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Floor Debate February 10, 2026
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KELLY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-fourth day of the One Hundred Ninth Legislature, Second Session. Our chaplain for today is Pastor Raymond Wicks, First Baptist Church in Plattsmouth in Senator Clements' District. Please rise.

RAYMOND WICKS: If you'd join me in prayer today as we have your day begin with all this activity, let's bow our heads for prayer together. Father and God, as we come before you as the creator of the world, as the one that loves us personally and individually, we ask for your help. We thank you that you're a wonderful God. We thank that you are a good God. We-- father, we thank you that you can guide us and direct us. And you say to commit our way unto you and commit our works unto you and our thoughts will be established. And I know this body needs your help today. They've got a lot of decisions to make. And Father, we ask for your wisdom. Like Solomon, we come before you and say we're just little children, we don't know what to do. And help us to have that humility. And Father, I pray that you just again give your spirit, and may it be a spirit of unity. I know that there are different opinions and so forth and may again you be directing the, the guidance of what happens today. And Father, we want your will to be done. And we know that each of these senators have personal lives, and we pray that you would bless their individual needs, whether it's a family need, a medical need, a health need, whatever the particular need that they might have. I pray that you would help them with it, and maybe extended family. Just again, we ask for your grace. These are servants of yours. And we know, Father, that you chose them for this position and you chose them to be able to be our representatives. And so we ask for your power to work through them and give them courage to be able to stand for what is right and what your will will be done. And again, we pray that your will would be done today. Father, again, thank you for your goodness to us. We thank you for our wonderful state that we enjoy. Again, we're thankful for even our basketball team. Bless them. And just all that goes on today, we commit it to you in Jesus' name, amen.

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

DOVER: Colleagues, please join me in the Pledge. I pledge allegiance to the flag of the United States of America, and to the republic for

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which it stands, one nation under God, indivisible, with liberty and justice for all.

KELLY: I call to order the twenty-fourth 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: Are there any messages, reports, or announcements?

CLERK: There are, Mr. President. Communication from the Governor. Dear Clerk Metzler, Engrossed LB60, LB207, LB212, LB258, LB384, and LB518 were received in my office on February 5, 2026 and signed on February 9, 2025. These bills were delivered to the Secretary of State on February 9, 2026. Signed sincerely, Jim Pillen, Governor. Additionally, notice of committee hearing from the Judiciary Committee. That's all I have this time.

KELLY: Thank you, Mr. Clerk. Senator Hughes would like to recognize the physician of the day, Dr. Jason Summa of Seward. Please stand and be recognized by the Nebraska Legislature. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR338 and LR339. Mr. Clerk, please proceed to the first item on the agenda.

CLERK: Mr. President, General File, LB940, introduced by Senator Murman. It's a bill for an act relating to schools; to prohibit certain color additives in school meals as prescribed. The bill was read for the first time on January 9th of this year and referred to the Education Committee. That committee placed the bill on General File. When the Legislature left, Mr. President, pending was the bill itself, as well as an amendment from Senator Murman, AM1817.

KELLY: Senator Murman, you're recognized for a two-minute refresh on both the amendment and the bill.

MURMAN: OK, thank you, Mr. Lieutenant Governor. LB940 is a simple bill. It simply prohibits a small list of petroleum-based artificial

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food dyes from being used in school-provided meals. And those dyes include Blue 1, Blue 2, Green 3, Red 40, Yellow 5, and Yellow 6. And that's not an arbitrary list. Those chemicals are specifically match chemicals that the United States Department of Health and Human Services and the United States Food and Drug Administration have identified as dyes that they plan to work with the food industry to eliminate from the food supply. And going on to the amendment, AM1817 simply pushes back the date when the, the bill would go into effect. And this is based on the DHHS's recommendation, as some food may have already been purchased and may not be used within the current timeline. So we're kicking it back one year to ensure that none of the already-purchased food is restricted, and we certainly don't want to waste food. Thank you very much, Lieutenant Governor.

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

McKINNEY: Thank you, Mr. President. I don't know if I actually support this bill for a lot of reasons. So we're eliminating the human relations training. And what is stricken in the bill, it says, human relations training means coursework or employment experience that leads to an awareness and understanding of values, lifestyle, contribution, history of pluralistic society. B, the ability to recognize and deal with dehumanizing biases, including but not limited to sexism, racism, prejudice, and discrimination, and awareness of the impact of such biases have on interpersonal relations. C, the ability to translate knowledge of human relations into attitude, skill, and technique which results in favorable experience for students. D, the ability to recognize the ways in which dehumanizing biases may be reflected in instructional materials. E, respect for human dignity and individual rights and the ability to relate effectively to others, individuals and to groups in pluralistic society and other applicants. My issue is many things. One, there is not a great pipeline of diverse teachers, for one. Two, we're gonna roll back suspending pre-K and second-graders this year, and prior to that, there was extreme disproportionality of students of color that were being suspended in our schools. So getting rid of human relations training really doesn't make a lot of sense. And then you couple that with just the, the world that we're living in today and the need for better human relations overall. I don't think it's a good idea to get rid of human relations

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training. Maybe I need a better understanding, and would Senator Murman yield to a question?

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

MURMAN: Certainly.

McKINNEY: Senator Murman, what is the purpose of getting rid of this training and why is it needed?

MURMAN: Actually, we're on LB940 right now. It's to eliminate school dyes.

McKINNEY: Oh. My bad.

MURMAN: Dyes in school meals, so.

McKINNEY: All right, we'll get to that next. But be ready for the question. Thank you.

MURMAN: Certainly. Thanks.

McKINNEY: I thought it was LB940.

KELLY: Thank you, Senator McKinney and Murman. See no one else in the queue, Senator Murman, you're recognized to close on AM1817.

MURMAN: OK, the amendment, AM1817, simply moves back the effective date so that all food that's in the pipeline right now will be used up before the restrictions on the dyes in school foods will go into effect. And I would appreciate your green vote on AM1817.

KELLY: Thank you, Senator Murman. Senators, the question is the adoption of AM1817. All those in favor, vote aye. All those opposed, vote nay. Mr. Clerk.

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

KELLY: AM1817 is adopted.

CLERK: Mr. President, Senator Machaela Cavanaugh would move to amend with AM2053.

KELLY: Senator Machaela Cavanaugh, you're recognized to open.

M. CAVANAUGH: Thank you, Mr. President, good morning colleagues. I apologize to Senator Murman that I didn't have a chance to discuss this with him, but yesterday-- this is not a hostile amendment and it's an idea, and maybe one that we might not be able to work-- move on today and maybe we'll have to come back to it on Select File. But this is universal school meals. Senator Conrad yesterday, when she was discussing Senator Murman's bill, was talking about different things around school meals and food, and mentioned the universal school meals. So I've been introducing a version of universal school meal for, oh, six or seven years now, and I introduced another version this year. I kind of debated back and forth. I had an amendment to the bill that I introduced last year, and I think that this is such an important issue that I, instead of filing just the amendment, I introduced it as a bill as well. Mostly because I wanted to have another public hearing on universal school meals so that we can once again elevate this really important issue of nutrition, food insecurity for our most vulnerable population, children, in the state of Nebraska. So this amendment is an addition to the underlying bill. The underlying bill only has Section 1, so this inserts Sections 2 to 7, which is my bill on universal school meals. So what is universal school meals? We have a free and reduced lunch program in this country and in this state. And what that means is that if you qualify financially, if a family qualifies, your child may get a free lunch at school, if you qualify for free lunch. Or if you make too much money for a free lunch, you might get-- qualify for a reduced-price lunch. So that means that the family still has to pay for that reduced-price lunch, probably still a hardship for them to do. During the pandemic, all schools had universal school meals. I call that the pilot program. The national pilot program for universal school meals was the pandemic. At that time, the federal government said, we are going to suspend all reporting requirements, everything. We're just going to send the states the money to pay for meals. Awesome. It worked. It worked like a dream. It was great. What it did when it ended was created an opportunity for us to look back and say, hey, that worked really, really well. We had kids showing up to school hungry, and they got fed. And it wasn't an issue. There wasn't paperwork involved. There wasn't any sort of shame involved for the children. They just, they showed up to school, they got fed, they were ready to learn. Great. So we already did a pilot. I've had people talk to me about maybe we could do a pilot on this. We did, it was the pandemic. So we don't need to do a pilot. What we need to now is the next step, which

once we do a pilot and we see that it worked well, we then implement it. Now I realize that implementing full scale free and reduced lunch, universal school meals in Nebraska is a hefty price tag. I think it's somewhere around \$50 million. So this is a new option. It's not the full option, which would be my preference, but it is a, it's a scaled-back option. So I'm just going to read part of the amendment, so it describes what an eligible, eligible meals means school breakfast or school lunch. And I should mention not every school serves breakfast, so this doesn't require schools that currently only serve lunch, it doesn't require them to start serving breakfast. If they serve breakfast, then they are part of the-- the breakfast is also part of meal program. OK, so that is both served to a student who qualifies for reduced-price school meals under the Department of Agriculture nutrition programs and served at no cost to such student. Then it talks about the federal reimbursement rate. OK. The Hunger-Free Schools Meal Program is created, this is Section 5. To comply with Hunger-Free Schools Program, a qualified school shall serve eligible meals through any school breakfast program or school lunch program operated by the school during the school day. Again, that's any school breakfast program, not must have a school breakfast program. It's if they have it already. Submit information regarding the number of eligible meals served in a manner prescribed by the department. The department shall annually reimburse each qualified school a portion of the costs of each eligible meal served by such school during the second preceding school fiscal year in the amount equal to the difference between the federal reimbursement rate for free meal and the federal reimbursement rate to reduced-price meals for eligible meal. OK, what does that mean? This amendment means that the state will pick up the price tag for the remainder of the reduced-price lunches. So if you qualify for free or reduced lunch, it will be paid by the federal government, and the, the difference-- the delta will be pay by the state. So LB251 from 2019 had this cost at \$1.9 million. We had 329,000 kids back then with around 40% FRPM. Now, this is my note from one of the advocates. I don't know what FRPM means. I think it's going to be Federal Reimbursement Program. So, yes. OK, great, I've phoned a friend over to the side. Since the reimbursement rate hasn't changed, still 30 cents for breakfast and 40 cents for lunch, and our enrollment is now 330,000 with a 50 percent-- oh, it's gone up-- FRPM, it's probably around \$2 million. So we don't have a fiscal note yet for this amendment because, well, my bill hasn't had a scheduled hearing yet. So my bill being the amendment to

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my previous bill, I know it's complicated. So my bill has technically had a hearing last year, but I reintroduced it this year paired down. So I don't have a paired-down fiscal note. But we're estimating the fiscal impact would be around \$2 million. This would be huge for our education system to have one more avenue for helping low-income kids have the best start possible. Would I prefer we have universal school meals? Yes. Yes, I would. Because even if you can, on paper, afford to pay for school meals, it still is a struggle. As a parent of three kids who have school meals, it is not easy. And, and I would like to see every kid starting off on the right foot every day. So I appreciate that this is probably not exactly what we were intending to do today, but when Senator Murman's bill came up and it was about healthy food at schools, I just thought, let's take this opportunity to have a conversation about universal school meals and how we can help kids. I see that nobody is in the queue, which means that nobody wants to have this conversation today. Since nobody wants this conversation today, which I do find extraordinarily disappointing, colleagues, like really disappointing that literally 48 of you don't want to talk about feeding kids. But so, Mr. President, I'm going to withdraw this amendment, and I will bring it back at another time. And maybe my colleagues will start to care about feeding kids. Thank you, Mr President.

KELLY: So ordered, the amendment is withdrawn. Seeing no one else in the queue, Senator Murman, you're recognized to close on LB940.

MURMAN: Thank you, Mr. Lieutenant Governor. LB940 simply prohibits a list of petroleum-based artificial food dyes from being used in school-based meals. And I won't go through that list again, but it's important to note that several states have already passed identical-- identical legislation, and it is a growing movement both in the U.S. and internationally. The bill only addresses school-based cafeteria breakfast and lunches, and of course, American children are eating more and more processed foods, and those foods are linked to worsening behavioral conditions. And those behavioral conditions are worsening. And eliminating these food dyes from the school-based meals would go at least partway toward possibly eliminating some of those issues. There is support from the federal level to do that, probably will be done in the new-- near future from the federal level, and I do recommend your green vote on LB940. Thank you.

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KELLY: Thank you, Senator Murman. Senators, the question is the advancement of LB940 to E&R Initial. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 36 ayes, 0 nays on advancement of the bill, Mr President.

KELLY: LB940 is advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President, next bill, General File, LB1022, introduced by Senator Murman. It's a bill for an act relating to education. Eliminates definitions; eliminates the human relations training requirement for obtaining a certificate or permit to teach, provides special services, or administer; to harmonize provisions; and to repeal the original section. The bill was read for the first time on January 13th of this year and referred to the Education Committee. That committee placed the bill on General File, Mr. President.

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

MURMAN: Thank you, Mr. Lieutenant Governor. The idea of LB1022 came from me directly from a Nebraskan who called my office. This was a semi-retired individual who had already had a college degree and had worked an impressive career as an officer in the armed forces. This individual was working on achieving their certificate to become a substitute teacher here in Nebraska. He was ready to teach except for one requirement, Nebraska's law requiring anyone with an educator certificate or permit to complete a human relations course as outlined in Statue 79-807. On the Education Committee, we frequently hear about the challenges of getting teachers and substitute teachers into classrooms. The way we solve that problem is not by one piece of legislation, but instead a variety of approaches. We've done great work when it comes to incentivizing the education field with things like the Teacher Recruitment and Retention Act and the Teach in Nebraska Today Act, but besides incentives, we should also look at ways to knock down barriers to getting into the field. If it weren't for the human relations course requirement, that caller could already be in the classroom today. Instead, depending on where they take the course, they will have to spend the next two to eight weeks and somewhere between \$100 and \$300 to take the course. Personally, I would rather that the individual who wants to be in the classroom be in classroom. Furthermore, this requirement is fairly repetitive. On the NDE website, the currently-required human relations course

describes understanding the values, lifestyles, contributions and history of a pluralistic society. The problem is that an educator's certificate already requires a degree, and these lessons have a lot of overlap with courses that would be pretty typical for any college degree. For example, looking at UNL's website, you will see that as part of their ACE courses, the general education requirements for all students involve courses that, quote, exercise individual and social responsibilities through the study of ethical principles and reasoning, application of civic knowledge, interaction with diverse cultures, and engagement with global issues. In other words, if an aspiring teacher already has a college degree, they should have already shown a proficiency in understanding these topics. But under our current laws, that isn't enough. To conclude, our schools need more teachers. There's no doubt about it. And while some of the work to meet the goal is going to come from the school districts themselves, there are certainly two approaches we can take as a state Legislature. One, investments in recruitment and retention. This is something we have worked hard on. And two, we knock down state barriers that may be keeping or, or delaying qualified great Nebraskans from becoming teachers. The last couple of years, the Education Committee has been laser-focused on both of these goals, and that's why LB1022 was advanced on an 8-0 unanimous vote. Thank you, and I ask for your green vote on LB1022.

KELLY: Thank you, Senator Murman. Senator McKinney, you're recognized.

McKINNEY: Thank you, Mr. President. So I'm on the right bill this time. So my apologies on the previous bill. I moved too fast. But I think I stand in opposition of LB1022 because it removes the human relations training. And I'll, again, go over what it's striking. Human relations training, coursework, or employment experiences that lead to an awareness and understanding of the values, lifestyle, contributions, and history of pluralistic society. B, the ability to recognize and deal with dehumanize--dehumanizing biases, including but not limited to, sexism, racism, prejudice, and discrimination, and an awareness of the impact of such biases have on interpersonal relationships. C, the ability to translate knowledge of human relations into attitudes, skills, and techniques which results in favorable experiences for students. D, the ability to recognize the ways in which dehumanizing biases may be reflected in instructional materials. E, respect for human dignity and individual rights. And F, the ability to relate effectively to other individuals and groups in a

pluralistic society other than the applicant's own. Number one, just the-- if you look at the reaction to the Super Bowl, this should not be taken out. Two, we just moved forward a bill the other day about antisemitism, and this would be honestly a contradiction. If that is important, then we shouldn't be removing human relations teaching. It's just common-- it just makes no sense. Three, this Legislature is rolling back a bill that I helped pass that I actually introduced to prohibit the suspension of preschool and second-graders. When you dig into those numbers, there was a disproportionate amount of students of color that were being suspended in our schools, which was a large reason for the bill. Now, if we eliminate human relations training, and then you couple that with not a great pipeline of teachers from diverse backgrounds going into our schools, this is needed. So I don't understand the need to get rid of this. Yes, you want people to be able to get teaching certificates and things like that, but I thought we took care of that when we did some other things a year or so ago about the praxis and things like that. But I do not support getting rid of human relations training, especially in the climate of this world. And it, it just makes no sense to me. If we moved a bill forward last week because there's a rise in antisemitism, you would think we would want to teach human relations. You would think both would be needed, if that was the case. So I don't see a reason to get rid of human relations training, especially if people wanna suspend five-year-olds again. This just makes no sense to me. So I'll be in opposition. I'll listen to the conversation, but I can't think of a clearer explanation why, in 2026, considering everything that's going on in the world-- you even look at what's going on with ICE and the human relations behind that. And dealing with, you know, individuals from immigrant backgrounds and things like that. And the conversations around that, the conversations around just where we're at as a society and a country and what we hope to be or aspire to be going forward. You should not be getting rid of human relations training because it's probably needed more than ever in today's climate of the world. So I would be in opposition to LB1022. Thank you.

KELLY: Thank you, Senator McKinney. Senator Spivey, you are recognized to speak.

SPIVEY: Thank you, Mr. President. And good morning, colleagues and Nebraskans joining us. Also a special good morning to my grandma, who is coming to work with me today again and watching. So I appreciate Senator McKinney's remarks on LB1022 and kind of want to piggyback on

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some of the training. And we've been having some dialogue off the mic, so I appreciate some of that committee members expressing their point of view and their thoughts. So originally when this was on schedule, I actually had a conversation with Senator Rountree, who is a teacher. He is still a substitute and goes into the class, and has had a career working with our students. And I was asking specifically about this training and trying to better understand the bill and the intention. And so from my understanding it and what, what I'm looking at, what has been introduced, and I don't see any amendments filed, to Senator McKinney's point, is striking that this human relations training, which teaches things like around understanding complex social frameworks like sexism, racism, prejudice, discrimination are not required any longer to be able to get a certificate, whether you're a sub or an actual certified teacher current like in the schools full-time because it was holding people up. It was a kind of a barrier to making sure that we have the workforce that we need, and to ensure that there are folks and bodies in the building to teach our young people. And so my concern with that is that there should be some level of understanding, knowledge, setting around these complex frameworks because we know that our schools are very diverse. We have a number of languages that are in our schools, cultures, people that moved from other places to Nebraska, folks that have different family structures. And so if our adults in the room that are not only there to teach our kids, but manage the classroom and, and all of the experiences and identities that these kids are bringing their whole selves to learn, that is concerning for me that we're not saying that you have to have some level of competency. That there's not some floor of knowledge or understanding as it relates to that. And so what Senator Rountree and I talked about in kind of this debate of, you know, do we need this or not, he talked about his experience, is that he received some sort of this type of training in other spaces. It might not have been in Nebraska, but through his tenure, he had that type of training. And so what I think would be an amendment, and I'll get back on the mic to talk to Senator Murman about this, is can there be a demonstrated or equivalent that is provided of this kind of training. So it's not a barrier if you don't have it from a Nebraska provider. But you can demonstrate and show through your educational learning, here is a relevant or equivalent type of training that gets to some of these frameworks. Because again, we want our teachers to be able to demonstrate some basic bottom-level knowledge around these. And it's important because if you look at our suspension rates and the

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disproportionate number of black and brown kids that are suspended, and the data and the facts that it shows us is there are some inherent systemic bias that are producing those disproportionate outcomes. And so these types of trainings, whether you're in this profession, if you look at OBs, I mean any other industry, you have these trainings for a reason. We know that we have to build the capacity and ideally competency of folks in this space. And so, Mr. President, how much time do I have?

KELLY: One minute, two seconds.

SPIVEY: Is Senator Murman on the floor? OK, I'm going to punch back in. Senator Murman, don't even rush. It's OK. I'm going to punch back in to ask a question, just to prepare, around would you be open to an amendment that says a, a teacher, whether they are certified or a substitute, can demonstrate an equivalent type of training versus cutting it out? That's going to be my question just so you can prepare for when I, I punch back in. So thank you, Mr. President.

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

ROUNTREE: Good morning, and thank you, Mr. President. And good morning colleagues and all those that are watching across Nebraska. I am in the same position. I was one of those that Senator Murman talked about in his bill. Back in 2017, when I left my budget officer position at the Air Force base, I wanted to become a substitute teacher. And I applied, but then I found out that I needed to have this human relations course. After spending 30 years in the uniform dealing with all human relations and seven years as a federal GS employee, annual human relations training, that was not enough to get a substitute teacher's license. So I paid the funds. I took an online course with Chadron State University. And it was some very good dialogue. I realized as an old individual, working with a lot of our younger people, you know, there were some great gaps to cover. But yet, nevertheless, human relations needed to. So I went into the classroom full of expectation. But some of those expectations did not manifest. But we still needed to have understanding of human relations. As Senator Spivey stated, we had a conversation about this, and we have so much diversity in the classrooms. Right now, that term, diversity, equity, and inclusion, has become really a trigger for some. It's become a non-starter for others. It's become a no-no. But we need to

understand one another. And I'll just share a couple of things that happened in the classroom while I was there. One morning I came to class to teach, but there was a young student that said, I can't be taught by a black man. For two days of my sub, and that individual was not in the classroom, and they missed a critical part of instruction. And so I asked, I said, how can someone at this grade and this age be able to state that and it be so dogged in them? But I understood that it may be in the households. In another classroom I entered, there was a young black kid there, he was the only one of his color. And when I came in to teach, everybody said, oh, that's Adam's dad, you know, because we looked alike. And I said, no, I'm not his dad, I am the teacher for the day, and we had a good time. I thought it was really cute in that. But my instructor and I had a lot of good conversation, and I told him the importance of having someone that looked like you, someone that might have had shared experiences that you have. She didn't take that very well. She said, I guarantee you absolutely that I can teach anybody. Well, the point wasn't about whether you could teach anybody, it was about finding common ground, and that's what human relations does. It helps us to find common grounds. It helps me to understand your background, understand what you value, it helps me to understand if you use the old vernacular that we used in the old days, what makes you tick. And once we find that, then we know how to cross the great chasm that really sometimes they say divides us. But I think all of those are just opportunities to build bridges, that we can come to common ground. And so I didn't mind paying for this particular course. Granted, I would have really appreciated that the experience that I had in the military and in the civil service and just my life experiences of dealing with people in different countries, dealing with different languages, different cultures, that that would have been enriching enough for me that I could have gone into the classroom taking care of my own Americans and not having to take that human relations course. But it was part of the requirement, and so I'm happy to tell you that just a couple weeks ago, I recertified my certificate. I'm good now until 2030. So as we adjourn this particular legislation here around the 17th of August, I do hope to get a couple of days in the classroom where I can still go back and impart some of what I've learned and impart some good to our students and help them to come out to be the great Nebraskans that we want to develop our families to be. Thank you so much, Mr. President.

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KELLY: Thank you, Senator Rountree. Senator Hughes, you are recognized to speak.

HUGHES: Thank you, Mr. Chairman. Thank you, Senator Roundtree, who just renewed his substitute teacher license, because I did as well this past fall. So that maybe I, I would love to get a few days in this fall when we're off also. It just kind of keeps you grounded on what's going on at our schools. But I want to speak to LB1022 and my support of it. And I'm just going to give you a little bit of my story. So I was on Seward's school board when COVID hit, and we ended up with a situation with mandatory quarantines, et cetera, that we had a, a lot of teachers that were mandatory out because they'd been exposed or whatever. And so I went ahead and got my substitute teaching license just to help with that. So to get a substitute teaching license in, in the state of Nebraska, you have to have at least, I believe it was, 60 hours of college credit. I already have a degree, so I had that. Of course, you have to do a background check. And then you had to take this one hour course. And, and so I, I wanted to do it just from home, so I found one online. I believe it was from Northeast Community College. I, I, I-- don't quote me on that for sure, but it was a community college. So I had to like apply at the community college, get an account, and then I had to pay for this one-hour course that was online, and it only started on this day and it went over like a period of, I think it was, three weeks every day. I mean, it was online, wasn't on campus, so I could do it at my own time. But it had to be done in this window of time. And so I'm taking this course thinking that, oh, it'll be something to help me with substitute teaching. And in my opinion, it did not. I think what would be much more helpful is to possibly learn classroom management skills. What do you do when in-- when you're in elementary and the kids get a little disruptive? Like what are tools you can use to refocus those guys? What do you do with middle school kids? What do you do with high school kids? That's what I thought the class was gonna be, but it was not at all. It was just different things that, in my opinion, did not need or help with me on substitute teaching. They even talked about lesson plans and things. I'm a substitute teacher. I'm not going to write the lesson plans. So I like this bill because it's eliminating a barrier to get a sub in the classroom. Again, I had to make an account with a, a, a community college. I had go online, find one that I could do online that I didn't have to go in person. And I had to do it within a certain timeframe. And I think this is just helpful to get

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more subs. You're still gonna have to have that 60 hours of college credit, you still have to do a background check. The local schools could do some sort of, you know, classroom manager training or whatever if they so choose. But this is eliminating a barrier that, in my opinion, did not help with myself on knowing how to substitute teach. Because let's be real, what you're doing is you're going in the classroom, you're trying to keep everybody alive and on to the next hour, follow the lesson plans that the teacher left. So I like this bill. I think it clears barriers, it's less government. Again, locals districts can require what they want. We're not taking that away. We're just taking away the mandate at least for the substitute, and I again I'm just talking on the substitute teaching side, a mandate of something that, in my opinion, is not necessary for someone to substitute teach. So I urge you to a vote-- a yes-vote for LB1022. Thank you, Mr. President.

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

JUAREZ: Good morning, colleagues. And good morning to everyone listening online. I initially had signed on to eliminate this bill, but I guess I must admit that I did it too soon because I had also listened the day of the hearing to another bill idea which was from Senator Storm. And that was LB893 to provide for an interpersonal relations training course as an alternative to the human's relations training requirement for substitute teachers. So I did take this human relations course and, honestly, my experience was the exact opposite of Senator Hughes. I took it from a community college online also, because it was a course that I didn't have that I needed to be a substitute teacher. And personally, I saw a lot of value in the course because I think it was trying to highlight, you know, being sensitive to the diversity that you experience in the classroom. So I do see value in the course. You know, one thing that I will mention that was discussed at the hearing was that folks felt that they were getting experience of this subject area in other courses that they were taking. However, I think it would be more substantial, you know, to show on your degree program that you have specifically taken the human relations class. And so I will instead continue to advocate to keep this class in the curriculum to teach, since the other bill hasn't come up yet for the alternative of interpersonal relations, which of

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course are-- is also good skills to have. And I yield the rest of my time to the Clerk, thank you.

KELLY: Thank you, Senator Juarez. Senator DeBoer, you're recognized to speak.

DeBOER: Thank you, Mr. President. Colleagues, I wanted to talk to you about this course because a couple of years ago, when we were having this huge substitute shortage, I actually looked into becoming a substitute. As it turned out, I was advised that I was not allowed to be a substitute for a public school because of my job here. And I can't remember the case name, but the guy from Wayne State who had gotten elected, and they told him he couldn't serve both as a professor at Wayne State and here. So I didn't become a substitute, but my sister did. We had planned to do it together. She had to take this course. This was the course that she had to take in order to become a substitute. And so she took it, and as she was taking it, she was updating me on the course because we had planned to do together. And the things she was telling me about this course were amazing. The things she learned from this course, and this is a, a very educated woman, a very smart woman, a woman who's been around all kinds of interesting and different kinds of people. And she was taking me through week by week by week, and talking to me about-- and I wish I could remember specific examples now, but now they've just been brought into my brain as, as part of my brain, and so I don't remember specific things she would tell me. But they were helpful not just for, you know, being sensitive or something like that, that folks might think we're trying to, oh, why are we making people more sensitive? But it was actually helpful for classroom management to understand where different people were coming from. She's a para now and she works with young kids, first, second, third grade. She will do long-term subs positions as well. And teachers are not wrong when they're saying there are new and inventive kinds of behavior problems in schools. And in order to deal with these, she has to understand enough about the children to be able to sort of find a way through the problems. Otherwise, they just escalate. And this course, she will say, taught her that. So this is not just about sensitivity, although that part's really good and important. And I hear what my colleagues are saying, and I want to elevate all of these voices who have told you how important this is. But I also want to add to their chorus a voice that says this is really helpful information that allows the day-to-day workings of a school teacher who's teaching young kids with

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their work. So I think that's really important to remember. And what the bill does, is my understanding, is it gets rid of the mandate, which means there will be people who don't do it. My sister wouldn't have done it if it wasn't mandated. Because if it wasn't mandated, she would have just gone and become a substitute before, and she wouldn't been as good of a teacher. And she knows that and admits it. So I really like the idea that Senator Spivey has looking for equivalents in other places that maybe people have had in their background, but I do not like the idea of getting rid of this course. This is a really important course. The place that does it the most I think is Southeast Community College. Somebody else can tell me for sure. But I know that's where she took it and where when I was talking to OPS about where I should go, where they directed me to as well. So this is a course you can take online. That's how my sister did it, and it was still really well done. So it's not a huge obstacle, but it is something that helps people to become teachers. And that's just for substitutes. Imagine now, if you're going to become a full-time teacher, how much more valuable that little course is going to be in your long-term ability to do the work with kids, to understand where the kids are coming from, to be able to actually, you know, diffuse some of these, as I call them, new and interesting behavioral issues. So I would very strongly urge my colleagues to look for the compromise that Senator Spivey has been discussing, where we can have an equivalency be appropriate, but that this course or a course similar to it still be required of our teachers. Because it is so very, very helpful. Thank you, Mr. President.

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

CLERK: Mr. President, notice committee hearings from the Government Military and Veterans Affairs Committee. Additionally, notice that the Banking Commerce and Insurance Committee will have an exec session now in room 2022. Banking Committee now, room 2022, that's all I have at this time.

KELLY: Thank you, Mr. Clerk. Returning to the queue, Senator McKinney, you're recognized to speak.

McKINNEY: Thank you, Mr. President. Just, you know, coming back and listening to debate. And I'm just still trying to wrap my head around why-- I don't understand how somebody, this could be a barrier or a something that's hindering people from becoming substitutes or

teachers. I think human relations should be a base-level course in just teaching curriculum, period. You're dealing with students from different backgrounds and social, economically, racially different, male and females, just multiple things. So I think human relations should be something that is foundational, because if you can't deal with humans and if you don't have some grasp or some understanding of where people are coming from, or some level of empathy, I don't know how you can be a good teacher. I don't know how you can relate to the students and get them to connect to you to buy in or understand what you're trying to get across to them. So I just don't understand it, and I'll go back to the times we are in. Human relations is of the utmost importance. You know, people want to suspend five-year-olds again. You need some human relations to understand how to deal with a five-year-old. You need to understand where they're coming from. We moved the bill forward last week dealing with antisemitism. I think you need some human relations to understand that, and understand where people are coming from, to understand those backgrounds-- or that background. I think you need human relations dealing with what's going on in the world today, and knowing how to communicate that with students who may see things a lot of different ways and come to school and ask those questions. Or might be affected by what's going on. How's a teacher who, who, who doesn't understand human relations supposed to connect with a student who parent was just pulled away by ICE? How are they supposed to relate? How are they supposed to understand? How is a teacher supposed to understand a student who went to sleep hungry last night? Who came to school and can't even focus on getting taught anything because they went to sleep hungry. How's a teacher supposed to relate to a student if they don't understand or have a level of experience or empathy with a student who parent is incarcerated? Or just was incarcerated. There's a lot of different things that goes into this and I don't understand how this is being stricken, and I, I just don't get it. I mean, if, if you can't pass the class, you probably shouldn't be in the class. Times are different, and especially in the district I represent, there's not a lot of teachers that share my skin complexion that are going into the classroom. So for me, it's very important that there is some human relations, there is some understanding. Because just throwing freshly-graduated college students into a classroom in north Omaha without some base level of understanding-- I'm not even saying they do understand even taking this class, but at least they understand something, and human relations is a part of that. And I think it would

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be helpful. So I will be a definite no on this because we want to suspend five-year-olds again. The world we're living in is chaotic and it gets crazier by the day. And students come from diverse backgrounds, and our educators should be equipped with every skill possible to make sure that they're able to be taught and prepared for success after school. So with that, I'll leave it alone. Thank you.

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

SPIVEY: Thank you, Mr. President. Would Senator Murman yield to a question?

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

MURMAN: Yes.

SPIVEY: Thank you, Senator Murman. I had to step off the floor really quick, but I've been trying to listen to the debate. And appreciate everyone's comments, as well as yours. And I wanted to go back to my earlier question on the mic because I do think some sort of kind of base-level training is important. I do understand what you're saying, that it can be a barrier to substitutes and, and how we can clean that up. Would you be amenable to having some sort of amendment that shows that there is an equivalent course taking some time within their educational training and journey that can meet this requirement, versus striking it out totally from the legislation?

MURMAN: Well, there are similar courses in college, and we're not eliminating those courses, of course. We're only eliminating the barrier to take a certain course. And it's up to the local school district. They can still require that course.

SPIVEY: So from my understanding, when looking at the introduced legislation, the-- let me pull it up here so I can make sure I am fully as accurate as possible. It's showing that the first paragraph, second-- let me go-- I have a whole bunch of bills pulled up. Line 12, that's Section 5, that it strikes all of the human relations training and what it is. And I did not see any other language in this introduced copy that says some sort of equivalent training has to be demonstrated. So how I read this, it's showing that you can have all of your coursework and it's not a minimum requirement of this specific

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level of learning. Am, am I not understanding that correctly, or could you walk me through that?

MURMAN: Well, I'm not sure exactly what you said, but what we want to do is just eliminate unnecessary barriers.

SPIVEY: Well, I can repeat it. I just want to make sure you're-- I can repeat it for you to make sure you were clear. So line 12 at the top, Section 5, it has all of what this training actually does stricken from the introduced copy. And then when I look throughout the rest of the, the text, it does not say that there has to be an equivalent training in, in throughout their coursework that, that meets what you are taking out. And so my question is, why? Because you just said that they are taking it some-- a part of their coursework at some point in time. This shows that it's not.

MURMAN: Well, it's up to, up to the individual colleges, of course, what they require in their teacher training. But we are only eliminating from the state level unnecessary barriers that we-- that we deem totally unnecessary and, and just a barrier to getting teachers back in the classroom and substitute teachers in the classroom.

SPIVEY: So do you--

MURMAN: We have a shortage of teachers, so we want to eliminate all barriers.

SPIVEY: I agree that there's a shortage of teachers, and I understand. And I would hope that we all would want teachers to be competent, right? We just don't want anyone, whether they're again a substitute or full-time, teaching our kids, we want to make sure that they have the proper training. And so are you saying that you don't believe that this is a necessary type of training for a substitute to have in order to go into the classroom?

MURMAN: Well, we could, you know, we could mandate all kinds of different training to-- for a substitute teacher. But what I'm trying to do is just eliminate barriers so we can get teachers back in the classroom and substitutes in the classrooms, so--

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SPIVEY: So then you would not be amenable to a substitute showing an equivalent type of coursework?

MURMAN: No, that would be adding another similar barrier. So, no, I'm just trying to eliminate the barriers.

SPIVEY: OK, thank you, Senator. I see I have one minute. That really goes quick all the time. I again, I stand up and I appreciate Senator Murman's feedback on the mic. I think it's very problematic that we would eliminate that type of coursework. I think it's an opportunity to say if you have had that type of training and level set of knowledge base that you can show and demonstrate that through a certificate, you know, your transcripts or whatever that needs to look like. But as Senator McKinney said, our classrooms are diverse, they're ever-changing. And understanding the complexities and experience that our students are coming into the classroom with is only going to make you more successful to be able to teach those students, whether it's for a temporary time or full-time. And so I would say that we would need some sort of training for that piece and would hope that Senator Murman and the folks on this bill would reconsider that. Thank you, Mr. President.

KELLY: Thank you, Senator Spivey. Senator Clements would like to recognize some guests in the north balcony. They are parents, students, and teachers from the Nebraska Christian Home Educators Association. Please stand and be recognized by the Nebraska Legislature. Returning to the queue, Senator Conrad, you're recognized to speak.

CONRAD: Thank you so much. Good morning, colleagues. And what a great debate to be having while our balcony is filled with so many bright and talented Nebraska students. So it's really, really great that they're here. And it's good that we're focusing on important issues in education, which, which hopefully makes their visit to our beloved State Capitol more memorable and more interesting. But as a member of the Education Committee, I wanted to weigh in on a couple of points in regards to this measure. So we've heard over the years how Nebraska has a teacher shortage. We also have heard about how we have a substitute teacher shortage, and we have made strides through compensation, through policies, to try and address the teacher shortage that exists in our state. We still have a long ways to go, but we are, in fact, moving the needle in the right direction, which

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is important for student success, which is important for addressing teacher burnout, which is important for ensuring manageable class sizes. And the fact that we are able to reduce the number of vacancies that exist in-- on the front lines of our classrooms through collaborative work over recent years is, is a good thing, and gives us momentum to continue the work and building. So when we do have an issue or a crisis of teacher vacancies that really exacerbates or fuels the need for more substitute teachers. And so it's really important that we make sure that these issues are connected. One part that I know the committee looked at, and it seems perhaps has been a point of discussion and dialogue this morning is there was a way to achieve the same goals of reducing red tape of addressing substitute teacher shortages, et cetera, to figure out a better way to ensure access for critical learning, to reduce costs for prospective substitute teachers, and remove or update kind of a perhaps antiquated process. So I wanted to also lift for you the fact that my friends, Senator Storm and Senator Lonowski have a competing proposal pending before the Education Committee, and I just want to draw your attention to LB893. This addresses the same issue that's present in the measure before us, but it provides a different solution. Instead of a specific elimination, what Senator Storm is proposing, and may be beneficial to helping us address concerns with this and moving forward, is that it would adjust the existing requirement and framework wherein we heard from substitute teachers how they had to enroll to become a student at the community colleges or at Wayne State, et cetera, and the time and effort and expense that went into all of those different processes in order to meet the substitute teaching requirement. What Senator Storm has is an alternative that directs the Nebraska Department of Education To actually create an alternative online human relations training course and test for individuals seeking to become student teachers. There is a nominal or zero-dollar fiscal note associated with that. It would help to achieve the same objectives, and it would do so in a modernized way that addresses access to the course, cost for the substitute teachers, and helps to address the lack of substitutes in our school. So I do just want to lift that up as per-- perhaps a better solution to address the issues that we care about. The other piece, and I see I just have one minute left, quickly note for the record, my friend Senator DeBoer was talking about a separation of powers case. That was Spire v. Conway, 1991. Thank you, Mr. President.

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

HUNT: Thank you, Mr. President. Listening to the debate this morning around this bill, I, I actually, when Senator Juarez got up and spoke about her experience on the committee and in executive session for this bill, I felt the same way that she did actually, which is my absolute mistake. I mean, I think this bill was coming out either way, but I, I think that I also recall when we were talking about this bill, I mistook it for Senator Storm's bill. And I support Senator Storm's bill, which Senator Conrad was also just talking about, which Senator Juarez talked about. And I'm gonna get this 60% right, so I'm not gonna say too much, but what, what his bill does, as I remember, is it takes like this human relations requirement that LB1022, the current measure before us, is addressing, and it says that there's another class that, that you can swap for that. That if you've taken this other class, that that counts too, and maybe that's an easier class to take or something like that. And this solution that Senator Storm has in his bill also speaks, I think, to the concerns that Senator Spivey had about, well, do we not want to make sure that they're at least getting some kind of equivalent training somehow, that they can put forth and prove as they get their certification, either as a teacher or as a substitute teacher? I have to say, her conversation with Senator Murman, the Chair of our committee, really concerned me. His response to her question, can we-- would you be amenable to an amendment saying that, saying that, essentially, that, that you wouldn't have to take this human relations course if you could demonstrate that you took something kind of equivalent? And his opposition to that idea really sort of solidified my opposition to this bill. You know, I don't want to pick on Senator Murman. I know that when we're asked a question, sometimes we can all respond in kind of an inartful way or, you know, we're kind of caught by surprise or something. So I don't know if his response was really what he intended to convey. But if the intention of LB1022, as he's ostensibly said through this entire process, is to make it easier for substitutes to get started, that his intention is not to, you know, decrease the amount of human relations-type skills that teachers have, that his-- that, that he is supposing that actually most teachers already have this skill, or they've learned it if they had to get a college degree already. Well, if he has no problem with that, if he does agree that people need to have these skills, what is the problem with showing in

your transcript that, yes, you've had some equivalency of that? I don't actually think that is a barrier. I think they're looking at the transcript anyway. I think that they're look at the application anyway. So I don't know if that was the response that he really intended to give, I would encourage legal counsel to go talk to him about that because sometimes they can set him straight on some things. But yeah, there's-- I, I really wish that it was Senator Storm's bill in front of us here because I think that's something that would sail through. And I take responsibility for maybe not driving that conversation in our executive session. That was a mistake on my part. I would support LB1022 if it has an amendment saying that an applicant to be a teacher or a substitute teacher can show that they've had some kind of equivalent course to a human relations course. And if Senator Murman isn't amenable to that, then I will not be able to support LB22 [SIC], and I would encourage you to vote red as well. Senator Storm's bill is good though. And I think it accomplishes the same thing LB1022 seeks to do. So I think we have to have a conversation as a committee about kind of the order of operations here and how this came out before that one. So yeah, that's an opportunity for me to take responsibility, isn't it? OK. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Good morning, colleagues listening to the debate this morning on LB1022. I'm sharing some of the concerns that I'm hearing from colleagues about, about the elimination of, of, of the requirement entirely and also the conversation around Senator Storm's bill, LB893. And I've just been looking over his bill quickly. And I'm trying to, you know, catch up on what these different bills do. I think I'm in agreement with Senator Hunt. With this bill as it is, I am not supportive. If we can perhaps look at an opportunity of merging the two bills together and creating the framework of, of something moving forward, that would make me much more comfortable and it would probably get me on board with LB1022. I said to Senator Storm off to the side, I think my kids must have looked at the agenda today because they once again this morning told me that when I'm done with the Legislature, they expect me to become a substitute teacher at their schools. They really were-- really think I might be good at it. I don't think that I'll be that good at it. But then my oldest kid told me that I could not be a substitute math teacher, which I'm not sure that I should not be

offended by that. Although, for those of you that have ever watched the movie *The Incredibles*, it's about a family of superheroes. It's the second, the sequel to *The Incredibles*, and the mom goes off to fight crime, and the dad stays home with the kids. And he's helping the son with math, and he doesn't understand how to help him with the math. And he says, how does math change? Math is math. Math has changed. For those of that know long division, we're wrong. Long division isn't a thing anymore. And my kids get really mad at me when I try to help them with division, and all I can do is long division. So math has changed and math is no longer math. It's something totally different. And I was told by a teacher two years ago that parents my age, AKA mid-40s. Have really struggled with helping their kids in like fourth grade with math because we learned math differently so. So apparently I can't be a math substitute teacher. I might be able to be an art substitute teacher, there was a lot of debate on that. I definitely can't be a music substitute teacher. So I think my options are dwindling in what I can fill in as a substitute teacher, but my kids definitely want me to do it. So I'm, I'm keen to know what the requirements are gonna be. I haven't gone through the process that Senator Rountree has done. And, and so I'm looking forward to what we come up with here. But I think for today, I'm gonna be present, not voting. People at home, that's what we call like a soft no. It's like, OK, I am not a no, because I think there's an opportunity here for something to happen to amend-- be amended into this bill that would get me on board. But I'm also not a yes. So I'll be looking to see what, what options we can come up with between now and the Select File debate. I hope that there will be consideration of amending a version of LB893 into this between now and Select File so that we can make it better, make it stronger, and get more people in the Legislature on board with it. So thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. And good morning, colleagues. Sorry, I just ran out of time at my first opportunity on the mic, and just wanted to, again, perhaps contextualize or provide some background about this coursework that's required to obtain certification to become a substitute teacher in Nebraska. So this was put in place to help to ensure that substitute teachers who are required to pass a background check, who are required to have a minimum level of education from an accredited college, and work-- somebody who works

through the existing permit process also has the training to ensure they can be effective in diverse classroom environments and have specific effective classroom management techniques within their toolbox as they step into the front lines of our classrooms. So I think that the public policy reason why this mandate was originally put in place was a recognition and understanding of the fact that a, a qualified applicant who can pass the background check and who has the requisite amount of coursework from an institution of higher education, say for example, that coursework was in a field unrelated to education, unrelated to things like management or classroom management. It recognizes that coursework that was achieved by the applicant at the college level is a good baseline to serve as a substitute and, of course, the safety issues requisite in the required background check. But then it also just ensured that those substitutes have a course or equivalency thereof so that they can take those minimum requirements and be effective before we thrust them into the front lines of a classroom. So again, I think that recognizing that we have a teacher shortage and we have a substitute teacher shortage, there has to be a way to achieve the same policy goals to make sure that substitute teachers can be effective when they step into those roles so that they can continue in that work instead of perhaps not be equipped to have a positive experience, and that the students who are working with the substitute have somebody who is specifically trained in those aspects of classroom management to help ensure there is no disruption when their regular classroom teacher is not able to be there because of personal or professional reasons. So I do think Senator Storm has lifted up a thoughtful way to modernize the system, to ensure that it is more uniform and accessible, particularly as so much of our life moves online. And the idea that he has put together to ask the Nebraska Department of Education to create a standardized training and test for these purposes could be widely available to, to any Nebraskans who otherwise meet the requirements and who would like to serve as substitute teachers. I think the other thing that's really important both-- about both Senator Murman and Senator Storm's approach is a recognition and understanding, and I'll punch in and offer some additional specifics, but the current framework also really drives up costs for Nebraskan who are otherwise qualified and who would like to serve as a sub. No surprise to anybody-- anyone that substitute teachers do not make significant money when they're engaging in that. I think it's much more of a service-minded endeavor. But they can be required under the current framework and approach to

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literally pay hundreds of dollars at different institutions of higher education to receive training in this specific course. So I think we can reduce red tape, modernize the system, ensure that substitutes have access to training and tools that will help them in terms of specific aspects of classroom management. And I want to just follow up in, in a moment about some of those specific costs.

KELLY: That's your time, Senator.

CONRAD: And thank you, Mr. President.

KELLY: Thank you, Senator Conrad. You're next in the queue.

CONRAD: Thank you, Mr. President. And I was hoping somebody would come between us so I could sort through, sort through my, my print-offs here. But if you just Google, for example, how much this course require-- is, is costing at different institutions of higher education, you can see that it can be significant. Let me just, just grab this quick. So the upcoming and existing courses in human relations that Nebraska Department of Education lifts on their-- lists their website includes \$110 one-hour credit course at Central Community College. They have offerings at Chadron State College. They have a \$200 course that meets online over a three-week period at Midland University. The Nebraska Indian Community College offers an online training course for \$1 credit hour. Peru State College offers this training course, and the cost of the course is almost \$400 at Peru. UNK has a course for \$200 that is fully online and available. And then we've heard about the Wayne State course that is available for about \$300, and it is a four-week class. Western Community College also has an online credit course in this regard available, and it costs about \$130 to pursue that course. So I do think that it could be very beneficial to take those existing online training opportunities that exist, harmonize them, house them under the Nebraska Department of Education, make them free and accessible instead of asking substitutes to literally shell out weeks of, of training and hundreds of dollars just because they're service-minded and want to help to address vacancies that exist in our school and they want to work with kids because they're passionate about education and community-minded in that regard. So I do think that that alternative framework helps to achieve the underlying policy goals and should be a part of additional negotiations and discussions on this bill. The other thing that I wanted to lift up was some existing information from the Nebraska

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Department of Education to be responsive to some of the concerns that my friend Senator Spivey brought forward, where she was inquiring as to whether or not we could find an equivalency in terms of the training outside of the specific course that was mandated that Senator Murman is looking to abolish in regards to his measure. So if you look at the information on human relations skills requirement under the Nebraska Department of Education, you can see that there's actually a really, really handy guide for applicants to work through. So it says that this is how it works right now. The requirement can be met by the following options. If you took one of the pre-approved courses after this was first adopted, I think maybe even back in the 1980s, then you just submit an official transcript with that approved course underlined or circled to NDE with your sub-certificate application. Or you can meet the requirement if, at a state-approved teacher education institution that offers a pre-approved list of courses, submit that official transcript and the syllabus for course review. Or you also have the opportunity if you have not completed an approved course but have employment experiences which provided an opportunity to acquire the same six skills to meet the human relations training requirement, you can verify that acceptable existing employment experience in which the required training was obtained by writing a narrative that addresses this skill set. So there is an equivalency component within the existing process, and we should perhaps lift that up for additional points of consideration moving forward. Finally, the Nebraska Department of Education also notes in this handy guide that if an applicant who's otherwise qualified through coursework and meeting the background check has met all the other requirements, that they can apply for a temporary certificate to address the exigency-- exigency that exists in teacher shortage and substitute teacher shortage and provide a temporary period.

KELLY: That's your time.

CONRAD: Thank you, Mr. President.

KELLY: Thank you. Senator, that was your third time. Senator Spivey, you're recognized to--

SPIVEY: Thank you, Mr. President, and I yield time to Senator Conrad.

KELLY: Senator Conrad, 4 minutes, 56 seconds.

CONRAD: Thank you, Senator Spivey. Thank you Mr. President. So just to continue the discussion for how the current process works, the department does provide for access to a temporary certificate if you hadn't previously completed this kind of coursework or if you haven't filed an equivalency, a written narrative addressing your previous work experiences wherein you may have gleaned the same skill sets, information and tools on the job to, to meet these, these public policy goals. And recognizing that this existing structure can sometimes be a barrier for public-service-minded individuals to become a classroom substitute teacher and recognizing the fact that we have a teacher shortage and a substitute teacher shortage, there's also a provision that allows the Department of Education to relax the existing framework to address these exigencies by offering temporary certificates for a limited period of time when this specific requirement has not been met. The last piece that I wanted to lift on this point, in addition to, I think, the, the smart alternative that Senator Storm has put before the Education Committee, LB893, and perhaps we can exec on that and figure out a way to marry the concepts of these two measures together in subsequent rounds of debate, which would help to ensure that we could have a more expedient progression of this issue, is I just want to draw the body's attention to another matter that's pending on our very agenda today, LB824, from my sen-- friend, Senator Lonowski. This is in relation to making adjustments to our retirement structures, meant to ensure and address some of the same issues at the heart of, of this debate about how we can remove unnecessary barriers that are too restrictive in regards to our retirement systems to help get more retired teachers who are interested in helping out, lending their skills as substitutes after they've completed their teaching career. And there is currently some restrictions in place that prevents that. We're, we're going to have another bill on the agenda just today, actually, LB824 from Senator Lonowski that we heard in Retirement Committee, not Education Committee, that also addresses the same issue of trying to get more trained and talented and community-service-minded teachers, substitute teachers, retired teachers in the classroom teach-- into the classroom, because we know there's not only a teacher vacancy but we know teacher burnout is high. And we know that teachers have to deal with professional development obligations, we know that teachers have to deal with taking care of sick loved ones, welcoming new babies to their household, et cetera. So anything that we can do to ensure that we have a strong structure of substitute teachers helps to reduce

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pressure on teacher vacancy and teacher burnout. There are smart solutions pending and I think that we need to kind of connect the dots on these different options and opportunities to address worth-- very worthy policy goals. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Seeing no one else in the queue, Senator Murman, you're recognized to close on LB1022.

MURMAN: Thank you, Mr. Lieutenant Governor. The intention of LB1022 is to remove barriers to having teachers in the classroom. So I think it's very important to eliminate all the barriers we can. We still retain local control. Local school districts can ret-- require this course or whatever course they would like to require for teaching in that district. So I would appreciate your green vote on LB1022. Thank you.

KELLY: Thank you, Senator Murman. Senators, the question is the advancement of LB1022 to E&R Initial. All of those in favor, vote aye. Request for a machine vote. All of those in favor, vote aye. All of those opposed, vote nay. There's been a request to place the house under call. The question is, shall the house go under call? All those in favor say aye-- vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 27 ayes, 1 nay to place the house under call.

KELLY: The house is under call. Senators, please record your presence. All unexcused senators outside the Chamber, please return and record your present. All unauthorized personnel, please leave the floor. The house under call. All unexcused members are present. The vote was underway. Senator Kauth, would you-- Senator Murman, would you accept call-ins? Mr. Clerk.

CLERK: Senator Holdcroft, voting yes. Senator Lippincott, voting yes. Senator Hardin, voting yes. Senator von Gillern, voting yes. Senator Strommen, voting yes. Senator Hallstrom, voting yes. Senator Wordekemper, voting yes. Senator Riepe, voting yes. Senator Dungan, voting no.

KELLY: Record, Mr. Clerk.

CLERK: 28 ayes, 7 nays, on advancement of the bill, Mr President.

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KELLY: LB1022 is advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President.

KELLY: I raise the call.

CLERK: Some items for the record. Your Committee on Enrollment and Review reports LB110, LB203 as correctly engrossed and placed on Final Reading. In addition, your Committee on Enrollment and Review reports LB365, LB437, LB668, LB716 as correctly engrossed and placed on Final Reading. And your Committee on Enrollment and Review Reports LB807, LB70, LB877, LB429, LB365A to Select File, some having E&R amendments. Committee report from the Transportation and Telecommunications Committee concerning appointment to the State Highway Commission. As it concerns the agenda, Mr. President, General File, LB748, introduced by Senator Sorrentino. It's a bill for an act relating to revenue and taxation. Defines and redefines terms; changes provisions relating to the Nebraska educational savings plan trust and allow for the use of trust funds for recognized postsecondary credential programs as prescribed; and harmonizes provisions; repeals the original section. The bill is read for the first time on January 7th of this year and referred to the Education Committee. That committee placed the bill on General File, Mr. President.

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

SORRENTINO: Good morning, Mr. President. Good morning, colleagues. In 2025, I introduced LB131 to the Revenue Committee. LB131 allowed Nebraska's NEST 529 college savings plans to include tax-free distributions of up to \$10,000 per year for K-12 private school tuition and conformed Nebraska's law to the then-current federal change is related to 529 plans. LB131 was ultimately amended to LB647 and signed into the law by Governor Pillen on June 4th, 2025. On July 4th, 2025, President Trump signed the One Big Beautiful Bill Act, I'll refer to that as OBBA, into law, which included significant expansions to the federal 529 plan program. Because Nebraska does not automatically conform to federal 529 changes. I am bringing this bill to adopt those changes at the state level and ensure Nebraska's NEST program remains competitive. First, this bill provides for conformity with current federal changes to 529 plans. This is especially important because only 39% of NEST participants and Nebraska

residents, while 61% come from other states. Families choose among state 529 plans by comparing features and limits across programs, and multiple national resources directly compare these plans. Keeping Nebraska's NEST program competitive with other states, many of which will adopt or have already adopted the new federal allowances, will attract additional participants. Increased participation benefits the program itself and can also benefit the state. If contributions increase, there could be a decrease in state revenue. True. But higher participation levels can reduce vendor fees that are structured to decline as assets and accounts increase. Second, LB131 allows qualified K-12 expenses beginning in 2029. The OBBA expanded eligible K-12 expenses beyond tuition, very key, to include such items as books, tutoring, and online instructional materials. This means that after the July 4th, 2025 K-12 expansion broadened eligibility from tuition-only expenses to general K-12 expenses, thereby extending the benefit to public school students. Third, the bill allows qualified K-12 withdrawals up to the federal limit of \$20,000. Nebraska's 529 tax deduction is capped at \$10,000 per year and applies only to contributions, not withdrawals. As a result, increasing the allowable withdrawal amount to \$20,000 has no fiscal impact on the state. Raising the withdrawal limit also reduces confusion for families and improves Nebraska's competitiveness. Currently, Nebraska's 529 materials must explain multiple limits, and families comparing plans may choose another state if they see higher allowable withdrawals elsewhere. Lastly, the OBBA created a new category of qualified expenses for postsecondary credentialing programs. This expansion benefits blue-collar workers, military members, and middle-class families, not just traditional four-year college students. Eligible expenses may include commercial driver's licenses, electrical and automotive training, and credential programs offered through the Veterans Benefit Administration. In summary, the OBBA's expansion to 529 plans benefits K-12 public and private students, postsecondary students, and individuals pursuing workforce credentials. This bill adopts those federal changes by expanding eligible elementary and secondary expenses beyond tuition, increasing allowable withdrawals up to \$20,000 per year, consistent with federal law, and permitting the use of 529 plans for postsecondary credentialing programs. LB748 was voted out of the Education Committee 8-0. Thank you, Mr. President.

KELLY: Thank you, Senator Sorrentino. Senator Lippincott would like to recognize some guests under the north balcony. They are Steven Jessen,

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Rayln Steiner, and Jaxyn Steiner all of Norfolk. Please stand and be recognized by the Nebraska Legislature. Returning to the queue, Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. Good morning, again, colleagues. I want to take the opportunity to talk about the budget and how it pertains to the NEST, the 529 programs. So in the budget, in LB1072, there is some authorizing language, which is fun, on page 109 of LB1072 that says, transfers may be made from the Administrative Fund to the Education Future Fund at the discretion of the Legislature. It's there again on page 110, line 12. So what, what it's saying is that, for two different funds, OK, the Education Savings Plan Program Fund is created, and that can be transferred if we decide to. And then the Education Expense Fund is created, and we can again transfer those funds. Now the expense fund is created to pay costs associated with the Nebraska educational savings plan trust, the 529 NEST plan. So colleagues, for those of you that have children or grandchildren or nieces and nephews who you might put money into a savings fund for college or even, I think, we've made that you can use it before college. We're now doing through LB1072 is taking, and if you go to section 121 of LB1072, page 24, this is what we're doing. The State Treasurer shall transfer \$2 million from the Education Savings Plan Administrative Fund to the Education Future Fund in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. And then the State Treasurer shall transfer \$3 million from the Education Savings Plan Expense Fund to the Education Future Fund. So we are taking a total of \$5 million from the NEST program. So that's not state money. That's money that I put in every month into three accounts, one for each of my children. Every month I put in only \$10, because I work here, but every month I put \$10 in, so \$30 total, every month, into these accounts for my children. And the state is going to take \$3 million out of these funds to offset the budget deficit. This is not the state's money. This is my children's money, this is your children's money, your grandchildren's money and your nieces and nephews' money. But instead of taking an actual look at state spending and priorities, the state has decided, the Governor has decided that we're gonna take \$5 million that people, hardworking people in Nebraska set aside for their children's education to pay for property tax relief for the Governor. I personally would prefer that we pay for education, not the Governor's property tax relief. I would prefer that this bill, this

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budget bill, LB1072, not take money that people pay in fees for abstractors for their licenses, teachers for their licenses, realtors for the fines and licensure, small independent businesses that pay into a fund to cover when they have claims against them. This budget is riddled with, not cash sweeps, us actually stealing money that is not ours. When I opened the accounts for my children, nowhere did it say, hey, by the way, if the state's in a budget crisis, this money that you put aside in this account that just happens to be administered by the state, we can take it. I didn't sign off on that. Nobody signed off on that. You know why I know that? Because it isn't even in statute until we pass LB1072, unless we change it. LB1072 authorizes us to do something that nobody signed off on, taking money from our children's NEST accounts to pay for the budget.

KELLY: That's your time, Senator.

M. CAVANAUGH: Thank you, Mr. President.

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

HUGHES: Thank you, Mr. President. I just wanted to stand and speak to this bill a little bit that we heard through Education. I'm, I'm very glad that Senator Sorrentino brought this, this bill. One, that we're aligning with the federal standards on some things, but the, the, the second thing that I think we really need to hear that you can do now is when you have these accounts, you can only put in \$10,000. But on the back end, you can pull out \$20,000. And honestly, when we had this hearing, I think it was the day before, I just read an article about how the university system for Nebraska at UNL Campus, room and board alone for a full year is nearing \$14,000, and I believe they'd voted, it's gonna go up to nearly \$15,000. And so we're not even with what how we have-- even if you had money saved, you can't even cover room and board if your kids go into the university system for a year. So I think that piece of it in particular is very important, good for families across Nebraska that do have these funds available that now just match better with the actual cost of attending college. So I wanna thank Sorrentino-- Senator Sorrentina for bringing it. And I hope that we get a green vote from everyone on LB748 to let it proceed to Select. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Again, good morning, colleagues. There is a spate of Education Committee bills on the agenda today, so unfortunately, you'll have to hear from me a little bit more than normal as a committee member. So I wanted to lift up a couple of things in regards to this measure, and I'm glad that I had a chance to speak right after my friend, Senator Hughes. Number one, I'd just like to point out the lack of self-awareness for members in this body who decry the ever-rising cost of accessing a higher education, yet don't lift a finger to provide the resources requisite to our institutions of higher education so that they can keep tuition affordable and not have to push through dramatic increases in room and board and tuition and otherwise. Just like to put that point down for the record, because we hear about it a lot in Education Committee, when colleagues come forward and they complain about how expensive a higher education has become, yet they refuse to stand in their power as a member of this body to ensure that our institutions of higher education have the resources they need to keep tuition and related costs affordable, particularly for working families, particularly at a land-grant university. So I did just want to make sure to clearly connect that dot and ask for perhaps a greater self-awareness, or an effort for colleagues to, in essence, put their money where their mouth is as we take up budgetary debates and other issues impacting resources for our institutions of higher education. The other thing that I want to lift up in regards to this measure is that we did have a very good committee hearing on this topic. If you look at the committee statement and the corresponding online comments that came forward, you can see a very diverse set of Nebraskans who came in and who were asking for this change for a variety of different reasons. But we heard from the State Treasurer's Office and our new State Treasurer, who we were proud to welcome to the committee, about the important work they do in raising awareness about 529 plans and managing these plans for the state. We also heard a lot of technical background context and information about how Nebraska has continually worked to utilize all flexibilities available under federal law to help make sure that people who are putting aside money to support their children's education can maximize all options and opportunities available for them to do that in light of the ever-increasing educational costs. One thing that I think is important and interesting

that perhaps Senator Sorrentino and other members have lifted up already that's a, a key piece of this measure, is that due to changes in the-- and I think it's very interesting that my colleagues now say OBBA or follow the President Trump's rebranding to call it the Working Families Tax Act, because they know how toxic and unpopular the quote-unquote One Big Beautiful Bill is, one thing about this measure is that it does allow for the saving plans to be utilized for certificate programs, professional programs, vocational programs, apprenticeship programs, et cetera, to show that the path to a bright future is not always through a traditional four-year college, for example. And I think that is very good to addressing workforce challenges and to providing additional opportunities for Nebraskans to utilize pathways for building careers in the trades, which we know we have many, many good apprenticeship programs in place in Nebraska. There's a few other points that I want to note, but I, I do see that my time is almost expired. Thank you, Mr. President.

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

SORRENTINO: Thank you, Mr. President. Senator Machaela Cavanaugh stopped by my desk about 10:30 before we were ready to present this bill, and she did say she would have some testimony regarding an issue with this bill related to a fund. We didn't have a chance to talk on any specifics. So I was not aware of the specifics of her concern. But LB1072 deals with the state budget as offered by the Governor. There was no such concern expressed in the Education Committee hearing, so this is a little bit, a little bit new. I did pull up the LB1072, and I'll read from the one paragraph. I don't see how this would jeopardize, I believe property taxes were brought up, but pardon me while I read this. This is 77-1420 (1). The State Treasurer will deposit money received by the Nebraska Education Savings Plan Trust into three funds. Education Savings Plan Program Fund, the Education Savings Plan Expense Fund, and the Education Savings Plan Administrative Fund. The State Treasurer shall deposit money received by the trust into the appropriate fund. The State Treasurer and Accounting Administrator of the gov-- of the Department of Administrative Services shall determine the state fund types necessary to comply with section 529 of the Internal Revenue Code and state policy. Bear with me one more sentence. The money in the funds shall be invested by the state investment officer pursuant to policies established by the Nebraska council. If there is a concern on property

tax, I'm not seeing it. I have been on the phone since then, since I didn't have much time to address that question. And I'm, I'm not finding anything specifically to address senators' concerns. So again, the bill did to go out of Education 8-0. Thank you, Mr. President.

KELLY: Thank you, Senator Sorrentino. Senator Dungan would like to recognize some guests in the north balcony. They are fourth-graders from Trinity Lutheran School in Lincoln. Please stand and be recognized by your Nebraska Legislature. Senator Hughes would like to recognize some guests in the South balcony. They are members of the Seward Junior Women's Club. Please stand and be recognized by your Nebraska Legislature. Senator Spivey, you're recognized to speak.

SPIVEY: Thank you, Mr. President. I, I really love when we have visitors and young people here, and especially as we debate education bills and other things that are pertinent to their experience. And so I'm really glad that they get to see their house in action and what we do here every day. And so I wanted to, to add just a few comments in my experience with apprenticeships that would allow-- be allowed in LB748 around being able to use those expenses for credentialing programs. And so my sister actually, who I had the privilege of being her guardian once our mother passed away, is in a certified apprenticeship program. And I'm so excited for her. She is my-- one of my pride and joys, little sister, and decided that, you know, she didn't want go the college route necessarily. She played basketball in college, and she really wanted to own her own business, work with her hands, and so she actually went through Metro Community College in, well, it's technically Senator McKinney's district, but I claim it because it's right on the border, the Fort Campus to go through a general contracting program, which they underwrote. And so she was able to get that experience and get paid and then go to a company to start her career. And so then she decided to actually join the union. She's in Local 22. She's a second-year apprentice and she still has classes and courses that she actually has to take. And so fortunately she has received scholarships to be able to pay for her books and these additional courseworks as she works to take her test for her journeyman. And from my understanding of this bill, she could use this opportunity to help pay for some of these expenses because it is a credentialing program. And so I do think as we are navigating shortages in trades and thinking about the types of people that can explore this career field where you can make really good money, you don't have the exorbitant cost of a college degree in debt like a lot

of us have, that this could be an opportunity to be able to support families as they have this type of educational journey versus the traditional four-year college that may not be for everyone. And so I just really wanted to uplift my sister's experience of being an electrician apprentice, and especially that she's in Local 22, which we are so proud of, and the work that she is doing within her career. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Thank you, Senator Sorrentino, for the comments about the budget. I love to talk about the budget and explain how this impacts property taxes. OK, buckle up, everybody. I'm about to nerd out. OK. So, we've got the Education Savings Plan Program, we have the edu-- Education Savings Plan Program Fund, we have the Education Savings Plan-- oh, sorry, the Nebraska Education Savings Plan Trust. The, the plan and the Savings Plan Expense Fund. The expense fund is funded by fees assessed to the program fund, the program being the NEST fund. So when we take money out of a fund that is funded my fees that people pay in, so I'm paying in, I pay into the NEST program. And part of paying into the NEST program, there's some fees involved there in the growth of the accounts. And so the-- that fee goes to the administration of the fund and, and the program itself. So when we take that money and then there's not that money in there to administer the program, what we're gonna see is an increase in the cost of administering the program to the people. So my children, your children's accounts, are going to have less money in them because we're going to have to use more of the money that we put into them to administer the program because we've taken money out of the program administration for the Education Future Fund. Now, how does that impact property taxes? Excellent question. Thank you very much. I'd love to answer it for you. The Education Future Fund is money that we use, we set aside to pay for part of our commitment as a state to different educational things, specifically special education. We have an obligation, it's called a maintenance of effort. So we have a maintenance of effort at a federal level where we spend X amount of money from the Education Future Fund on special education. We cannot spend even a dollar below that or we lose federal funds. We have to maintain that effort. So we have to as a state make sure that we put enough money into that fund to at least be at this level. Now here's the problem, is that when we created the Education Future Fund we had

a commitment as a Legislature and an agreement with the Governor that we were going to fund special education at 80%. In order to do that, we not only have to stay at this level, we have to increase the funding. We should, generally speaking, be increasing the funding through general funds. General funds go into the Education Future Fund, the Education Future Fund then funds special education, and that means we have less in general funds to go to the Property Tax Relief Fund. So all of these things in LB1072 that are taking money after various-- out of various cash funds that are funded by fees that everyday Nebraskans pay for a multitude of reasons, that is going to offset General Fund expenditures across the board. And the reason we are doing that is so that we can continue to increase the amount of money that we put into the Property Tax Relief Fund year after year after year. We're not taking any money out of the Property Tax Relief Fund. In fact, that fund is growing this year yet again. So as we have a budget deficit, we also have a growing Property Tax Relief Fund, once again, a tax that we do not levy at the state level. But then we over here have a state obligation of a maintenance of effort of the Education Future Fund. We cannot default on that. We cannot go below that. We can go below the 80%, which the current preliminary budget has us going below the 80%. So we only kept that commitment for two years. We're doing great. So in summation. All money that goes into the Education Future Fund, that is not general funds, that is funded by various cash funds, is to offset General Fund expenditures that can then go into the Property Tax Relief Fund to continue to grow it. And we continue to have the deficit because we haven't cut any spending. And the only way the deficit is shrinking is because we are taking money out of cash funds. LB1072 is a series of cash funds, from veterans cash funds, to children education cash funds, to realtor cash funds, to teacher licensure cash funds to offset that delta. And it is one-time funding, it is not sustainable, and we are on a very bad trajectory. I only bring it up in this particular instance because we're talking about the children's NEST accounts and I, for one, am a little scared. Thank you.

KELLY: Thank you, Senator Cavanaugh. Senator Sorrentino, you're recognized to speak. This will be your final time before your close.

SORRENTINO: Thank you, Mr. President. Senator Cavanaugh, your knowledge of the budget is impressive. Thank you. I want to steer it back to this particular bill, LB748. We're talking about contributions made by taxpayers of their own money. This bill does not increase

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those contributions, so it wouldn't have a tax effect at the Nebraska level. The only thing that's increased is the withdrawals, which of course in Nebraska are not taxable, and those can go to help public school students, which has been a concern in the past, and also generates money for, as Senator Hughes said, college and high school education, it's become more and more expensive. So while the, while the concern of the budget may be certainly one that we should all pay attention to, I don't see the logical nexus between a 529 plan, which is individuals' own contributions and the withdrawals belong to them, and the only tax issue on these is of course Nebraska does not tax money whi-- which is contributed. And we're not changing that. I think the bill as it sits is a good bill. The concerns of the overall budget are real. I'm just not seeing that nexus. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Again, good morning, colleagues. I wanted to, again, just direct members' attention to the diverse course of voices [MALFUNCTION] statement and then also the online comment, where we heard from a lot of different Nebraskans how making sure we harmonize our educational savings plan in light of changes on the federal level can assist with streamlining financial planning and educational access. So the main points of contention that we did hear from opponents were also interesting and important to note. So there's a couple of main threads that opponents brought forward that have not really been clearly addressed yet. So I just wanted to lift those four members who didn't have the opportunity to hear them at the committee level. So the first component being that participation in 529 plans, while such an important tool, is heavily, heavily skewed towards the wealthiest Nebraskans. And really has little, if any, benefit for many working-class families, rural families, families in public school, et cetera. So that's one thing that's important to note. And when you look at the statistics surrounding the 529 plans in Nebraska, that general assessment does ring true. So there's about a little shy, I think, of about 100,000 Nebraska resident accounts that are holding assets. The users skew towards higher-income demographics who are able to have the assistance of, of course, sophisticated financial planners and help them maximize state and federal tax benefits. And these plans are designed for parents, grandparents and guardians aiming to cover the increasing costs of tuition and other related educational expenses. So while this does open up more career pathways for more

qualified learning opportunities outside of a traditional two or four-year college, which I think is really, really good, we do need to be clear about who's using these and why. Additionally, participants have reported that many people, and this is through a national study, yet relevant to Nebraska, they have found it very difficult to figure out how to balance saving for things like both education and retirement, particularly as inflation on healthcare and childcare and groceries and other matters continue to skyrocket, yet we suppress wages artificially here in Nebraska by subverting the will of a ballot initiative and literally taking money out of the hands and pocketbooks of working Nebraska families and young people saving for college. But nevertheless, I just wanted, wanted to make that connection. The other thing that I think was a primary consideration at the committee level and has been part of this measure related to another perhaps complex relationship this Legislature has developed with facilitating and effectuating the will of the people, Nebraskans have spoken resoundingly multiple times that they do not want public resources utilized for private education. So despite that clear mandate, we know that the Governor and members like Senator Sorrentino have utilized every opportunity to try and divert those resources. So there was a great deal of consternation-- consternation earlier this year when the Governor announced that he was opting Nebraska into a federal scholarship tax credit program. A lot of those decisions about qualifying educational expenses have yet to be made and are directly correlated to this measure as well. So I did just want to lift up those perhaps inequities in terms of he was utilizing these plans, recognize that there are some good aspects of this for alternative education pathways. But there are also clear connections with this body's decision to remove resources to keep higher education affordable, and this kind of program and plan prima-- primarily benefits the wealthy with yet another tax benefit. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Hallstrom would like to recognize some guests in the south balcony from the Nebraska Bankers Association, the Young Bankers. Please stand and be recognized by the Nebraska Legislature. Senator Hughes would like to recognize guests in the North balcony from the Nebraska Association of County Extension Boards from across Nebraska. Please stand and be recognized. Senator Machaela Cavanaugh, you're recognized to speak, and this is your third time on the bill.

M. CAVANAUGH: Thank you, Mr. President. I will be very brief. I just wanted to clarify that what I was discussing in the budget didn't necessarily pertain to Senator Sorrentino's bill. I just was using the opportunity since we were on the topic of the 529 accounts to explain what was in the budget. There's going to be a lot of things in the budget, and we're going to feel like we're drinking from a fire hose when it comes to the budget debate. So if I have an opportunity to highlight various cash funds and cash transfers when it pertains to a specific bill, I'm going to take that opportunity. So just for clarification, Senator Sorrentino's bill, as far as I know, does not impact the budget. I just wanted to talk about the 529 plans as they pertain to the budget. Thank you, Mr. President.

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

F. MEYER: Thank you, Mr. President. I just want to make a few comments about this bill. I have been involved with education policy for probably 30 years and, and I've developed a view that Nebraska needs to embrace all avenues of education from public school to private schools to homeschools. I remember the days when the, the huge issue of homeschooling was a very hot topic here in Nebraska, and that's almost 40 years ago. Since that time, we've seen the homeschooling network evolve to one where those students, because of the individualized opportunities they're able to embrace, test at or close or above all of the other students in public and private schools in Nebraska. And I think that's a testimony that, that we need to embrace here in the Legislature that all kids are not the same, all kids have differences in public schools at their disposal, some will have private schools, some don't. But this gives students another opportunity to-- and parents an opportunity to choose the best avenue that they feel for their kids. Senator Wayne always had a, you know, when we talked about this two years ago, he gave the analogy that in his district, there were some students from low-income homes who were locked into a certain elementary school that was in the neighborhood. And those students had little, very, very limited ability to overcome the circumstances that they were in just because of their locality. And down the street, there may have been a parochial school that had a lower teacher-to-student ratio and was able to give those students a, an opportunity to maybe advance their scholastic abilities maybe somewhat above what they were able to do in the public schools. So Senator Wayne was a supporter of the school choice program because he

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saw firsthand instances of students that were locked into a certain elementary school that they were not really going to be able to overcome their circumstances, and it was an avenue that those students could accomplish whatever they could to the best of their ability. And I think this LB748 is kind of along those lines. It's another thing that we can do to help parents in Nebraska have choices of how they want to educate their kids. So I am a firm believer that in most things in Nebraska, we need to support all of the opportunities and take all of options that are available to, to further education. So with that, I encourage the support of LB748.

KELLY: Thank you, Senator Meyer. Seeing no one else in the queue, Senator Sorrentino, you're recognized to close.

SORRENTINO: Thank you, Mr. President. I appreciate all those who were in the queue and testified. I think it was good to vet any concern we have now. Very quick note, the average account owner in Nebraska actually contributes less than five dollars, and you can go as little as five dollars a month. And we do have a low-income match program in NEST that was passed by this Legislature in 2019 or '20. But with that, that completes my testimony. Thank you, Mr. President.

KELLY: Thank you, Senator Sorrentino. Senators, the question is the advancement of LB748 to E&R Initial. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 29 ayes, 0 nays on advancement of the bill, Mr. President.

KELLY: LB748 is advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President, General File, LB924, introduced by Senator Andersen. It's a bill for an act relating to learning communities. Changes the authorized use of-- the uses of learning community levies as prescribed; harmonizes provisions; and repeals the original section. The bill was read for the first time on January 9th of this year and referred to the Education Committee. That committee placed the bill on General File with, with no committee amendments, Mr. President.

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

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ANDERSEN: Thank you, Mr. President, and good morning colleagues. I rise today to introduce LB924. LB924 is an administrative cleanup bill intended to help an important organization operate more efficiently in its work serving Nebraskan families. Founded in 2009, the Learning Community was developed to reduce the gap in education achievement in the Omaha metro area through early childhood education, family engagement, and future teacher preparation. They are active in 11 school districts and serve approximately 11,000 students, a number that is constantly growing. LB924 aims to support the mission of the Learning Community with a few administrative changes. First, the current statute mandates that only 10% of the levy can be used for hiring center employees. This has forced the organization to let contracts rather than directly hire staff. LB924 would keep the 10% cap, but direct it to administrative staff only, allowing for direct service staff to be hired at their model efficiency. This would not increase their budget, this would realize a significant cost-savings to the taxpayers, approximately \$250,000 in contract-related costs. Secondly, current statute permits the Learning Community to lease but not purchase facilities. LB924 will allow them to purchase real property, a small change that would aid in expansion and eliminate waste accrued through continual renting. The final change articulates the learning community's authority to part-- to partner with entities with a goal of increasing graduation rates. This is the work the community is already doing successfully. There is no fiscal impact, and I appreciate the Education Committee passing this bill out of committee 8-0. To me, this reaffirms the importance of the measure and the bill's commonsense approach. Thank you, colleagues, for your time and attention. I ask for your green vote today in support of a better future for Nebraska families.

KELLY: Thank you, Senator Andersen. Senator Rountree, you're recognized to speak.

ROUNTREE: Thank you so much, Mr. President, and thank you, colleagues. Again, good morning. I rise in support of LB924, sponsored by Senator Andersen. Over the course of the summer, we had an opportunity to go out and to visit with the, these centers and see the great work that has been done. And so I support on the changes that this bill brings that allows them the greater efficiency to continue to serve the families in our communities. Thank you. With that, I yield back the rest of my time.

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KELLY: Thank you, Senator Rountree. Seeing no one else in the queue, Senator Andersen, you're recognized to close.

ANDERSEN: Thank you, Mr. President. The Learning Community exists to promote something that we can all agree on, academic success without regard to social or economic circumstance. The small changes outlined in LB924 will give them greater flexibility and efficiency as they work towards a better future for all Nebraska children. I thank you for your time today, and I look forward to you-- hope to get your green vote on this very important bill. Thank you.

KELLY: Thank you, Senator Andersen. Senators, the question is the advancement of LB924 to E&R Initial. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

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

KELLY: LB924 is advanced to E&R Initial. Senators Arch and Bosn would like to recognize some guests in the north balcony from Black Hills Energy across the state. Please stand and be recognized by your Nebraska Legislature. Mr. Clerk.

CLERK: Mr. President, General File, LB956, introduced by Senator John Cavanaugh. It's a bill for an act relating to postsecondary education. It requires the collection and reporting of certain compensation data as prescribed; defines terms; provides duties to the Nebraska public postsecondary institutions; provides duties to the Coordinating Commission for Postsecondary Education; provides an-- provides an operative date; and declares emergency. The bill was read for the first time on January 12th of this year and referred to the Education Committee. That committee placed the bill on General File.

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

J. CAVANAUGH: Thank you, Mr. President. Could we just move to the amendment?

KELLY: Mr. Clerk.

CLERK: Mr. President, Senator John Cavanaugh would move to amend with AM1943.

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KELLY: Senator John Cavanaugh, you're recognized to open.

J. CAVANAUGH: Thank you, Mr. President. So LB956 with AM1943. It's a simple bill that provides the duties for the Coordinating Commission on Postsecondary Education to compile a report on compensation data for postsecondary institutions. Uniform data on salary and compensation will ensure that both sides in negotiations have the details necessary to reach an equitable agreement. I want to thank the Coordinated Commission for working out the language in the amendment that we'll consider in this moment will eliminate the \$10,000 fiscal note on this bill. So if we adopt AM1943, there'll be no fiscal note on this bill. AM1493 is an amendment to address concerns, clarify-- clarification brought by the Coordinating Commission on Postsecondary Education. The amendment adds definitions for employment classification and rank and position within each employment group and removes the requirement for the commission to verify the data in addition to compiling it. It also strikes reference to private institutions, limiting the data collection to just the public two-year and four-year institutions, and requires the data to be submitted to the commission electronically. The commission has indicated to me that this change will eliminate the fiscal note, so I'd ask for your green vote on AM1943 and LB956. So again, it's just simple, making sure the data is being submitted to the learning-- or the Coordinating Commission on higher education so that they can compile this report. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Seeing no one else in the queue, you're recognized to close on the amendment, and waive. Senators, the question is the adoption of AM1943. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 31 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM1943 is adopted. Senator John Cavanaugh, you're recognized to close.

J. CAVANAUGH: Thank you, Mr. President. Thank you, colleagues, for the green vote on the AM. So now this bill when it moves forward should not have a fiscal note. And again, the fiscal note was basically just for them to physically go pick up the data, so the AM required the universities to just electronically transfer it to the Coordinating Commission. So LB956 will require the Coordinating-- the universities

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to send the Coordinating Commission the salary data based off of job classifications so they can generate this report about how much each job classification is paid basically in our university system, both two-year and four-year colleges. So I'd encourage your green vote on LB956. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Members, the question is the advancement of LB956 to E&R Initial. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

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

KELLY: LB956 has advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President, General File, LB749, introduced by Senator Sorrentino. It's a bill for an act relating to municipalities. Changes to provisions relating to the calculation of tax levies for state aid purposes; and repeals the original section. The bill was read for the first time on January 7th of this year and referred to the Revenue Committee. That committee placed the bill on General File, Mr. President.

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

SORRENTINO: Thank you, Mr. President. Good morning again, colleagues. I introduced LB749 on behalf of the Nebraska State Auditor Mike Foley as a cleanup bill for his office. It's very straightforward. I'll explain it briefly. In accordance with Nebraska Revised Statute 77-22,139.03, Section 1, the Auditor's Office annually provides the Department of Revenue a list of the bond and non-bond tax request amounts from the most recent budgets filed by incorporated municipalities. The Department of Revenue already receives this information as part of the certification of the certificate of taxes levied. This bill would eliminate the need for a duplication of efforts from the Auditor's Office. In some instances, the valuation information has changed and the certificate of taxes levy actually is more accurate. LB749 is a cleanup bill that would eliminate the Nebraska State Auditor's Office from having to provide information that is already duplicated to the CTL. There is no fiscal impact, and this would streamline the process for the Department of Revenue in

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calculating state aid provided to municipalities. LB749 was voted out of the Revenue Committee 8-0. Thank you, Mr. President.

KELLY: Thank you, Senator Sorrentino. Seeing no one else in the queue, you're recognized to close, and waive closing. Members, the question is the advancement of LB749 to E&R Initial. All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 30 ayes, 0 nays, and advancement of the bill, Mr. President.

KELLY: LB749 is advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President. General File, LB771, introduced by Senator Ballard. It's a bill for an act relating to transportation. Changes provisions relating to the dynamic pricing used by transportation network companies during states of emergency declared by the Governor; and repeals the original section. The bill was read for the first time on January 7th of this year and referred to the Transportation and Telecommunications Committee. That committee placed the bill on General File, Mr. President.

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

BALLARD: Thank you, Mr. President. I rise today to introduce LB771, which was introduced on behalf of the Nebraska Emergency Management Agency, and is to correct oversight issues when it comes to dynamic pricing during a state of emergency. Right now, when the state-- the state of emergency is declared in Nebraska by the Governor, it is required that dynamic pricing is suspended in the entire state. Because of this, the Governor has to take extra steps after the emergency declaration to state that the ban does not apply to all areas in the state. This bill would automatically allow dynamic pricing to continue across the state even during a state of emergency unless the Governor bans dynamic pricing in the emergency area. If, for instance, the road travel is impacted in the state of the emergency area, the Governor can issue a declaration limiting dynamic pricing in that area. When prices are capped, fewer drivers want to drive. This leads to fewer rides available for people who have some reason who otherwise cannot drive. Ride-share drivers should not have their earnings limited by arbitrary rules, especially if they are not in an emergency area, or if they have no impact on road travel. These drivers range from people driving for full-time jobs to those trying

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for second income. The Governor has-- still has the flexibility to make these findings after the declaration of the state of emergency, however, this bill gives him the authority to include the declarations in the original state of emergency declaration. With that, Mr. President, I ask for your green vote. Thank you.

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

CLERK: Mr. President, Senator Ballard would move to amend with AM1948.

KELLY: Senator Ballard, you are recognized to open on the amendment.

BALLARD: Yes, thank you, Mr. President. AM1948 would just add an emergency clause to LB77. I'd ask-- colleagues, I'd asked for your green vote on AM1948. Thank you, Mr. President.

KELLY: Thank you, Senator Ballard. Moving to the queue, Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Colleagues, I rise today, I guess still interested in the conversation around LB771 to better understand why this is necessary and the potential impacts that it may have. I, I think it's interesting how the current law is, is structured, and I'll be honest, when I saw Senator Ballard's bill get introduced and I saw the one-liner, I was curious. Because I also have some bills this year, I think Senator Guereca does as well, that are gonna be heard today in the Banking, Commerce and Insurance Committee with regards to dynamic pricing and the use of AI. And so I'm curious, I was curious when I saw the one-liner what this actually had to do with that. I wanted to speak broadly about what exactly dynamic pricing is and what some of the concerns are that I have about dynamic pricing. Largely, I understand that companies are built to make a profit. But what we've seen with the advent of technology over the last few years, and especially with the advent of AI being utilized with dynamic pricing, we're seeing, I think, a balancing act that people are trying to strike that's being unbalanced towards the companies. Dynamic pricing, when we think about that, used to just be ride-shares, right? I think that's what a lot of people are familiar with, with ride-shares and how at certain points in time during the day, there can be an increased price for your Uber or for your Lyft based on surge pricing or things like that. What we've started to see though, through technology and with AI, is dynamic pricing creating a circumstance

that I think is a consumer protection issue. Across this entire country, there has been increased incidence of companies using dynamic pricing and changing how much their goods or services cost for any number of reasons that negatively impact the people who are trying to use those services or purchase those goods. Examples that I've heard of this can range anywhere from the changing of prices of groceries during the week in an effort to essentially have surge-pricing groceries, which is problematic because the time that a lot of people who are working people can afford to go buy groceries is when the groceries are gonna be more expensive. If you're somebody who can afford to go grocery shopping at 1:00 in the afternoon, it might be cheaper for you. That's a pretty common example. But there's even more, I think, insidious methods being used of surge pricing. One that we've heard about that is specifically going to be noted, I know, in my, my hearing later, is where Target, for example, changed the prices displayed on their app for certain products based on whether the customer and their device was physically inside a Target store. When these reporters looked at the Target app while they were inside the store, they found that a car seat, which was the example they were using, was \$72 more expensive than when they'd been sitting on the far side of the Target parking lot. A Dyson vacuum was \$148 more expensive based on whether or not you're in the store or not. Other examples of this that I think have actually been even more shocking to me are companies when you get a rideshare, for example, being able to determine whether or not your battery is at a certain level. Because they know that if your battery is low, you're going to pay more for that car. And I've heard other examples where if you come from a place that is a higher cost of living and you're trying to get an Airbnb somewhere else, that Airbnb will be more expensive simply based on the geographic location that you're currently in. Because the know that if you live in San Francisco and you're trying to book an Airbnb in Lincoln, Nebraska, you're willing to pay more because you're used to things being more expensive than if you live in Kearney and you are trying to booked an Airbnb in Lincoln. I guess when I saw LB771, it just triggered my red flags. I think that we as a Legislature need to be aware of a lot of the potentially problematic usage of surge pricing. I've actually been receiving messages from constituents and from people across Nebraska about increased incidence of this negative impact of surge pricing and dynamic pricing that changes over time. And it is a consumer protection issue. And I think we need to make sure that, obviously, businesses can operate the way they see fit to a

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degree. But we have consumer protection laws for a reason. And the consumer protection laws exists to ensure that there's not unfair bargaining power in the purchasing of goods or the use of services in a way that detrimentally impacts your constituents. And so I understand that LB771 was, I think, introduced to address a very specific issue with the way the law was written, as it pertains to in the event of a declared emergency, surge pricing not being allowed to be used across the entire state versus that geographic location. I'm happy to continue listening to the debate, but I think that this Legislature needs to start becoming a little bit more aware and educated about surge pricing and dynamic pricing across the board, because it is being utilized increasingly so. And the problem is, colleagues, you don't even realize it, because when you go online, that's just the price. Thank you, Mr. President.

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

FREDRICKSON: Thank you, Mr. President. Good morning, colleagues, good morning, Nebraskans. I thought I would just come up and speak a little bit about this bill. I sit on the TNT Committee, so sat through the hearing. Certainly have spoken with Senator Ballard a little bit more about his goal and his intention here. And so I wanted to sort of maybe shed some light. There were a few of us who PNV'd this bill out of committee, and I was one of those. And I can't speak for my colleagues, but for me, I PNV'd it because I was certainly wanting to learn a little more. And I'll kind of walk through my thought process with that a little bit. So currently, the way our law in the state of Nebraska works is that when a state of emergency is declared by the Governor, we have a ban on surge pricing for ride-shares. So this was actually put into law from what I understand around the pandemic, around COVID, and the idea being that individuals who needed to get around, they did not want them to be price-gouged to get to necessary appointments. Senator Ballard brought this bill because I think there's a really good intention behind the bill. So he gave a great example of if we have a state of emergency in a part of the state, it doesn't always make sense to have a statewide ban on this dynamic pricing. So to give you an example of that, if there is a fire in Scottsbluff, for example, it doesn't necessarily make sense to have a ban on this type of dynamic proces-- processing in downtown Omaha, because downtown Omaha obviously is not gonna be affected by the fire in Scottsbluff from a traffic perspective. So I, I, I think that that

makes a lot of sense. My one sort of hiccup with the bill was that this seems to move it from, instead of there being an automatic ban on the surge pricing or dynamic pricing, it just completely eliminates that entire step with the option for this to be added in by the Governor. So I had spoke with Senator Ballard about one of the things I was curious about was whether it would make sense to make this so that the ban on surge pricing or dynamic pricing was only, or was limited to, the county from which the state of emergency was declared. So an example of that would be, you know, the tornadoes in, in Elkhorn that we saw, was it one or two years ago, right? So that would have been Douglas County primarily. So a state of emergency is declared, there would be a ban on surge pricing in Douglas County. So, you know, Custer County, other parts of the state, surge pricing, they could, they could go all out, they could do all that wherever they wanted. It just would not be affecting-- that would not go into place in those counties. It would just be where the, the emergency was declared itself. So I did have the opportunity to speak with some folks from NEMA, so who were sort of the folks who, from what I understand, brought this bill to Senator Ballard. And they clarified this a little bit further for me. So one of the challenges that has come up related to this is that essentially when a state of emergency is called and there's that ban on the surge pricing, that ban currently goes into effect until the state of the emergency is, is expired. And so from what I understand, that is until the last bill is paid. So this could be months and months and month down the road, if not longer, when that necessarily doesn't necessarily still apply to the situation. So they say that under this bill, should we pass this, the Governor could still prohibit dynamic pricing in that state of emergency, but could do so via executive order. So what does that mean? So basically the Governor could issue an executive order and that could be a lot more time-specific to the state of emergency. So the executive order in theory could say something to the effect of surge pricing is also prohibited in Douglas County for the next 14 days or, you know, whatever it might be relevant to the emergency itself. I feel a bit more comfortable with that. At the same time, my concerns that still come up are a few things. One is that I think in a genuine state of emergency, you know, I don't want to speak for the Governor, but I would imagine Uber surge pricing is not necessarily the top thing on his mind. And so I'm really thinking about Nebraskans in those circumstances where we currently have the safeguard in place that if a state of an emergency happens, this automatically goes into effect.

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It's not something that has to be thought of and an additional step does not have to occur. This would require an additional step to happen, and it's possible that some surge pricing could happen before that executive order is issued that people might be impacted by. So I still prefer having a state of emergency when that's declared, the ban on dynamic pricing to still go into effect for the county where that state of emergency exists. That would be my preference, but I do also, you know, appreciate the efforts of Senator Ballard. I think moving in the direction where it's not statewide is, is the right choice. You know, I think we share the same goal here, it's just a little bit of kind of in the weeds that we might see this a little bit differently. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. I just wanted to go into a little bit more detail about some of these examples of dynamic pricing that I was talking about, because I think they're very interesting. And frankly, they do tee up some of the issues we're going to be talking about this afternoon in the Banking, Commerce, and Insurance committees. So first, I wanted to be very clear. I, I agree that Senator Ballard is trying to address an issue that, that comes from the-- essentially the poor wording of the statute that currently exists, so I understand that he-- what he's trying to fix. I told him that I'm just going to take one more chance here on the mic to talk a little bit about dynamic pricing because I think that's important. But I do understand the issue he's fixing, and I appreciate Senator Fredrickson's comments kind of going into some more detail about ways to maybe achieve that goal in a better way. Some testimony though that-- or some written testimony that I found from consumer reports that I find very interesting, that I want to share because I didn't realize this was happening. An investigative journalist writing for San Francisco Gate, SF Gate, looking at the prices offered for a hotel room in Manhattan for a specific date and varied-- and in doing so, varied his operating system, browser, cookies, and location. And he found that when he changed his IP address from a Bay Area location to locations in Phoenix and Kansas City, the prices dropped by more than \$200 per night and more than \$511 in one incident. ProPublica found that the test prep company Princeton Review was offering different prices for its tutoring services depending on a customer's zip code, which can often be used as a proxy for race in many parts of the

country. As a result, they found that the Asian customers were paying nearly twice as much, or were twice as likely to receive a higher price than folks who were not. Wall Street Journal reported that Orbitz, the travel aggregation company, determined that-- and this one's really interesting for those who are using a PC-- that Mac users spent more per night on hotels than Windows users and began steering Mac users towards pricier hotels. The example I gave earlier, which is highlighted in this testimony, a Minnesota local news site discovered that Target changed the policy and the prices displayed on its app for certain products based on whether the customer and their device was physically inside a Target store. When the reporters looked at the Target app while inside the store, they found the Graco car seat was \$72 more expensive than when they had been sitting on the far side of the Target parking lot, and a Dyson vacuum was \$148 more expensive. Following that Minnesota investigation, the Sonoma County Department of Agriculture Weights and Measurements Division also conducted an investigation into Target. Seven district attorneys ultimately brought a suit against Target, which alleged that the prices for some products changed on the Target app when consumers entered physical stores. The suit resulted in Target paying \$5 million in a settlement along with several court orders, including barring the retailer from using its app to change the price of a product based on a customer's location. Why I think this is important, colleagues, is we are in the middle of an affordability crisis that we hear about day in and day out. We hear from constituents that prices of housing is too much, prices of groceries are too much. Everyday goods are too expensive. Wages aren't ample enough to make sure people can actually pay for everyday items. And what my concern is is if we continue to enable this dynamic pricing or these algorithmic pricings in such a way that negatively impact our constituents, we're going to get behind the eight ball. And we're gonna get behind it here in a way that ultimately results in us not having proper legislation to have those consumer protections in place. One of the things I think we should talk about as a legislature is consumer protection writ large when it comes to price gouging. Many states that have natural disaster issues on a regular basis, for example, will have price-gouging laws where a retailer is not allowed to sell an item above a certain percentage of the average cost for the last 30 days in the middle of a state of emergency, kind of like what we're talking about here with states of emergency. I think it would make sense, colleagues, to take a look at whether or not there can be some sort of price-gouging laws that have to do over a period of time

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with a 30-day lookback in order to make sure that dynamic pricing or al-- algorithmic prices don't get so out of hand that all of a sudden things that were affordable become unaffordable based on a geographic location, based on a zip code, or based on where somebody lives. So I appreciate Senator Ballard bringing this bill, A, because I think it does address an underlying issue in the language of the legislation that he's seeking to fix. But also B, I think that it addresses, or at least starts to reference a larger problem. For those who love watching the Banking, Commerce and Insurance Committee, like I said, my bill will be up this afternoon. I think Senator Guereca has a similar bill, and we continue to debate these issues and talk about it, so I look forward to more of a discussion with that committee. But otherwise, I just appreciate having this talk today. Thank you, Mr. President.

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

CLERK: Mr. President, some items for the record. Amendments to be printed from Senator McKinney to LB653; Senator Hughes to LB110; Senator McKenney, LB855. Notice of committee hearing from the Health and Human Services Committee. Additionally, the Urban Affairs Committee would give notice of committee hearings. Name adds. Senator Wordekemper to LB304. Notice that the Agriculture Committee will have an executive session upon the conclusion of its public hearing. The Education Committee will have an executive session today following their public hearing. And a priority motion. Senator Rountree would move to adjourn until Wednesday at 9:00.

KELLY: Speaker Arch, you're recognized.

ARCH: Thank you, Mr. President. I just want to give a few announcements before we adjourn today regarding this week and next. So on Thursday I will be scheduling Final Reading and Select File. So that's our last legislative day of this week, but we-- I will be scheduling Final and Select File on Thursday. So if you have a bill on Select File that needs an amendment, please be sure and get that drafted and filed before adjournment tomorrow, Wednesday. As usual, Laurie will be calling staff to find out the status of the bills on Select File. Next Tuesday, and I've had several questions about priority designations, so next Tuesday the 17th is the deadline to submit to me a letter requesting my designation of a bill as a Speaker priority. You may request more than one bill, however, please submit a

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separate letter for each bill requested. These letters need to be hand-delivered to my office prior to adjournment on Tuesday, February 17th. And I will announce my list of Speaker priorities on Friday, February 20th. And in between there, the deadline for the designation of senator and committee priority bills is next Thursday, February 19th, prior to adjournment. Currently, only 11 out of the 82 senator and committee priorities have been designated, so I'm sure we'll be seeing those in the next few days here. But thank you, Mr. President. I just wanted to clarify.

KELLY: Thank you, Speaker Arch. The question is the motion to adjourn. All those in favor, say aye. Those opposed, nay. The Legislature is adjourned.