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Floor Debate January 29, 2026
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KELLY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the 16th day of the One Hundred Ninth Legislature, Second Session. Our chaplain for today is Father Lawrence Stoley, Diocese of the Lincoln Roman Catholic Church, Lincoln, Nebraska, a guest of Senator Storm. Please rise.

LAWRENCE STOLEY: Good morning. As brothers and sisters of our Heavenly Father, let us pray together the prayer that Jesus taught us. Our Father, who art in heaven, hallowed be thy name, thy kingdom come, thy will be done on earth as it is in heaven, give us this day our daily bread and forgive us our trespasses, as we forgive those who trespass against us and lead us not into temptation, but deliver us from evil. Amen. I'd like to conclude with a little blessing. And for each invocation, you're welcome to respond amen. May the Lord be with you to protect you. Amen. May He guide you and give you strength. Amen. May He watch over you, keep you in His care and bless you with His peace. Amen. And may the blessing of Almighty God the Father, the Son, and the Holy Spirit descend upon you and remain with you forever. Amen. Have a great day.

KELLY: I recognize Senator Armendariz for the Pledge of Allegiance.

ARMENDARIZ: Please join me in the pledge. I pledge allegiance to the flag of the United States of America and to the Republic, for which it stands, one nation under God, indivisible, with liberty and justice for all.

KELLY: I call to order the 16th day of the One Hundred Ninth Legislature, Second Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

KELLY: Are there any corrections for the Journal?

CLERK: I have no corrections this morning, sir.

KELLY: Any messages, reports, or announcements?

CLERK: There are, Mr. President. A reference report from the Referencing Committee concerning LB1261. Additionally, a committee report from the Transportation and Telecommunications Committee

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concerning gubernatorial appointments to the Nebraska Motor Vehicle Industry Licensing Board. That's all I have at this time.

KELLY: Thank you, Mr. Clerk. Senator Glen Meyer would like to recognize the Doctor of the Day, Dr. Dave Hoelting of Pender. Please stand and be recognized by the Nebraska Legislature. Mr. Clerk, please proceed to the first item on the agenda.

CLERK: Mr. President, General File, LB103, introduced by Senator DeBoer. It's a bill for an act relating to the Nebraska evidence rules. It changes provisions relating to admissibility of evidence of past sexual assaults; prohibits questions relating to past sexual behavior, sexual assaults, and pre-trial proceedings; and repeals the original section. The bill was read for the first time on January 10 of 2025 and referred to the Judiciary Committee. That committee placed the bill on General File with committee amendments, Mr. President.

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

DeBOER: Thank you, Mr. President. Good morning, colleagues. So this is one of those bills that we get from time to time where there is a problem and we are tasked to find the solution and there is no perfect solution. This is where we must balance competing interests. And so what we have done in this bill, and there'll be an amendment that's forthcoming, even after the committee amendment, that reflects sort of the final answer. What we have done is we have attempted to balance two legitimate competing interests within the judicial system. And that is, on the one hand, lawyers are tasked with zealously representing their client. If you do not zealously represent your client, you have committed an ethical violation as a lawyer. On the other hand, the state is tasked with protecting its most vulnerable victims of crimes. And so we must compare and, and balance those two interests. when we're looking at what we have before us today. What we have before us today is what we call the rape shield law. It is well established that our current rape shield law was enacted to serve two purposes: to prevent the use of irrelevant and prejudicial infor-- evidence about a sexual assault victim's past, involving third parties, and to protect against the re-traumatization of victims through grueling questioning on cross-- and cross examination about their past sexual behavior or sexual predisposition. Unfortunately, ambiguities remain in the law that have led to unnecessary and, in

some cases, invasive questions of victims, both in court and during pretrial proceedings, particularly during depositions, which has re-traumatized victims during an already stressful process. And so I was tasked with trying to solve that problem. And here, let me explain the situation. There is a victim of a sexual assault who has come forward. And now the judicial system is prosecuting the, the alleged perpetrator. And now we have a situation where the victim will have to be deposed. A deposition is a necessary part of a legal proceeding, wherein the lawyers who are attempting to, let's just say, be on the other side will question a witness or a victim in this case to try to get to the truth of the matter. But what we have seen is that in some situations, because of the way our rape shield law is drafted, sometimes some attorneys will continue to ask questions in an attempt to really push the issue so that the victim, in some cases, gets sort of rattled or it makes the experience really difficult for that victim. This is not the case with most attorneys, but it does happen. And that's one of the things that we're trying to protect from here. So where we eventually ended up, I think, is in a position where the victims are being protected to the best of our ability, while at the same time recognizing that a defendant has and should have the right to ask all the questions to obtain all the information necessary to put forward their defense. So that leads us to where we are. And I will wait until the amendment comes up to tell you the specifics of how we have done that. Thank you, Mr. President.

KELLY: Thank you, Senator DeBoer. As the Clerk stated, there is a committee amendment. Senator Bosn, you're recognized to open.

BOSN: Thank you Mr. President, members of the Legislature, this is AM878, and it is the Judiciary Committee amendment to LB103 dealing with Nebraska's evidence rules in cases specifically involving alleged sexual misconduct. The bill concerns whether evidence may be offered in a civil or criminal case to show that the victim has been the victim of another sexual assault. AM878 is a white copy amendment that retains the core policy of LB103, but makes an important change to ensure that the bill is properly balanced and workable in practice. First, AM878 amends Section 27-412, Nebraska's quote, rape shield evidentiary rule. The amendment does not change the bill's prohibition on evidence offered to prove a victim has been the victim of another sexual assault is not admissible in cases involving alleged sexual misconduct, except as already provided in the rule. However, the committee amendment removes language from the bill that would have

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broadly prohibited questioning a victim during any pretrial hearing or proceeding, including depositions about any matter that is inadmissible under Section 27-412. Second, AM878 amends Section 27-- Chapter 27, Section 1917 [SIC], which governs depositions in felony criminal cases. Under this amendment, if a prosecuting attorney or a defendant seeks to question a sexual assault victim at a deposition about evidence that would fall within the limited exceptions under Chapter 27-412 about a prior alleged false allegation of sexual assault, then the party must first file a motion and obtain the court's permission. The amendment requires the court to hold a hearing on that motion no fewer than seven days before the scheduled deposition. The hearing must be held in camera with only the parties present, and the record is sealed and preserved for purposes of an appeal only. The court may allow the questioning only if the court makes a determination that the testimony could be both relevant and admissible at trial. I understand this is a lot of information on an area that most of us in here are not familiar with, but in short, AM878 preserves the victim protection purposes contained in LB103 while still allowing relevant and admissible evidence and ensuring that any sensitive questioning at deposition occurs only with judicial oversight and appropriate safeguards. I ask for your support of AM878 to LB103. Thank you, Mr. President.

KELLY: Thank you, Senator Bosn. Mr. Clerk.

CLERK: Mr. President, Senator DeBoer would move to amend the committee amendments with AM1774.

KELLY: Senator DeBoer, you're recognized to open on the amendment.

DeBOER: Thank you, Mr. President. Again, colleagues, this is another white copy amendment. We took another shot at trying to get to the right balance between these two issues. So AM1774 makes it explicitly clear, first of all, that as in the previous amendment, that prior sexual assaults are always covered by rape shield law and thus are not permissible to discuss a trial absent that specific showing that is already in our rape shield bill. It bill-- this bill codifies what most people believe already exists in the law, but it does codify it. And this clarity matters because it prevents unnecessary litigation on threshold questions and gives the court further ground to exclude irrelevant and prejudicial history. Section 2 clarifies that the process by which someone may inquire about previous sexual assaults.

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It provides meaningful trauma reduction for victims by providing advanced notice of possible questioning. Victims often come into a deposition unaware that rape shield material may be raised, and advanced notice allows the survivor to mentally prepare and reduce the risk of surprise questioning that can be re-traumatizing. So the process shifts the responsibility to the defense to affirmatively justify what sexual history questions are necessary, rather than allowing speculative or broad inquiries. This reduces phishing expeditions, meaningfully reduces a recurring problem where a relevant sexual history gets into the record, and keeps depositions focused on the facts of the assault at hand. My opening so far constitutes my opening for this amendment, which is of course a white copy amendment as I said. AM1774 differs from the committee amendment by providing more instruction on the process by which attorneys may request to question previous sexual assaults and changes a "may" to a "shall" in terms of the court allowing questions of material potentially covered by rape shield law. These changes are the results of negotiations between myself, the county attorneys, and the defense bar. And the fact that everybody thinks that I got it wrong means I'm probably in about the right place. I urge your green vote on AM1774 and LB103. I am, of course, happy to answer any questions that you might have.

KELLY: Thank you, Senator DeBoer. Seeing no one else in the queue, you're recognized to close on the amendment, and waive. Senators, the question is the adoption of AM1774. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 40 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM1774 is adopted. Senator Bosn-- Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. Good morning, colleagues. I appreciate the work that my friend, Senator DeBoer, has done to make a problematic bill slightly less problematic, and that's why I voted for the amendment that she filed this morning. I want to make sure to broaden the lens and contextualize this measure in regards to the existing state of law governing this process and procedure on an incredibly challenging topic and also the broader political context from which we are working in in this body. My friend Senator DeBoer I think noted last year that the Legislature has become a "felony factory" noting that we've moved away from smart, responsible criminal

justice reform that exacerbates mass incarceration and our prison overcrowding problem and has been recommended by numerous objective entities that have been invited in by all three branches of government to update and modernize our criminal justice system and reforms that have worked in our sister states including deep red states with a conservative political culture. And that has to be a part of the discussion in regards to this measure that is before us. There already exists, under current law, in regard to statute and precedent, a very careful process to ensure the appropriate balance is indeed struck between rights of victims and the rights of the accused. It is well established, and Senator DeBoer is right, that all 50 states and the federal government have long-standing rape shield laws to limit the cross-examination of a sexual assault victim's past and restrict evidence regarding past sexual behavior. But where there are indeed some ambiguities outside of the rape shield law, those primarily belong-- and I'm speaking in very general terms here-- there is a greater latitude to understand the nature of the facts and the case in regards to pretrial discovery. And typically the probing of potential false allegations that had been made previously fall outside of that. So this isn't completely ungoverned in Nebraska. Again, we have statutes in place, we have a judicial process in place wherein when these questions that do have relevance and probative value are identified, they can be addressed carefully in a private setting, in pretrial discovery. And in many instances, if there is a question as to their relevance or their probative nature or whether or not it fits within the confines of the rape shield law working as it is intended, there is process wherein the litigants can certify a question and go to the trial court judge before the victim would have to even discuss or answer those questions in pretrial discovery. That process exists. In Nebraska, we have deeply conservative judges, very conservative judges. In Nebraska, we have significant disparities when it comes to indigent defense. What this measure ultimately does is limit the ability of those who are accused of serious crimes from utilizing their constitutional rights to understand how to defend themselves if the facts indeed permit such. It further stacks the deck against the accused in favor of the government who has unlimited resources to carry out their case. I had a chance to watch this hearing when it was live before the Judiciary Committee and I re-read the committee transcript last night. I have additional questions to put in the record and I thank you for your time, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Good morning, colleagues. I continue to just hang on to this congestion, so I apologize for my stuffed-up voice. I'm not an attorney, trying to listen to these conversations this morning. And I did not-- well, I was having a conversation off to the side, so I missed the vote on the last amendment, which I understand was an amendment to take out some of the opposition to the underlying bill and the committee amendment. But my concern about all of this, and as Senator Conrad already stated this morning, that this hundred and-- are we One Hundred Ninth Legislature? Yeah. One Hundred Ninth Legislature seems to have had a theme of a felony factory. And I-- we had a bill yesterday on human trafficking and then we have this bill, and I think that there are merits to bringing forward these conversations about how we are handling sexual violence and sexual assault in our state. But knowing that we do have a shield law in place, I, I, I don't understand, I guess, why this is necessary. And I-- and any time I see that our public defenders are in opposition to something, I know that public defenders are also criminal defense attorneys, but they exist for a reason, and that's to ensure a fair process. Everyone deserves representation. And so I am concerned, and I'm trying to catch up on, on what this is this morning. It's a little bit harder for me, because this is not my, my area. If we were talking about the budget, I probably would be caught up already. But interestingly enough, I find the budget to be easier to follow than these sort of intricate legal matters. And so I just wanted to get up and talk for a minute and kind of just so that we can slow things down and also selfishly so I can read through what is happening here. But I guess maybe if Senator DeBoer would yield to a question, the question basically is can we talk about this a little bit more because I was trying to listen?

KELLY: Senator DeBoer, would you yield to questions?

DeBOER: Yes.

M. CAVANAUGH: Thank you, Senator DeBoer. So I know that we just did this amendment, but can you explain to me how this differs from the shield law?

DeBOER: Yeah, so there's sort of two pieces to what we're doing here. The first is a clarification. And I, I have not heard objection to the first part. The first part clarifies that our rape shield laws, it says, currently deals with past sexual activity. So there has been questions among some people whether that includes, whether sexual activity-- sexual behavior, sorry, includes, past sexual assaults.

M. CAVANAUGH: OK.

DeBOER: So some people have said yes and some people have said no. This says that includes past sexual assaults.

M. CAVANAUGH: OK.

DeBOER: So that's the first piece, and that's the relatively less controversial piece.

M. CAVANAUGH: OK.

DeBOER: The second piece is the piece that Senator Conrad has brought up, and I think you are concerned about as well, which deals with the expansion of the rape shield law, which currently applies only to in-- in trial, in the trial, in the court proceedings--

M. CAVANAUGH: OK.

DeBOER: --to also include the deposition.

M. CAVANAUGH: OK.

DeBOER: So the reason that Senator Conrad is objecting to this is because she has concerns that when you're going into a deposition and you're trying to determine whether or not someone is giving you all the information, all the truth, whatever, you need to be able to ask a variety of questions because you don't know what you don't know.

M. CAVANAUGH: OK.

DeBOER: So what we have tried to do to balance that interest against the one of protecting the victims is we have try to create a process whereby first, when you give a notice of deposition, you notify that you're going to be asking questions like that. Because one of the

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things that victims have asked me for is that notice so that they know and can be prepared within themselves for those questions.

M. CAVANAUGH: Sure.

DeBOER: And so then the attorney who will be there representing the victim can object to that, to those-- that line of questioning. If so, then there is a private hearing with the judge between the attorneys that cannot say in the objection, so nowhere--

KELLY: Time, Senators.

M. CAVANAUGH: OK, thank you. Thank you. We'll come back.

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

CONRAD: Thank you, Mr. President, good morning colleagues. I want to continue to widen the lens and contextualize this measure. I'm glad my friend Senator Cavanaugh brought up budgetary implications as well, which of course we know are exacerbated by efforts to dismantle smart justice reform. Additionally, we know in the Governor's budget and as before the body, this legislative session, there is an attempt to raid and steal funds for crime victims. We know that this Legislature and the Judiciary Committee thus far has turned their back on model legislation put forward by the Uniform Law Commission to strengthen our existing anti-SLAPP law. The Women's Law Center notes that one of the best things that legislatures and state policy-makers can do to advance victims' rights and justice is to ensure that there are strong anti-SLAPP law proposals in place to protect victims, particularly women, victims in sexual assault, from being harassed in the civil justice system with defamation and other cases. Yes, the Judiciary Committee fails to move forward those proposals. The Nebraska Supreme Court and this Legislature, despite numerous opportunities to do the right thing, have turned their back on sexual assault victims, primarily children who've been harmed. And the heavy hand of government through their schools have played a part in the negligence that allowed such. The Nebraska Supreme Court has turned its back on these vulnerable children. The Nebraska Supreme Court has overturned decades of precedent, saying little kids who were sexually abused in foster care, and HHS knew about, it have no recourse. And this Legislature has not remedied that. So it rings hollow when this

Legislature moves forward with only measures to increase penalties, create new crime, crimes, truncate existing well-established and workable processes in criminal procedure in the name of victims' rights. In reading the court-- the committee transcript last night, and it was a good refresher from watching the hearing last year, I know my friend Senator DeBoer noted that a similar effort had been established in some of our sister states in regards to the measure that she brought forward. And she lifted the examples of New Hampshire and Vermont. My question is, what is the broader context in regards to how those states treat victims? What is broader context? Has there been any analysis? Do those states have adequate indigent defense systems in place, as compared to Nebraska's, which ranks poorly, comparatively, to our sister states for a variety of reasons? I remember hearing at the committee hearing when I was observing it and then reading again last night. My friend Senator DeBoer noted an anecdote in relation to at least one lengthy deposition that she found untenable as the impetus for bringing this legislation. Was that anecdote explored? Does anybody know what case it involves? Did you talk to both parties to see whether or not a lengthy deposition was warranted? Do we have any sense, because the record belies otherwise, that this is a widespread problem? But we rush forward on anecdote to further stack the deck in favor of the government against the rights of the accused, which are protected by the Constitution and which are under-resourced in Nebraska. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Would Senator DeBoer be willing to pick up our conversation and yield to a question?

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

DeBOER: Yes, I will.

M. CAVANAUGH: Thank you, Senator DeBoer. OK, sorry. This feels like a-- it's a very like low-key mood in here, but also a lot going on at the same time. So sorry, because I'm talking to people out there about a different bill. But you were starting-- you were telling me sort of the differences between the shield law and what this does and what

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that amendment did. So would you mind picking up from where you left off?

DeBOER: Yeah, I-- part of the problem is, of course, that I have very little voice. So I will do my best.

M. CAVANAUGH: I'm sorry.

DeBOER: No, no, no. It's fine. I mean, that doesn't matter to the work here.

M. CAVANAUGH: Would you like some tea? I have tea.

DeBOER: I might get somebody to give me some tea. So yeah, the-- when last we spoke, we were talking about how in the case of a deposition what happens under the amendment is that the notice of definition-- deposition gives notice that there will be these kinds of questions asked, that the attorney for the victim can at that point object, and then there is a hearing. The important thing about this hearing is that it's completely sealed so that, except for appeal or by court order, it's not allowed to sort of be part of the public proceedings that people hear about. And then in that hearing, the judge hears both sides of the questions about whether or not this information should be asked about in deposition. And that's pretty much what happens, is that the judge then has to determine whether or not the type of, of information which is, is sought will be appropriate, relevant, et cetera, et, cetera, et cetera. So we tried to, with this amendment, we tried, we tried with this amendment to put it in the hands of the judge. Because Senator Conrad is not wrong. Trying to balance the issue, the Legislature could, could go too far. So that was why I wanted to put it into the hands of the judge--

M. CAVANAUGH: OK.

DeBOER: So that the judge has a case-by-case basis to determine.

M. CAVANAUGH: And where do the courts stand on that in your bill? Like did they come in--

DeBOER: They, they didn't. They, they already sort of get the-- in fewer cases, they get these in front of them. So they're used to having to deal with these questions because under the rape shield

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laws, it stands for trial, which remember, we're not changing. So under the rape shield law for trial, they-- there's a next--

M. CAVANAUGH: You've got some hot tea coming your way, by the way.

DeBOER: Oh, that's very sweet of you.

M. CAVANAUGH: Well, it's very sweet of her.

DeBOER: Thank you. Then what it does is it says you have to have a hearing to determine whether outside of the hearing of the jury, whether or not this is appropriate. So the mechanism already exists. We've just extended it to cover depositions as well as trial.

M. CAVANAUGH: OK. And I saw an updated fiscal note. Got to-- I've got to bring it back to the budget.

DeBOER: Sure.

M. CAVANAUGH: I've got to go to my wheelhouse. And it doesn't seem like there is a fiscal note, but I-- this was revised before-- I'm guessing if this moves forward today, then there'll be a revised fiscal note because the fiscal note didn't speak to your amendment.

DeBOER: Correct.

M. CAVANAUGH: So do you imagine that the courts will have an increased cost?

DeBOER: I don't.

M. CAVANAUGH: OK, that's good because we're really slashing and burning the courts, so you know, there's that. OK, thank you. I feel like I'm starting to get a better understanding of this. I appreciate you taking the time to answer my questions with, even with a lack of voice. I hope the tea helps. Thank you, Mr. President.

KELLY: Thank you, Senators Cavanaugh and DeBoer. Senator Bosn, you're recognized to speak.

BOSN: Thank you, Mr. President. Colleagues, LB103 and this amendment is good and important legislation. And I want to begin by recognizing the significant amount of work that has gone into bringing us to this point. This bill addresses Nebraska's rape shield statute, a law that

is intended to protect victims from having irrelevant and highly prejudicial sexual history introduced into court proceedings. While that has long been the understood purpose of the statute, LB103 provides needed clarity and process to ensure the law functions as intended in practice and not just in theory. I want to commend the parties involved, the prosecutors, the victim advocates, the members of the defense bar, and legislative staff for engaging in thoughtful and good-faith negotiations. Even though some are still not satisfied, everyone did come to the table to try to work this out. Reaching a consensus on this area of law is not and will never be easy. The willingness of the stakeholders to work through concerns and arrive at compromise language reflects a shared commitment to fairness, to due process, and to the integrity of our justice system. Even in its negotiated form, LB103 represents a meaningful improvement over the current law. It makes explicit that prior sexual assaults are shielded from admission, closing a gap that has led to unnecessary litigation and inconsistent application. It also establishes clear procedural protections during pretrial proceedings, including depositions, so that inadmissible material is not used to surprise, to intimidate, or to re-traumatize victims, while still preserving the ability of courts to hear and rule on legitimate evidentiary questions. Colleagues, this bill does not eliminate due process. It reinforces it. By clarifying standards and requiring notice and judicial review before sensitive material is raised, LB103 promotes fairness for all parties and keeps the proceedings focused on relevant facts. As Chair of the Judiciary Committee, I believe this legislation reflects careful balance, responsible compromise, and sound policy. I encourage my colleagues to support LB103 as amended and to forward it as an important step in strengthening how our courts handle cases involving sexual assault. I'd also like to read, with whatever time I have left, the letter that came from one of the advocates at the hearing, who I had the privilege of working with for a number of years prior to joining the Legislature, Elizabeth McQueen. She came to Lancaster County from Douglas County, having worked there for a number of years. She says, I've worked in criminal justice for almost 20 years. I have assisted and stood by survivors through every part of the process and watched as they had to make painful decisions about reporting, having a SANE exam performed, participating in the criminal justice process, and dealing with the aftermath of the crime and the results of that process. Regardless of the outcome, no two cases have ever been the same. The criminal justice process can be extremely difficult for

survivors. They are asked to describe and relive the worst, most invasive moments of their lives, often in front of complete strangers. They are asked to provide details and often struggle to piece them together due to trauma or simply the passage of time. I've worked with victims of all ages who do not want to report or participate in an investigation, as they feel the process is so traumatizing. I have witnessed survivors before depositions when told they could be asked questions that would not otherwise be allowed in trial. They became terrified, overwhelmed, and did not want to continue the process. I've witnessed a survivor become highly emotional in the middle of a deposition where a defense attorney spent over an hour bombarding her with questions unrelated to the crime. An hour. In the hallway, during a break, she said, quote, I expected it to be bad, but never this bad. As you can imagine, she was terrified to testify after that deposition. I've worked with survivors who experienced sexual assault at the hands of intimate partners, and upon learning they could be questioned about unrelated matters, became terrified of possible retaliation by the same partner. In another case, information shared during a deposition was later posted online by a perpetrator. Where are the victims' rights? We have a lot of protections for defendants. It's difficult to imagine how the victim must have felt, seeing such intimate information posted for the entire world to see.

KELLY: That's your time, Senator.

BOSN: Thank you, Mr. President.

KELLY: Thank you, Senator Bosn. Mr. Clerk, for items.

CLERK: Mr. President. Your Committee on Enrollment and Review reports LB653, LB203, LB437 to Select File, all having E&R amendments. Excuse me, and LB716, all to Select File. Notice of committee hearing from the Banking, Commerce and Insurance Committee and the Transportation and Telecommunications Committee will meet under the south balcony at 10:00 for an executive session. Transportation under the south balcony at 10:00 a.m. That's all I have this time.

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

CONRAD: Thank you, Mr. President. Good morning, colleagues. I'm glad that my friend, Senator Bosn asked, where are victims' rights? Because

I think it's a pretty straightforward response. And Senator Bosn knows this as Chair of Judiciary, a smart lawyer, and a former prosecutor: victims' rights are well-established in the Nebraska Constitution specifically. They are established and addressed throughout the Nebraska Revised Statutes, and they are further refined and delineated through Nebraska case law, including case law on point in regards to this matter, specifically the Swindle case. So to act as if there are no protections for victims is inaccurate. And the committee hearing itself was clear that there is an existing process in place to strike the right balance. And the reason that perhaps we see different applications of these questions presented in criminal procedure is because exactly what Senator DeBoer and Senator Bosn have just noted on the mic to be true, every case is different. Every case is different. And litigants and their attorneys and judges carefully balance the facts in the law to ensure protection for victims and the rights of the accused in the present system. Again, they have noted the one allegation of a lengthy deposition, but they have not offered any data or information as to whether or not that is a widespread problem. They have not taken it upon them to talk to the attorneys or the parties in that case to see why there was a lengthy deposition. And I think that's important to note. It was very clear in regards to this hearing that there are existing disparities and inequities in our indigent defense and criminal defense procedure as it stands today. Public defenders from across the state shared their experience in their practice, and they noted, in many instances, they're not even allowed to access police reports to get a good understanding about the case that they're charged and have an obligation to zealously defend. I ask my friends on Judiciary, including Senator DeBoer, what's your plan to remedy that? Where's the legislation to ensure that the accused actually has access to information? It's not contained in LB103. I haven't seen any other measures introduced in that regard. I haven't seen you lift a finger to bring it up in terms of court rule or otherwise. How are people supposed to do their jobs if they don't even have access to the police report in many instances? And now we're further tying their hands to understand the facts of the case. They're not present in regards to pretrial interviews. They're are not able to access police reports. They already have a process in place when these sensitive questions present themselves and they're presented to conservative judges to figure out the right path on a case-by-case, fact-specific basis. That needs to be included in the record. I also have a host of questions about how this works in process in regards to

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transparency and the proposed effort regarding sealed records that are available only for the purposes of appeal. Thank you, Mr. President.

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

SPIVEY: Thank you, Mr. President. And good morning, colleagues. I yield my time to Senator Conrad.

KELLY: Senator Conrad, 4:50.

CONRAD: Thank you, Mr. President. Thank you to my friend, Senator Spivey. I want to, again, at least put some questions on the record or ask them rhetorically, if Senator DeBoer or others who've worked on this measure would like to respond. Of course, they can do so on their own time. But under the existing system, when these questions of fact and law come to bear on a case-by-case basis, a court will determine through a process whether or not to allow these questions to be asked. Now, after we're further stacking the deck and hiding information relevant potentially to a defense so that a public defender or criminal defense attorney can literally do their job, which is constitutionally required, we've erected a new system in place to make it more arduous to get basic information about the facts of the case. And now we seal those. We seal those inquiries and processes from public view and allow them, generally speaking, only for purposes of appeal in that case. So my question is, what if those have relevance for other civil matters? Now they're shielded from public view. What if those instances have relevance for future criminal cases? How is anybody to know what was conducted in regards to that case? And it can't be unsealed necessarily, or at least arguably, for any other purpose but for the appeal in that present case. How does that advance transparency and access to justice and zealous representation? I also think it's important to note that we have significant disparities in regards to our indigent defense system. Despite studying the problem to death over the course of many decades, Nebraska consistently ranks lower than our peers in regards providing adequate resources to ensure the constitutional rights of all are met. Because we have a patchwork approach that is based on county funding. We know that many of our counties have at least taken the step to ensure parity between public defenders and county attorneys, but not all. And attempts to remedy that, to ensure that best practices from the Sixth Amendment Center, the American Bar Association, et cetera, to ensure basic parity

amongst county attorneys and public defenders, have been thwarted by county attorneys in this Legislature and will be exacerbated by measures like this. We know from decades of study that public defenders don't have access to a host of investigators in order to understand what's happening in the case that has been assigned to them. We know the government and the prosecutors and law enforcement have almost unlimited resources to investigate cases and understand what is happening in the cases before them. Yet this exacerbates that problem. So in the present system, which is carefully circumscribed to address the individual nature of each case, we're making it harder for people to do their job and protect constitutionally protected rights. They don't have access to police reports. Now, they're further constrained in regards to discovery. They don't have equal pay. They don't have equal resources for investigation. But because there was one case where somebody had discovery go on for an hour that nobody bothered to look into, here we are. That's not sound policy-making.

KELLY: That's your time, Senator. Thank you. Senator Machaela Cavanaugh, you're recognized to speak. This is your third time on the amendment.

M. CAVANAUGH: Thank you, Mr. President. I am just trying to catch up on all of this. I appreciate the amendment that we just voted on to the committee amendment. And, and now learning more about it, I think it definitely improves the situation. I don't think that I'm going to vote for the underlying bill, but I am very interested in the conversation that has been happening this morning. I appreciate that conversation that is happening this morning. I'm trying to get out of my fog brain. I, too, now am having some hot tea, hoping that it-- cheers-- hoping that it, it helps. But, but I'm going to continue to listen to the conversation around this bill. And I don't know if there's anything that could bring me along between General and Select, but I am going to try and keep an open mind. Because I know that we're all trying to do the best we can for victims, but also maintaining our justice system is extremely important. So thank you, Mr. President.

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

DeBOER: Thank you, Mr. President. So much of what Senator Conrad says about the general disparities in the system, I agree with. And should Senator Conrad bring bills to try to alleviate those situations, I, in

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probably most instances, would support them. And this was a difficult bill for me, because exactly of the facts that I think, I-- I don't think we had the right balance before, and I think we are getting the right balance now. But reasonable people can disagree about that because it is a balancing situation. The one thing I will say is that, of course, it wasn't just one anecdote which was brought to me. And no, I do not have data because that is not the kind of data that one could have. How would one collect data on overzealous representation of a client against a victim? I don't know how one would do that. So, yes, I had to trust the folks who practice in this area, who told me of instances, without me actually going back and talking to the folks who were involved in those instances. Senator Conrad is right, I did not do that. And in the situation for me, and only for me, it was persuasive enough for me to think that there was a problem that needed to be solved. And so I brought this bill. But I respect Senator Conrad very much. And so if Senator Conrad has specific things she would like to suggest between General and Select, I would, of course, be open to having those discussions. If she thinks that the protections for sealing the court records on these kinds of in-camera hearings is-- needs to be spelled out with a little more specificity, because of course it does say in the bill that you are allowed to unseal them by court order. But if you would like more specific instances of what would require that, I'm sure we can talk about that as well. So thank you, Mr. President.

KELLY: Thank you, Senator DeBoer. Seeing no one else in the queue, you're recognized-- or Senator Bosn, you're recognized to close on the committee amendment.

BOSN: Thank you, Mr. President. I would ask for your green vote on AM878 as amended, and ultimately your green on LB103. Thank you.

KELLY: Thank you, Senator Bosn. Senators, the question is the adoption of AM878. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 37 ayes, 2 nays, on adaption to the committee amendment, Mr. President.

KELLY: AM878 is adopted. Seeing no one else in the queue, Senator DeBoer, you're recognized to close on the bill, and waive. Senators,

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the question is the advancement of LB103 to E&R Initial. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 35 ayes, 5 nays on advancement of the bill, Mr. President.

KELLY: LB103 is advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President, General File, LB821, introduced by the Nebraska Retirement Systems Committee. It's bill for an act relating to retirement. It eliminates provisions relating to certain verifications performed by the Public Employees Retirement Board and certain written plans of action; provides for an annual report prepared by the Nebraskan Investment Council; provides for annual report prepared by the Public Employees Retirement Board; and repeals the original section. The bill was read for first time on January 7 of this year and referred to Nebraska Retirement Systems Committee. That committee placed the bill on General File, Mr. President.

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

BALLARD: Thank you, Mr. President. LB821 would update and modernize language governing annual reports by the Nebraska Public Employees Retirement System and the Nebraska Investment Council to the Nebraska Retirement Systems Committee. Under current statute, both NPERS and NIC are required to prepare written plans of action and present them to committee at a public hearing. These requirements dates back to legislation passed in 1995 when a number of structural changes were made to both agencies. Historically, these written plans of action were being referred to in annual reports to the committee. LB821 would change the terminology in statutes from "written plans of actions" to "annual reports." In addition, the bill would consolidate what is currently two separate reporting requirements in statute for the NIC into a single annual report requirement, giving NIC a slightly longer timeframe in presenting this report to the committees. LB821 would repeal language requiring the PERB board to vary information regarding the investments of assets to the retirement systems. LB821 saw no opposition testimony and was advanced from the Retirement Systems Committee on a 6-0 vote. I ask for your green vote. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Would Senator Ballard yield to a question?

KELLY: Senator Ballard. Would you yield the question?

M. CAVANAUGH: It will be a soft question.

BALLARD: Yes.

M. CAVANAUGH: I see in the language of this bill that it strikes the committee hearing requirement. I'm guessing that that was a choice, that you don't want to have the hearing anymore. They give the report and then they have the hearing. And I just wanted to know, because I, I'm not on your committee and I don't know much about the report, is there any concern that then the report won't be reviewed by the committee?

BALLARD: There was no concern by the PERB. This is just antiquated reports that are no longer used, so the committee hearing would be-- would not be necessary.

M. CAVANAUGH: OK, you're still getting a report?

BALLARD: OK.

M. CAVANAUGH: You're still getting a report?

BALLARD: We're still get-- yes, we're still having the hearing, we are just moving the language in the statute. So it's just--

M. CAVANAUGH: OK. You'll still have the hearing, but the hearing won't be in--

BALLARD: Correct.

M. CAVANAUGH: --the statute any longer.

BALLARD: Correct.

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M. CAVANAUGH: OK, so you can-- your intention is still to have the public hearing so that you can ask the questions about the report--

BALLARD: Correct.

M. CAVANAUGH: --but you're not going to be required by statute to have a hearing?

BALLARD: Correct. Just moving it, yes.

M. CAVANAUGH: OK. Thank you.

BALLARD: Yes.

M. CAVANAUGH: OK. That was it. Thank you, Mr. President.

KELLY: Thank you, Senators Cavanaugh and Ballard. Seeing no one else in the queue, Senator Ballard, you're recognized, and waive closing. Senators, the question is the advancement of LB821 to E&R Initial. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 44 ayes, 0 nays on the advancement of the bill, Mr. President.

KELLY: LB821 is advanced to E&R Initial. Mr. Clerk.

ASSISTANT CLERK: Mr. President, General File, LB548, introduced by Senator Lippincott. It's a bill for an act relating to natural gas systems; to provide for municipalities to contract with industrial users of natural gas; and to provide requirements for such contracts. The bill was first read on January 22 of 2025. The bill was reported to the Committee on Natural Resources who reports the bill to General File with the committee amendment.

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

LIPPINCOTT: Thank you, sir. LB548 came out of the Natural Resources Committee last session on a 6-2 bipartisan vote. This bill is a pro-growth, no-cost tool for cities and other political subdivisions to partner with industry and generate new public funds without relying on property taxes. LB548 enables cities that own natural gas systems to harness a federal tax exemption for prepay gas sales to industry

consumers like ethanol plants. Think of these prepays like a coupon under the Internal Revenue Code. The bill targets industrial consumers that buy gas on the wholesale market and not from Black Hills. Those industrial consumers would continue buying gas on the wholesale market, but they could do it with a discounted rate from the city. The city would receive compensation for use of its prepaid coupons. Now first, let me be clear what the bill does not do. LB548 does not, I say again, does not compete with private business like Black Hills. Cities could only contract with very large industrial consumers that buy wholesale gas independent of Black Hills or another supplier. Black Hills would not, I say again, would not lose any existing customers under this bill. Section 2 of the bill expressly states, quote, such industrial consumer shall not be a consumer of any industry-owned or governmentally-owned gas system, close quote. That is a concession the bill made to address Black Hill's concern about competition. Now earlier I asked the pages to hand out an image of that, the-- which demonstrates this issue. The interstate pipelines transport gas throughout Nebraska currently. Consumer A on this diagram on the bottom of the sheet represents all of the consumers that receive gas through Black Hills or another supplier. That's great. Those consumers are all off limits under this bill. Only the few large industrial consumers, like ethanol plants, represented by Consumer B would be eligible for prepays. Those consumers are not and will not be served by Black Hills. They buy their gas directly from the interstate pipeline. Cities with gas systems could partner with them to benefit the cities and the consumers at no cost to Black Hills. Second, LB548 is a win-win-win. LB548 has no fiscal note, I repeat, no fiscal note, and that's a benefit to the state. That's a win. The bill also generates new revenue for cities. Central City, for instance, has a prepaid deal on the table that it anticipates would yield up to \$500,000 of city revenue annually. Central City plans to use that revenue for much-needed electrical upgrades, meaning taxpayers would not need to pay for them. That's a win. Up to 14 other cities could equally benefit. These cities are Alma, Superior, Falls City, Nebraska City, Fremont, Scribner, Hastings, Lyons, Wisner, Pender, Stuart, Stromsburg, Wahoo, and the communities served by MUD. Finally, LB548 supports industry with discounted gas. When a new industry considers whether to relocate in Nebraska or a neighboring state, it's likely to choose the state with more affordable gas. LB548 helps Nebraska win that competition for economic development. This is

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my priority bill. I believe in it, and I do ask for your green vote.
Thank you, sir.

KELLY: Thank you, Senator Lippincott. As previously stated, there is a committee amendment. Senator Brandt, you're recognized to open.

BRANDT: Thank you, Mr. President. The committee adopted AM664 to LB548, which is a white copy amendment that strikes and replaces the original section. AM664 retains the original provisions of LB548, but clarifies that the purpose of the bill is to allow qualified political subdivisions to engage in tax-exempt natural gas supply transactions described in Section 148(B)(4) of the Internal Revenue Code and related regulations that benefit the political subdivision and its taxpayers, as well as the other party. The industrial facility must be within 200 miles of the political subdivision. The facility must also be considered within the service area of the political subdivision's natural gas distribution system only during the term of the contract. And the contract shall not pose an unreasonable financial risk to the political subdivision or its taxpayers, as determined by the political subdivision's governing board. Thank you, Mr. President.

KELLY: Thank you, Senator Brandt. Moving to the queue, Senator Clouse, you're recognized to speak.

CLOUSE: Yes, thank you, Mr. President. Would Senator Lippincott yield to some questions, please?

KELLY: Senator Lippincott, would you yield to questions?

LIPPINCOTT: Yes, sir.

CLOUSE: Thank you, Senator Lippincott. Just a couple questions as I looked at the original bill and the amendment. The amendment goes 200 miles. What was the purpose for that?

LIPPINCOTT: Yes, sir. We talked to Black Hills last year when I introduced this bill, and let me just kind of explain very briefly, Senator, what this does. It's very simple. Let's just say, for instance, I'm Central City and you're an ethanol plant, say, 50 miles away from me. Currently, Central City, they own their gas company. So they receive gas utilizing the federal tax-exempt status. And for instance, if gas is \$4 per unit, they would get their gas at a discounted price, say of \$3.80. And then you're an ethanol plant, I'm

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using this as an example, 50 miles away or 100 miles away, and I come to you and I say, would you like to get a discount on your gas and make use of a federal tax-exempt status like what we're using? So I buy the \$4 gas for \$3.80, I offer to you for \$3.90. You save money. I also save money, plus I make some from the transaction with you. You're not doing anything different. All this is is a paper transaction, a financial paper transaction.

CLOUSE: Thank you. Before we get too far away, but this was changed from the original from in the state of Nebraska to 200 miles away, which means we could be offering some tax incentives for someone else in another state for an economic development. Why did we change it from Nebraska to 200 miles?

LIPPINCOTT: It has to stay within the state of Nebraska, even though it's 200 miles. So there are other states, sir, that do this right now. As a matter of fact, up to \$50 billion a year are saved through this mechanism. We patterned this bill after a bill that passed in 2021 that Minnesota currently has and have used since 2021, and they've had fabulous success with it. This is a win-win-win thing, like my opening said. It makes Nebraska more competitive with other states that currently have this right now, which we want to join those forces. Central City or one of the 14 towns that I read, they can also make use of this, plus other entities around the state, which also currently use natural gas. It helps them as well by getting discounted gas.

CLOUSE: So.

LIPPINCOTT: And let me just add this one thing, too. There are about two dozen different entities like ethanol plants, for instance, around the state that could benefit from this.

CLOUSE: So it's 200 miles from the city within the state of Nebraska.

LIPPINCOTT: That is correct. Yes, sir.

CLOUSE: And then another question, and we talked about this in committee, there had been previous lawsuits regarding service territory boundaries of gas and changes and conflicts with, you know, service providers within a service territory. Are you familiar with

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any of those or how has that been addressed? Specifically, I think, MUD and Black Hills.

LIPPINCOTT: I'm not aware-- I'm not aware of that.

CLOUSE: OK.

LIPPINCOTT: Just in brief, as I said earlier, this does not change anything. You continue to get your gas where you were getting it before, so that doesn't change. This is just simply a financial transaction that is being offered by these cities that own their gas, and a federal tax-exempt status which is given to municipally-owned--

CLOUSE: Right. I understand what we're talking about.

LIPPINCOTT: [INAUDIBLE].

CLOUSE: So it would include them now in their gas service territory boundaries. So my concern is what keeps that from spilling over now we get bills on changing electric service territory, all those other things, and expanding those. Presently we have existing statute that you cannot automatically change electric service territory for example to skip annexation or things like that. So I guess that's one of the questions I have. I'll read into a little bit more as we have more discussion. Thank you.

KELLY: Thank you, Senators Clouse and Lippincott. Mr. Clerk, for an announcement.

ASSISTANT CLERK: Thank you, Mr. President. The Judiciary Committee will hold an executive session under the north balcony at 10:30. Judiciary Committee under the north balcony at 10:30.

KELLY: Returning to the queue, Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. I don't want to rain on the parade, but a lot of this sounds really simple. I, I, I-- when we talk about owning a natural gas company, what that means is you have a piece of paper that says we now have a natural gas broker and a company that is just simply a broker that brokers buying and selling natural gas. There's no infrastructure. There is no plant and equipment that's just a piece of paper that says we have a gas

company. This thing is riddled with risk. A town of 3,000 people wants to enter into this kind of an agreement where you're going to have a very large industrial user who's going to buy natural gas from you. You're then going to have to manage the contracts on the other side and deliver that gas through pipelines that are owned by Trailblazer, likely, and you're gonna make a spread. Kind of like a banking transaction. And I got news for you, banking looks simple until you have your first big loan loss. And then it doesn't seem so simple. And I will tell you, the risk in this is twofold that I can see up front. I give-- I'm gonna give you an example and I don't want to necessarily be calling out anybody, but I remember when the ethanol plant in Ravenna, I believe, was the town it was built in. The buyers are-- the, the, the people who started the plant, built it, and they started operating it. And it wasn't working. They were losing money. And they ultimately went broke. And then ultimately, KAAPA bought it, and they made it into a wonderful ethanol plant. But Dawson Public Power was in that district and they delivered electricity, large quantities of electricity to the ethanol plant, just as you would deliver large quantities of natural gas. When they filed bankruptcy, who didn't get paid? Dawson. Seemed like a simple transaction. We buy electricity from MPPD, we deliver the electricity to a plant, and we take the spread. But you don't get a spread if you don't get paid. That, that's a receivable risk. In, in the banking industry, we call that loan losses. And underwriting that loss. I will tell you that since that time with KAAPA running it, I think they bill them every week, and so they get paid. There's not a big receivable that builds up. So number one, you have that risk. A town of 3,000 people. Now, we look at the fact that we can save property taxes, but what if you take a massive loss? Because you're still going to pay the supplier of the natural gas, or you get on the wrong side of a contract because the person managing the contract doesn't understand what they're doing. That's the other risk on the other side, of managing the contracts to purchase the natural gas and deliver it at the price that you committed to the customer. This is not simple stuff. It sounds simple, just like it sounds like that banking is simple. Anybody could start a bank, start making loans, making investments, what could go wrong? Well, I'll give you a tour sometime and show you what could go wrong. You hire a lot of smart people. You put a lot policies together, procedures together. Is this the kind of business that municipalities should be engaging in? Particularly class two cities with very limited resources and very limited backstop if things go wrong. And I think

not. I, I always had a joke, a standing joke with a, with a co-op or some chemical dealer that was a customer who said, we want to start financing our customers who are buying chemicals from us. And I said, you know, I got a proposition for you. How about you do the chemical business and I do the banking business? I won't sell chemicals if you guys don't do lending, OK? And that's been a pretty good arrangement is stay in your lane. And I just don't think that even if Minnesota does it, Minnesota does a few other things that we don't want to do here. But I'm just saying that there's a significant risk here. And we've got a, a 3,000-- town of 3,000 people whose city manager came up with this idea. Now, I don't know how old he is. I don't know how experienced he is, but I have a guess. I've got great idea that we can do, but it's riddled with risk. And that's my concern. So at this point, I'm not a believer. I'm not supportive.

KELLY: That's your time.

JACOBSON: Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. Good morning colleagues. I honestly don't know where I'm at on this bill. I appreciate Senator Lippincott has talked to me a few times about it and looking at it. And so I am genuinely listening to the conversation. And, and I say that in the sense that I've said this before and that I remember one time when I first got here and I got up and I said, I don't where I'm at on this bill. And it was Senator Dan Hughes' bill and we, you know, had not worked together very much at that point. And he never, then I voted against his bill or something. And I said, Dan, you never came and tried to convince me about your bill. And he said, well, you were against it. And I say, no, I specifically said, I don't know where I'm at, so try and convince me. And so he thought I was, I guess, using a rhetorical device. But anyway, so I appreciate-- I'm listening to what Senator Jacobson was saying there, and I, I appreciate that. I appreciate what other folks have said. And I, and I do see some of the merits in this idea. I just don't know where I'm at. Obviously I represent an area that is covered by a municipal utility. But I, I did have a question for Senator Lippincott if you wanted. And I'll give you a little context Senator Lippincott, it's a little bit about your bill but other stuff. So there's another bill, LB1024 that Senator

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Lippincott you're a co-sponsor of. LB1024 specifically says-- creates a requirement of teaching the ills of communism in history, in social studies classes. And it says there's a history of communism in the United States, including domestic communism movements, and their associated histories and tactics. And there's an increasing threat of communism in the United States and its allies throughout the 20th century, and then the economic, industrial, and political events that have preceded communism revolutions. So my question really is, and I looked this up, can Google communism versus socialism. And there's one part that stuck out to me, which was communism-- socialism is essentially a step on the path to communism from capitalism. And so I guess my question is, Senator Lippincott, is municipal entities, municipal natural gas companies entering an additional marketplace in competition with private enterprise socialism?

KELLY: Senator Lippincott, would you yield?

LIPPINCOTT: Yes. My question to that is, this is a, a transaction that already happens for small towns, like Central City, MUD also. And by the way, MUD came out regarding this bill and said, we strongly do not oppose this bill. I'm sure you heard that.

J. CAVANAUGH: Sure.

LIPPINCOTT: Yeah, the old double negative. But read between the lines. But what this does is, the cities itself, as the example that I gave earlier, they are making use of a transaction that already exists throughout the United States, made by the Washington, D.C., a federal tax-exempt status.

J. CAVANAUGH: Mm-hmm.

LIPPINCOTT: And states use this up to \$50 billion a year.

J. CAVANAUGH: I get the benefits of a public actor and all, and all those tax benefits. My question is, well, so you signed onto this bill that says we should teach about the ills in history of communism. Can you tell me what communism is then?

LIPPINCOTT: Yeah, I'm going to stick with the bill here because lots of people have questions on that.

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J. CAVANAUGH: Well, then I'll go back. Is a municipally-owned utility socialism?

LIPPINCOTT: What this bill does is it actually allows other entities around the state, like ethanol plants, for instance, another option. And that's what we want. We want competition. We want different systems like an ethanol plant or a large industry like an ethanol plant to be able to tap into this.

J. CAVANAUGH: And I'm going to run out of time here, I see my lights on. So but the competition, to be clear, is a private natural gas company is, is now going to have a competitor that it didn't previously have, and that competitor is a publicly owned utility.

LIPPINCOTT: It's, it's not competing. It, it, it-- the, the, the privately owned business already plugs into the gas, gas line, that's already existence.

J. CAVANAUGH: OK.

LIPPINCOTT: We're not taking away from that. What we do is we just overlay on top of their transaction and offer them the federal tax-exempt status which will save them a percent or two.

J. CAVANAUGH: And that tax-exempt status belongs to the publicly owned utility.

LIPPINCOTT: The city-owned.

J. CAVANAUGH: Yeah, and the city is a public entity?

LIPPINCOTT: It is.

J. CAVANAUGH: OK, and the, and the publicly owned utility is a form of socialism. Is that, is that a yes?

LIPPINCOTT: No.

J. CAVANAUGH: It's not?

KELLY: That's time.

J. CAVANAUGH: OK. Thank you.

KELLY: Thank you, Senators Cavanaugh and Lippincott. Senator Hughes, you're recognized to speak.

HUGHES: Thank you, Mr. President. I sit on Natural Resources Committee, where this bill was heard last year. And I just wanted to talk about it a little bit. I do not have prepared notes, which I usually do. So a little outside my comfort zone here, but this whole session, every single bill we hear is like, if it has a 10 cent fiscal note, absolutely not. Because it's all about not increasing taxes, property tax, income tax, sales tax. When this bill came, this is a very creative way that a municipality has figured out to help their municipality get extra funding by sharing that benefit they have with an entity and splitting, splitting the benefit essentially that is not property tax, it's not sales tax, and it's not income tax for their folks. There's very few entities that even do their own natural gas. So we're-- it's pretty limited there. I've heard, and I think we'll probably hear concern from some people that, you know, you're letting them go 200 miles out. Is that too far? Other states have done this. But and then I also hear, well, what about the liability? If they take this in, what about the liabilities of the city if something happens? Well, if this entity that they're talking about was in their jurisdiction, they would do it. There's no law that stops them from doing it. They would, they would set this up and they would share the benefit and it would happen. What this bill does is it just allows a municipality to go out and capture something like this. I think it's extremely creative. I'm kind of all for, hey, if, if the state could find ways of making money that is not a tax on the citizens, I think we should really give it thought to use. And, and it's a benefit. So I'm going to listen more on the concerns, but right now I am leaning to supporting this bill. It's very clear that we are not stealing away a customer from some other private entity. The ones they're talking about using are doing the market on their own. They are not a Black Hills customer. That would be wrong, right? Now you're undercutting using your government benefit, which you could then undercut everybody. That's not right. But, but it's very clear in this bill how it's set up. Again, I think it's a super creative way that this entity has come up with just benefiting their citizens and it not being tax, taxpayer money. And I think that it's something that we really need to give hard consideration to today. So, thank you Mr. President.

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KELLY: Thank you, Senator Hughes. Senator Moser, you're recognized to speak.

MOSER: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. Well, this is an interesting discussion and, and on paper, if everything works, there might be some pluses. But I think there's way too much risk here. The budget size of the city that's promoting this compared to the hundreds of millions that might be involved in selling gas, the budget is, is could be swamped by a bad transaction, somebody that doesn't pay. And beyond that, I think it's wrong for government to compete with private entity. If one city wants to get into the gas business outside 200 miles out their jurisdiction, then every city is going to want to get, if there's some profit in it, 200 miles out. And it's going to get to be spinning out of control. I think we should take care of the business within our cities and within our zoning jurisdiction where we have some control over what happens and not ex-- not arbitrage our tax discounts and give them away to somebody 200 miles away. What's the economic benefit to a city to help somebody 200-miles away? Nobody 200 miles away is going to live in the city that's giving them the deal on the gas. And, you know, it might help the city get a better price on gas, but it could come back to bite them, too. And so I'm a hard no on this. You can spin it however you want, and you can have good intentions and, and-- but good intentions don't necessarily guarantee good results. Because when the you know what hits the fan, everybody's going to cover their own backside. So again, I'd encourage the colleagues to vote no LB548. Thank you.

KELLY: Thank you, Senator Moser. Senator Glen Meyer, you're recognized to speak.

G. MEYER: Thank you, Mr. President. I rise in support of LB548, which enables political subdivisions that own natural gas systems to harness a federal tax exemption for prepaid gas sales to uncommitted industrial consumers. LB548 generates public revenue without relying on property taxes. First, LB548 is pro-growth, no-cost tool for political subdivisions to generate new revenue and attract new industry to the state without relying on property taxes. LB548 has no fiscal note. It would generate new revenue for political subdivision and attract private industry at no expense to Nebraska taxpayers. At a time when property taxes and state spending are such a concern, LB548 is a win-win. It is a no-cost tool for generating public revenue

without taxing Nebraskans. LB548 does not and cannot displace private business. Second, LB548 does not expand government to displace private business. I've heard some claims that LB548 would enable the political subdivisions to steal business from private gas distributors like Black Hills, but that is contradicted in the bill itself. Section 2 of the bill expressly states such industrial consumer shall not be a consumer of any investor-owned or governmentally-owned gas system with respect to the contract to receive service or natural gas at the time such contract is entered into. That is a concession the bill made to prevent political subdivisions from competing with existing private suppliers. Private suppliers would not and could not lose any existing customers under the bill. Instead, political subdivisions could only contract with uncommitted industrial consumers. Nebraska's Natural Gas Regulation Act already permits industrial consumers to purchase gas at wholesale. Those consumers could continue to do so. LB548 allows political subdivision to participate in the transaction and generate of local revenue. May I ask, would Senator Lippincott yield to a question?

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

LIPPINCOTT: Yes, sir.

G. MEYER: Senator, where did the idea for this particular bill, where did that originate?

LIPPINCOTT: Yeah, this was brought to my attention by our Central City city administrator, Chris Anderson. He's up in the balcony up there. And Chris belongs to a lot of national committees and such. And this is done throughout the country, around the USA. And some individuals approached him and said, hey, Chris, does Nebraska do this? This prepaid natural gas, federal tax exempt bonds, does Nebraska do this? Well, we do it for the city, but we don't extend the service area. And they said, well, why not? If you can, get a bill to do this because it's a win-win-win. It's a win for Nebraska, it's a win for the towns that own their own gas company, and it also is a win for the industries like a ethanol plant, for instance, that can also get discounted price on their gas and makes them more competitive with our surrounding states. So, this wheel has already been invented in other states, and what we wanna do is we wanna capitalize that and bring that home to Nebraska so that we're more competitive.

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G. MEYER: Thank you.

LIPPINCOTT: Thank you.

G. MEYER: I appreciate that, Senator Lippincott. I support this. It's a-- it can be a benefit to my home community, Pender, Nebraska. If they choose to take advantage, utilize this particular tool, that should be their choice. And I have-- I trust the management of Pender, Nebraska, to make the proper choice if this tool is available to them. I, I do support AM664 and I also support LB548.

KELLY: Thank you, Senators Meyer and Lippincott. Senator Quick, you're recognized to speak.

QUICK: Yes, thank you, Mr. President, and good morning, colleagues. I still have some concerns about the bill itself. And I know working for the city utilities in Grand Island, we have natural gas generation. So we have about 100 megawatt of natural gas that we-- that when we run those, I mean, it's coming right out of the, the, the system for Grand Island or for that area. And we have NorthWestern gas in our area. And one of the things that, that the utilities has to do before we can actually even run those, we have to work with NorthWestern to see if there's even natural gas available. So in the winter times, there were times that they would only let them-- let us run them for a short amount of time, or there might be times when they say you can't use it at all because it's too cold. We're making sure that we're providing gas, natural gas, to all the residential and businesses in the community to keep, keep their houses warm and to keep, and keep the businesses running, local businesses. So one of my concerns is on that end of it, if you've got a bigger user of natural gas and another part of the state is, you know, I know with our city utilities are used to working with the gas company to try to set up when you can use the gas, how much gas you can use, and those type of things. So having that, that knowledge is really important. And, you know, some of these smaller communities that might want to have-- want to do this maybe don't have that knowledge in how to work with a bigger user of natural gas. And if it's 200 miles away, it could affect natural gas in other parts of the state as well. I can-- one of the other things I have a concern about is if you have a larger user that's already been provided that natural gas, so let's just say NorthWestern is providing natural gas for an, an a-- for an ethanol plant somewhere, and now all of a sudden you remove that user from that, from their distribution.

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Are, are, are the rest of the people who are using it residentially, are the business is going to have to, to pay more for their natural gas because now all of the sudden they're losing a big user and they're losing some revenue from that? So that's one of my other concerns about this and how that could affect people, residential and businesses that maybe a larger user of natural gas would not be able to-- they would not have that resource for revenue so now you would put that onto the consumers within that region. So for those two reasons right now I'm not sure I'm supportive of this bill I think you've got to have really that regulatory process within there, have all that knowledge to be able to provide that service to, to someone 200 miles away and understand that there's also logistics that you're using gas from that area for that facility too. So with that, I'll yield the rest of my time.

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

CLOUSE: Thank you, Mr. President. If Senator Lippincott would yield a question.

KELLY: Senator Lippincott, would you yield?

LIPPINCOTT: Yes, sir.

CLOUSE: Thank you, Senator Lippincott. Another thing, as I've been sitting here listening to the comments and, and looking at the bill and the amendment and the maps that have been drawn, and the question keeps coming to my mind, would we ever have a situation-- and again, this is all conjecture and what-if scenarios, but generally what-ifs scenarios eventually show up. So if you're going to put a plant somewhere and it uses a large amount of gas, and the buyer says, OK, I'm not with Black Hills, I'm with, you know, any of the present gas buyers. I am out here, I'm gonna go out for a bid on my gas supply. And then you could have like an MUD who has tremendous amount of resources compared to a Stuart or a Ponca or the other 16 municipally-owned gas systems, you could get in-- conceivably could get into a bid process and the local advantage would most likely go away because MUD, they could be more risk-averse or less risk-averse, they could take more chances. And it could provide better pricing and better, as you mentioned, some of the price differences. And so that was-- that would be a question that I have, is how do we prevent

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something like that from happening? So say if you're in Stuart and you get a plant 20 miles east of you that's still within 200 miles of Omaha, for example, you know, that would a great opportunity for them. But then they would lose out because they don't have the resources. Do you see that scenario ever playing out?

LIPPINCOTT: Well, thanks for that question. This bill specifically says that it, it will not compete with anybody else. So it won't compete against Black Hills, for instance.

CLOUSE: Right.

LIPPINCOTT: So from what I'm understanding, there's only about two dozen different entities that can make use of this bill. And those entities, like an ethanol plant, for instance, they're already plugged into a gas line. Black Hills, for whatever reason, is not servicing them, so they currently have their mechanism is in place. All this bill does is-- it doesn't change anything except to offer an overlay of making use of the federal tax exempt status on the gas so that the new-- the business, the existing business that's using gas, they can save money on it with the tax-exempt status that Washington, D.C. has graciously allowed in this bill.

CLOUSE: Right. And thank you. So probably the answer to that question is, yes, it could happen. And probably the smaller community, they would-- could potentially be taking significant risk because they would want to compete for that project. And who benefits the most is a private enterprise. There's, I agree, there's advantages to the municipality with their gas system, but the biggest winner here would be the private enterprise, the plant. And I get that. So I just wanted to throw that scenario out there. We're not talking about that, but as you look down the road, and I always try to look ahead what could happen, have some action that we take, I can see that happening. I'm still mulling through my mind what direction I'm going to go with this bill, but I do thank you for your comments.

LIPPINCOTT: Thank you, sir.

CLOUSE: Thank you.

KELLY: Thank you, Senators Clouse and Lippincott. Mr. Clerk, for some items.

ASSISTANT CLERK: Thank you, Mr. President. Revenue committee will hold an executive session at 11:00 a.m. under the north balcony. Revenue Committee at 11:00 a.m. under the north balcony. I have a notice of committee hearing from the Revenue Committee. Your Committee on Agriculture, Chaired by Senator Dekay, reports LB10-- excuse me, LB807 to General File with committee amendments. Committee on Judiciary, Chaired by Senator Bosn, reports LB70 to General File with committee amendments, LB877 to General File with committee amendments. Committee on Education, Chaired by Senator Murman, reports LB429 to General File and LB475 [SIC-- LB745] to General File. Also, Education Committee places LB940 on General File and LB1022. Senator Hunt has amendments to LB669. And that's all I have at this time, Mr. President.

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

RAYBOULD: Thank you, Mr. President. Good morning, colleagues. Good morning, fellow Nebraskans watching our debate this morning. I stand in support of AM664 and LB548. I'll be very honest with you, when we were first approached by this bill, I had tremendous skepticism on the financing component of it to make sure that that municipality would not be at risk per any contractual terms with that large user. And there's a few things I want to point out, and why my whole opinion changed after I took some time and looked at the numbers and crunched them and listened more to the city administrator, Chris Anderson. I give him 100% credit. You know, city administrators, like us state legislators, we go to conferences, we learn a lot of great economic development tools. And this is one of the best practices that our-- that works in other municipalities in other states to allow only those cities or municipalities as this bill pertains to in the state of Nebraska that own and operate their natural gas systems. So for example, MUD, out of Omaha, they own and operate their natural gas system. So this is no different than what Omaha is currently doing. I, I wanted to address Senator Clouse's question, because I think it's a good one. When you have, like I said, there's only 14 cities in Nebraska that meet that level of owning and operating their own natural gas system, but what we put in the bill was that 200-mile radius, in essence, establishing that municipality's jurisdiction or district of where they can offer this preferential financing for purchases, large purchases of natural gas. And so, Senator Clouse's point is well-taken. And I kind of want to take a look at the map and see and do an overlay of that territory of that 200-mile radius to

make sure there is no overlap. Because you don't want Pender and Ponca competing against each other for contracts with a large operator or user of natural gas. What I had tremendous comfort in knowing, you know, I'm familiar with tax increment financing, you know it-- to help a developer make that project work, they go out, that developer goes out for the financing. The municipality is not on the hook. They do not act as a guarantee, no matter what the circumstances in a bankruptcy, whatever. The municipality is not on the hook. What's-- who's on the book is that developer and working with those lenders that offer the financing to make the tax increment financing work. So it's the lenders go after the developer, they do not go after municipality. And so what I wanna make sure is that for the municipalities that do wanna take advantage of this and in the language that they have in their contracts with that large user, work with their bond council. OK, some small communities like Central City or Pender do not have inside legal counsel on bond issues, just like the city of Lincoln and Lancaster County, we, we work with outside bond counsel that are the experts when it comes to financing and guarantors of those bonds. And so I would encourage all those-- if we pass this bill, that would be a condition that I think the the cities who may not have that expertise in that really work with outside bond counsel. It's in the contracts that you provide and the, the duration of that contract. You can do pre-- prepaid buys for either a year, two year, three years. Of course, this is going to be a long-term obligation, but you have to work out those details in the contracts that they have with that large user that wants to partner and benefit from this zero interest on these large purchases. So I ask my colleagues, please keep an open mind. This is a great thing. I also want to point out that the League of Municipalities supports this, because it's another opportunity that our municipalities have of earning revenue. Even when maybe their populations are decreasing, this is another opportunity they have revenue that they can gear towards infrastructure projects that have been diverted because they didn't have the capital to take care of some of these projects. So I urge your vote and support on this to, to allow those communities to move forward on this innovative tool on economic development. Thank you, Mr. President.

ARCH: Senator Hallstrom, you are recognized to speak.

HALLSTROM: Thank you, Mr. Speaker. Members, I rise for the moment in support of LB548. Senator Lippincott has gone over most of the issues

in terms of this being a pro-growth, no-cost tool for political subdivisions to generate new revenue and attract new industry to the state. I think he's noted that Section 2 of the bill is designed to provide some easing of concerns that this would be an overly-competitive factor. I always look at things with some degree of concern when we're talking about public competition with private enterprise. But in this case, I have two communities, Fall City and Nebraska City in my district with natural gas companies who could potentially take advantage of this. From listening to the comments, I'd like to maybe propose an alternative here that might ease some of the concerns for those of you who may be reluctant to vote for this, and that is to perhaps consider a sunset on the bill. It appears to me from the way that the bill is drafted that Central City has a specific target in mind somewhere within 200 miles of Central City. Nobody else in the marketplace is servicing that particular industrial business at this time. And if that is the case, to allow a sufficient time for that particular target to be brought into the fold by the Central City operation and then close the door to future contracts might be something that we should as a body consider to allow this project to go forward and ease the concerns of those private companies that might otherwise think it's bigger than it's supposed to be into the future. So I've talked to Senator Lippincott about that. I think he's taking that into consideration. And I think that's something that we could easily and readily draft or craft to put together to maybe allow this bill to go forward. And I would encourage you to do so. Thank you.

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

JACOBSON: Thank you, Mr. President. I did take time to go out into the lobby and, and visit with the attorney that's working on this. And he gave me some additional information that probably clarifies some of the concerns that I've had. First of all, I want to repeat that, that having a natural gas company literally is a piece of paper that says, we're a company. There's not a bunch of infrastructure. This is not MUD or something like that. This is just a designation. OK? Any city could get the designation. So the-- as far as the process in terms of how this works, the city is just stepping in and using lending their name to the transaction between Someone who is purchasing gas off the pipeline today not going through any supplier today. They're getting it off the pipeline and they're using contracts that are managed probably by Goldman Sachs or somebody like that. So by lending their

name to being a part of the transaction, they're lending the tax-exempt status. So yes, they're taking revenues from the federal government and using that money to divide between them and the user of the gas. That's, that's where this works. That's how they shed themselves of the liability, because the city does not have to collect from the end user and pay the supplier. That all gets handled by Goldman or whoever is doing the big transaction. All they're doing is adding their name to it so that they can get the federal tax exemption. So my concern really shifts more to if there are a number of other communities that would be interested, and I would guess that really most any community could get involved, you've got to find this idea that you're going to get this new startup ethanol plant. You're not going to get them because they're not going to be underwritten for that kind of credit line with Goldman. We're talking about someone who's well-established, has the financials that Goldman could underwrite, OK? So let's first of all look at that in terms of industrial user, what they would look like. So if they're approved by Goldman, whoever is going to be handling the bonding on the other side and who's going to manage the contracts for the natural gas, then they would possibly approve them, then the municipality would add their name to it to bring the tax exempt status or the tax discount and that's where the revenues come to the city and to the end user. Now my concern that I still want to deal with is what does that do if I'm Black Hills and I want to handle that when even though they're doing it off the pipeline today, will I ever have a shot at potentially getting involved? Well at this point, I'm not, because I can't compete. I can't compete with the federal tax advantage. And so I want to make sure that this is not something that could creep down, I can't be user-- I can't be a customer of Black Hills, so I'm gonna break my contract with Black Hills so I am no longer your customer. Now I want to go with these new guys. So I am concerned about competing with private industry. I want to make sure this bill is two paragraphs. So it's not a comprehensive bill, it needs more work. And I would be willing to move it on to Select File, but there's got to be a lot of work done between now and Select File to really get me to say I'm ready to sign on today. But I, I, I see the value. I then have another concern about how do we handle other communities. We take Central City, 200-mile radius in Nebraska. Well, that's a pretty big swath of Nebraska, OK? I don't know that I'm ready to sign on to that. What if North Platte says that they want to do this, and all of a sudden Central City's got most of the trade area? So I think we have to,

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probably have to decide what the trade areas should be, just like everybody else out there, they've got trade areas. Why would this be any different? The bill needs some work. It's not ready in my mind to become law, but I think it's got merit. And I feel much better about it in terms of risk. Originally, if they were going to be in the risk side of this there, there's no-- there's municipalities will be taking on that kind of risk. But they're not, and so I feel better about that piece of it. So I'm inclined to move it on to Select, but I think we need to have a lot of discussions between now and Select to make this a more robust bill with better guardrails before we move it onto Final. With that, I just thought I'd share that information. I'm certainly not the expert in natural gas, but if we can find a way to generate additional revenues--

KELLY: That's your time, Senator.

JACOBSON: --for municipalities, that would be great. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President, and good morning, colleagues. I do rise today still listening to the conversation about LB548 and AM664. I wanted to start by thanking Senator Lippincott for the work that he's done on this. He's had a chance to come over and talk to me multiple times about this. And I was remarking to Senator von Gillern over here that it's rare, I feel like, that we have these issues that come up where you come in with no preconceived notion and no real idea as to how you feel about the issue ahead of time, because it's a novel concept, and it doesn't necessarily cut across clear political lines. And I think those issues are interesting. I've had a chance to speak with Senator Lippincott, as I said, multiple times. I think this is an, an interesting idea. I think it's certainly an idea that is, as Senator Hughes had mentioned earlier, inventive. There are questions, I think, that have been raised by people out in the industry about the impact, and so I remain undecided at this point. The two things that I would just, I guess, I'm not going to ask Senator Lippincott on the mic, but just to put out into the ether. One, is the 200-mile radius locked in, or are we open to a discussion about lowering that 200-mile radius because that does seem to cover a very broad swath? And then two, I am trying to understand the interplay between, the part of this

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that makes it so if you currently are getting gas from an investor-owned company, and then if-- let me rephrase all of this, it seems like it's creating an additional restriction on existing companies. So if I'm a company that currently is a Black Hills customer, and this bill passes and this bill creates a new, cheaper option, the wording of this bill seems like it prevents the customer of Black Hills currently from making what might be the smart business decision and saying, I'm no longer a customer from Black Hills and I'm gonna go get gas over here because this new bill has been passed. Are we preventing companies and businesses from making that decision? And I see Senator Lippincott shaking his head no. So I have to run over to a Revenue exec, but I wanted to put those questions out here into the floor, see if Senator Lippincott can maybe respond to those. I imagine we're gonna continue to have discussions about this for a little while longer, but I am still undecided. But colleagues, I do appreciate the discussion we're having today. This is, I think, the way that these debates should happen. We're working our way through the bill. And frankly, I've been encouraged by a lot of the discussion that we've had for the entirety of this week on a number of bills where we've been able to work through some issues, have some amendments, and then continue to proceed. So let's keep it up. Let's do our best, colleagues. But I do appreciate the work that's gone into this, and I, I hope we can get some of these questions answered. Thank you, Mr. President.

KELLY: Thank you, Senator Dungan. Senator Lonowski, you're recognized to speak.

LONOWSKI: Thank you, Mr. President. My apologies. Senator Lippincott, will you yield to a question or two?

KELLY: Senator Lippincott, would you yield to questions?

LIPPINCOTT: Yes.

LONOWSKI: I stand in support of LB548, but I do have a couple of questions, very simple. Who are the winners? Who are losers? What do constituents have to gain and maybe what would be the, the revenue intake for communities? If you can answer those questions, please.

LIPPINCOTT: Thank you, sir. I appreciate that. I don't really know of any losers on this. There's a win with, first off, the state of

Nebraska because it makes us competitive with the other states that already do this. And this is done to the tune of \$50 billion a year in terms of making use of federal tax exempt bonds for natural gas. Other states do that. We need Nebraska to be able to do that to be competitive with our surrounding states. So, number one, the states win, the state of Nebraska in this case. Also, there are only 14 states, and I do believe that I read the names of those towns, and Senator Jacobson is not in the Chamber right now that I see-- or there he is over there in, in committee-- but there's only about 14 towns here in the state of Nebraska which own their own gas company. And Central City, my hometown, is one of them. Wahoo, Hastings, other towns. I read the list earlier. So those towns, they also benefit from this, so they are a winner, in your words. So for instance, the example I used earlier, let's say the gas price on the market is \$4 per unit. And towns that own their own gas company, like Central City and Hastings, they can get the gas, say, and I'm using an example of \$3.80. So they win. They get cheaper gas. And they are already doing that, so this is not changing that. What this is changing is it allows Hastings, for instance, to reach out 50 miles or 100 miles to an entity like an ethanol plant that's not currently plugged into Black Hills, for instance. So they're just buying their gas off the gas line that already exists. So it's not changing that, but what it is doing is it's allowing Hastings in this case to offer prepaid, natural gas, federal tax-exempt bonds to this entity, like an ethanol plant that's located 100 miles. We're just using that as an example. And so you buy the gas for \$3.80, you offer it to them for \$3.90. The price in the market is \$4, so they win, you win, Nebraska wins. And I really do not see any losers in this equation. Other states currently have this bill, have bills like this. As I said earlier in 2021, the state of Minnesota passed a bill like this and we patterned our bill after it. They've had smashing success up in Minnesota with this bill. So it truly is a win-win-win scenario. I believe in this bill so much that I made it my priority bill because I wanted it to be heard, and I'm hoping that Central City can benefit from this, just as Hastings can also benefit from it. Senator Hansen came over and he asked me, he says, well what percent of your budget would this affect? I'll give you, for instance, Central City has new electric lines coming into the city. They're bigger. We all know that we're using more electricity nowadays. That's an \$8 million project. Well, what this could do is it could save money, \$500,000 per year, and prevent Central City from having to soak the citizens of Central City for that \$8 million for

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the new electric lines. So we all know that cities have bills that they have to pay, and this is just another opportunity to make money, save money so that they can not have to raise taxes.

KELLY: That's time, Senators. Thank you, Senator Lonowski--

LONOWSKI: Thank you, Mr. President.

KELLY: --and Lippincott. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. Colleagues, I've been listening to the debate on LB548. It's interesting. And I, I actually don't rise-- you know, I was thinking, am I in support or am I not in support? I'm voting for this today. I'm very intrigued, Senator Lippincott, by your bill. I think that this is an interesting idea. I'm not sure like between General and Select. I know that there's been concerns raised. I'm not entirely clear on the concerns, but I appreciate your one-pager here. I've been reading through it, and I wanted to share some of the things on it for the broader public. And colleagues, if you haven't seen that it's on your desk. But the, the one about the political subdivisions and to steal an existing customer, I think that that's really an important piece. The question one, would LB548 allow a political subdivision to take business from anybody else or steal somebody's existing customer? I feel like that's-- answering that question, for me, is really important, which you do. You say, no, the bill is tailored to avoid hurting existing gas suppliers. Section 2 states: such industrial consumers shall not be a consumer of any investor-owned or governmentally-owned gas system. I do have a question, however, about this. Would Senator Lippincott yield to a question?

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

LIPPINCOTT: Yes.

M. CAVANAUGH: I appreciate that that language is in there. But it does, for me, beg the question, then who are the consumers under this bill? If we're, if we're saying you can't be already a consumer here or here, then who, who would be the consumer?

LIPPINCOTT: That's a great question. And this bill very specifically limits the customers that this would benefit. They would have to use

three billion BTUs of gas in order to qualify for this, to be a customer for this. So this is specifically for places like an ethanol plant, for instance, that uses large quantities of natural gas. So this not like we're going out and trying to get customers from mom and pop.

M. CAVANAUGH: OK.

LIPPINCOTT: So it's for large industrial, and I want to add on to that. There's only about, maybe about two dozen different entities around Nebraska that can actually use this.

M. CAVANAUGH: OK.

LIPPINCOTT: So it has a very narrow scope spectrum as to who can benefit from this.

M. CAVANAUGH: And also I heard you say that MUD, the Municipal Utilities District in Omaha, or "mud", that they came in neutral. But they were very strongly, positively neutral. So I, I appreciate that. I know I did speak with them, and they said that they were, yes, neutral. But in listening to the debate this morning, it sounds like though they are neutral, that this could be a positive for the Omaha area. Could you explain a little bit more how this could benefit my constituents?

LIPPINCOTT: Well, MUD, they own their own gas company, just like Central City and the other 14 towns that I read earlier, like Hastings, for instance. So this would allow MUD to be able to extend to other customers, large customers, like I just talked about a few moments ago, that they can pass along this tax-exempt status. So MUD currently is plugged into this. They use this. All this does is it just extends the service area that MUD could extend to other people.

M. CAVANAUGH: OK. All right, great. Well, thank you. I appreciate you answering those questions and I look forward to voting to move this to Select.

KELLY: Thank you, Senator Cavanaugh and Lippincott, Senator Spivey, you're recognized to speak.

SPIVEY: Thank you, Mr. President, and good morning, again, colleagues and Nebraskans. I appreciate this dialogue and just again learning

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more. Senator Lippincott, you've done a great job even before your bill came up, bringing around information so that we could try to get up to speed on this, this legislation and what it would do. I do not sit on Natural Resources. I am very much kind of a city girl, so some of these things are like, oh, what is this about? What do I need to learn and understand? And so I appreciate that intention for the approach for your priority legislation. Senator Cavanaugh stole a little bit of my thunder as I was going to ask specifically about MUD, since that is in Omaha, and I am an Omaha senator. And so, I appreciate getting the insight on that. And I just had one kind of outstanding question, if Senator Lippincott would yield.

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

LIPPINCOTT: Yes.

SPIVEY: Thank you, Senator. So, Senator Cavanaugh, as I mentioned, kind of stole my thunder a little bit about understanding who the customers were that were not being serviced by Black Hills Energy, for example. And so, there is a lot of economic development in District 13, my district. And so MUD is in that space. And so is this saying that MUD can service them through this type of process? Or given some of those larger commercial or industrial customers that may be there, they first still need to look at an existing supplier like Black Hills Energy? And if they're not being serviced, then that opens it up for an MUD to use this kind of prepayment option? Does that make sense what I'm asking? OK.

LIPPINCOTT: Yes, it does. Currently, industries are alr-- that are big industries. As I said earlier, this bill specifically targets industries that use 3 billion BTUs of natural gas. And that's, that's a very large volume.

SPIVEY: OK.

LIPPINCOTT: And so those industries are already plugged into the gas line. We drew a little picture that, that was handed out to everybody. So the top entity there, I think that's

SPIVEY: "Consumer B."

LIPPINCOTT: B, yeah, "Consumer B" up there. Those folks are already plugged into the supplier, the, the gas line. Obviously they have to

do that in order to stay in business because they use the gas. And all this does, this bill, is it allows somebody like MUD, for instance, to reach out and touch a industry like, I use the ethanol plant, because we all know about that here in Nebraska. We're number two in the nation in regards to ethanol. So it allows MUD or somebody like MUD, Hastings, Central City, to reach out and touch a company that already is plugged into the gas line, but yet they're not using the tax-exempt status which has a potential for saving them money.

SPIVEY: OK.

LIPPINCOTT: So your question is, will this, can this benefit MUD? The answer is a resounding yes, it can benefit them.

SPIVEY: OK. Yeah, that's perfect. Thank you, Senator Lippincott, for that answer. Again, this is definitely a foreign concept for me, not my area of expertise by any means, and so I appreciate the intentionality of making sure that we as your colleagues and as we take this vote have what we need to make an informed decision. And appreciate you being very open to answering those questions. So for me, I think I will be a yes on the AM as well as LB548 and look forward to continue debate as this moves on to Select. So thank you, Senator. Thank you, Mr. President.

KELLY: Thank you, Senators Spivey and Lippincott. Senator von Gillern, you're recognized to speak.

von GILLERN: Thank you, Mr. President. I've had some good conversations with Senator Lippincott. I really appreciate the transparency that he's had in this. And he's explained things to me several times, which, again, I appreciate. I've met with the representative in the lobby to learn more about it. I don't have as much discomfort as I did when I started, but I still am opposed to, to the concept. And, and I'm really philosophically opposed to a couple of pieces of it that-- and for those of you who know me, that's not usually my argument, as, as I don't usually get into the philosophical side. But my, my challenge is with, number one, does a city belong in, in private business? That's, that's the primary issue. The second is just the nature of the entities that are typically involved in this, which would be cities, counties, other municipalities, that, that those individuals, those board members, those city managers get hooked on this revenue. All of a sudden we've got, you know, a substantial

amount of revenue that's flowing through our budget. What are, what are we gonna do with that? Well, now we're gonna rebuild our budget around that revenue. That's what happens in every case. And is that bad? Well, it, it can be if the revenue stream ever ends. You know, I mean, when that revenue is coming in, that's great. We build new parks, we buy new police cruisers. We do good things in the community, and that's fantastic, and it's good for those communities. But if the market should change, if the private provider should change their territory, if the, if the gas market, you know, implodes, and I understand that there are safeguards built in, that-- which is really important-- that reduce the risk for the municipalities. But what if that revenue goes away at some point and this, this city, this municipality has built their budget around this? Let's say they've hired additional police officers, additional public safety. They've built structures that now need to be maintained. Are they still going to be able to do that or are they now going to be in a position where they're facing, you know, serious financial difficulties and potential bankruptcies? So and then if, if that were to happen, do they, do they hold what we would do in the marketplace, do they hold a strategic planning session and say what other products might we spend-- might we, what other industries might we get into, what products might we be able to resell and to develop new revenue streams? So these, these are my challenges with, with the bill. Again, I truly appreciate Senator Lippincott's work on this and I think it's-- I don't doubt that it may be good for his community. I think that it has far-reaching impacts beyond just his community that may be negative for the state, and therefore I will stand opposed to it. But again, I appreciate the effort on the bill and what it's trying to do. So thank you, Mr. President.

KELLY: Thank you, Senator von Gillern. Senator Murman, you are recognized to speak.

MURMAN: Thank you, Mr. Lieutenant Governor. When I first heard about this bill from Senator Lippincott, I thought, wow, that sounds great. Win-win-win situation. I have three commu-- well, two communities in District 38, Superior and Alma, that can take advantage of it. Also, Hastings is very nearby the district. So I, I have talked to utility managers from at least one of the districts on the bill and-- or one of cities on the bill, and they're very much in favor of it of course. And then I did have the apprehension when I heard Senator Jacobson earlier about, well, what could be the risk, risk to the city. But I'm

comfortable now that after talking to the utility manager, the lobbyist, and just hearing the discussion that there would be very little risk to municipalities. There, there could possibly be some risk if a, a utilities manager maybe would underbid too far or something like that, but there's always that risk with utility managers, I believe. But I think the biggest thing is the possibility for economic development. I know that's been discussed a little bit, but not a lot. Just especially like ethanol plants, having this tax advantage from I think both the-- or from the federal government, actually, makes them more competitive and possibilities for more competitiveness with new, new large gas users moving into Nebraska in the future. So I'm very much in favor of it and won't take a lot of time, don't want to love it to death. And of course, we're not filibustering it. So thank you, Mr. Lieutenant Governor.

KELLY: Thank you, Senator Murmin. Seeing no one else in the queue, Senator Brandt, you are recognized to close on the committee amendment, and waives closing. Members, the question is the adoption of AM664. All those in favor, vote aye. All those opposed, vote nay. There's been a request to place the house under call. The question is, shall the house go on a call? All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 26 ayes, 2 nays to place the house under call, Mr. President.

KELLY: The house is under call. Senators, please record your presence. All senators outside the Chamber, please return and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Armendariz, please return to the Chamber and record your presence. The house is under call. All unexcused members are present. Members, the question is the adoption of AM664. The vote was underway. Senator Lippincott, will you accept call-ins? Mr. Clerk.

ASSISTANT CLERK: Senator Spivey, voting yes. Senator Dorn, voting yes.

KELLY: Record, Mr. Clerk.

ASSISTANT CLERK: 28 ayes, 1 nay on the adoption of the committee amendment, Mr. President.

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KELLY: AM664 is adopted. Seeing no one else in the queue, Senator Lippincott, you're recognized to close on the bill.

LIPPINCOTT: Thank you, sir. I'm grateful for our discussion on this bill today. As I said before, this bill is truly a win-win-win with no losers. The three winners are: the state of Nebraska, the cities that own their gas companies, and also the industries that they serve. First, the state benefits because LB548 has no fiscal note. At the time of budget deficits, our job as senators is to look for tools like this that fund our essential services at no cost to the state, and LB548 does just that. It has no fiscal impact to the great state of Nebraska. Second, LB548 allows cities to generate new revenue without relying on property taxes. We've talked a lot about unfunded mandates this session, and this bill is the opposite. LB548 gives cities a tool to fund city services while reducing their tax burden. My constituents in Central City brought this bill to me. The deal Central City has on the table is worth up to \$500,000 of city revenue annually. Now where else will a city of 3,000 people go to find that kind of sustainable revenue? Central City plans to use the money for electrical upgrades, meaning taxpayers would not need to pay for them. Up to 14 other cities could equally benefit. They are: Alma, Superior, Falls City, Nebraska City, Fremont, Scribner, Hastings, Lyons, Wisner, Pender, Stuart, Stromsburg, Wahoo, and the communities served by MUD. Third, not only would these communities benefit under the bill, but all of Nebraska would benefit. LB548 supports industry with discounted gas. When a new industry considers whether to relocate in Nebraska or a neighboring state, it's likely to choose the state with more affordable gas. LB548 allows communities to support and attract economic development. Economic development helps Nebraska win. And finally, LB548 has no losers. It does not compete with private business like Black Hills. As the diagram that we handed out earlier shows you, LB548 is targeted for a few large industrial consumers that buy wholesale gas. Independent apart from Black Hills or another supplier. They're represented by "Customer B" on your handout. In contrast, "Customer A" on the bottom represents all of the consumers that receive gas through Black Hills, or another supplier. And that's great. Those consume-- consumers are all off limits under this bill. Section 2 of the bill expressly states, quote, such industrial consumers shall not be a consumer of any investor-owned or governmentally-owned gas system, close quote. LB548 is truly a win-win-win. It costs the state nothing, it would mean a lot of new

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revenue to cities, and it would allow Nebraska to support and attract industry. This is my priority bill. I believe in it. And i would ask people please vote for this bill. If you have some changes that need to be considered between General and Select, we will entertain those. I do ask for your green vote on this bill. Thank you, sir.

KELLY: Thank you, Senator Lippincott. Senators, the question is the advancement of LB548 to E&R Initial. All those in favor vote aye. All those opposed, vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 25 ayes, 9 nays on the advancement of the bill, Mr. President.

KELLY: LB548 is advanced E&R Initial. I raise the call. Mr. Clerk.

CLERK: Thank you, Mr. President. Some items for the record. Notice of committee hearings from the Natural Resources Committee. Committee report from the Natural Resources Committee concerning gubernatorial appointments to the Nebraska Ethanol Board, as well as the Nebraska Game and Parks Commission, and the Nebraska Oil and Gas Conservation Commission, the Nebraska Environmental Trust Board. Amendment to be printed from Senator Murman to LB940. A series of motions from Senator Conrad to LB1165 and LB1228. New LR, LR335 from Senator Raybould. That will be laid over. As it concerns the agenda, Mr. President, General File. LB538, introduced by Senator Hardin. It's a bill for an act relating to education; it requires each school board to adopt a policy relating to discrimination and harassment, including anti-Semitism as prescribed; creates the position of Title V coordinate-- Title VI coordinator within the State Department of Education; and provides powers and duties; requires each post-secondary educational institute governing board to adopt a policy relating to discrimination and harassment, including anti-Semitism as prescribed; requires the Coordinating Commission on Post-Secondary Education to employ a Title VI coordinator as prescribed; and provides powers and duties; to harmonize provisions; and repeal the original section. The bill is read for the first time on January 22, 2025, and referred to the Education Committee. That committee placed the bill on General File with committee amendments, Mr. President.

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

HARDIN: Thank you, Mr. President. LB538 addresses a growing and deeply troubling concern in schools and universities across the country, the rise of anti-Semitism, and the urgent need to ensure that all students, regardless of their background, feel safe, respected, and protected in their pursuit of education. I'm thankful to Senator Sanders for her support and recognition of this very important issue, and for making this particular piece of legislation her personal priority bill. Thank you, Senator Sanders. This bill does one simple but powerful thing. It makes clear that anti-Semitism is a form of discrimination, and it must be treated as such under our state's education policies, just as we would with discrimination based on race, color, or national origin. It draws upon the International Holocaust Remembrance Alliance's, IHRA, working definition of anti-Semitism, a definition widely recognized and adopted by democratic nations and institutions around the world, including Nebraska. On November 22, 2023, Governor Pillen issued a proclamation condemning anti-Semitism and affirming our state's adoption of this definition. The definition includes contemporary examples that help schools and communities identify anti-Semitic acts, whether they come in the form of slurs, exclusion, intimidation, or worse. 37 states have adopted this definition. Let me be clear, this legislation does not create a new category of protected speech, nor does it infringe upon the First Amendment. In fact, in Section 4(5), the bill explicitly safeguards all constitutional rights. What it does is ensure that when anti-Semitic discrimination occurs in our schools, it's identified for what it is and addressed with the same seriousness and urgency as any other form of unlawful discrimination. The bill applies to all education programs that receive direct public funding, whether that be K-12 schools, public universities, or vocational programs primarily engaged in education. And it lays out clear reporting requirements so we can understand the scope of the issue and respond with transparency and accountability. This is not a partisan issue. It's a matter of human dignity, of moral clarity, and of upholding the values of equality and justice. No student should ever be harassed, marginalized, or excluded because of their Jewish identity, real or perceived. You might be sitting there thinking, this isn't a real problem. I assure you Jewish hate is a problem and must be addressed. Since the deadly attacks on October 7th, 2023, where 1,400 Jewish believers were killed, anti-Semitism across the globe has been on the rise. From October 7th, 2023, to September 24th, 2024, there were more than 10,000 anti-Semitic incidents recorded. The

Anti-Defamation League reported over 9,300 incidents of anti-Semitism for the year 2024, a 344% increase over 5 years. In August, 2024, in New York, a Jewish barber was stabbed multiple times by an individual who reportedly yelled: I want to kill you Jews. In Chicago, two months later in October, a Jewish man was shot and killed when walking to a synagogue. The assailant was charged with terrorism and hate crimes. In April of last year, there was an attempted arson on the Pennsylvania Governor Josh Shapiro's residence while he and his family were present. The assailant was charged with terrorism and sentenced to 25 to 50 years as part of a plea deal. In May of last year, two Israeli embassy staffers were fatally shot outside the Capital Jewish Museum. Both were staff members of the Israeli Embassy and were known among friends and colleagues for their dedicated work in diplomacy and humanitarian efforts. One month later in Boulder, Colorado, a peaceful walk and vigil calling for the release of Israeli hostages was violently attacked. Mohamed Sabry Soliman used a makeshift flamethrower and Molotov cocktails while shouting anti-Semitic slogans. 13 people were injured, and 82-year-old Karen Diamond later died from the injuries she sustained. And the violence continues. Last week in Brooklyn, New York, a children's playground in the heavily Jewish Borough Park neighborhood was graffitied with swastikas and other Nazi emblems on slides and other playground equipment. Police arrested two 15-year-old boys in connection with that hate crime. Jewish hate is not a problem of the past. It's a clear and present threat to our Jewish brothers and sisters. I ask for your support, not just because this legislation is necessary, but because it sends a message that in Nebraska, we will not tolerate any form of Jewish hate. And we will stand up together against anti-semitism wherever it arises. Thank you, Mr. President.

KELLY: Thank you, Senator Hardin. As the Clerk stated, there's a committee amendment from the Education Committee. Senator Murman, you're recognized to speak.

MURMAN: Thank you, Mr. Lieutenant Governor. AM1385 is the Education Committee's white copy amendment. The purpose of AM1385 is to clarify and strengthen protections against discrimination in public education programs, specifically focusing on anti-Semitism to ensure it is addressed with the same seriousness and consistency as other forms of discrimination already prohibited under state and federal law. In Section 1, it provides a definition of anti-Semitism, referencing the International Holocaust Remembrance Alliance's working definition.

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This definition is widely recognized already by various governments, educational institutions, and civil rights organizations. Section 2 of AM1385 reaffirms that no person in Nebraska may be excluded from participation in, denied the benefits of, or subject to discrimination in any education program receiving public funds on the basis of race, color, or national origin. But importantly, it clarifies that these protections extend to individuals who experience discrimination based on actual or perceived shared ancestry or ethnic characteristics, including members of groups that share a common religion. In simple terms, discrimination against Jewish Nebraskans when it is rooted in ancestry, ethnicity, or national origin is clearly recognized as a violation of this section. Anti-Semitism is treated consistently with other prohibited forms of discrimination under Title VI of the Civil Rights Act. The amendment explicitly requires the state and public-funded education programs to enforce these protections with equal rigor. The amendment also outlines reasonable, non-mandatory steps education programs may take to support this goal, including incorporating anti-Semitism into existing anti-discrimination policies, ensuring equal enforcement standards of anti-Semitism to any other form of discrimination, and more. These are now new-- these are now new rules, but guidance to ensure existing civil rights obligations are applied consistently. Additionally, additionally, or excuse me, additionally, education programs are required to annual report on pending or resolved incidents or complaints involving anti-Semitism to a designated Title VI coordinator. To be clear, these reports do not contain any identifying information and for transparency and accountability. Finally, this amendment is very clear that there are no conflicts with existing federal or state discrimination law, diminish any free speech protections, or interfere with the ability of religious education programs to employ or admit individuals of a particular religion for religious activities. The AM1385 also establishes Title VI coordinators with the State Department of Education and the Coordinating Commission, who will receive reports, monitor compliance, and submit an annual report to the Legislature. The goal here is simple, oversight and consistency, not bureaucracy. In closing, AM1385 does not create new categories of discrimination, not single out any group for special treatment, it simply ensures anti-Semitism is clearly recognized and addressed under the same currently-existing civil rights framework. Thank you, and I urge your green vote on AM1385.

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KELLY: Thank you, Senator Murman. Mr. Clerk.

CLERK: Mr. President, Senator Hardin, I have MO322, MO324, and MO325, all with notes that you withdraw.

KELLY: Without objection, so ordered.

CLERK: Mr. President, I also have FA330, FA331, and FA332 from Senator Hardin, all with notes that he'd withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President, Senator McKinney would move to amend with AM1866.

KELLY: Senator McKinney, you're recognized to open.

McKINNEY: Thank you, Mr. President. And thank you all. So AM1866 makes some additions to this bill that I think is very important because discrimination and racism and all that is on the rise and not just one category. And it's been persistent for some time now. And I just want to ensure that we're fair and just in what we're doing in this. It's not against the reasonings that Senator Hardin mentioned, but I think it's important that if we're going to emphasize that certain populations or certain groups are not discriminated against, and it's emphasized in our educational systems, I think we should add anti-Blackness. I think that we should make sure that anti-Blackness does not occur in our schools. Also think that especially this one, we're on stolen land and we should ensure that anti-Indigenous should be addressed in our schools as well. Probably the most important one, honestly, because sometimes individuals seem to forget that indigenous people were the first people in this country on this land and it was stolen from them and taken away from them. And they were forced on reservations and things like that. So my amendment adds a part to add anti-Blackness and anti-Indigenous into this bill. And I would love your support because I think it's important if we're going to be including inclusionary and just, just to ensure that it's not lost on us that I will, as a Black man, I see it all the time. I see it-- probably gonna see a lot of it on the comments when I look on the internet today because I brought this amendment. Black racism, anti-Blackness has been on the rise, especially under this administration. Anti-Indigenous has been in the rise. So I just wanted

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to be clear that our kids are taught this as well and that's it. Thank you.

KELLY: Thank you, Senator McKinney. Moving to the queue, Senator Lonowski, you're recognized to speak.

LONOWSKI: Thank you, Mr. President. Initially, I did not see a reasoning for LB538. It's not happening as much out in our communities, in the small communities, in the small schools. However, I now stand in support of LB538 and AM1385. In the larger cities, larger school systems, we are seeing anti-Semitism. And most recently, I've seen it outside the walls of our Capitol. We really need to make sure that harmful statements, demeaning remarks, disparaging comments, whether they're by people in the street or by politicians or even our fellow lawmakers, we need to ensure that they're called out. So again, I just stand in support of LB538 and AM1385. And thank you for your time.

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

CONRAD: Thank you, Mr. President. Good morning, colleagues. I want to thank Senator Hardin, Senator Murman, Senator McKinney, Senator Strommen, others who have worked diligently on this issue since introduction and that have previously prioritized the measure and helped to bring this measure forward to our agenda today. I understand that my good friend Senator Sanders has prioritized the measure this year, and that's why we see it with prominent placement on our agenda. But my friend Senator Hardin did a good job of detailing the rise of anti-Semitism as clearly detailed and delineated by our partners and the leaders at the Anti-Defamation League and otherwise we heard at the committee level significant amount of data and statistics and personal reflections about what the rise in anti-Semitic behavior means for Nebraskans. We have looked to see what is happening across the country and in our sister states in regards to this issue and we know for example that combating anti-Semitism is indeed a non-partisan bipartisan issue. That is you have seen President Biden convene kind of a first-of-its-kind task force to take a society-as-a-whole approach to combating anti-Semitism. You have seen President Trump issue at least two executive orders galvanizing the power of the federal government to address these issues. We know that there is a complex set of laws governing these issues, starting with the U.S.

Constitution, flowing through federal civil rights laws, and then as applied through various, various state laws as well. So one of the key aspects that all parties have been trying to address in moving this measure forward is how we can be compliant with the existing understanding of Nebraska law and precedent in regards to our relationship with the university system as established in the Exxon case. We have tried to figure out ways to reduce the fiscal impact in light of the budget crisis and a direction to existing entities that will be impacted to utilize existing funds. We may have some more work to do on that from General to Select. And I know some local schools have also raised concerns about fiscal impact. So we'll want to make sure we're filling gaps, providing clarity, but also fully leveraging and utilizing existing trainings, existing educational materials, existing reporting mechanisms that may be in place so that we do not have redundancy and to address fiscal impact. The, the other piece that I wanted to make sure to lift up was, you may remember years ago, there was an effort for increased awareness, heightened reporting and additional proactive activity when it came to sex assault on college campuses. And in regards to different entities' requirements under Title IX, Senator Cavanaugh helped to advance an important measure that increased awareness, reporting, and training in regards to Title IX at college campuses. Some of that model in terms of reporting, training, and hearing is incorporated in the amendment that I have filed that we will talk about later today. It is undeniable there is a trend in higher education and in government-- governmental entities as a whole to similarly identify and assign a Title VI coordinator within their ranks, much like they do for Title IX. This incorporates and understands and identifies that trend in regards to ensuring that there is a clear designee to enforce and understand Title VI-related matters within the purview of that institution. So we will have time to talk through more of the details. We may have some more work to do in subsequent rounds of debate to ensure that fiscal note is as limited as possible and to reduce any unfunded mandate or redundant mandate on local schools or other entities or to harmonize provisions, but we have been working hard in good faith to put forward a workable framework to address the undeniable rise of anti-Semitism. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Mr. Clerk.

CLERK: Mr. President, items for the record. Amendments to be printed from Senator Conrad to LB538. Name adds. Senator Hardin, name added to

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LB951 and LB1197. And a priority motion, Senator Fredrickson would move to adjourn the body until Friday, January 30, at 9:00 a.m.

KELLY: Members, you've heard the motion to adjourn. All those in favor say aye. Those opposed say nay. The Legislature is adjourned.