrow, Tuesday, April 8th. Finally, Mr. President, a priority motion. Senator Clouse would move to adjourn the body until Tuesday, April 1st, 2025 at nine o'clock a.m.

ARCH: You've heard the motion to adjourn. All those in favor say aye. Opposed, nay. We are adjourned.