

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate February 26, 2026  
Rough Draft

**KELLY:** Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the thirty-fourth day of the One Hundred Ninth Legislature, Second Session. Our chaplain for today is Reverend Sarah Rentzel Jones, First Central Congregational Church in Omaha in Senator John Cavanaugh's district. Please rise.

**SARAH RENTZEL JONES:** I'd like to invite us to take a few moments of silence before I lift up a prayer for all of us. As we gather here, we pause before we begin our work of the day to remember that we do not operate in a vacuum. We are part of a greater whole, and we take this opportunity now to think about all those whose lives this work touches. We also pause to connect with what is sacred to us. We ask to be reminded of our own aliveness and of the life and breath that flows through each one of us and through each living creature on this earth. We ask to be guided in our work, that it would do no harm, that it will even do good, and that it would preserve the dignity and value of life. We ask to be freed from selfishness and pride and inspired to prioritize generosity and care. We ask to be of service and to do our work well. We place this day in the care of that which we called to mind as sacred and trust that we will be guided to what is right. In many divine names we pray. Amen.

**KELLY:** I recognize Senator Moser for the Pledge of Allegiance.

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

**KELLY:** I call to order the thirty-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. New LR, LR352 from Senator Brandt, that'll be laid over. Additionally, notice that the Health and Human Services Committee hearing today will be held at 1:30 p.m. Health and

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Human Services committee hearing, 1:30 p.m. today. That's all I have at this time.

**KELLY:** Thank you, Mr. Clerk. Senator Glen Meyer would like to recognize the doctor of the day, Dr. Dave Hoelting of Pender. Please stand and be recognized by the Nebraska Legislature. Senator Lippincott would like to recognize his sister, here from Cedar Rapids, Iowa, Ronda Anderson, under the north balcony. Please stand and be recognized by the Nebraska Legislature. While the Legislature is in session and capable of transacting business, I do-- propose to sign and do hereby sign LR341, LR342, LR343, and LR344. Mr. Clerk, please proceed to the first item on the agenda.

**CLERK:** Mr. President, General File, LB455 from Senator Hallstrom. When the Legislature left the bill, pending was the bill itself from Senator Hallstrom as well as a motion to indefinitely postpone pursuant to Rule 6, Section 3(f) from Senator Raybould.

**KELLY:** Senator Hallstrom, you're recognized for a 1-minute refresh.

**HALLSTROM:** Thank you, Mr. President. We are considering LB455 with a motion from Senator Raybould to IPP the bill. I am opposed to the IPP motion, supportive of LB455. We will later on hear a description of the committee amendment, which combines LB455 relating in general to workers' compensation, more specifically to confidentiality of first injury reports, which would be combined with Senator Ibach's LB313, which has to do with changing the current fair and equitable distribution of reimbursement of insurers' subrogation rights to a formula that would be more certain for all involved in the process. Thank you, Mr. President.

**KELLY:** Thank you, Senator Hallstrom, and, Senator Raybould, you're recognized for a 1-minute refresh on your priority motion.

**RAYBOULD:** Thank you, Mr. President. My priority motion is to indefinitely postpone. I did this with the intention of making sure that we had a good and fair and robust debate and discussion on workers' compensation. And I think we are going to continue with the discussions today. Thank you.

**KELLY:** Thank you, Senator Raybould. Senator-- moving to the queue, Senator Dungan, you're recognized to speak and this is your third time on the priority motion. It starts over. Senator Dungan, you're recognized to speak.

**DUNGAN:** Thank you, Mr. President. Good morning, colleagues. I do rise today, again, in favor of Senator Raybould's motion to indefinitely postpone, and still opposed to LB455 in its current iteration and form. I want to start by situating the conversation a little bit as to where we left off yesterday. Obviously, there's LB455, which we've talked about, and I think we're going to continue to talk about today. And in addition to that, there is an amendment that is on the agenda of things that will come up eventually if we get to it that adds in a bill by Senator Ibach that also affects workers' comp and insurance. And so I think when we're talking about these bills, we're clearly having a conversation about workers' comp, in general, and also about both of those bills together. And so some of the comments you're going to hear this morning, I think, are likely going to focus on LB455, but also may talk a little bit about that amendment. So I just wanted to make sure it's clear that both of those bills are what I'm currently objecting to in their iteration. And as has been stated before, my understanding is there are still some conversations happening, but I just want to be very clear that what I think is most important here is that we continue to uphold a system that supports workers who have been hurt on the job. Now, is the current workers' comp system perfect? No. And is it a situation or a system where people find themselves unhappy on both sides of the relationship, be it employer or employee? Absolutely. But what we have currently is a system that has been put in place over a number of decades after conversations and debates and discussions between all of the interested parties. And the goal of that system, in my mind, should be to have it remain equitable. And when I say equitable, what I mean is to ensure that each side gets what they need in order to have a fair shot at having their issues addressed, at having their recourse. And my North Star, what look to in these kind of conversations and situations, is whether or not the everyday Nebraskan who's just going to work, who's just trying to pay the bills, get a roof over their head, pay for dinner on the table at night, if they get hurt on the job due to something that happened at work, they should be able to make a living wage in that period of time where they are trying to heal and get back to work. That's all we're talking about. Ensuring that their medical bills are paid, ensuring that they're able to eat and pay their electricity bills, those are the people that I think we should be most worried about. My concern is that LB455 and certainly the amendments that are attempting to be attached to LB455 tip that scale. And tip that scale in favor instead of the everyday Nebraskan and our constituents that we should be here caring about, tips that scale and favor of both businesses who are seeking to maybe save some money down the road, but

certainly tips that skill towards the insurance industry. The people who are collecting large amounts of money every single year. My understanding is that in 2023, workers' compensation carriers brought in over \$43 billion in net premium, \$43 billion with a B. The average settlement amount for workers' compensation cases, looking at over about 1,000 cases, was about \$29,000. So when you're looking at who's currently making the windfall, who is currently making the profit, it's not the individuals who are needing to go through the incredibly difficult and archaic system to claim their workers' comp, it's, it's the businesses, it's the companies, the carriers. And I'm not saying that they're bad or evil, but to act as though there is a crisis or there is a situation that needs addressing, I think is disingenuous given the amount of money that is currently circulating in that industry. And one of the things I talked about yesterday that I think we're going to talk about again here today is what is the problem that LB455 is seeking to address? I have never once in, now, almost my 4 years here had somebody reach out to my office and contact me about this being a problem. LB455 addressing the list that is public record as to workers' comp claims. Not a single person has ever called me, emailed me, sent a message to any of my social media about whether or not they think this is an issue that needs to be addressed. To me, this is a solution in search of a problem, and it is a bill that directly benefits an industry that is simply trying to save money at the cost of making it more difficult for workers who have been hurt on the job to have some recourse. And I understand that, you know, it's easy, as has been said yesterday as well, to poke fun at certain parties here like attorneys. But at the end of the day what we're talking about are attorneys who are trying to help people be made whole and ensure that they have money in their pockets while they've been hurt on the job before they can go back to work. That's it. That's all we're talking about. And so for all of those reasons, colleagues, I do believe that LB455 is both unnecessary and harmful, and I would encourage your green vote on the motion to indefinitely postpone. Thank you, Mr. President.

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

**CONRAD:** Thank you, Mr. President. Good morning, colleagues. I rise in continued opposition to the underlying measure LB455 and actually support the, the hostile motions to indefinitely postpone this measure. At its heart what this measure does is it hides workplace injuries, it deprives injured workers of a right to know-- for their ability to seek counsel to help understand their rights when they're

injured in the complex workers' compensation system. It additionally gives insurance companies more control in regards to how we handle things like subrogation. It lets insurance companies jump ahead of injured workers in terms of how we sort out those kinds of processes and procedures and settlements. It specifically would put into statute components that are out of alignment with our process, procedure, and court rulings, including those that have been specifically rejected by the Nebraska Supreme Court. We have conservative judges appointed by conservative governors that are fully capable of making decisions about what's fair and equitable based upon the individual circumstances and facts of the case before them. Additionally, I want to make sure to provide some context in regards to the shield, the, the, the components that would prevent injured workers from knowing and understanding their rights and consulting with attorneys. We know that we have legal deserts in this state. It is well-documented. Many, many counties have few attorneys who handle a variety of important cases, and some counties actually have none. We know particularly in those legal deserts providing direct information to injured workers is critical to ensuring that they can know and understand their rights. We know that an advisement of right is part of our legal culture and process and practices. Think about it in the criminal context, under Gideon and Miranda and the frequent warnings we all know from watching things like Law and Order on TV, right? Each individual, in the criminal context, is advised of their rights by the government, their right to remain silent, their right to retain an attorney, their right to retain an attorney. If they can't afford one, one will be provided. It's the same sort of instance in this civil context. Individual litigants should have an advisement that they can seek legal counsel so they understand they can go to their doctor. They can understand that they don't have to sign away their rights. They can understand how the process works. And there is no financial benefit to an attorney to take up a bad case. And these communications have been upheld by the U.S. Supreme Court. They are carefully circumscribed in the Nebraska rules of procedure, our ethical code governing lawyers. They have to be conspicuous in regards to advisement, advertisement. They must not be coercive or misleading in any way. And this system has served our state well. And, in fact, injured workers in this system, on this bill came forward to talk about how they were dissuaded by their employers and their insurance companies from even seeking counsel to understand their rights. Additionally, I want to make sure to be clear that this has to be contextualized. Nebraska has lower workers' compensation rates than the national average. Nebraska is consistently rated as one of the most favorable states to do

business: low tax rate, low regulatory burden, favorable litigation environment. But when it comes to the rights of workers, when it comes to workers' rights, health, and safety, we're on the other end of that list, where we're the top state where adults working full time are living in poverty. And Senator Hallstrom and his allies cut the minimum wage. Senator Hallstrom and his allies cut earned sick leave. Senator Hallstrom and his allies ensure inequitable tax cuts.

**KELLY:** That's your time, Senator.

**CONRAD:** Thank you, Mr. President.

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

**QUICK:** Thank you, Mr. President, and good morning, colleagues. I'm still rising in opposition to LB455, and actually I support MO7-- MO76. So I'm going to talk a little bit too about, you know, some of these bills that come before us that deal with the workmen's compensation. So they're trying to find ways that they can reduce the cost of workmen's compensation for the employers, basically, and on the insurance side. And so-- but what happens with that is-- I think we should actually be looking at workplace safety. So making sure that there's safety committees and making sure there's buy-in from both the employer and employees to make sure that you have a safe workplace. That's where you, that's where you reduce your workmen-- workers' compensation claims. I mean, that's how you reduce workers-- you know, worker injury issues by, by establishing those. So you're doing it on the front end instead of now we're going to do it on back end and we're just going to reduce the cost, but what's going to happen is it's actually going to hurt the employee because they've been injured on the job, they're-- you know, they don't want to be hurt, you know, they would love to stay working, they want to-- they enjoy their job or whatever they're doing there, and, and they're making a living and providing for their family, they don't want to be hurt. And, you know, like I say, I think it's just a, a bad way of, of doing business by bringing bills on the, on the back end of a, of a worker's injury case. I brought a bill back in 2017 that dealt with workmen's compensation and at that time what I wanted to do was have-- be able to let employees choose their doctor because sometimes employers will have a doctor right on their site or, or maybe they'll have a doctor that comes out and does like-- will have a clinic there so often-- every so often. I think-- I'm not sure but I think JBS might have some doctors that they work with and so they send those employees to that

doctor to get some of, some of their immediate care for maybe a small injury or, or maybe if they're-- I think it's mostly for the injuries at the work site. And maybe they even look at them if they have maybe like a-- if they're sick or something, I don't know for sure. But sometimes when, when you do that and you're directed right to that doctor, you don't-- you know, say, say like for my injuries, take for example, I, I really had to go see an orthopedic surgeon. So I wanted to be able to choose a doctor that I went to and I think by, really by rights we have that right to do that. But what happens is, is that sometimes workers don't understand through the process that they can actually choose their own doctor. So I wanted to make it more clear that they could actually choose their own doctor. Now, I had some difficulties getting that bill passed. We actually didn't get it passed. I know that we passed over it that 2017 year. And over the summer, I met with some of the people over in the Workmen's Compensation Court. And we worked on how can we better help some of these employees understand their rights? And one of the things I told them, I said you have a-- we see them in our workplaces. They'll have a, a list of, of, of, you know, something on the bulletin board where you can go up and read about workmen's compensation and, and some of your rights. But it's almost like it's too much information. You're never going to get an employee to read like three or four pages of, of information unless it's pretty interesting to them, and, and really they're just going about their day-to-day work and they're not actually looking at that bulletin board unless it is a comic strip or something like that. So I told them to at least shorten it and make it more bold in certain areas so employees could understand maybe some of their rights. And I think that's part of the process too, so employees can understand their rights to choose their doctor, they can understand their rights when it comes to an injury and know kind of what to do. You know, not every employee is going to know, even if you put that up there, but at least they have the opportunity to read it if it's there and make it more accessible and make it a little bit more defined so that employee will actually maybe read that. You know, working with them, we did-- I don't know, they were telling me they would change some of those Information sheets and get them out. You know, I probably should of did more follow-up to see if they actually did it, but, you know, we did work on it and they promised me they would do it, so I took their word for it. I'm just making sure that we're protecting workers' rights. You know, employers, they do-- there's a lot of employers that do the thing-- do it the right way. They have their safety committees. They work with employees when they

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have an injury. But then there's some employers that, that, for whatever reason--

**KELLY:** That's your time, Senator.

**QUICK:** Thank you, Mr. President.

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

**J. CAVANAUGH:** Thank you, Mr. President. Good morning, colleagues. Well, I rise in support of the motion to indefinitely postpone and opposed to LB455. And listening to the debate today and yesterday, and, and, you know, I have a, a number of concerns and complaints about this bill, but in, in the conversation it is hard. I think this is a very hard subject for a lot of folks here, because it's complicated and, and, you know, got a lot of minutiae. And then it has this real confusing part about subrogation and third-party liability. And then you kind of have a lot of parts of it go into, you know, employer, employee, and third-party, and then who stands in to which place and things. And so it becomes a little bit-- everything becomes muddled and confusing. So I've been trying to think, just think of a way to get to a simpler conversation. And I'll tell you, I haven't come up with it yet, so I'll keep pushing my light and try to come up with something. But my big concern is this uninsured, underinsured motorist part of this bill. And it's somebody-- so use myself as an example, I have insurance on my car, my wife and I own two cars, so we have insurance on two cars and we pay a monthly premium for that insurance. That insurance covers us for damage that we might cause to someone else's car, covers us for damage if we cause to our car, if we scrape against something, and insurance that if somebody causes damage to us, but they do not have insurance or their insurance is not enough to cover the, the damage and injury that they cause. So that's uninsured and underinsured motorists. So I carry, you know, an extra level on there, pay more for that. So in Nebraska, you're required to carry insurance when you're driving a car and-- but you're not required to carry uninsured and underinsured. And so paying-- you pay extra for that, and then in this-- under this bill, if you are driving your personal vehicle for work, so from, you know, a job site-- an office to a job site or something like that, and somebody t-bones you, and they don't have insurance, under this bill, the employer and the workers' comp insurance would be able to access your personal automotive insurance for coverage for underinsured or uninsured motorist. And what that means is you, in your private life, private

capacity, are paying to mitigate the exposure of your employer when you are working for them. And that doesn't sit right with me, that two different employees, essentially, could work for the same company, have the same situation happen to them, and one of them, their insurance will be used to cover their injuries and the other employee will be covered by the employer just because they don't have the underinsured or uninsured motorist. And so we have, under this law, an employee would be bearing the cost of working in some respects because they are, they are paying insurance to protect the employer from costs and losses. We don't ask employees to pay other aspects of the business expenses of their employer and that's what this bill is starting to do. It is continuing to erode employee protections in the interest of making it more cost effective for employers or making cheaper for employers, and so taking money out of employees' pockets. So very much opposed to that part of this bill. Like I said, I will continue to think of a, a more coherent example because, again, when you get into this third-party, second-party intermediary, intervening, it becomes confusing and I understand why folks gloss over and start to-- you know, eyes roll back and can't understand. But I think if you do-- if we can come, if we can come up with a way for you to understand what exactly is happening here, I think everybody would be appalled that this is a suggestion, that we're going to allow employers to reach into their employees' pocket to pay for the employees' injuries. You have an obligation to take care of the people who work for you when they're working for you. We pay them, we provide with this workers' comp insurance so that when they get injured on the job, they can be made whole. And what this bill is doing is shifting that burden onto some of the employees. So, again, I am in favor of the motion to indefinitely postpone, opposed to LB455, and thank you, Mr. President.

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

**HUNT:** Thank you, Mr. President. I think workers' compensation is one of those programs that people don't really think about until their life changes overnight, until they really need it. Because when it works, your family remains stable. And when it doesn't work, that can mean you lose your career, you lose your health, you lose your housing, you lose your stability, whatever. And I think that's why we have to be especially cautious about making changes that tilt the leverage toward employers or insurers without clear evidence that workers themselves will benefit. And for that reason, I, I remain in opposition to LB455. I don't think that Nebraskans are asking us to

make sure that insurance companies can recover faster or exercise more control over their settlements. What they want is for us to protect people who show up every day, who do difficult jobs, who do dangerous jobs, and trust that if something goes wrong, their government, their representatives, are going to stand on their side as workers. Supporters of this bill say that it protects injured workers from aggressive attorney solicitations by making those first injury reports confidential. And I understand why unwanted mail or really aggressive outreach from attorneys can feel uncomfortable for people. You know, nobody wants to be inundated with letters or phone calls, but we have to be honest about what's happening at the moments when those reports are filed. These aren't marketing lists pulled from the dark web, which is why you're all getting, you know, lots of solicitations and phone calls all the time anyway. It's why I never even answer my phone anymore. You know what I mean? But that's not what this is, these are people who have just been hurt at work. And they might be sitting at home in pain or wondering how they're going to pay rent or wondering if their employer is even going to let them keep their job, or trying to understand complicated medical directives if they've gone to the doctor. And if that information that they receive after that first injury report, if they get some letters, I think that Senator Hallstrom shared an anecdote about a woman who got 20 letters or something. If those letters are a nuisance, you can recycle them. You can rip them in half and throw them away. We all do that with our mail every single day. Workers' compensation law is complicated. It involves deadlines and medical determinations and disputes and wage calculations and all these kinds of things. And these are systems that big employers understand. They pay people a lot of money, they retain counsel, they have HR departments, they have people who understand the system. If you understand the workers' comp system, you will always have a job because employers are looking for you to help them navigate these things. Insurers understand the system. Attorneys understand the system. The injured worker who just had that first injury report filed is often the only person in the entire ecosystem of this occurrence involved who has never, ever seen the system before. And when we restrict access to, to legal representation, which is what this bill would do, even indirectly, I think that we risk increasing that imbalance and tilting that in favor of employers and insurance companies instead of the people that we represent. Yeah, so Senator Hallstrom, we had an anecdote during debate about a nanny who hurt her finger and she just needed, like, some neosporin and a Band-Aid. But out of an abundance of caution, he said her employer-- the employer of the nanny, filed a first injury report. And I don't doubt that that

experience happened at all. But that story of her cutting her finger as a nanny and then receiving a whole bunch of solicitations that she didn't want, that shouldn't be the basis for reshaping an entire system in Nebraska that serves thousands of injured workers every year. The stories that stay with me are not the minor cuts. It's the warehouse employee that can't lift their child anymore. It's the worker whose back injury ends their career. And I don't want people experiencing those injuries to fall through the cracks because one person got what they felt was too much junk mail. I trust Nebraskans that they can sort through that type of thing. And that the people who really do need the help, that receiving that solicitation, that getting that outreach from, from an attorney who can help them navigate this very complicated system can be the thing that actually gets them the help they need, and also helps keep our workforce strong by ensuring that they have the resources to be able to go back to work, which is part of the deal that employers have made with employees that the government enforces, and that I think is working. I think the status quo is good.

**KELLY:** That's your time, Senator.

**HUNT:** Thank you, Mr. President.

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

**FREDRICKSON:** Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. So I spoke a little bit on this yesterday and I wanted to just kind of revisit some of those comments and I, I think I, I will just sort of underscore that the comments I made yesterday, one of the, one of the things I was really looking for in trying to hear and learn from debate and in conversations I've had with colleagues off the mic is what is the tangible benefit that this policy, this change in statute has for my constituents. So, you know, being a legislator, I know that I'm here to represent individual people that live in my district. And I am not yet hearing what benefit this has to Nebraskans, people, workers. I've heard a lot about the benefit this has to corporations and insurance companies, but it does not have any compelling benefit to a Nebraskan. The one anecdote I've heard about a benefit to a Nebraskan, Senator Hunt just briefly mentioned this, has to do with, you know, these, these letters you get in the mail. And, and maybe you'll get a few less letters in the mail. So we're going to change state statute so that Nebraskans get less mail. That's not a, that's not, that's not a real benefit. We all know

how to recycle. So, again, bringing this back to workers' comp-- I mean, who, who are the highest users of workers' comp? Police officers, firefighters. Right? We always talk about how we want to support these folks. So let's think that through a little bit more. And with that, I'm going to yield the remainder of my time to Senator Conrad.

**KELLY:** Senator Conrad, you have 3 minutes, 4 seconds.

**CONRAD:** Thank you, Mr. President. Good morning, colleagues, again. And thank you to my friend, Senator Fredrickson, for the time. I want to continue just to raise a few questions in regards to the shifts and dramatic changes in regards to the subrogation components of this legislation. I think we've had a lot of good discussion on the expressive components of this nature, which shields information from those who are seeking to help injured workers know and understand their rights. It also would provide a problematic shield against identifying patterns and practices that we see recurrent injuries from, which can be problematic, but I want to talk again about the subrogation component. According to the practice in Nebraska today, the status quo, the status quo ensures a case-by-case determination of how we handle subrogation in this context and requires that it be handled in a manner that is fair and equitable. And the decision is made by conservative judges appointed by conservative governors. And ask yourself, and I might have to start putting people on the record and asking questions. Senator Clouse, Senator Meyer, Senator Raybould, why should we depart from a fair and equitable standard? Why? Do you know? A departure from fair and equitable moves to something that is unfair and inequitable. Have you thought about that? Have you asked the questions? Have you drilled down on that? Have you done the homework? We're going to have lots of time to talk about this bill and understand members' thinking about shifting from the current legal standard which demands equity and fairness and has been decided by conservative judges without issue or controversy. Why do you think it's important to change the discretion of conservative judges away from a standard that demands fairness and equity? Because you want to put your finger on the scale for large insurance companies? If that's your position, own it with your full chest on the record. I'd be very interested to hear about members thinking in that regard.

**KELLY:** That's your time, Senator.

**CONRAD:** Thank you, Mr. President.

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

**McKINNEY:** Thank you, Mr. President. I rise in support of MO76 and against LB455. I stood up against this, but also wanted to mention that 14 years ago today, a 17-year-old black boy, teenager, Trayvon Martin, was killed for being black and existing in the state of Florida by a fake cop, vigilante by the name of George Zimmerman. He was not held accountable for his actions of killing Trayvon Martin. And in doing so and in, in that whole situation, it's part of the reason why I'm here. It's one of the reasons why I started to pay attention to what was going on in our society. I was in college in St. Louis, and, you know, you know, started wearing my hood to class and things like that. And it just morphed into more and more and more and then, you know, I'm a state senator. But I've always-- I always think about Trayvon because I always think about what he could be today had he not been killed for walking to the store to get some Skittles and a tea. And a fake cop vigilante following him home because he felt like he looked suspicious. And he chased him down and Trayvon tried to defend himself, and this fake cop killed him because he feared for his life, supposedly, because of a stand, stand your ground law in the state of Florida, which is why we shouldn't have something here. But I just wanted to get on the mic and mention that. And rest in power, Trayvon, and I'll yield my time to Senator Conrad if she wants it.

**KELLY:** Senator Conrad, you have 3 minutes, 5 seconds.

**CONRAD:** Thank you, Mr. President. And, and thank you to my friend, Senator McKinney, for the additional time. Again, just quickly, it's probably hard to explain more concrete examples of subrogation in 3 minutes, but I punched in again so that I can give a clear, concrete example of that in plain and simple terms to better understand it. But, again, I want to just contextualize this and tell the tale of two committees just from yesterday. In the Appropriations Committee, there was a pitched battle to try and protect childcare for low-income workers. Across the Capitol, there was a hearing for additional corporate welfare giveaways and sweetheart deals to one of the largest, most successful corporations in this state. And it's on display every day in this Capitol. And it's the mantra that has been burned into my brain. How can an institution built on such grand vision, to tip the favor away from partisanship and moneyed interest and towards the people, how can an institution built on such a grand vision, how has it become so small? So that each and every day our only objective in the Legislature is to punch down on the poor and

kids and to give easier latitude to the wealthiest and the biggest corporations. And that's, again, what we have before us in LB455. You say you want people to work, but you cut their wages. You say you want people to work, but you take their sick leave. You say you want people to work, you diminish their ability to get back to work in the workers' compensation system. You say you want people to work, you take their childcare. Make it make sense. Because I don't-- the queue is not full of supporters of this bill talking about how great this is for their communities. The queue is not full of people who are saying we have out-of-control workers' comp costs in Nebraska because we don't. We're lower than the national average. We have a favorable regulatory and litigation environment for business. These very proposals have been rejected by those who sat in your chair for almost decades before you because they had the common good sense to understand balance in policymaking. So we're going to talk about it, and we're going to talk about it, and we're going to talk about it as long as we have the time to do so. And we're going to remind the voters what's at stake, and who's fighting for them and who's not. Thank you, Mr. President.

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

**HOLDCROFT:** Thank you, Mr. President. I rise in support of LB455 and opposed to the motion to indefinitely postpone, but I have an update again from the services provided by our Department of Health and Human Services. We have a virtual diabetes prevention program available for Nebraskans. DHHS has launched the virtual diabetes prevention program beginning April the 1st, 2026. This free 12-month program is designed to help take control of your health and build sustainable, healthy habits. Whether you are looking to reduce your risk for Type 2 diabetes or simply want to improve your overall lifestyle, this program provides expert guidance, practical tools, and ongoing support, all from the comfort of your home. Participants will gain valuable skills and knowledge, including how to eat healthy without giving up the foods you love, simple, realistic ways to add physical activity into your daily routine, stress management techniques to better handle life's challenges, and tips and strategies to stay motivated and on track with your action plan. The program is open to eligible Nebraska residents. For more information or questions, please contact Paige Greckel at [paige.greckel@nebraska.gov](mailto:paige.greckel@nebraska.gov). Thank you, Mr. President.

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Rough Draft

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

**HALLSTROM:** Mr. President, members, thank you. I listened to Senator Conrad's diatribe, and unless there was another low-income childcare bill yesterday, that happened to be my bill, my resolution, LR296. Glad to bring that resolution before the Health and Human Services Committee to recommend to the federal government that they do something about the disparate and disproportionate unequal reimbursement for family daycare homes' meal programs. We have situations in which childcare providers right next to each other get reimbursed differently, notwithstanding the fact that they're basically serving the same population, buying groceries at the same store, yet they have differential reimbursement. So, yes, that's worthy, I think, of our consideration and I'll be supporting that and hoping that it makes its way to the floor. I do want to address a few things. I, I don't think that you can automatically say that moving from a fair and equitable distribution system automatically means that you, by definition, move to an unfair and inequitable system. One of the issues that we have with our current subrogation system is that it is decided on a case-by-case basis. That brings uncertainty. It brings additional attorney involvement into play. And the uncertainty is the thing that we're trying to address specifically by moving to a more certain formula that under the provisions of LB313 as proposed to be added to LB455, we will have a situation where the attorney fees and reasonable expenses are paid off the top. One-third, the first one-third after that goes directly to the employee. After that point, the remaining funds will be used to reimburse the insurer who has advanced those funds, even though there is a third party who may be responsible for ultimately paying it. Our current system under Section 48-118 encourages prompt payment of benefits by an insurer-- excuse me-- even when a third party is responsible for the injury by providing the carrier with the means to recover what it pays out. Senator Conrad expressed her amazement at how we could not trust conservative judges appointed by conservative governors to make the right decision. I'm not mistrusting or distrusting the judges, but the proof is in the pudding. For example, look at In Re Estate of Evertson, Court of Appeals decision. The original recovery was \$250,000. The county court determined that \$208,000 of that should go to the worker, \$42,000 in attorney fees. The insurer who had \$36,000 in advanced indemnity benefits and funeral expenses got a big goose egg, zero. Nothing fair and equitable about that. The Supreme Court ultimately overturned that, but it overturned it on jurisdictional

grounds. It didn't tell us what the outcome should be, so the matter was returned back to the lower court system to once again go through the uncertain process of what fair and equitable might be. No criticism of the Court of Appeals, but if they are the conservative judges appointed by the conservative governors that Senator Conrad noted in her comments, I don't think they did the fair and equitable thing in that particular case. Next Supreme Court case, Kroemer v. Omaha Track Equipment, \$150,000 settlement. The insurer had a \$207,000 subrogation claim and the Court of Appeals upheld of a \$150,000 settlement, \$95,000 to the worker, \$55,000 in attorney fees, and, again, the big goose egg to the insurer. Those are our conservative judges, not being critical, they made their decision. The Supreme Court overturned it. But that's the very uncertainty that this bill would address with a certain formula that gives the employee the first third after their attorney fees and reasonable expenses are taken care of, and then we move on from there to reimburse the insurer for these medical expenses and benefits that have been advanced. And if there's anything left over, it all goes to the employee. Thank you.

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

**GUERECA:** Thank you, Mr. President. Good morning, colleagues. I do rise in opposition to LB455 and in support of the motion to indefinitely postpone. We had a robust conversation yesterday about the, the, the grand bargain, and we talked a little bit about the history of how that came to be, the disaster that happened at the turn of the 20th century that led to really a push to reform and come to a solution for workers' compensation that worked both well for industry and the worker. It's not perfect, but it was a delicate balance. LB455 seeks to tip that balance against everyday Nebraskans. And, and to that, I, I have to rise in objection to. And here's the part that I don't get. We need workers, period. On the campaign trail, when I would have conversations with private companies, with trade associations, with labor unions, what everyone said is we need workers. The very first issue that got brought up. We are ranked 48th in the country of the population in its prime working age. That means our working population is very small. We're ranked third in labor force participation. That means of the small working age population in their prime, we're ranked third of the amount of people in the workforce. We need workers. So I guess I don't understand the logic in bill after bill, in day after day, chipping away at an environment that is fair to Nebraskans. We're going to say, if you get hurt at a time of confusion, of concern, of uncertainty, let's make it harder for you to know your rights, to get

a fair deal, to allow you to pay rent, which is expensive, to pay for childcare, which is expensive, and to pay groceries, which is expensive. And then on top of that-- and here's the part that's really interesting, one of the components that they're talking about to allow these workers' compensation insurance carriers, and we're going to break it down real easy, if you get hurt-- if I'm driving in the course of my daily employment, I get, I get crashed into, I get hurt, this bill would allow the workers' compensation insurance to go after your uninsured and underinsured insurance policy. Let me repeat that. Your employer's workers' compensation insurance would be able to go after your personal vehicle's underinsured and uninsured policy. And if folks want to vote for that, you can go ahead and write your opponent's attack ads against you. Because I'll tell you what, you walk up to a Nebraskan in the street and say, hey, I got a deal for you, let's tweak the law so if you get hurt on the job, your employer can go after your insurance policy. I haven't done any polling, folks, but I bet you all the dollars in my pocket that that's not going to fly with Nebraskans. Nebraskans are fair. They're hardworking. But what they won't do is be taken advantage of. I won't let them be taken advantage of. I'm all for a fair deal. I'm all for maintaining this balance of the grand bargain, which, you know, maybe I, I don't agree with but it's, it's, it's a compromise. But the second we allow our Nebraskans to be basically taxed for going to work, be opened up for this litigation to go after their personal insurance policy when they're the ones that got hurt, make that make sense, colleagues, because I, I don't think they'll go for it. Thank you, Mr. President.

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

**M. CAVANAUGH:** Thank you, Mr. President. Did you lower it for me? Oh my goodness, what a nice rowmate I have. I was trying to figure out 6'2", 6'5". How tall are you? 6'2". OK. Because yesterday I was trying to figure out the math and then I was, like, too much math. So 7-- 8-- 9 inches taller than me. My, my rowmate is 9 inches taller than me so it's very nice of him to lower this because I kept forgetting yesterday. Anyway, good morning, colleagues. I rise in support of M076, in opposition to LB455. I was listening to-- my morning routine now has consisted of listening to the Nebraska Public Media's daily update. It's 10 minutes podcast every morning. And it usually is a recap of what happened here. And there was a recap of floor debate on this very issue. And it was-- it's always interesting, it sounds like, why would I listen to what I was experiencing live? It's, it's helpful to hear, like, another perspective on, on a situation. And what

resonated with me is, why are we doing this? This wasn't a problem. They did quote Senator John Cavanaugh on the notion of making bad laws with bad facts. And I thought that was a really great statement about this bill. This bill is, is-- the premise is that it's going to help people from extra litigation that's unnecessary because they got their finger cut on a rose bush and all they needed was ointment and a Band-Aid. I think that the employer who filed a work comp claim out of an abundance of caution probably should have reconsidered that unless it got infected and then they needed medical follow-up. I don't think that most employers are going to file a work comp for their employee or-- when they have a paper cut or something like that. So bad facts make bad laws. And that's really what this boils down to, is that we are trying to change statute that has existed and worked well for workers for a long time because of bad facts. And we can't just keep doing things because of anecdotes. Needs to be a real reason. And I think all of our inboxes are probably reflecting that there isn't a real reason. I am not getting a mad dash of emails from constituents saying that, yes, I get too many letters from attorneys when I have a work comp claim. I, in fact, don't believe I've gotten a single one from a single constituent saying this bill will make my life better. Nobody is saying this bill will make their life better, nobody is saying that their life is bad now because we have this in, in statute that an attorney can contact you when you have a work comp claim. So that's why we're here. That's why we're taking this time. That's why we're going to keep taking this time because, at the end of the day, I think this does the opposite. I think this actually harms workers and I think we're hearing that over and over and over again in different ways from different members of this body that this bill does not actually improve the lives of workers, instead it actually decreases the quality of life for workers when they are injured on-- in the workplace. And Senator Guereca was making the point about the insurance piece of that. That's a whole nother piece that is very upsetting and disturbing to me and seems downright predatory to our workforce. So I'm going to continue to be in opposition to this. I'm going to continue to stand up and speak in opposition to this. I probably am also going to start speaking about things that are in the budget and how this kind of legislation is tied to the budget as well. We need to be doing more for workers and this session seems to be about doing less for workers and putting everything on the backs of workers and it's a pattern of behavior that I find to be unsettling and we need to push back on it. And, and that's what we're doing, that's what we're doing this morning. Thank you, Mr. President.

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

**DUNGAN:** Thank you, Mr. President. Good morning again, colleagues. I rise again in favor of the motion to indefinitely postpone and opposed to LB455. As we were listening to some of the conversation about the different parts of this bill, Senator Conrad and some others have been talking about fair and equitable and the shift from a determination by a court of what is fair and equitable distribution versus a formula. It just had me thinking about a couple of different specific instances both in our country and in workers' comp and specifically where these formulas versus discretion, I think, have played out in ways that are informative to us as a body. It got me thinking about the movie Worth, if anybody has ever seen the movie, Worth, W-o-r-t-h, Worth. It's a Michael Keaton movie that came out a number of years ago, maybe 10 years ago at this point. And it's about the special master that was appointed to determine the payout that should go to the families of 9/11 survivors and victims. And, obviously, it's a drama. It's a-- you know, it's a movie that I'm sure has scenes that are escalated and things that are maybe made a little bit more dramatic than they were in real life. But I've done a little bit of reading about this and the attorney that was appointed, I believe was named Kenneth Feinberg, and the whole premise of the movie is can you come up with a formula to determine what somebody is worth? And can you come up with a mathematical equation to determine the value of somebody's life or the value of somebody's pain or suffering? There's attorneys here, elsewhere, maybe listening at home, who know that that's a job that people are tasked with on a regular basis. And it's an incredibly unenviable position. But it's a conversation that I think is worth having. Because when you or a loved one find themselves the victim of some horrible incident, accident though it may be, trying to value what a loved one is worth, is one of the most difficult situations you're ever going to find yourself in. And in the movie Worth, the, the narrative arc essentially follows this concept that originally there is a formula that is calculated. And the families of the victims of 9/11 are furious because they're being told that individuals are not worth enough. And they're being told also that folks from low-income backgrounds, their life is worth less in a payout than people who make a lot of money. And, again, narrative arc, it's a dramatization, follows that over time in talking with the survivors, the surviving families of the victims of 9/11, the character comes to the realization that you have to have some discretion, that there is no such thing as a flat formula to determine what an individual is

worth. And that everybody has a story, and that everybody comes from somewhere. And that matters in making these determinations. There's an article that was shared with me, the headline of which is How much is your arm worth? Depends on where you work. That's the name of the article. Jeremy Lewis was 27 and Josh Potter was 25, and they both lost arms on the job. Similar stories, both lost arms, but their stories diverge because Lewis received \$45,000 in workers' compensation for the loss of his arm, whereas Potter was awarded benefits that could surpass \$740,000 over his lifetime. And the only difference was because one of them lived in Alabama, and the other lived in Georgia. Their legislatures, their states, had made determinations of what their arm was worth. And what we're tasked with here, colleagues, is making a determination as to whether or not we should be on the side of these workers, of these people, who are putting themselves through hell oftentimes in dangerous jobs every day, or are we on the sides of companies that are trying to save some money? I think it's important that we make sure that we tell Nebraskans that we are on their side and if they actually need help with workers' compensation, that they get what is truly a fair and equitable distribution of that money. That there is a discretion allowed for a judge to determine what that injury is worth. And so I do stand opposed to LB455 and in favor of the indefinitely postponed motion because I do think it is overly prescriptive, and I do believe that it puts us in a worse position as a state.

**KELLY:** That's your time.

**DUNGAN:** Thank you, Mr. President.

**KELLY:** Thank you, Senator Dungan. Senator Clements would like to recognize some guests in the north balcony. They are fourth and fifth graders from Faith Lutheran School in Lincoln. Please stand and be recognized by the Nebraska Legislature. Returning to the queue, Senator Conrad, you're recognized to speak.

**CONRAD:** Thank you, Mr. President. Again, good morning, colleagues. I, I believe I'm a cosponsor on Senator Hallstrom's legislative resolution in regards to food and childcare equity issues that he's put forward, and, and that's great. That's important. But it has nothing to do with the childcare subsidy program, which is being eviscerated in the Appropriations Committee and will move our state from kind of middle of the road in terms of childcare support for low-income working folks to dead last or real close thereto. So I'm sure that the well over 1,000 working families who are going to lose

childcare if that moves forward will find great solace in Senator Hallstrom's LR. So let's just reset the table in that regard. When it comes to the subrogation components, again this is a legal process where an insurance company after paying the policyholder for a loss generally assumes the right to sue or seek reimbursement from that third party responsible for that loss. And it allows for the insurers to recover claim costs from at-fault parties, helping to maintain lower premiums and ensuring the party who caused the damage pays. And this is currently sorted out on a case-by-case basis in the workers' court, workers' comp context, and then as it makes its way through the appellate process. And I can't believe that Senator Hallstrom-- well, I'm grateful, I'm grateful Senator Hallstrom said the quiet part out loud. In lifting up the two cases that specifically reject the proposal on subrogation before us, and he's upset about those because the injured worker got paid more than the insurance company. He's made the point. He's upset about the court precedent where the injured worker was paid more than the insurance company, in essence. And that's the exact point, colleagues. Conservative judges on a case-by-case basis figure out what's fair and equitable in this regard. And they've rejected, expressly rejected, the kind of restrictive approach that Senator Hallstrom is putting forward in components of LB455. And it's a nice thing rhetorically to say, well, this brings uniformity and certainty. But uniformity and certainty isn't always fair and equitable. Treating dissimilar situations in a similar manner is not fair. Ensuring judges, conservative judges, have the ability to ensure that all parties are treated fair and equitable in this complex area of subrogation and workers' comp, etcetera, has worked. The only instances that Senator Hallstrom has brought forward that he's upset about is he's upset about the injured worker recovering more money than the insurance company. The injured worker was injured. The courts looked at it. The courts looked at how this was sorted out and they said, you know what, this is the fair and equitable way to handle this issue. And he's upset about that because insurance companies didn't get enough benefit in those cases. And that's, that's clear. I mean, he's very credible, professional, and excellent in defending the position of large corporations. And I'm glad he does so, so candidly. But go look at the cases that he cited. Go talk to the attorneys that are here today who can tell you how this legislation would change that result to make it more just and more inequitable for the injured parties or talk to the attorneys in your networks or back home. Do your homework. Look at the facts of the case that are cited as impetus for this legislation, and decide if we need to make a sea change. Because a change from a fair and equitable rule,

which is the status quo, ensures that there will be less fairness and less equity in these complex issues that require a fact-specific case-by-case determination as should exist--

**KELLY:** That's your time, Senator.

**CONRAD:** --in our jurisprudence. Thank you, Mr. President.

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

**ROUNTREE:** Thank you, Mr. President, and good morning, friends and colleagues and those that are watching online this morning. I rise also in support of the indefinitely postponed motion. But while I'm standing in fashion as we have honored our Black History Month this month, I wanted to have this opportunity because we only have tomorrow left and I will speak tomorrow as well. But today I want to recognize someone that's probably a little bit unknown, but Alice H. Parker. Alice Parker was an African American inventor who was active in the early 1900s. She is known for her patent for a heating furnace using natural gas. That is something that impacts all of our lives. Parker was born in 1895 in Morristown, New Jersey, where she grew up. She attended Howard University Academy, a high school associated with Howard University, and was awarded a certificate with honors in 1910. But prior to graduating from Howard University, she filed a patent for a special type of heating device around 1919. At the time, gas central heating had yet to be developed, so people relied on burning coal or wood as their main source of heating. Parker felt that the fireplace was not enough to keep her and her home warm during the cold winter-- New Jersey winters and designed the first gas furnace that was powered by natural gas and the first heating system that contained individually controlled air ducts that distributed heat evenly throughout the building. Parker's heating system used independently controlled burner units that drew in cold air and conveyed the heat through a heat exchanger. This air was then fed into individual ducts to control the amount of heat in different areas. What made her invention unique was that it was a form of zone heating where a temperature can be moderated in different parts of a building. The design poses health and safety risks as it made certain appliances like the oven more flammable and unsafe to touch. The regulation of the heat flow also posed a few security risks. Parker's invention also decreased the risk of house and building fires by eliminating the need to leave a, a burning fireplace overnight. With her idea for a furnace used with modifications to eliminate safety concerns, it inspired and

led the way to features such as thermostats, zone heating, and forced air furnaces, which are common features of modern central heating. By using natural gas, it heated homes more efficiently than wood or coal counterparts, which were more time consuming and expensive. Parker's invention was further improved in 1935 by scientists who created forced convection wall heaters that used a coal furnace, electric fan, and ductwork throughout a home. Nowadays, homes utilize thermostats and forced air furnaces which can be attributed to Parker's design and invention of the central heating furnace. Parker's invention added to the evolution of future heating, ventilation, and air conditioning, HVAC models. Other inventors prior to Parker invented furnaces, but she improved their designs. In 2019, the National Society of Black Physicists honored Parker as an African American inventor famous for her patented system of central heating using natural gas. It called her invention a revolutionary idea for the 1920s that conserved energy and paved the way for the central heating systems. The New Jersey Chamber of Commerce established the Alice H. Parker Women Leaders in Innovation Awards to honor women for their talent, hard work, and outside-the-box thinking to create economic opportunities and help make New Jersey a better place to live and work. Parker's patent for her gas furnace, although groundbreaking, was never chosen to enter full-fledged production and usage. This was mainly due to the safety concerns behind her design, as the technology available at the time did not possess the capability to regulate the heat flow as outlined in her invention. However, Parker's patent has served as the basis for the development of heating systems throughout the 20th century and today. Parker's legacy lives on numerous awards and grants, and most notably in the annual Alice H. Parker Women Leaders in Innovation Award that is given out by the New Jersey Chamber of Commerce to celebrate outstanding women innovators in Parker's home state. However, the details regarding her later years are unknown and details about her available life is sometimes scarce. So I just wanted to honor her today because we are all impacted by the central heating. So thank you, Mr. President.

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

**CLERK:** Mr. President, the Transportation and Telecommunications Committee will have an exec session at 10:30 in Room 2022. TNT, 10:30, 2022. Thank you.

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

**QUICK:** Thank you, Mr. President. I was going to go back and talk a little bit about some of my conversations yesterday about my injury in the workplace. And, you know, Senator Dungan kind of with, with some of the things he was talking about, maybe of a loss of a limb or loss of use of a body part and how it's paid different in different states. You know, when I was done with all of my-- after surgery and after going through a physical therapy for my rehab and all of that, then they do a rating-- they did a rating on my shoulder just to see if I had full access, full use, and then over a lifetime they give you a rating of how much loss that would be. So I did get a disability payment, just a one-time payment for the loss of a certain percentage of the loss of use of my shoulder, but those also sometimes are based on each individual. So I know there was another individual who had had a rotator cuff-- and his was strictly just a rotator cuff surgery. Actually, his disability rating was higher and he actually got more of a payment than I did for, for mine and I'd had torn bicep ligaments and a torn rotator cuff. And so, you know, you know, when he told me how much he got for his final payout and what I got, mine was significantly less, but I think it was based on maybe our, our own personal health and our own physical shape at the time so I was OK with that. So-- but that's, that's also areas of where people can-- you know, whether it's a loss of use of that limb or a loss of a limb and then that disability payment, that's-- those are really important for those workers, plus along with the fact that if there's a-- for any reason you weren't able to continue in that line of work, there's that access to voc rehab to help retrain you in a different line of work. We'd had a lineman who had lost, lost a leg in a workplace injury. He had-- I think he'd been electrocuted, the electricity went through his body and out his leg and he lost, he lost his leg. They sent him to-- they retrained him and he actually worked-- still worked for the city for many years in our dispatch center for the electrical utility. You know, yesterday I had the opportunity to talk to some Central Community College students and they actually asked me, you know, what-- you know, because I told them I was a welder by trade, I'd worked at the power plant for 28 years, you know, I never went to college, I was just a blue collar worker my whole life. And they asked me, well, what, what brought you to the Legislature? And for me, it was-- it's, it's about being a voice for working families. You know, I'd come down here to advocate every year as part of the AFL-CIO, and we'd come down here and talk to senators about working family issues and how-- you know, what-- how-- what, what bills were affecting working families or what, what bills were affecting labor. And we would come down every year and, eventually, I had two former senators

come out and recruit me to run for Legislature, and I said this is what brought me here. And I said, you know, the thing is, is that all of us as-- whether you're a blue collar worker, white collar worker, whatever line of work you do, we should always be willing to advocate for the things that we believe in and be a voice for them. You know, going out on the campaign trail, I talked to a lot of people going door to door about my work as a blue collar worker and that I wanted to be a voice for working families. And this is the type of thing that I'm here for to, to address bills like this, to talk about bills that will, will remove a, a right of a worker, you know, especially if you're, you're hurt on the job. It's really important to have access to health care. I'm going to put it this way, if we don't have access to health care for a workplace injury and, and, and workers are hurt on the job and we're already putting in work requirements for Medicaid, we're putting work requirements for SNAP benefits, you know, if you can't keep a job because of a workplace injury, you're probably going to be on those benefits. So how can we address that? And I think it really still goes back to those safety-- you know, safety committees making sure people don't-- you know, they're, they're, they're, they're working with the employer to try to find safer ways to do jobs. I know you're always going to have those accidents and there's going to be those. But, but I still think that's the way you, you, you reduce work compensation claims, it's through safety committees and, and safe practices in, in your work areas. So removing workers' rights for access to know who they can, you know, get for a doctor or maybe have access to an attorney for advice. You know, I received those cards as well in the mail after my injury and I saved the ones I wanted and I threw the rest away. You know, some of the attorneys I knew and I thought that I might need them sometime for not just a workplace injury but--

**KELLY:** That's your time, Senator.

**QUICK:** Thank you, Mr. President.

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

**J. CAVANAUGH:** Thank you, Mr. President. Good morning again, colleagues. I rise in support of the motion to indefinitely postpone and opposed to LB455. I like listening to Senator Quick's perspective. I think the boots on the ground, actual real-life experience is helpful here. And so I appreciate that perspective. So last time on the mic, I was talking about my concerns about the uninsured,

underinsured motorist issue, and I'm still concerned about that, obviously, and still thinking of a way to explain it, but, you know, we're in this place now where more and more people are being asked to do more on their own, you know, whatever, own dime, we'll say, just to work. You know, people have to have their own-- [INAUDIBLE] to the number of who have their own laptop for work, use your personal phone, you know, to be accessible all the time, and then, of course, drive your personal car to do tasks that are job related. And then employers asking their employees, as a condition of their employment, to make sure they are carrying a higher level of insurance so that they have less exposure for themselves. And what this bill is doing is essentially making it so that this is going to happen more, where employers are going to ask employees to drive their personal car for work-related tasks and carry this type of insurance so that the employer's insurance company is going to have less exposure if something bad happens and that they'll be able to recover against the employee's personal insurance. And that, again, just doesn't seem right that employees are being asked to pay for the insurance to limit the liability of an employer's insurance company if someone else hits them. So, again, this is the employee working for an employer and driving their personal car, is hit, so no fault of the employees, they get hit by a third party. And that third party is-- doesn't have sufficient insurance to cover the damage, the employer is now going to go to the employee and use their insurance to make the employer's insurance whole. All of this is out of the hands of the employee, all of this, other than the check that they write to their own personal insurance company every month, is out of the hands of the employees. Just-- this is wrong. And, again, it's so confusing to use the words employer, employee, you know, all of these different layers on top of that. So I will continue to think about ways to make it simpler and, and break through to folks. Because I do think if people really hone in on this, they're going to understand that this bill is bad because it hurts working people and ask them to pay for insurance companies to have less loss. That's really what it is. So it's more money out of the pockets of, of working people to cover big insurance companies so they have less risk. So that's one of the reasons I'm opposed to this bill. Have talked a little bit about this privacy aspect and I know you're all aware of my interest in protecting privacy and I, I do think there is a value in protecting the privacy of working people who are injured. And, and I said yesterday that I think that if we're really concerned about privacy there would be a different approach than what has been presented here. And so what my-- what I think is, is that the approach here is, is really like a sledgehammer when a fly

swatter is maybe needed. I'm going to run out of time, but I'll push my light again. But I think that there are much more limited ways to serve the idea of protecting privacy. And I think there are things that we could do in that vein other than cutting off injured people's ability to connect with a lawyer, because that's really what we're doing here, is making it harder for the folks who are on this sheet, and I was going to read some of this, but I'm going to run out of time, so I'll read it on my next time, but making it harder these folks to get access to the help they need in the time in which they need it the most. When it's hardest for them to do other things because they've been injured, they have all these other things going on in their life, they need some professional guidance in these situations. And so I think there are ways to protect people's privacy, but also still guarantee that they're going to have their rights protected. And I think that's the balancing we need to find here. And I do think there is another approach to this. So, again, I'm opposed to--

**KELLY:** That's your time.

**J. CAVANAUGH:** --LB455 and in support of the IPP. Thank you, Mr. President.

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

**HUNT:** Thank you, Mr. President. Thank you, colleagues. I, I still keep going back to thinking about the anecdote that we heard from the introducer about the woman who cut her finger on the-- I don't know if she was pruning a rose bush or she hit it on the rose, I don't know what the issue was, but it was, it was solved with a Band-Aid. And the story is she got so many solicitations from, you know, ambulance chasers after the first injury report was made by the employer, who was an attorney, so out of an abundance of caution, he said she got the cut on her finger. This is such an unreal scenario. I would like to know from a supporter of this bill if there's another example that you can share. Like, is there something more serious or plausible or real? I mean, I don't doubt that that really happened, but real in terms of the impact that a workplace injury has on someone's life to the degree that maybe getting some junk mail isn't such a hardship for them that they can't just throw it away like we do with all the mail we get. That's something I would like the introducer to, to speak to if there's another example that is a little more pressing or more persuasive or convincing. I've also heard supporters argue, including

the introducer, that people who are injured can already find attorneys through other means. We've got the billboards, we've got-- you know, sometimes you miss Senator Lathrop, he would be in here talking about how this really works and everything. That, that these people who are injured can already find attorneys through other means. And I think that that assumes a level playing field that doesn't really exist. Not everybody speaks English fluently. Not everybody knows how to ask for legal assistance. Not everybody knows what a credible attorney is or who a credible, who a credible attorney is. And not everybody also trusts institutions enough to know when something has gone wrong with their claim. Some workers might be immigrants who are unfamiliar with our legal system here. Others might be recovering from trauma or medication when they're trying to make decisions that affect their long-term health and income. And I think that that first injury report can be the only moment when outreach happens when they are able to find an attorney quickly enough to ensure that these people understand their options before deadlines pass or mistakes are made. And, again, if you're just troubled by the mail, just throw it away. All I do all day is throw things away. It's no problem that we need a law to, to fix it or anything like that. We're also told that limiting access to these reports, these first injury reports, will reduce unnecessary litigation and lower costs. But litigation doesn't happen just because the lawyers exist. It doesn't happen just because they send a letter or something. It happens when disputes exist, like when someone's treatment is denied or the benefit is delayed or there's a disagreement about what it is. And if the goal is reducing litigation, we should be asking why these claims aren't being processed correctly and efficiently and transparently in the first place. The solution to too many claims or whatever isn't making it harder for workers to get the assistance in the first place to connect with representation to help them solve their problem. All this bill does is change the leverage and the power balance when that conflict occurs. So I think that we need to ask honestly who is benefiting most from the changes in LB455. Are injured workers coming forward saying they feel harmed by receiving too many letters in the mail about their rights or are employers and insurance companies concerned about rising costs within the system? Those are very different policy motivations. And I think that when you consider the voting records and the patterns of advocacy of proponents of this bill, it really does reveal the actual intent of the policy, which is to make it harder for workers to make claims and to make it easier for companies to have fewer claims against them, to reduce their costs. Ultimately, this bill asks us to believe that reducing legal resources for injured workers will somehow produce

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 26, 2026

Rough Draft

better outcomes for them. And I'm really unconvinced by that. The moment someone is injured is the moment they are most vulnerable. They might be off work, in pain, unsure who to trust, and if the first thing government does in that moment is make it harder for them to get information about how to help themselves, I think that we should at least pause and ask ourselves, are we really protecting workers or are we just making the system--

**KELLY:** That's your time, Senator.

**HUNT:** --more comfortable for the institutions operating within it? Thank you, Mr. President.

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

**McKINNEY:** Thank you, Mr. President. I rise in support of M076 and in opposition of LB455. Would Senator Dungan yield to some questions?

**KELLY:** Senator Dungan, would you yield?

**DUNGAN:** Yes.

**McKINNEY:** Thank you, Senator Dungan. Earlier this week, I forget which day, I think it was Urban Affairs, maybe it was Urban Affairs or Business and Labor, my days are kind of screwed up right now, but there was a lot of mention of the grand compromise on your bill and I believe maybe Senator Conrad's bill and how those bills would tip the balance based off the grand compromise. What would this bill do?

**DUNGAN:** Well, I certainly think that if we're talking about the grand compromise, in general, as we've seen over the last decades for workers' comp, I think it would absolutely tip it in favor of the employer and of the insurance company. That's my read of this. By limiting access for individuals to have the appropriate help they need when this injury has happened, I think that it does tip the scale more on side of-- on the side of one than the other.

**McKINNEY:** All right, thank you for that. I appreciate that because-- and I asked him those questions because I think it's important to put context into what we're talking about. We have bills in committees and then we have people come in opposition and say this can't pass because it'll tip the balance of the scale this way for the worker. Then, today, I feel like this and Senator Dungan agrees that this tips the balance into the employer. So either we're going to care or not care

about whatever balance is or was or what the illusion is, but I think that's an important conversation. I don't know why we need to limit access to the first injury reports. I also don't understand why we need to prevent mail from being sent. Maybe it's a bunch of junk mail. Maybe so, maybe not for some people. You could just throw it in the trash. We could just throw it in the trash. What is the harm in people being sent this type of mail? They could choose to read it or they could choose to throw it away. I don't think it's going to determine what happens in a court, just a piece of mail. Maybe somebody who is unaware of where to seek help might find some help in the mail or maybe they won't, maybe they already have the representation and the help they need to address the injury that occurred at work. This doesn't seem to make a lot of sense to me. What is the fear that-- because currently I don't think that people are just filing or getting a bunch of settlements based off of mail. It's based off of injury and what happened and the situations that the people had to go through after the injury. That's, that's the cause, not the mail. The mail is just the mail, it's just there. The cause is the injury at work that caused somebody to maybe lose a finger. I could only imagine the type of trauma that could cause to have a, a, a missing finger, how you have to adjust your lifestyle based on that, or even worse a missing hand. I'm just saying. Who are we to try to limit the possible ways where somebody could potentially get some help because of an injury at work? I don't think that's what we should be legislating. I think we should keep the balance. If there's a balance or this, this balance that is supposed to be in place, then let's keep it. But to try to just say, like, these-- this type of mailing shouldn't go to people is ridiculous. I don't think it, it-- I'm still trying to wrap my head around it. And if there is a grand compromise after this, it is over and nobody in the lobby should mention it again. Thank you.

**KELLY:** Thank you, Senator McKinney. Senator Andersen would like to recognize some guests in the north balcony. They are from-- high schoolers from Trio Upward Bound Math and Science in Omaha. Please stand and be recognized by the Nebraska Legislature. Returning to the queue, Senator Hallstrom, you're recognized.

**HALLSTROM:** Question.

**KELLY:** The question has been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye; all those opposed vote nay. There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate February 26, 2026  
Rough Draft

**CLERK:** 23 ayes, 1 nay to place the house under call.

**KELLY:** The house is under call. Senators, please record your presence. All of those senators outside the Chamber, please return and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senators Lippincott, Clements, and Murman, please return to the Chamber and record your presence. The house is under call. Senator Clements and Murman, please return to the Chamber and record your presence. The house is under call. Senator Hallstrom, we're missing Senator Murman, how do you wish to proceed? Mr.-- let's see, the vote was underway on the motion for debate to cease. Mr.-- Senator Hallstrom, will you accept call-ins? Mr. Clerk.

**CLERK:** Senator Brandt voting yes. Senator Ballard voting yes. Senator Dover voting yes. Senator Moser voting yes. Senator John Cavanaugh voting no. Senator Lippincott voting yes. Senator Storer voting yes. Senator Bosn voting yes.

**KELLY:** Record, Mr. Clerk.

**CLERK:** 25 ayes, 7 nays to cease debate, Mr. President.

**KELLY:** Debate does cease. Senator Raybould, you're recognized to close on the motion.

**RAYBOULD:** Thank you, Mr. President. Good morning, colleagues. I appreciate the discussion and the debate, but I do want to make some corrections to some of the comments and misinformation when it comes to workers' comp. The majority of workers' compensation cases are resolved amicably between the employer and the employees. It is always in the best interest of both the employee and the employer to have that employee be restored and be cleared to return to work. That has been the standard protocol for many businesses and, why, because we have a workforce shortage. I really am troubled by some of the comments when they talk about paid sick leave and the minimum wage and how we are not pro, pro employees, pro working families. I want to remind everybody that the minimum wage in the state of Nebraska is now \$15 with an annual increase of 1.75%. This makes Nebraska wage as tied for one of the 15th highest in the United States, despite the fact that our cost of living-- we're ranked one of 12th lowest in the entire country. To help you put it in perspective, the state of New York is-- has the third highest minimum wage at \$17 an hour, but, yet, they are listed as-- and ranked 46 as one of the most unaffordable places to live. So you can see that there is a big disparity. In our

state of Nebraska, we are very proud, and I think I heard this throughout all the debate last year. Why aren't we championing the fact that our state of Nebraska offers paid sick leave to the majority of the workers in our state of Nebraska? If you have 11 or more employees, you are entitled to paid sick leave. Our neighboring state of Missouri, by their own referendum, passed paid sick leave, but the Legislature overruled that and did away with paid sick leave. The Legislature in Missouri also, instead of allowing annual increases like we do in the state of Nebraska and like the state of Colorado does, the state of Missouri said that's it. We are not increasing minimum wage past \$15, period. And I want to assure you, the other comment that I heard about workers' compensation that troubled me is saying that we are restricting people's access to attorneys. That could be further from the truth. I have had the privilege of serving as an elected official for 16 years, helping constituents throughout all those years of trying to find legal counsel for whatever matter was presented to them and that they needed help resolving. I work with them on hiring and, and reaching out for legal counsel and to their credit, and to their diligence, they did the same. You know, they didn't necessarily go with the legal representation that I reached out to different channels and get references and, and clearing those references. They did their own homework and research. And, and you know what, that is what most employees do that are faced with a difficult situation of challenging the outcome of workers' compensation. I know for a fact that they do their homework. And it is so easy. It is so easy. You Google it. You listen to one of the many commercials that are now permitted on the airways to talk about law firms willing to help you in this type of crisis. I'm very proud of our law firms. They have an oath and a duty to represent these clients fairly. And that's what they do. But it's not like we're restricting access to any, any legal counsel. And the information that is submitted to those employees who have had a workers' compensation notice from their employer that their employers are obligated to do, even in the packet that goes out to these employees, they are notified. You have a right to have an attorney. We cannot recommend one, but if you feel you need an attorney, you have a, a right to have that. And in that handout and packet, packet that is provided by workers' compensation, they give you ample indication and information and a 800 hotline that you can call with any questions that you may have. So I'm proud of the efforts we have done to find that balance, to find that balance between employee and employers. We will continue to do that. And I have to remind you that businesses recognize all the businesses that testified in support of this acknowledge that this is

an important matter for businesses to create that balance, to find that fairness, to make sure that the employees are treated fairly and that they have adequate access to workers' compensation. That's a right. They are entitled to it. The employer is duty-bound to deliver on that. Thank you, Mr. President.

**KELLY:** Thank you, Senator Raybould. Senators, the question is, shall debate cease? All-- the question is the motion to postpone indefinitely. All of those in favor vote aye; all of those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 12 ayes, 28 nays, Mr. President, to IPP the bill.

**KELLY:** The motion is not adopted. I raise the call. Mr. Clerk.

**CLERK:** Mr. President, Mr. President, Senator Machaela Cavanaugh would move to reconsider the vote just taken on M076 with M0467.

**KELLY:** Thank you, Mr. Clerk. Senator Machaela Cavanaugh, you're recognized to speak.

**M. CAVANAUGH:** Thank you, Mr. President. I would like to yield my time to Senator Conrad.

**KELLY:** Senator Conrad, 9 minutes, 56 seconds.

**CONRAD:** Very good. Thank you so much, Mr. President. Thank you to my friend, Senator Machaela Cavanaugh. I see people scurrying off the floor now that the call has been released. I know many members have executive sessions and some just don't want to participate in floor debate for a variety of different reasons and that's OK. I'm happy to speak to the press, I'm happy to speak to the public, I'm happy to build a record about what is before us. And I'm very delighted to have an opportunity in speaking turn, in contrast, and subsequently to my good friend, Senator Raybould, who just wanted to relitigate the minimum wage issue that she pushed forward. So let me be clear about this, colleagues. And this is what I think is so frustrating that I hear from our citizens and that I've been thinking about a lot since we took that vote and it goes to the broader context of punching down on low-wage workers. So with the measure that Senator Raybould championed, that Senator Strommen prioritized, and that you pushed through as the first act of the 2026 Legislature to take money away from voter-approved, voter-approved, citizen-led initiatives to increase the minimum wage under the proposal in contrast to what the voters voted on. A person working a part-time job ended up with \$373

less in their annual earnings than they would have had under the citizen-led initiative. Under LB258, as amended, the same person working a part-time job at youth minimum wage would see \$2,226 less in their annual earnings than they would have under the citizen-led initiative. So think about that, colleagues, you're, you're an adult, you're walking down the street, you see a low-income worker, you go up and you take \$373 out of their pocket or you see a kid who's working, and you, as an adult, an upstanding citizen, go and take \$2,226 out of their pocket, you would be shunned by society. But when you do it through pushing your button in here, you feel proud and are lauded and seek to paper over it with rhetoric. But the facts are the facts. Colleagues, I urge your favorable reconsider-- your favorable vote on this reconsideration motion. And I want to talk about one of the cases that my friend, Senator Hallstrom, brought up in regards to the impetus for bringing this legislation forward and it's, it's the, the Kroemer case. And I want to make sure that people know in the facts of that case, there were some pretty significant injuries to the injured worker who was working in, like, a, a trades kind of situation and was doing some work with welding and Allen wrenches and grinding those. And if you look at the facts of the case, as the individual was working with his coworker and started to use a metal grinder, the wheel exploded, and it sent shrapnel into his face and his left eye. Thankfully, the individual was wearing safety glasses, but not a face shield. And after undergoing three surgeries for a dramatic injury that happened on the job, he had a 95% loss of vision in one eye, and then no longer could qualify for his CDL, which was part of his livelihood. He returned to work but had restrictions, and subsequently the employer sold their business. And the individual who was injured at work when metal shrapnel flew into his face and took his vision lost his employment a short time later. Those are the kinds of facts that are present in workers' comp cases, not nannies scratching their fingers on a rose bush. Let's be honest. The other case that my friend, Senator Hallstrom, brought up that he was upset about as impetus for this legislation to ensure that insurance companies receive more benefit in subrogation situations than injured workers included In Re Estate of Evertson. A man who died. He died. He died in a motor vehicle collision while working, clearly within the scope of his employment. And a mess broke out between the employer and the insurance company and his widow who had \$700 a week after her husband died. And let's talk about how that situation would change if LB455 were to move forward. In that Kroemer case, the settlement was about \$150,000. The Kroemer expert testified that the value of the worker's claim was between about \$850,000 and \$1.2 million. The employer expert

agreed that the damages necessary to make the worker whole was about \$850,000. Under Kramer-- Kroemer, the fair and equitable distribution at the district court level was \$95,000 to the worker and \$50,000 to the attorney as the attorney fee. What my friend, Senator Hallstrom, conveniently left out was that the Supreme Court reversed the district court allocation because the allocation of zero to the employer was legally untenable. Thus, the case was actually remanded back to the district court with directions to make the fair and equitable distribution between the worker and the employer after taking out the attorney's fees. Now under LB455, as presented and proposed, that restrictive formula would have resulted in the legal expenses and fees at \$50,000, the worker getting \$50,000, and the employer getting \$50,000, which means the injured worker would net \$800,000 less than the employer agreed their damages were. That's what we're talking about. That's the case law at issue as impetus for this case-- for this measure. The two cases lifted up: metal shrapnel flying into the eyes and the face of a worker, a widow fighting for fairness after her husband went to work one day and didn't come home because he got killed in the course of his employment. Those are the actual people, Nebraskans, behind these esoteric legal concepts. And if you want to look that widow in the face and say she deserves less, do so. Do so. If you want to look that injured man in the face who lost his vision and his livelihood and say he deserves less, do so. And if you don't think working people deserve to have access to legal counsel and a clear understanding about how to contact them so they can sort this stuff out, if you don't think that their needs should be put first when they're injured, working and through no fault of their own, and that insurance companies simply aren't making enough money in this equation,--

**KELLY:** That's your time, Senator.

**CONRAD:** --be clear about it. Thank you, Mr. President.

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

**CLERK:** Thank you, Mr. President, some items for the record. Your Committee on Enrollment and Review reports LB720, LB745 as correctly engrossed and placed on Final Reading. Your Committee on Enrollment and Review also reports LB759, LB721, LB7-- excuse me, LB903, LB954, LB778, LB834, LB883, LB797, LB798 to Select File, some having E&R amendments. Additionally, your Committee on Health and Human Services, chaired by Senator Hardin, reports LB926 to General File. Your Committee on Business and Labor, chaired by Senator Kauth, reports

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 26, 2026

Rough Draft

LB819 and LB847 to General File, both having committee amendments. Committee report from the Natural Resources Committee concerning gubernatorial appointments to the Nebraska Oil and Gas Conservation Commission, the Environmental Quality Council. Amendments to be printed from Senator Hansen to LB1001, Senator Storer to LB816. That's all I have at this time.

**KELLY:** Thank you, Mr. Clerk. Speaker Arch would like to recognize some guests in the north balcony. They are fourth graders from Tara Heights Elementary in Papillion. Please stand and be recognized by the Nebraska Legislature. Mr. Clerk, for an announcement.

**CLERK:** Thank you, Mr. President, additional announcement. The Judiciary Committee will have an exec session at 11:30 under the south balcony. Judiciary, south balcony, 11:30. That's all I have at this time.

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

**GUERECA:** Thank you, Mr. President. Colleagues, I rise in opposition to LB455 and in support of the motion to reconsider the vote last taken to indefinitely postpone this piece of legislation. Before I continue that, I want to lift up some good news. As we all know, Legislative District 7 is the shining star of the great state of Nebraska, the culinary, the cultural star, the beacon of the best district we have in this great state. And I do want to give a big shout out to the Joslyn Art Museum, who for the second year in a row was ranked a top 10 art museum in the entire country by USA Today for the Readers' Choice Award. So I want to give a big shout out, and if you haven't been to the Joslyn Art Museum, do stop by. Amazing work going on. They just did a renovation within the last year and a half, 2 years. Beautiful. Check it out. But, anyway, back to the matter at hand, LB455. And we hear that, and it's not the proponents of the bill saying this doesn't take away an individual's ability to, to retain legal counsel. But, again, colleagues, if the injured Nebraskan does not know they have a right to counsel, how can we in good faith say, well, then they could just Google it? If the individual does not know to Google it, then how-- this, this, this notion of folks should just know. We as a society in our schools and our state-mandated education aren't including that as a graduation requirement, then again-- I, I just-- again, when I was knocking on doors, I really didn't hear, gosh, those worker compensation insurance companies, they're really just swamping me. So if I cast my vote for you, Dunixi, I want you to

go down to Lincoln and say, hey, you knock it right off. It's not what I heard, folks. That's not what I heard. But I really-- again, the part of this whole thing-- and I understand that the-- this component is going to be in the committee amendment, but the ability for these insurance companies that your employer has to cover workers' compensation could have the ability to turn around and sue injured Nebraskans' personal automobile insurance to cover their expenses? I still cannot wrap my head around that. I just can't. I'm doing my job, showing up to work, out of nowhere I get sideswiped, and now my employer's insurance company could go after my auto insurance that I have to pay for out of pocket so that they're made whole? Colleagues, make that make sense, because I guarantee you, you go to Scottsbluff, you go to North Platte, you go to Broken Bow, you go to South Sioux City, you go to south Omaha, and you explain that to a Nebraskan, and they'll say you got to be joking me. You get to go after my insurance policy? Absolutely not. I'm doing my job. Our Nebraskans put in a hard, honest day's work. They expect basic protections that we're chipping away at, but now we want to make sure that we're allowing our employers' insurance companies to come after our personal automobile insurance that hard-working Nebraskans have to pay for out of their paycheck? Yeah, that's not going to fly, folks. But if that's something you're really tied to, go ahead and write your opponent's [INAUDIBLE].

**KELLY:** That's your time.

**GUERECA:** Thank you, Mr. President.

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

**M. CAVANAUGH:** Thank you, Mr. President. Thank you, Senator Guereca. Ever the gentleman over here. From the shining star of the state, is that, is that what District 7 is? I think District 9, Senator John Cavanaugh's, is the sunshine district. And then Senator Conrad's district also has a slogan. I don't know that my district has a slogan, except I was informed that my district has the most retail storefronts in it. So I'm the retail district? I don't know. I've got Costco. I've got Westroads Mall. I've got Crossroads Mall, got the new library, comes right after we adjourn for the year here in the Legislature. I rise in support of my motion to reconsider to indefinitely postpone. So, yeah, because I'm not a fan of this bill, and I-- yesterday, one of our colleagues mentioned hearing from one of their constituents, do the Democrats ever support a Hallstrom bill?

And I was like, yes, I have supported one of my friend, Senator Hallstrom's bills in the past. I just-- we just don't always agree on things policy wise, but I do have a wonderful relationship with him. He sits right in front of me. And I always feel bad when I'm filibustering his bill, because he's such a kind-hearted person. But we are where we are. So, yeah. So LB455-- and after we dispense with this motion, we will then move to, I believe, the committee amendment. And then there's additional motions after that. And the committee amendment is a lot of what we've been hearing this morning, and Senator Guereca was just most recently talking about this insurance piece and how that is problematic. Yes, I think it is OK for attorneys to send solicitation letters to people with work comp claims because that's what the circling-- circle filing cabinet, known also as the trash can is for. You can just toss that away. It's not like-- I, I get solicitations from credit cards constantly. And I just-- well, I don't toss them, I'm a little paranoid, I shred them. But, you know, that's-- it's not-- I actually get way more solicitations from credit cards than anything else. So that piece doesn't make a lot of sense to me, doesn't seem necessary as like a protection, but then the insurance piece. Now, this is where I think things are pretty problematic and a pretty big sticking point for a lot of us in here that are talking this morning. So the insurance-- if you-- if you're on the job and you get injured, you file a claim, you go through the work comp process, OK. But if that injury has to do with, let's say, an automobile, so maybe you're not on the factory floor, but you are driving and you are driving your car because your company asked you to drive your car, maybe you're a delivery person and you have to use your own car to make the deliveries, and you get injured through no fault of your own and you're injured on the job, you file a work comp claim, now your insurance is on the hook for this and that is problematic for a lot of reasons, but one of them being that it's going to impact your insurance, your insurance rates, whether your insurance is going to drop you, which they could if a claim is made against you and your insurance for your own injuries that were work comp injuries. So, you know, there's a lot of pieces to this that just really don't make sense and feel like they are protections for the insurance companies, the work comp specific insurance companies and not for individuals. And I think, I think we've done enough for companies, writ large, in my 8 years here. So let's just, let's just shift back to doing some things for people, you know, working people that are the backbone of the state. And the best thing we can do today is to just drop this bill and then we hold harmless, working people

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate February 26, 2026  
Rough Draft

have the work comp that they have right now. They'll have it today, they'll have it tomorrow, they'll have it in the future.

**KELLY:** That's your time, Senator.

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

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

**DUNGAN:** Thank you, Mr. President. Good morning again, colleagues. I rise still in favor of the motion to reconsider on the motion to indefinitely postpone, and then also in favor of the motion to indefinitely postpone. I always like to mention on these motions to reconsider, they are real. In my time here, we have seen multiple times that a motion to reconsider has been successful where people have then subsequently changed their vote on the underlying motion. So I understand that oftentimes it's seen as a filibuster motion or as part of the process and procedure to drag out debate as negotiations go on. But I do want to remind my colleagues who are paying attention that you can change your mind and you can be thoughtful and you can reconsider your vote on these motions as you've continued to listen to debate and that is the purpose of the debate is to help educate other folks and actually share their points of view. I want to say thank you to Senator Hallstrom who has, I think, actually been getting up and responding to a number of the complaints or concerns that have been raised about his bill. I know it's never fun when you have a bill on the board and are getting asked a lot of questions or are having to respond to a lot of concerns, but I do think that that is helpful. I would echo the, the sentiment some of my colleagues have made, which is I, I wish that more supporters of the bill would get up and talk about it, but I also understand there's a lot going on here, exec sessions and things like that. So I do encourage colleagues, though, to listen as we debate these issues. My understanding is that conversations are still ongoing, sort of behind the scenes about this bill and whether or not there are portions that are acceptable with certain changes or not. And so in light of those continued negotiations and conversations I would hope my colleagues would give us a little bit more grace here as we get closer to noon and possibly roll into tomorrow to continue to talk about this bill because I do think it's important that we negotiate these things and find ourselves in a situation where maybe there's a way we can move forward. I know a lot of folks have other bills they want to get to and priority bills and there's other things on the agenda we'd like to get to, as well,

so we're continuing to work on that. I do think that the conversation sort of has two separate components that we're talking about here. There is the, the nitty-gritty of LB455 and the specifics, and then there is the broader context within which we continue to analyze all of the reforms in this session. I and others have spoken at great length about how this session has seemed as though it is a continuous assault on the rights of working people. I don't want to belabor that point too much, but I have talked to folks outside of the Chamber who pay attention to what we do. They don't watch us every day. I know some of you are, looking at the camera right now, some people watch us everyday. Welcome back. But for those who don't us everyday, they read the paper, they look at the news, and they see headlines and they read articles that do seem to have a consistent theme. And in this One Hundred Ninth Legislature, both the long session we had last session as well as the short session now, we've continued to have bills that seem to chip away at really both the rights and the support that we see for working people. I don't want to rehash the minimum wage conversation, as that's happened, I think, at great length. We could talk about it certainly longer. But in addition to that, we've seen other bills that seemingly are small in nature, that's how they're presented, but when taken as a whole, they are eroding the protections that this Legislature has for decades tried to provide working people based on their needs for health care, workers' comp, and other protections and safety in the workplace. I've mentioned multiple times the bill that's already come up before that had to do with the workplace safety committees. And the reason that that's sort of stuck in my craw is the presentation of that bill was done in a way that was seemingly just as a cleanup bill. But as we go through the legislative history and as you look at why those workplace safety committees existed and how they were agreed upon by a very bipartisan large group of senators, it struck me as alarming that we as a Legislature are willing to walk back those promises of protection to working people so flippantly that there's not really even much of a discussion about why they exist or what they do or, you know, sort of how we got them in the first place. And I understand that a lot of bills come at us fast and we can't all engage on every bill, but I would encourage my colleagues when we do eliminate entire programs or entire sections of statute, as we did in that other bill, to try to find the legislative history to understand how we got there in the first place and what the potential consequences might be if we eliminate those. LB455 is similar in that I have concerns that if we pass it in its current iteration, what we are viewing is eroding that promise, that protection to working people, and doing so without a historical

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 26, 2026

Rough Draft

perspective. And so for that, I would encourage your green vote on the motion to reconsider. Thank you, Mr. President.

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

**HOLDCROFT:** Question.

**KELLY:** The question has been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye; all those opposed vote nay. There's been a request to place the house under call. The question is, shall the house be placed under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 18 ayes, 3 nays to place the house under call.

**KELLY:** The house is under call. All senators, please record your presence. All unauthorized-- all unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senators Guereca, Clements, and von Gillern, please return to the Chamber and record your presence. The house is under call. Senator Clements and von Gillern, please return to the Chamber and record your presence. The house is under call. All unexcused members are present. The question is, the motion to reconsider, a vote was underway. The question is the vote to cease debate. The vote was underway, and there's a request for a roll call vote.

**CLERK:** Senator Andersen voting yes. Senator Arch not voting. Senator Armendariz. Senator Ballard voting yes. Senator Bosn voting yes. Senator Bostar not voting. Senator Brandt voting yes. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Clouse voting yes. Senator Conrad voting no. Senator DeBoer voting no. Senator DeKay voting yes. Senator Dorn. Senator Dover. Senator Dungan voting no. Senator Fredrickson voting no. Senator Guereca voting no. Senator Hallstrom voting yes. Senator Hansen voting yes. Senator Hardin voting yes. Senator Holdcroft voting yes. Senator Hughes. Senator Hunt voting no. Senator Ibach voting yes. Senator Jacobson. Senator Juarez voting no. Senator Kauth voting yes. Senator Lippincott voting yes. Senator Lonowski voting yes. Senator McKinney voting no. Senator Fred Meyer voting yes. Senator Glen Meyer voting yes. Senator Moser voting yes. Senator Murman voting yes. Senator Prokop voting no. Senator Quick voting no. Senator Raybould

voting yes. Senator Riepe not voting. Senator Rountree voting no. Senator Sanders. Senator Sorrentino voting yes. Senator Spivey. Senator Storer voting yes. Senator Storm voting yes. Senator Strommen voting yes. Senator von Gillern voting yes. Senator Wordekemper not voting. Vote is 25 ayes, 13 nays to cease debate, Mr. President.

**KELLY:** Debate does cease. Senator Machaela Cavanaugh, you're recognized to close.

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

**KELLY:** Senator Ibach, would you yield to a question?

**IBACH:** Yes. Thank you.

**M. CAVANAUGH:** Thank you, Senator Ibach. As I'm looking at the committee statement, I realize that LB313 in the committee amendment is your bill. And that's something that we've been hearing a lot about this morning. Can you tell me a little bit about what your thinking is around why we would want to make this shift and, and how does this adversely impact the workers?

**IBACH:** It shouldn't adversely impact the workers at all. What my portion of the bill does is it creates parity among the distribution of the funds. And so, right now, it's fair and equitable. We're just seeking to define what is fair and equitable, that in my mind and according to the bill is a third, a third, and a third. So that the employee actually gets more from the distribution.

**M. CAVANAUGH:** That doesn't seem to be the general consensus that the employee would get more from the distribution. It sounds like the employee, everything that I've read and listened to, sounds like the employee will get less and the workers' comp company, insurance company, would get more. What can you say about that?

**IBACH:** Well, that-- right now, the way that, that the, the statute reads is it is fair and equitable. So my question was, what is fair and equitable?

**M. CAVANAUGH:** So-- but if the pattern has been historically that fair and equitable is that the injured party receives the most of the settlement, and you are now taking that to a third of the settlement, can you see how that is causing concern and heartburn for many of us that it is no longer fair to the employee who was injured?

**IBACH:** Well, I think, I think that might be interpretation because as, as this bill was written and as I presented it, it, it changes the awarding of damages from a-- and I know we haven't addressed my portion of the bill yet, it's to come-- but it, it changes the awarding of damages from a fair and equitable distribution of proceeds, which is how it reads right now, to a statutory model of one-third to the employee or their personal representative, then the balance remaining to the employer or workers' compensation insurer, because they would have, they would have prepaid some of those expenses, and then thereafter the employee or his or her personal representative get the balance of that.

**M. CAVANAUGH:** So were employees coming to you saying that they felt like they weren't getting their fair share of the money?

**IBACH:** This-- no, no one came to me. What this, what this hopes to achieve is to define what is fair and equitable?

**M. CAVANAUGH:** But did anybody come to you and say that they felt like the current process was not fair and equitable, therefore we should define fair and equitable?

**IBACH:** No.

**M. CAVANAUGH:** Then how did you decide to do this?

**IBACH:** Well, Senator Hallstrom and I worked on this together because when you look at workers' comp and the big picture, this is part of it.

**M. CAVANAUGH:** I, I-- yeah, I understand that, and I appreciate that. I appreciate you answering my questions about it. Just, typically, there's an impetus to bringing legislation, whether it's a personal experience or a constituent bringing it to you or an industry bringing it to you, there's usually a reason that we do the things that we do, but this seems like it was born out of nothing.

**IBACH:** No, I can give you a personal experience. I managed shopping centers for 27 years.

**M. CAVANAUGH:** OK.

**IBACH:** And my maintenance director fell out of a 20-foot-high lift, and resulted in a lot of what we're trying to achieve with this bill, had several companies come to him and say I can help you. And it, it

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Floor Debate February 26, 2026

Rough Draft

got to be very, very stressful for him. It became very stressful for my company. But because of my experience in that workers' compensation example, I felt like this was structured so that it does create a fair and equitable distribution.

**M. CAVANAUGH:** And did that individual not get a fair distribution of the money?

**IBACH:** It got to a point where he was a very, very loyal employee.

**KELLY:** That's time, Senators.

**IBACH:** Thank you.

**M. CAVANAUGH:** Thank you.

**KELLY:** Thank you, Senators Cavanaugh and Ibach. Members, the question is the motion to reconsider. All those in favor vote aye-- there's been a request for a roll call vote. Mr. Clerk.

**CLERK:** Senator Andersen voting no. Senator Arch voting no. Senator Armendariz. Senator Ballard voting no. Senator Bosn voting no. Senator Bostar not voting. Senator Brandt voting no. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting no. Senator Clouse voting no. Senator Conrad voting yes. Senator DeBoer voting yes. Senator DeKay voting no. Senator Dorn. Senator Dover. Senator Dungan voting yes. Senator Fredrickson voting yes. Senator Guereca voting yes. Senator Hallstrom voting no. Senator Hansen voting no. Senator Hardin voting no. Senator Holdcroft voting no. Senator Hughes. Senator Hunt voting yes. Senator Ibach voting no. Senator Jacobson. Senator Juarez voting yes. Senator Kauth voting no. Senator Lippincott voting no. Senator Lonowski voting no. Senator McKinney voting yes. Senator Fred Meyer voting no. Senator Glen Meyer voting no. Senator Moser voting no. Senator Murman voting no. Senator Prokop-- Senator Prokop, I'm sorry, yes. Senator Prokop voting yes. Senator Quick voting yes. Senator Raybould voting no. Senator Riepe voting no. Senator Rountree voting yes. Senator Sorrentino voting no. Senator Spivey. Senator Storer voting no. Senator Storm voting no. Senator Strommen voting no. Senator von Gillern voting no. Senator Wordekemper voting no. Vote is 13 ayes, 28 nays, Mr. President, on the motion to reconsider.

**KELLY:** The motion is not adopted. I raise the call. Mr. Clerk.

**CLERK:** Mr. President, LB455, introduced by Senator Hallstrom. It's a bill for an act relating to the Nebraska Workers' Compensation Act; provides for confidentiality of and access to certain injury reports; and repeals the original section. The bill was read for the first time on January 21 of this-- of 2025 and referred to the Business and Labor Committee. That committee placed the bill on General File with committee amendments, Mr. President.

**KELLY:** Senator Kauth, you're recognized to open on the committee amendment.

**KAUTH:** Thank you, Mr. President. Good morning, colleagues. Almost good afternoon. AM678 is the committee amendment to LB455. This amendment contains the provisions of LB455 from Senator Hallstrom, combined with LB313 from Senator Ibach. Under LB455, it provides for confidentiality of and access to certain injury reports under the Nebraska Workers' Compensation Act. LB455 would make first reports of injury confidential and not open to public inspection. The bill limits who can get copies of the report to the employee, the employer, insurance companies of both the employer and the employee, third-party administrators for those insurance plans, and all the previous listed categories, attorneys, and agents. There are additional exceptions, agencies compiling statistical information or doing investigations, as well as nonprofit organizations working for the families of deceased employees. Finally, other courts can order the release of the reports and confidentiality is waived when the reports are used in court. AM678 allows the Workers' Compensation Court to use the reports to meet its data reporting requirements as well as comply with public documents laws. It also contains clarifying language regarding who may access the report and the means by which they can do so. Under LB313, it changes provisions under the Nebraska Workers' Compensation Act relating to subrogation of third-party claims, and the distribution of proceeds in the settlement of third-party claims. The bill would allow workers' compensation insurers to step in for the employer in lawsuits and in recovery of money against third parties who are liable for the injuries to the employee. The bill also changes the requirements for a settlement of a third-party claim to be considered valid by the court. If an employee or the employer or their insurer do not agree to a distribution of the proceeds of a judgment or settlement, the court will distribute the proceeds in newly created determined order. Previously, the court would make the distribution in any manner it deemed fair and equitable. This led to disparate outcomes that both sides struggled with predicting. Now there are three steps: One, after deducting the cost of making the recovery, one-third shall go to the

employee or their representative. Two, the employer or insurer shall be paid for all compensation payments they have made or will be obligated to make in the future. Third, any remaining money will go to the employee. Additionally, the court would determine whether or not advanced payments have been exhausted if an agreement between the parties cannot be reached. I appreciate your support for this amendment to LB455. Thank you, Mr. President.

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

**CONRAD:** Thank you, Mr. President. Good morning, colleagues. So I, I want to lift up a, a couple of things to help us reset here. We've talked a lot about the grand bargain that was struck in regards to the creation, establishment, and implementation of the workers' comp system between employee representatives and employer representatives to ensure that we meet our shared goals of getting folks back to work and addressing workplace injuries in a streamlined, efficient manner. Another key policy underpinning in that grand bargain was to ensure that the costs for workplace injury are not borne by the taxpayer through Medicaid or Social Security or Medicare, etcetera. It's to ensure that the cost is borne by the parties in relationship at the time of the injury and due to the nature of the work. So that society, the taxpayer, doesn't have to pick up the difference when somebody's getting hurt at work. So that's another thing that we have to keep in mind about the grand bargain and about what's at stake in this issue, what's at stake in the evisceration of the safety net, what's going on with wages, what's going on with affordability, what's going on with income inequality, what's going on with the connective tissue that is the tax code? And my colleagues seem to be confused when a significant amount of workers are paid less than a living wage and adequate benefits. They're forced to work in poverty and rely upon social safety net programs to survive. That's not a handout to workers. It's a handout to corporations. And this measure is in line with the same sort of flawed thinking that wants to put risk back on the taxpayer's head and let insurance companies shirk their responsibilities after raking in record profits. The goal is to get workers back to work quick, the goal is to address injuries, the goal is to keep the risk and the cost from hitting the taxpayer through social safety net programs. And Senator Ibach was crystal clear in her exchange with our friend, Senator Cavanaugh, this changes fair and equitable as the standard. It changes fair and equitable. It changes the established status quo precedent of treating these complex situations in a manner that is fair and equitable. How are you going to explain that to your

constituents when you're knocking doors and at town halls? I ran down to Lincoln to make sure that injured workers aren't treated in a fair and equitable fashion. Really? That's the plan? Interesting. So the grand bargain, which has operated well, has come under attack and pressure in recent years. We've seen, in the past decade or so, state after state dismantling the workers' comp system with disastrous consequences for hundreds of thousands of people who are working and who suffered serious injury or death. You can go and you can learn about this phenomenon and this clear policy trend. There was an interesting article that I'm quoting from entitled: The Demolition of Workers' Comp. It was a lengthy investigation and article published by ProPublica in March 2015. And it looked at the evisceration and attack of the workers' comp system when we see how this grand bargain has been eviscerated to benefit employers and insurance. And the cutbacks have been so drastic in some places, it pushes injured workers into poverty and on to taxpayer-funded programs. The attacks have delayed benefits, taken years to get approval for surgeries--

**KELLY:** That's your time, Senator.

**CONRAD:** --or prescriptions and basic help. Thank you, Mr. President.

**KELLY:** Thank you, Senator Conrad. Senator Armendariz has some guests in the north balcony, fourth graders from Legacy Schools in Omaha. Please stand and be recognized by the Nebraska Legislature. Mr. Clerk, for items.

**CLERK:** Mr. President, committee report from the Health and Human Services Committee, chaired by Senator Hardin, they would report LB737 to General File. Additionally, your Committee on Revenue, chaired by Senator von Gillern, reports LB1067 to General File with committee amendments. Amendments to be printed from Senator Strommen to LB834 and LB979, Senator Machaela Cavanaugh to LB958, Senator Bostar to LB1096. Notice of committee hearing from the Judiciary Committee, and a motion to be printed from-- or excuse me, Senator Ballard has a priority motion, he would move to adjourn the body until Friday, February 27 at 9:00 a.m.

**KELLY:** The question is the motion to adjourn. All those in favor say aye. Those opposed say nay. The Legislature is adjourned.