KELLY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the fifty-fourth day of the One Hundred Ninth Legislature, Second Session. Our chaplain for today is Senator Murman. Please rise.

MURMAN: Let us pray. Heavenly Father, we lift up those who are-- who serve in this place. O God, grant them wisdom, so you have promised that those who ask will receive. Give them clarity in their decisions, compassion in their care, and humility in their service. May your peace rest in this place, and may your grace abound. I pray all of this in the mighty name of Jesus, who especially in this holy week, we remember that he freely gave up his life on the cross for our sins and then rose again that we might spend eternity with you. To you be all the glory. Amen.

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

CLOUSE: Thank you, Mr. President. Colleagues, 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 fifty-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: Any messages, reports, or announcements?

CLERK: There are, Mr. President. Excuse me. I have no messages, reports, nor announcements this morning.

KELLY: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR469, LR477, LR479, LR483, and LR484. Mr. Clerk, please proceed to the agenda.

CLERK: Mr. President, General File: LB803A, introduced by Senator von Gillern. It's a bill for an act relating to appropriations; appropriate funds to aid in the carrying out the provisions of LB803; and declare an emergency. The bill was read for the first time on March 26 of this year and placed directly on General File.

KELLY: Senator von Gillern, you're recognized to open.

von GILLERN: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. I rise this morning to introduce a A bill for our Revenue Committee priority, LB803. Just for a brief refresher, LB803 will have the Department of Revenue assume responsibility for the pink postcard notifications and move the joint public hearing from September to July to give taxpayers a better opportunity to participate in the budget process and increase engagement. The department will need funding to carry out these new responsibilities. LFO has indicated that the A bill re-- will require an update once the fiscal analysis on Select File is complete, so we will address that at that time. That said, I'd like to suggest that we view the, view the appropriation for LB803 as an affordable and cost-effective property tax relief measure. With that, I kindly ask for your green vote on LB803A. Thank you, Mr. President.

KELLY: Thank you, Senator von Gillern. Seeing no one else in the queue. You're recognized to close. And waive. Senators, the question is the advancement of LB803A to E&R Initial. All those in favor vote aye; all opposed vote nay. Record, Mr. Clerk.

CLERK: 41 ayes, 0 nays on advancement of the bill, Mr. President.

KELLY: LB803A is advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President, General File: LB1075A, introduced by Senator Sanders. It's a bill for an act relating to appropriations; appropriate funds to aid in the carrying out the provisions of LB1075; and, and to declare an emergency. The bill was read for the first time on March 30 this year and placed directly on General File.

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

SANDERS: Thank you, Mr. President. This A bill appropriates $12,000 in cash funds to the NADC for the current fiscal year and another $25,000 for the '26-27 fiscal year. These funds are needed for programming changes and other responsibilities in carrying out the provisions of LB1075. Just to confirm, these dollars are being appropriated from an NADC cash fund. There is no General Fund impact. Thank you, Mr. President.

KELLY: Thank you, Senator Sanders. Seeing no one else in the queue. You're recognized to close. And waive closing. Senators, the question is the advancement of LB1075A to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

KELLY: LB1075A is advanced to E&R Initial. Mr. Clerk.

CLERK: Mr. President, Select File: LB1181A. There are no E&R amendments. Senator Bosn would move to amend with AM2983.

KELLY: Senator Bosn, you're recognized to open

BOSN: Thank you, Mr. President. AM2983 was introduced to change the dates in the A bill. The amendment strikes fiscal year '25-26 and inserts fiscal year '26-27 and then strikes fiscal year '26-27 later in the bill and inserts fiscal year '27-28. Thank you for your consideration. And I ask for your green vote. Thank you.

KELLY: Thank you, Senator Bosn. Seeing no one else in the queue. You're recognized to close. And waive. Senators, the question is the adoption of AM2983. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 38 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM2983 is adopted. Mr. Clerk.

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

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that LB1181A be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB1181A is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President, Senator Clements would move to suspend Rule 5, Section 7(f) and (g) to allow for the A bills for LB867 to be indefinitely postponed and for the appropriation for this bill to be contained in LB1209.

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

CLEMENTS: Thank you, Mr. President. We need to add LB867 to LB1209, the technical A bill, to harmonize it with budget bill LB1071. LB87-- LB867 had not yet been discussed on General File when we put other bills in LB1209. And-- so we-- L-- LB867 as amended results in a General Fund savings, like the other bills we had added, which requires an amendment to LB1071 to realize the savings. The estimated savings are $6.7 million in fiscal year '27. So the tame-- the same timing exish-- issue exists for this bill, LB867, as the other bills that we put in LB1209. Incorporating the LB867 appropriations changes in LB1209 will allow LB867 to move forward. I ask for your green vote. Thank you, Mr. President.

KELLY: Thank you, Senator Clements. Seeing no one else in the queue. You're recognized to close. And waive closing. Senators, the question is the rule suspension. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 41 ayes and 0 nays on ado-- on adoption of the rule suspension, Mr. President.

KELLY: The rule is adopted. Senator Spivey would like to recognize a guest in the north balcony: Bruce Smith of Omaha. Please stand and be recognized by the Nebraska Legislature. Mr. Clerk.

CLERK: Mr. President, Senator Clements would move to indefinitely postpone LB867A.

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

CLEMENTS: Thank you, Mr. President. We're, we're moving LB867A into LB1209, and-- so it will be part of LB1209 and no longer needed to be a separate A bill. So nothing will be lost. We're just shifting the, the bill as to where LB867A will be carried so we can harmonize it with the budget bill. I ask for your green vote. Thank you, Mr. President.

KELLY: Thank you, Senator Clements. Seeing no one else in the queue. You're recognized-- and waive closing. Senators, the question is the motion to indefinitely postpone. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 46 ayes, 0 nays on the motion to indefinitely postpone.

KELLY: The motion is adopted. Mr. Clerk.

CLERK: Mr. President, Speaker Arch would move to suspend Rule 8, Section 5 to allow for the passage of the Appropriation bills later than the 50th legislative day.

KELLY: Speaker Arch, you're recognized to open.

ARCH: Thank you, Mr. President. I think we're well aware that our rules require in Rule 8, Section 5 that the Appropriation bill shall be passed on the 50th day-- or, no later than the 50th day in a 60-day session. With the extensive debate on our budget this year, we missed that time, and so we need to suspend our, our rules to allow Final Reading today. So I would ask for a green vote on the rule suspension. Thank you, Mr. President.

KELLY: Thank you, Speaker Arch. Seeing no one else in the queue. You're recognized to close. And waive closing. Senators, the question is the rule suspension. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 45 ayes, 0 nays on suspension of the rule, Mr. President.

KELLY: The motion is adopted. Speaker Arch would like to recognize guests in the north balcony: they're county officials from across Nebraska. Please stand and be recognized by the Nebraska Legislature. Mr. Clerk, next item. Senators, please take your seats for Final Reading. All unexcused members are present. Senators, the first vote is on LB1071 to dispense with the reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 42 ayes, 4 nays to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Please read the title.

CLERK: [Read title of LB1071]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB1071 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Clements, Clouse, DeKay, Dorn, Dover, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, Meyer, Meyer, Moser, Murman, Riepe, Sanders, Sorrentino, Storer, Storm, Strommen, von Gillern, Wordekemper. Voting no: Senators Cavanaugh, Cavanaugh, Conrad, DeBoer, Dungan, Fredrickson, Guereca, McKinney, Prokop, Quick, Raybould, Rountree, Spivey. Not voting: Senator Hunt. Vote is 35 ayes, 13 nays, 1 excused, not voting, Mr. President.

KELLY: LB1071 passes with the emergency clause. The next bill is LB1072 with the emergency clause. The first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 45 ayes, 1 nay to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Please read the title.

CLERK: [Read title of LB1072]

KELLY: All probi-- provisions of law relative to procedure having been complied with, the question is, shall LB1072 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Clements, Clouse, DeKay, Dorn, Dover, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, Meyer, Meyer, Moser, Murman, Riepe, Sanders, Sorrentino, Storer, Storm, Strommen, von Gillern, Wordekemper. Voting no: Senators Cavanaugh, Cavanaugh, Conrad, DeBoer, Dungan, Fredrickson, Guereca, McKinney, Prokop, Quick, Raybould, Rountree, Spivey. Not voting: Senator Hunt. The vote is 35 ayes, 13 nays, 1 excused, not voting, Mr. President.

KELLY: LB1072 passes with the emergency clause. The next bill is LB1133 with the emergency clause.

CLERK: [Read LB1133 on Final Reading]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB1133 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Cavanaugh, Cavanaugh, Clements, Clouse, Conrad, DeBoer, DeKay, Dorn, Dover, Dungan, Fredrickson, Guereca, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, McKinney, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Sorrentino, Spivey, Storer, Storm, Strommen, von Gillern, Wordekemper. Voting no: 0. Not voting: Senator Hunt. Vote is 48 ayes, 0 nays, 1 excused, not voting, Mr. President.

KELLY: LB1133 passes with the emergency clause. The next bill is LB759 with the emergency clause. The first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 46 ayes, 1 nay to dispense with the at-large reading, Mr. President.

KELLY: Mr. Clerk, please read the title.

CLERK: [Read title of LB759]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB759 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay.

ARCH: Record, Mr. Clerk.

CLERK: Voting aye: Senators Arch, Armendariz, Bosn, Bostar, Brandt, Clements, Clouse, DeKay, Dorn, Dover, Fredrickson, Guereca, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Kauth, Lippincott, Lonowski, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Sorrentino, Storm, von Gillern, Wordekemper. Voting no: Senators Andersen, Ballard, Cavanaugh, Cavanaugh, Conrad, DeBoer, Dungan, Juarez, McKinney, Spivey, Storer, Strommen. Not voting: Senator Hunt. Vote is 36 ayes, 12 nays, 1 excused, not voting, Mr. President.

ARCH: LB759-- LB759 passes with the emergency clause attached. Mr. Clerk, next item. Mr. Clerk, the first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 45 ayes, 1 nay to dispense with the at-large reading, Mr. President.

ARCH: The at-large reading is dispensed with. Mr. Clerk, please read the title.

CLERK: [Read title of LB847]

ARCH: All provisions of law relative to procedure having been complied with, the question is, shall LB847 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, John Cavanaugh, Clements, Clouse, DeBoer, DeKay, Dorn, Dover, Fredrickson, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, McKinney, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Sorrentino, Spivey, Storer, Storm, Strommen, von Gillern, Wordekemper. Not vo-- voting no: Senators Machaela Cavanaugh, Conrad, Dungan, Guereca. Not voting: Senator Hunt. Vote is 44 ayes, 4 nays, 1 excused, not voting, Mr. President.

ARCH: LB847 does pass. Mr. Clerk, next item. The first vote will be dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 44 ayes, 1 nay to dispense with the at-large reading, Mr. President.

ARCH: Please read the title.

CLERK: [Read title of LB967]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB967 pass? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Cavanaugh, Cavanaugh, Clements, Clouse, Conrad, DeBoer, DeKay, Dorn, Dover, Dungan, Fredrickson, Guereca, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, McKinney, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Sorrentino, Spivey, Storer, Storm, Strommen, von Gillern, Wordekemper. Voting no: 0. Not voting: Senator Hunt. Vote is 48 ayes, 0 nays, 1 excused, not voting, Mr. President.

KELLY: LB967 passes. Senator DeKay would like to recognize some guests seated in the north balcony. They're juniors and seniors from Summerland High School. Please stand and be recognized by your Nebraska Legislature. The next bill on Final Reading is LB1101 with the emergency clause. The first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 44 ayes, 1 nay to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Please read the title.

CLERK: [Read title of LB1101]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB1101 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Cavanaugh, Cavanaugh, Clements, Clouse, Conrad, DeBoer, DeKay, Dorn, Dover, Dungan, Fredrickson, Guereca, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, McKinney, Glen Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Sorrentino, Spivey, Storer, Storm, Strommen, von Gillern, Wordekemper. Voting no: Senator Fred Meyer. Not voting: Senator Hunt. Vote is-- Senator Fred Meyer voting yes. Vote is 48 ayes, 0 nays, 1 excused, not voting, Mr. President.

KELLY: LB1101 passes with the emergency clause. The next bill is LB1235 with the emergency clause. The first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 44 ayes, 2 nays to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Please read the title.

CLERK: [Read title of LB1235]

KELLY: All provisions of law relative to procedure having been complied with, the question is shall LB1235 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Cavanaugh, Cavanaugh, Clements, Clouse, DeBoer, DeKay, Dorn, Dover, Dungan, Fredrickson, Guereca, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, McKinney, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Spivey, Storer, Storm, Strommen, von Gillern, Wordekemper. Voting no: Senators Conrad and Sorrentino.

Not voting: Senator Hunt. Vote is 46 ayes, 2 nays, 1 excused, not voting, Mr. President.

KELLY: LB1235 passes with the emergency clause. Senator Dorn would like to recognize guests in north balcony: fourth graders from Freeman Public Schools in Adam-- Adams, Nebraska. Please stand and be recognized by the Nebraska Legislature. The next bill on Final Reading is LB816 with the emergency clause. The first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 43 ayes, 1 nay to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Please read the title.

CLERK: [Read title of LB816]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB816 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Cavanaugh, Cavanaugh, Clements, Clouse, Conrad, DeBoer, DeKay, Dorn, Dover, Dungan, Fredrickson, Guereca, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, McKinney, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Sorrentino, Spivey, Storer, Storm, Strommen, von Gillern, Wordekemper. Voting no: 0. Not voting: Senator Hunt. Vote is 48 ayes, 0 nays, 1 excused, not voting, Mr. President.

KELLY: LB816 passes with the emergency clause. The next bill is LB824 with the emergency clause. The first vote is to dispense with the formal-- Final Reading-- at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 44 ayes, 1 nay to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Please read the title.

CLERK: [Read title of LB824]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB824 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Andersen, Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Cavanaugh, Cavanaugh, Clements, Clouse, Conrad, DeBoer, DeKay, Dorn, Dover, Dungan, Fredrickson, Guereca, Hallstrom, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, McKinney, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Rountree, Sanders, Sorrentino, Spivey, Storer, Storm, Strommen, von Giller-- von Gillern, Wordekemper. Voting no: Senator Riepe. Not voting: Senator Hunt. Vote is 47 ayes, 1 nay, 1 excused, not voting, Mr. President.

KELLY: LB824 passes with the emergency clause. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB1071 with the emergency clause, LB1072 with the emergency clause, LB1133 with the emergency clause, LB967, LB1101 with the emergency clause, LB1235 with the emergency clause, LB816 with the emergency clause, and LB824 with the emergency clause.

ARCH: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB759 with the emergency clause attached and LB847.

KELLY: The next bill on Final Reading is LB901 with the emergency clause. Mr. Clerk.

CLERK: Thank you, Mr. President. Mr. President, Senator Conrad would move to recommit the bill to committee.

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

CONRAD: Thank you, Mr. President. I'd like to withdraw.

KELLY: So ordered. Without objection.

CLERK: Mr. President, Senator von Gillern would move to recommit the bill to committee.

KELLY: Senator von Gillern, you're recognized to open.

von GILLERN: Thank you, Mr. President. As of about 30 minutes ago--

KELLY: Senator Cavanaugh, please state your point of order.

M. CAVANAUGH: No, didn't, didn't Senator Conrad just withdraw that? So Senator von Gillern cannot have the same motion that Senator Conrad just withdrew.

KELLY: Mr. Clerk for an explanation.

CLERK: Senator Cavanaugh, your rule states that a, a motion has to be decided. The motion was offered. It was not decided. There was no vote taken on the motion.

M. CAVANAUGH: That has not been the precedent. If somebody withdraws a motion that's been filed, then we have not allowed an-- that same motion to be considered on the same round of debate.

CLERK: Senator Cavanaugh, Senator John Cavanaugh is the one who originally amended that rule in 2024 to allow for the withdrawal of a priority motion prior to decision on that mo-- on that motion.

M. CAVANAUGH: Well, you just made him very happy, but. OK. I, I apologize to Senator von Gillern. I-- you know me. I'm a stickler for rules. Thank you for addressing the point of order.

KELLY: Thank you, Senator Cavanaugh. Senator von Gillern, you're recognized to open.

von GILLERN: Thank you, Mr. Clerk, for the clarification. As I was beginning to state, as of about 30 minutes ago, I thought we had everything worked out to move this bill forward and not have to burn two hours of very precious time this late in the session to avoid some unfriendly amendments, one of which was just posted I believe in the last 30 to 60 minutes without any conversation with me, the chairman of Revenue, and the bill sponsor. Just a complete blindside. So be that as it may, that would be considered not collegial. That would be considered lots of things in a different world, but today that's apparently where we are. So we're gonna spend two hours, so I guess-- those who are willing to help go two hours, I would ask you to punch in and talk about your favorite bill, because we're going to go for a while. I've got a recommit. I've got a reconsider after the recommit. And we'll take it two hours to avoid the amendments coming up, and that all is completely within, within the rules, so. People can say that's not fair. They can say it's no fun. But it happens every day here and, and it's going to happen today, so. Possibly you're sensing my frustration. Again, I worked with folks that were not on board with some things about LB901. Can I get a gavel, Mr. President? Thank you. I worked closely with folks that had a stake in LB901 and had some interest in having conversation around topics related to LB901 and other revenue-related topics, and, and we had very productive and very collegial conversations around that and about how to best, best make that happen and-- that's all going to fall apart now, so. It's unfortunate, but, again, it's, it's apparently the world we're, we're living in, so. So I'll-- I guess I'll, I'll hit in. I got a whole folder here of things I can read. And I'll ask others to get, like I said, to get on the mic. Those who have bills within LB901, please punch in and talk about your bills and, and what-- the good things that those things will do. Mr. President, is this a 10-minute open?

KELLY: It is. 7:45 remains.

von GILLERN: Thank you very much. All right. We'll just-- we'll keep trucking along. So I'll go-- I'll read my full LB901 opening, which I was hoping to not do, but we'll give a little refresher here. LB901, as I stated during General File, includes four bills, all of which received unanimous support from the committee. These bills are LB890, LB1109, LB1110, and LB1131. The version under consideration today also includes several AMs added during General File debate. The fiscal note dated March 25 shows a positive General Fund impact for LB901 of nearly $26 million for fiscal years '26 and '27. And the Department of Revenue is projecting closer to $30 million in the outyears. So as you can see, it's critical that we pass LB901 as a piece of the puzzle to resolving our budget situation this year. LB901 is critical to balancing the budget. It's been factored into that process, factored into the math by the Appropriations Committee, and it's reflected in the budget bill that we advanced last week and then advanced to Final this morning. That was a fun April Fool's joke during the budget vote. This one's not quite so much fun. Quick review of the content of LB901 includes, as I said, LB1109, which is-- was one of my bills. That removes several sales and use tax exemptions and sunsets some tax credits, and it makes some others nonrefundable. LB1110 was also my bill, and it amends statutes to expand the allowable functions of the Department of Revenue Enforcement Fund to any functions and activities of the Tax Commissioner. It redirects certain funds into the Department of Revenue Enforcement Fund and provides for the provision of certain information between the Department for Health and Human Services and the Department of Revenue. Most notably, it allows the Department of Revenue to collect fees from individuals or corporations who are delinquent in their tax obligations. It also allows the Department of Revenue to seek reimbursement from those same taxpayers for costs incurred due to collection actions while providing grace in cases of indigence. LB1131, as amended by AM2071, is Senator Bostar's bill and creates a Domestic Violence and Human Trafficking Service Providers Tax Credit Act, which provides funding for providers assisting victims of domestic violence and human trafficking. It provides $3 million to domestic violence shelters and service providers. LB890, as amended by AM2325, was Senator Clouse's bill. And he worked very closely with Senator Spivey to incorporate elements of her LB920, which had similar considerations regarding games of skill and has become a point of interest in all of our email boxes recently. Also notable, Senator Spivey did a-- an LR and interim study last summer that collected a lot of data around this topic and some of the negative impacts of the games of skill, particularly in-- Senator Spivey was particularly focused in her district on that. We've received numerous, possibly hundreds of automated, cut-and-paste emails claiming that LB901 would cut property tax relief. And with the amendments adopted on Select File, we corrected an oversight in the bill. And as we all now know, property tax relief remains whole. I want to underscan one more-- underscore one more time: passing LB91 [SIC: LB901] is critical to balancing our budget, it increases revenue, and it protects property tax relief funding. All of the other sponsoring senators of these bills and I are happy to take any questions. And I would encourage each of them to get in the queue and spend a few minutes giving the body a refresher on their bills. There's a prior-- there are pri-- well, again, I wrote this before I knew the, the fun that we're going to have today. There were prior-- there are priority motions filed that I-- we're hoping to be withdrawn so that we can move forward, but we're kind of facing a new reality right now. And we'll determine as conversations continue here in the next hour or two what our path is to completing LB901 and getting that across the finish line. I see that there are some folks in the queue, and I will hand that off as I have conversations off the mic and see if there's possibly a better way to bring this to closure today without, again, wasting two hours of precious time on the-- what do we have-- seven days left in our legislative session. Thank you, Mr. President.

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

CONRAD: Question.

KELLY: The question's been called. Do I see five hands? I do. The question is, shall debate cease? Roll call, reverse order request. Mr. Clerk.

CLERK: Senator Wordekemper. Senator von Gillern voting no. Senator Strommen. Senator Storm. Senator Storer. Senator Storer voting no. Senator Spivey not voting. Senator Sorrentino. Senator Sanders voting no. Senator Rountree not voting. Senator Riepe. Senator Riepe voting yes. Senator Raybould voting yes. Senator Quick not voting. Senator Prokop voting no. Senator Murman voting no. Senator Moser voting no. Senator Glen Meyer voting no. Senator Fred Meyer voting no. Senator McKinney. Senator Lonowski voting no. Senator Lippincott voting no. Senator Kauth. Senator Juarez voting yes. Senator Jacobson voting no. Senator Ibach voting no. Senator Hunt voting no. Senator Hughes. Senator Holdcroft. Senator Hughes-- I'm sorry-- voting no. Senator Holdcroft voting no. Senator Hardin voting no. Senator Hansen. Senator Hallstrom voting no. Senator Guereca not voting. Senator Fredrickson voting no. Senator Dungan voting no. Senator Dover voting no. Senator Dorn. Senator DeKay voting no. Senator DeBoer voting no. Senator Conrad voting yes. Senator Clouse voting no. Senator Clements voting no. Senator Machaela Cavanaugh voting yes. Senator John Cavanaugh voting yes. Senator Brandt voting no. Senator Bostar not voting. Senator Bosn. Senator Ballard voting no. Senator Armendariz voting no. Senator Arch not voting. Senator Andersen voting no. Vote is 6 ayes, 28 nays to cease debate, Mr. President.

KELLY: Debate does not cease. Returning to the queue. Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. Good morning, colleagues. I stand in support of LB901. It wasn't my intention to take time. I know we have a lot of other pressing bills to get to, but I, I wanna assure you that I support this bill, but it would be a lot better if we voted for my AM2869. Just kindly take a look at the handout before you. Every day, it is a challenge to be the best stewards of taxpayers' money, but it is a privilege that we have been elected to do so. Here are some of the complexities we are facing-- some of our own making and others outside of our control: wildfires harming grazing lands, fertilizer shortages, inflation from tariffs and the Iran war, material cost surcharges, federal legislation, and unfunded mandates from the One Big Beautiful Bill. All creating unpredictable economic times. May I have a gavel, Mr. President? Thank you. All creating unpredictable economic times. Our own structural deficit of accelerated income tax rate reductions compounds these elements. We are resilient, but there is only so much we can do to stay abreast of these fiscal challenges. Former state senators clearly stated that Nebraska has a revenue problem. I'm quoting Speaker Arch: when I, when I take a look at what I'm prioritizing and scheduling, I need to make sure that these bills that have a positive impact are up on top and ahead of other bills that are scheduled so that we can get to the balanced budget. I'm quoting our consultants: you can't cut your way to prosperity. So here we are again looking at one solution that has been delivered to us all in 2023, 2024, 2025 since the accelerated income tax rate reductions were proposed. This is one of the truer things that was entirely predictable. This was entirely predictable. Kindly take a look at my handout, which shows the-- LB754 and the loss of revenue. Our loss of revenue in our efforts to be what? To do what? To be more competitive? Spark economic growth? Help us at-- attract and retain businesses? Clearly, this last element is not working. If so-- if it's working-- so why is a major employer threatening to leave unless he-- that employer gets significant incentives or subsidization for their staying or improvements to their office building? Why did a major employer in Lexington leave? Some in the Chamber have said that this proposal that is before you, AM2869, is the easy button. Well, if it were so easy, why didn't we push that button back in 2024, 2023, maybe even during our special session? That would've saved a lot of painful cuts that we have taken this year. It would have saved a lot of unlawful cuts that we have done. I believe in economic incentives, but how can we pay for these economic incentives that are being proposed this year? I've said this before: business leaders need to step up. They need to be a helping hand instead of asking for more handouts. I know this is harsh. This is the reality. I wanna say I am really proud of some of my colleagues for coming up with solutions. Senator Hughes has worked tirelessly on solving public education funding and finding compromises with property taxes and creative revenue solutions. Senator Brandt and Senator Storer have been doing the same. We are back with this amendment that hopefully will help position our state of Nebraska better for this budget year and for the next biennium. So kindly take a look at the map you've seen before and ask yourself, are we competitive? We're not the lowest and we're not the highest, so we're right in the middle. That's competitive. I ask that you look at the loss of revenue and come to your own conclusions. How can we be part of a solution? That's what I had hoped to do this year in my final year. And I ask for your serious reflection and consideration of this amendment should we get to it. Thank you, Mr. President.

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

KAUTH: Thank you, Mr. President. So LB901 has a lot of things in it. And the Revenue Committee did work really hard on this. One of the things that I, I like to talk about that I worked on particularly was the, the cash devices. So we've looked at this industry. It has gotten way bigger way faster than anyone had ever expected. Last year, there was a proposal to increase their tax up to 20%. So LB901 actually increases it a little bit, but we negotiated it down. One of the-- one of the reasons was-- so Senator Spivey brought up some really good points that-- in her district part-- in particular, there's a proliferation of these, and they are really starting to erode how people are able to spend their money and, and use their money effectively. So we listened to that and made sure that we got that in there. But we also listened to the people who came-- who own these businesses and came and talked to us. One of the problems that they have had that's just been of a huge frustration and a huge expense for them is when their machines break down, whether it's-- something happens to the outside of the machine and it can't be repaired or it's the internal parts-- so computers. I don't know if you guys are aware: they have motherboards, they have circuit boards, they have all sorts of things in there that go bad sometimes for no reason whatsoever or just from overuse. When those would go bad, they would have to buy a whole nother machine and then buy a whole nother registration decal for that machine. And for them, they're like, well, we're just-- we're swapping out parts-- that's really all this is-- but yet we have to pay essentially double the amount of money for our registration fee. So we got rid of that. So that was one of the things that I wanted to make very, very certain that we did because that's, that's just kind of ridiculous, in my opinion, if we have a yearly charge but we charge someone extra for the bad luck of their machine going down. I don't think that's fair. So we did make that change so that they buy a decal, that goes on the machine once a year. Something happens with the machine, that decal still covers their replacement. And I got the following email from one of the, the testifiers who came and spoke to us. He owns a business with these cash devices, brought us some really, really great information. He said, Kathleen, thank you for listening and taking action on cash device decals that needed to be repurchased when game boards and other equipment failed. This change will greatly help small, local Nebraska distributors like me. So-- and each one of those decals is $350. So if you think about if, if something goes bad and you have to replace it once, maybe twice in a year, that's a lot of added expense that we have just saved these, these business owners. So there's a of, of give-and-take, a lot of choices that I know some people didn't like but were necessary. And I think we did a really good job of listening to all of the people who came to testify, listening to the other senators who brought bills that are incorporated in this bill, and working through a lot of solutions. And I know the Revenue

Committee staff and Senator von Gillern spent many, many, many hours working on this and working with the parties involved. And this is a really, really good bill. So I would encourage everyone to support LB901. Thank you.

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

HARDIN: Thank you, Mr. President. Since we're taking up some time, I thought I would take up some of your time. Had an interesting conversation a few years ago with one of my former mentors. His name was Dr. Haddon Robinson. He was the former president of Denver Seminary. When he was the president of Denver Seminary back in the '90s, he participated in a Harvard study. That Harvard study was an interesting one because what it dealt with was the fact that presidents of universities and places like seminaries were staying there a much shorter period of time than they had, say, back in 1960s. In the 1960s, the average tenure of a university president was almost 12 years. By the time we got to the 1990s, 30-some years later, that average tenor-- tenure was just about four and a half years. It's kind of expensive and difficult to replace a university president, and so Harvard set out to figure out, why did it drastically go down in the number of years in that period of time? After a long study and using several hundred university presidents and seminary presidents and so forth, this is what they concluded: they found that those people who will spend as little as 15 minutes a day doing something that helps them lose track of time-- in other words, engaging their passions-- would help them to stay in a job they frankly didn't like. It's a caustic environment. It's a high-stress environment to be a university president. It's little bit like standing behind the counter of an airline right after a plane crash. It tends to be high criticism, low affirmation. Here we are many years later, and I think the same principles hold true, that if you're in any job that causes you a lot of stress, it's amazing what you can endure when you identify that thing or those things that you lose track of time doing and you make sure that you ge-- get an inoculation in your soul every day of that thing. You may enjoy sitting in the front yard with a propeller on your head and spinning it and ignoring the world. And if that's what recharges your batteries, good for you. For me, I spend a few minutes every day with my guitar. I used to spend hours and hours a day with my guitar, but now 15 minutes a day is something that I require myself to do. You might paint. You might keep bees, Senator Holdcroft. You might play the guitar as well, Senator Moser. You might play that trumpet or that shofar, Senator Clements. It's been interesting here to learn about what people find interesting, their hobbies, what they lose track of time doing when they're not here. Whatever your calling is in life, no matter how much you may enjoy it, high-stress environments tend to be corrosive on our psyche, and I think there's a meaningful way out of it because, frankly, you can go on vacation, and many times that doesn't restore you. It just creates a new kind of busyness. So it's fascinating that the Harvard researchers said, you know what? If you will accurately identify what you lose track of time doing and do it for a few minutes every day, you can survive almost anything. I would encourage all of you, especially at this time in a short session, to spend some time today doing whatever it is you lose track of time doing. Thank you, Mr. President.

KELLY: Thank you, Senator Hardin. Senator DeKay would like to recognize some guests in the north balcony: fourth graders from Verdigre Public School. Please stand and be recognized by the Nebraska Legislature. Senator Andersen, you're recognized to speak.

ANDERSEN: Thank you, Mr. President. I spoke on this bill on General File, Select File, and I just want to recap a couple of things here on Final Reading. There's two basic parts that I object to on LB901. I do support the, the recommit to committee motion. The first part that I have object to is the refundable tax credits. It says $240,000 going to the tribal domestic violence and sexual assault programs. And these are refundable tax credits. And let's make sure we understand what that means. You take the revenue, convert it over to tax credits, and then you send it to the nonprofits that they then go sell it on the open market and they get cash back. Second one goes-- is $150,000 to the nonprofits affiliated with DHHS for victims of domestic abuse, domestic violence under the protection from the Domestic Abuse Act. Next one is $1,044,000. That goes to the first two organizations as well as other nonprofit organizations that are operating shelters for victims of domestic violence and human trafficking. The next giveaway is $1.5 million, and it's basically to first two above and the nonprofits. The next one is $1.2 million, and in the bill it says it goes to population of the program or service area based on the latest decennial census as determined by Department of Revenue. Not really sure exactly what that means, but it's a $1.2 million giveaway. And the last one is a-- well, the last one in that section is on $313,000, and it goes to what it names as, based on the square miles of the program or service area. So from my perspective, this is a giveaway to the nonprofits on the order of $5 million. And in the, the tax situation we're in, where we're upside-down on the budget, we don't have enough money. Giving $5 million-- we're basically laundering the money because once they get the money back from the, the, the marketplace where they sell the tax credits, there is no traceability. So there is no way to-- as Senator von Gillern and I discussed earlier, there is no way to understand when you get the-- you start with the tax revenue, all the way through the cash coming back to nonprofit, there is no way to trace that money and understand what the value added from the, the tax revenue is. The people's money. And then the second part I disagreed with is where it terminates the IT-related exemption, which they call the data center exemption. And that's to the tune of $6.5 million. And it has been stated before. They say, well, there's nobody using the money. Nobody objected to the bill. Nobody's come forward. But when I spoke to the Department of Revenue, they came out and said that they had been awarding and allocating $6.5 million a year. So my concern with this is we are terminating an exemption that is being used by companies without knowing what companies and not doing the due diligence to realize what companies are not going to have this money that they've been using now. So I would submit that we need to do the due dil-- due diligence, understand what companies are using it and see what damage we'd be doing. Otherwise, we'll find out when they don't get the, the money that they're expecting, and they could have financial hardship based on that. So with those two sections-- one, I think the due diligence for the data center exemption should be done before actually removing it. And the first part with the, the nonprofit giveaway is basically lund-- money laundering from taxpayer dollars to cash going straight to the nonprofits. I think it's fundamentally wrong and we shouldn't be doing it. And with that, Mr. President, I'll yield back the rest of my time.

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

SPIVEY: Thank you, Mr. President. I wanted to rise quickly and talk about just a second of LB920, which is in LB901. Senator Kauth alluded to some of this, and Chair von Gillern, just about my work around the cash devices. I did have an interim study. I had a bill last year, spent a lot of time with different interest groups to arrive to this compromise, which you see as an am-- part of the committee amendment that was amended into Senator Clouse's bill and then to LB901. And so with that, I yield the rest of my time to Senator Machaela Cavanaugh

KELLY: Thank you, Senator Spivey. Senator Machaela Cavanaugh, 4 minutes, 20 seconds.

M. CAVANAUGH: Thank, thank you, Mr. President. Thank you, Senator Spivey. So I filed an amendment this morning on LB901. And, you know, it's a big swing. I look at the green sheet. We still have, you know, some re-- some funds we need to find. So it included Senator Dungan's SALT tax. Don't ask me to explain that. Senator-- a version of Senator Sorrentino's cigarette tax. I think it had vape tax in it. It also had a pause on-- or, stepping down on the implementation of the income tax cuts, but I also realized that it's a really big swing and we are all really tired and we've got a very long agenda. So I spoke with Senator von Gillern and I let him know that I will be withdrawing my amendment so that we can move forward with the rest of our agenda. Thank you, Mr. President.

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

CLOUSE: Thank you, Mr. President. And I guess I'm not sure where we're going from here. Are we still on this, this [INAUDIBLE] killing time and wasting everyone's time or are we ready to move forward some things? So I guess I can just talk about-- until somebody gives me a different cue, I'll just talk about what these bills do. And the particular bill-- the piece that I had in this was LB890, which was the mechanical amusement and, and cash device fees. And this bill, as, as mentioned previously numerous times over the last couple months ad nauseam, as I always like to say, ad nauseam-- we just keep doing this stuff-- it has-- it relates to the fees that have not been updated in 25 years. So if that sounds extreme, I apologize for that, but some of these fees did need to be updated. And then working with Senator Spivey on the games of skill, one of the points we need to, to make is the difference in taxation on, on the games of skill and the slot machines. If you're in slot machines, those are taxed at much higher. 20% tax on slot machines. And when we look at these cash devices-- and everyone's seen them in the, the different convenience stores and, and different social clubs, the civic clubs, things of that nature, they look an awful lot like a slot machine. But they're not. They're a game of skill. Very technical on the, on the difference on that, but they are in fact different. The taxation on those games of skill was at 5%. And then working with Senator Spivey, she initially wanted to move it up to the slot machine taxation level, which made sense. But we negotiated that down to-- from 5% to 10%. And in order to offset that, we worked with the industry and we said, well, we'll provide through statute a few more machines so that that can maybe offset what the increase in the taxes are. So does this impact those that [INAUDIBLE] support it, I would say probably so. But when you walk through a convenience store or any place that have these machines, there's always someone sitting at those machines, always sitting there playing. And are they at a poverty level? Not necessarily. It's not for me to decide what level of income they have whether they want to play these machines or not. But it does bring some social issues in Senator Spivey's district, and I think she was very direct and very concerned about what it does in her particular district. And we all know the, the diversity in this state, and I would say that the neighborhood that she's in in Omaha and the impact she sees on these machines in Omaha is much different than what I would see in Kearney or Shelton or Gibbon or the-- any of those places. So she comes from a different perspective on it, but it's very important to her. So when we combined these bills, it was to upgrade some fees that needed to be done and also take a look at the taxations and-- really, it's kind of the cause-and-effect-type situation. Again, if you're creating the problem, then here are some ways that we can increase our, our fees and taxes to cover the expenses so that it's not passed onto those that aren't causing the-- being the major contributors to the issues. So this bill, LB901-- a-- again, nobody likes what we have to do with regard to maybe increasing fees or looking at the, at the solutions to balance the budget. So this bill has a lot of things in it. I don't think anybody's happy with it. There are just things that unfortunately we need to do to get this budget balanced. And-- so with that, I will yield the rest of my time and-- and I can come back if this is still what we're going to be doing two hours from now or an hour from now. Again, it's a tremendous waste of time, but that's how we work down in Lincoln, I found that out. Thank you.

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

BOSTAR: Thank you, Mr. President. I'd like to yield my time to Senator Raybould.

KELLY: Senator Raybould, 4 minutes, 53 seconds.

RAYBOULD: Thank you, Mr. President. Thank you, Senator Bostar. I stand before you about my amendment, AM2869. It's a really, really, really good amendment. I know we're still going to be a fiscal crisis next year. I as-- ask you to hold it on-- hold onto this amendment for next year because it'll be coming back. And I would like to withdraw AM2869, Mr. President.

KELLY: So ordered. Oh. It's not on the floor, Senator. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. Like to make a few comments about the budget, especially the Appropriations Committee. And I want to thank the body for getting the budget passed today. And appreciate your patience and working with me. As we have, have gone through this, I-- during the budget debate, I failed to re-- recognize the members of the Appropriation Committee that put in long hours and worked hard and just wanted to recognize Senator Armendariz, vice chair as her last year. Appreciated her help. Senator Machaela Cavanaugh. This is her last year in the, in the Legislature. Over the last two years, we've had a lot of good discussions. Senator Myron Dorn, appreciate his real good help with budget issues and keeping us on track. And we have-- and Senator, Senator Dorn. It's his last year. So there are four of us who are not going to be here next year, but there are five returning: Senator Dover, Senator Lippincott, Senator Prokop, Senator Spivey, and Senator Strommen. And they are returning with good experience, and that-- but there are going to be openings on the Appropriation Committee next year from con-- district-- CD 1, 2, and 3. So if you want to learn about a wide variety of topics, put your name in for that-- for Appropriations next year. You'll get a pos-- exposed to issues that every other committee deals with. We, we deal with things from judiciary, health and human services, education, government, natural resources, agriculture, transportation, revenue. We deal with every agency. And so if you'd like a wide variety and, and-- and it kind of helps to lear-- to, to like numbers, lots and lots of numbers, billions of dollars of numbers. And so I just would welcome you to think about Appropriations next year, but I really do thank our committee members for their good work. With that, I'd like to yield the rest of my time to Senator von Gillern.

KELLY: Thank you, Senator Clements. Senator von Gillern, 2 minutes, 30 seconds.

von GILLERN: Thank you, Mr. President. I'd like to withdraw the recommit motion.

KELLY: Without objection. So ordered. Mr. Clerk.

CLERK: Mr. President: Senator Raybould, I have AM2626, AM2869, and AM2728, all with notes that you'd withdraw.

KELLY: So ordered.

CLERK: Senator Bostar, I have AM2600 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President, I have nothing further.

KELLY: Members, please return to your seat for Final Reading. Senators Rountree and Riepe, please return to the Chamber for Final Reading. Senator Rountree, please return to the Chamber and record your presence for Final Reading. All members-- unexcused members are present. With regard to Final Reading on LB901 with the emergency clause-- with regard to LB901 with the emergency clause on Final Reading, the first vote is to dispense with the, with the at-large reading. All those in favor vote aye; all those opposed vote nay. The at-large reading-- Mr. Clerk.

CLERK: 43 ayes, 1 nay to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Please read the title.

CLERK: [Read title of LB901]

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB901 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Arch, Armendariz, Ballard, Bosn, Bostar, Brandt, Clements, Clouse, DeBoer, DeKay, Dorn, Dover, Hallstrom, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Juarez, Kauth, Lippincott, Lonowski, Meyer, Meyer, Moser, Murman, Prokop, Quick, Raybould, Riepe, Rountree, Sanders, Storm, Sorrentino, Spivey, von Gillern, Wordekemper. Voting no: Senators Andersen, Cavanaugh, Cavanaugh, Conrad, Fredrickson, Guereca, Hansen, Hunt, McKinney, Storer, Storm, Strommen. Not voting: Senator Dungan. Vote is 36 ayes-- Senator Dungan voting no. Vote is 36 ayes, 13 nays on-- excuse me, Mr. President-- 36 ayes, 13 nays.

KELLY: LB901 passes with the emergency clause. While the Legislature is in session and capable of transacting business, I propose to dign-- sign and do hereby sign LB-- LB901 with the emergency clause. Mr. Clerk.

CLERK: Mr. President, bills read this morning on Final Reading were presented to the Governor at 10:18 a.m. Additionally, new LR: LR493, from Senator Jacobson. That'll be laid over. That's all I have for items, Mr. President.

KELLY: Thank you, Mr. Clerk. Please proceed with the agenda.

CLERK: Mr. President, General File: LB1187, introduced by Senator DeKay. It's a bill for an act relating to the Livestock Brand Act; changes fees for physical inspections and electronic inspections; eliminates a mileage charge; provides for a surcharge; harmonize provisions; eliminates obsolete provisions; repeals the original section; declares an emergency. The bill was read for the first time on January 21 of this year and referred to the Agriculture Committee. That committee placed the bill on General File with committee amendments. There are additional amendments, Mr. President.

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

DeKAY: Thank you, Mr. President. As introduced, LB1187 would do two things. First, it would increase the statutory maximum per-head inspection fee under the livestock brand law from the current $1.10 a head up to $1.50 a head. Secondly, it would eliminate the actual mileage travel cost component of the inspection fee and revert back to the flat surcharge collected at each inspection location. The amount of the travel surcharge would be set by the Brand Committee with a statutory cap of $30 per stop. With respect to the travel surcharge, LB1187 would essentially revert back to what had been previous law prior to the enactment of LB572 in 2021. LB181, enacted in 2011, first placed the travel surcharge in statute as a component of the inspection fee. The travel surcharge helped reduce losses to the Brand Committee incurred when performing country inspections and helped to reduce the pressure on the per-head fee to cover previously unreimbursed costs. But the surcharge under previous law still did not fully cover travel expenses of inspectors, and therefore the Legislature agreed to request-- to authorize the Brand Committee to charge the actual mile fee in current law. The Brand Committee has struggled with implementing the actual mileage fee in current law fairly and accurately and until even very recently have continued collecting a uniform travel surcharge per inspection stop. There is a consensus among the industry to revert back to that. With respect to the per-head fee, a perfect storm of factors over the past few years has caused the Brand Committee to draw down its cash reserve. These include a temporary reduction in inspection fee mandated by LB572 in 2021, economy-wide inflationary pressures brought on by the COVID epidemic, a reduction in inspection numbers, and a sharp increase in health insurance rates. Additionally, the cloture of the Tyson plant will impact inspection revenue significantly, although the Brand Committee will realize some savings by no longer having to cover Tyson's plant. The inspection fee was last suggested by the Legislature to the current $1.10 in 2015. The Brand Committee in-- increased the fee to the currently statutory cap during a September meeting last year. I will end there and move on to the committee amendment.

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

DeKAY: Thank you again, Mr. President. The committee amendment, AM2886, is a white copy that strikes the original provisions and becomes the bill. The amendment retains the original changes to the inspection fee provisions contained in LB1187 as introduced but adds one more fee change element. The statutory maximum brand renewal fee is increased from the current $200 to $400. Initial brand registrations are valid for four years and are renewed to additional four-year periods after that with the payment of the brand renewal fee. The current renewal fee cap of $200 was placed in statute in 2021 and replaced the statutory prescribed fee of $50. The current fee is $100, set by the Brand Committee last fall. Also, current law provides that if a brand registration expires, the brand is held by the Brand Committee for one year and the owner may renew the brand by paying initial brand registration and research fees plus a penalty of $5 a month late fee. AM2886 would provide that the reinstatement fee for an expired brand is instead the renewal fee, although the $5 per month late renewal charge would remain. Along with fee changes, the remainder of the amendment rea-- represents the collaborative work of the full committee, as we have wrestled with the brand law and the financial position of the Brand Committee. It reflects that there is reluctance to provide the Brand Committee with additional fee authority without broader reforms to the brand law. AM2886 contains a number of elements of reforms short of abandoning the mandatory brand inspection, as been put forth in legislation over the past five years and discussed during the hearings relating to the brand law this year. AM2886 would change provisions relating to Brand Committee itself by expanding and revising its membership. The amendmendship-- the amendment would terminate the current five-member Brand Committee and provide for a new nine-member Brand Committee beginning August 28 of this year. The nine members would include five cattlepersons appointed from one of the five state districts, two feeders from within a brand area, one operator of an auction market located within a brand area, and one purebred cattle breeder. As in current law, the members would be appointed by the Governor but subject to legislative confirmation. Next, the amendment proposes changes to the annual registra-- registered feedlot fee. Currently, the initial registration and annual registration renewal fee is set per thousand head to correspond to the per-head inspection fee. For example, if the per-head fee is $1, the fee per thousand head feedlot capacity or average daily inventory for renewals would be $1,000. AM2886 would retain that the fee is indexed to 25% up-- per head under current law. The amendment also adds additional exemptions to mandatory inspection under Sections 54-1-- 1-- 10-- 10-- 54-1,110 and 54-1,111. And Section 54-1,110 currently provides that any cattle originating within a brandened ar-- brand area shall be inspected by ownership before being moved outside the brand area. Section 54-1,111 generally mandates brand inspection whenever a transfer of ownership of cattle inside a brand area occurs. AM2886 would amend 54-1,111 to exempt sales of cattle to or from a qualified dairy. It would also amend 54-1,110 to exempt any movements from dairy feeder development facility to a qualified dairy. Additionally, the amendment would allow movements without a change of ownership to temporary care and custody of another party without inspection, provided the owner of the livestock and the party having custody are in possession of a form prescribed by the Brand Committee documenting the agreement and describing the cattle. Additionally, The amendment limits audits of registered feedlots to no more than two regular audits and requires approval of the Brand Committee for its staff to conduct any additional audits and requires that additional audits are approved only if there is cause to believe a violation of brand law has occurred. Finally, the amendment rewrites Section 54-2122 of the registered feed lot, or RFL provisions of the brand law. For some background, RFL program was first created in the 1970s to facilitate movements of fi-- finished cattle to slaughter. Under the program, participating feedlots may ship cattle to market without brand inspection that would otherwise apply. However, the RFLs keep detailed cattle ownership and inventory records, which are audited periodically by the Brand Committee. 54-1,122 exempts cattle entering a registered feedlot from expe-- inspection if they are moved directly to an RFL from the point of ori-- origin, provided the cattle are accompanied by brand inspection docume-- documentation or applicable or by satisfactory evidence of ownership. Since this provision was enacted in the 1970s, there has been an increasing practice of first placing cattle-- feeder cattle in background or lot for a time before eventually being moved-- placed in the feedlot. Current law would provide that, since the cattle do not go directly to the feedlot, they are subject to additional inspection upon arrival at the feedlot even though they may have been previously inspected. There has been growing interest in finding a way to avoid this duplicative inspection step. AM2886 would be the exemption from the inspection upon the arrival to an RFL to include cattle first placed in a backgrounder lot, provided any inspection documentation or documentation of satisfactory evidence of ownership accompany the cattle from the point of origin to the backgrounder and then to the RFL. Since my opening is already long winded, I will finish there to allow us to move on to the Jacobson amendment. Thank you, Mr. President.

ARCH: I would like to recognize some special guests today. They are 65 fourth grade students from Portal Elementary in La Vista, my district. Welcome. Senator Hughes would also like to recognize some special guests. There are 50 in-- with-- come-- that are coming with the Nebraska Federation of Women's Clubs, the Sophomore Pilgrimage. And they're from various locations across the state. They are located in the south balcony. Please rise and be welcomed by your Nebraska Legislature. Mr. Clerk for an amendment.

CLERK: Mr. President, Senator Jacobson would move to amend with AM3037.

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

JACOBSON: Thank you, Mr. President. And good morning, colleagues. I rise today to introduce AM3037 to LB1187. I want to begin by ackno-- by acknowledging something we all know: this has been a very divisive issue. In fact, I am not sure there has been a more divisive issue before the Agricultural Committee in recent years. And because of that, I think it's important that we take a step back, dial down the rhetoric, and focus on what actually matters. People in the cattle industry are some of the most passionate, hardworking people you will ever meet. They truly represent the backbone of Nebraska's ag economy. And make no mistake, they have very strong feelings about brand, brand inspection, and protection of their livestock. Many do not like change, and I understand that. But the fact remains if we want to keep Nebraska's number one industry competitive, we must be willing to confront the real concerns and make responsible changes. At the end of the day, it should be about getting the policy right because, at its core, this bill is about one thing: protecting the integrity of the brand system. And protecting the integrity of the brand system with a very simple principle: proof of ownership. The statutes that define satisfactory evidence of ownership have not changed. They remain the same as they have been. And they continue to governor what constitutes proof of ownership moving forward. From the time a calf hits the ground to the time it reaches slaughter, there will always be a requirement that ownership of that animal can be proven. At has not chan-- that has not changed. Brand remains in place. Producers can continue to brand their cattle as they have-- as they always have. All existing forms of proof of ownership remain valid and unchanged. Register-- registered feedlots will continue to be subject to brand inspection, and they will continue to be audited. What this amendment does is clar-- is-- brings clarity and consistency to how these existing standards are applied. It ensures that ex-- expectations are clear for producers and for the Brand Committee, particularly when it comes to documentation, audits, and enforcement. Feedlots will continue to be audited, but this amendment provides a defined structure so those audits are consistent. The amendment also provides provisions relating to the fee structure to ensure it continues to meet the needs of the industry and remains workable in practice. These changes are intended to ensure the system remains consistent, workable, and reflective of current administrative needs. The amendment also makes adjustments to the Brand Committee itself, making-- go-- moving from nine members to seven members while maintaining representation across the state and the industry. Additionally, this amendment provides provisions related to dairy heifer development facilities. At this time, I would ask if Senator Storer would re-- respond to a question.

ARCH: Senator Storer, will you yield?

STORER: Yes.

JACOBSON: Senator Storer, could you please-- I know this is in a, a part of the bill that was very important to you-- or, part of the amendment. Could you please explain heifer development in a fairly concise manner?

STORER: Yes. Thank you, Senator Jacobson. In the original AM2886 that was being exempted, it was very-- I was very adamant that that not, not be exempted-- that no segment be exempted. In short, what dairy heifer development is-- it's a fairly new aspect to the beef industry, where feedlots provide a very unique service and they will bring in young dairy heifers and develop them. So they will grow them up to a certain weight. They get them to the point where they are bred, they're [INAUDIBLE], usually they're at the feedlot, and oftentimes they're also being trained to go into stanchions. They can be in those feedlots up to 18 months before they return. Generally, they're coming in from out of state and returning out of state. So this is cattle movement that is, is pretty significant in terms of out-of-state cattle coming in and out of our brand inspection area.

JACOBSON: Thank you, Senator Storer. And, and I do hope-- since your brother-in-law has a heifer development yard, I hope you have an enjoyable Easter. Colleagues, I want to return to where I started. This issue has been very divisive. There is no question about that. But we need to let division pre-- we ca-- we cannot let division keep us from having-- doing what is necessary. Because right now, we have a system in which trust has been eroded both within the industry and within this body. Trust must be reestablished. In closing, this amendment is not about choosing winners and losers. It's about ensuring Nebraska's brand system remains strong, credible, and trusted by the people who rely on it every day. I want to thank Speaker Arch for allowing time for this important legislation. It is critical we get something done this year. Its impact reaches far beyond this Chamber, especially for the future of our rural communities. And I also want to thank staff, particularly Agricultural Committee counsel Rick Leonard. Rick has had-- had worked on brand issues for decades and handled this incredibly challenging process with professionalism. I also want to thank Chairman DeKay and Senator Storer and Ibach and their staffs for their hard work and resilience. I ask everyone to please support AM3037 and LB1187. Let's help end the division, restore trust, and move Nebraska agriculture forward together. Thank you, Mr. President.

ARCH: Turning to the queue. Senator Fred Meyer, you are recognized to speak.

F. MEYER: Thank you, Mr. President. And I really want to echo everything that Senator Jacobson has said this morning because he hit the nail on the head. This issue has been far di-- divisive for far too long while the industry has changed across Nebraska and there's-- needs to be some modernization to the brand law itself. Our committee, the Ag Committee, has worked hard to come up with something that, that does those things, and it-- there has been countless versions of what we tried to do to get everybody on board. And finally, Senator Jacobs [SIC] ste-- stepped in and helped, and we really appreciate that. I would like to give you a little bit of perspective fro-- from myself. I have-- I hold a brand, and I've had a brand since 1977. And we have a cow-calf operation. We have a small grow yard. We're a family operation. We have no employees. And when Senator Jacobson talked about kind of a new step in the cattle industry in Nebraska, it's those grow yards. This is a phase that's relatively less than five years old that larger feedlots have taken advantage of to process cattle as they come into the feeding system in Nebraska. The vast majority of these cattle come from out of state. Everything that comes into our grow yard comes from Oregon and Idaho and has no brands on and-- but does come with an EID tag and a bill of sale and health papers. So within 48 hours after we get those cattle, we process them to the new owner. We don't own the cattle. We feed for a customer. So we read that electronic ear tag, we put a, a, a visible tag in the ear that matches the number on that EID tag. And we put the brand of the new owner on that animal. And because we are in the brand area and-- the next step from our feed yard goes to a finish yard up in northeast Nebraska in Cumming County. So we abide by all the steps that are necessary in the, in the process of cattle, but, but we get the cattle at roughly 600 pounds and take them to about 1,000 pounds. And then they go to the feed yard to be harvested after that. In addition to that, about six months ago, the people that we feed for started requiring a, a DNA sample of all the cattle that, that they own there. This grow yard phenomenon in Nebraska is something-- like I said, quite new. Most of those operations are smaller operations that are family operations, and it provideds-- it provides much needed cash flow through the ups and downs of the ag cycle, especially the ups and downs in the cattle industry. Right now, we are riding an extreme high in the cattle industry. If you've been out for a, a good T-bone lately, you realize what the price is. But that is the result of a normal cattle cycle, which we've gone through for the last hundred years. When cattle are too cheap, people don't retain heifers. They sell all the heifers they can. In addition, causing a little bit more of that now, the average age of the people in the cow-calf industry is higher. And more people getting out of the industry. So in my immediate, immediate area-- I have no neighbors in the cow-calf business. And there used to be a-- you know, dozens of them around me. But as those farmers have gotten out of the business, their tenants have become cash-grain farmers and the-- the industry is just changing. But having that grow yard opportunity has been vital to small feed yards like ourselves. We also have a cow-calf operation with a ranch by Ericson. So we have all phases of the cattle industry in our operation. So I'll get back in the queue and talk a little bit more, but I really want to thank Senator Jacobson for all the work that he's done. And I ask for your green vote on AM3077 and the underlying bill. Thank you.

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

HANSEN: Thank you, Mr. Speaker. Colleagues, I'll be brief. Not gonna reiterate everything Senator Jacobson and Senator, Senator Fred Meyer said. I agree with everything they said. And I appreciate the hard work the Ag Committee, with leadership of Senator DeKay, Chairman DeKay. And Senator Jacobson. I know him and I have had multiple conversations about this amendment how best to move forward, and so I appreciate him being in communication and working with us about how we can move this bill forward with the most amount of consensus that we can get. And so even though the changes may not be great, I think they are substantial.

And so I-- again, I-- I'm interested to hear a conversation about what people are going to talk about today. I'm hoping not to talk too much today, but I'm just going to encourage my colleagues to vote for the underlying amendments and the bill because this was a lot of work put into this-- a lot of listening, a lot of hearings, a lot of discussions with outside council both in and outside the brand area-- more so in the brand area. And so-- and I think that was very important. I think-- so with all those hearings, all those discussions, this is kind of the culmination of that. And I think this is a good amendment. And I appreciate Senator Jacobson bringing this forward, so. With that-- again, encourage everyone to push their green button when time comes. Thank you, Mr. Speaker.

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

STORER: Thank you, Mr. President. Well, I am coming to the second-- end of the second term here-- second session of my service here in the Nebraska Legislature. And it's the second session of fighting for the cattle industry, particularly District 43, which is made up of two of the largest cow-calf counties in the nation. And what's been interesting-- I just want to share a couple of observations. You know, there's been a lot of-- a lot of my colleagues here, especially in my class, have a, have a true, genuine interest in what we do, but there's also broadly a true, genuine lack of understanding of, of that particular segment of the industry. So I just-- I'm just going to take a moment to talk about that and, and then just the position on the bill itself and the amendment specifically. But the ag industry, the cow-calf industry is really an industry that fuels the state of this economy, but it has been surprising with, with that impact, actually, how, how much work we still have to do to help educate people on what, what we do. And that will be ongoing, and that's OK. But today, as we're here doing our work and we're making decisions that affect a lot of people-- not just folks in the cow-calf industry, but-- there are thousands of men and women out there today-- might be on a hillside treating a sick calf in a cold barn with a cow in the stanchion, pulling a calf in a dusty old cab of a tractor rolling out some hay-- and you all know who, who I'm talking to. And some had-- some of them didn't get sleep last night because maybe they took a cow to the vet at 2 in the morning and a 45-minute drive. But in addition, many of those same men and women are dealing with the aftermath of the most historic, catastrophic wildfires this state has ever seen that took life and property. So I'm just gonna take a minute, literally, of silence to show those men and women some respect and to acknowledge to you that I see you, I hear you, and I am fighting for you. As a fourth-generation

Cherry County rancher, I know that a strong Brand Committee and mandatory brand inspection are essential to protecting livestock owners from theft and ensuring clear proof of ownership-- and I've said that over and over. Our cattle represent years of hard work, genetic development, and a major financial investment. And that all deserves real security. And that's exactly what I have fought for and continue to fight for. I do believe that Senator Jacobson's amendment, while not perfect-- don't take that personally, Senator Jacobson-- but, while not perfect, does preserve those things. It preserves that system. This amendment does make some meaningful modernizations of the Brand Committee and maintains strong re-- representation on the board, including the indi-- addition of a representative of the livestock barn industry, which I think is important. It reflects other changes to the industry, such as dairy development, grow yards, things that are evolving and, and are new, really, to the industrial. And I support those changes. But perhaps most imortan-- importantly, it keeps every segment in and subject to inspection and audits, and this has been and will continue to be a non-negotiable for me and the only way we maintain a meaningful system of proof of ownership and oversight needed for deterrence of fraud and theft. It also-- AM3037, along with LB1187-- provides the fee increases that the Brand Committee has asked for to ensure their ability to adequately fund their vital work. And there are significant fee increases. But my time's gonna run out, so I'm gonna jump ahead and just say this: I've heard over and over again here that it's time to do something. Well, I'm telling you this legislation is a substantial something and reflects the largest changes to brand law at any one time, perhaps ever. So if this passes, we've done something.

DeBOER: Time, Senator.

STORER: And we're done.

DeBOER: Thank you, Senator Storer. Senator Dungan, you're recognized.

DUNGAN: Thank you, Madam President. Good morning, colleagues. I, I rise today just kind of engaging in this debate because I've-- I'm following along, and I think it's been a really interesting conversation. Clearly very contentious. And when I punched in, I had a lot of people come up and ask, do you really want to get involved in this conversation as an urban senator? And I, I do just want to, I guess, posit some questions out there because I'm curious about some of the things that are contained in this amendment. Zooming out, big picture, my concern obviously is that sort of the everyday, hardworking Nebraskans who are cattle, cow-calf, ranchers, and the families that have been doing this for a long time are protected and that we don't see a power grab, essentially, by some of the larger corporate entities that already, I s-- I think see the benefit of a lot of the reduced fees and other things that they get as registered feedlots. And I'll be very frank: I'm new to all this. For those who know me, you know that I don't come from a farming background or a ranching background. And so when I dive into these ag issues, I try to come at it with an open mind and try to understand where we're coming from. But listening to a lot of the folks who are affected by this bill, watching the committee hearing that we had where hundreds of Nebraskans came in and opposed some of these changes-- and it didn't seem like there was any proponents for the changes that were being proposed at that time from any the large ag organizations-- it sent up some red flags for me. And I think Senator Storer's been raising some of these points. And obviously, I also respect my colleague, Senator Ibach, and so I, I just wanted to dive into this a little bit and make sure I fully understand what's going on. But at the heart of this issue, it seems to me that the original proposed committee amendment created a lot of concerns. Now, I'm playing catch-up a little bit with Senator Jacobson's amendment and it's, I guess, unclear to me whether or not it is a true compromise or if everybody's a little bit mad about it and we're just kind of moving forward. And so I'm going to be listening to the debate here today to determine whether or not I think that's something I can support. But these issues-- these are issues that I think we need to parse apart and certainly, as urban senators, defer to some of our ag folks both in the body who have that experience but also the people out in the state who came and made their voices heard at that hearing. And I think it's important to listen to them. So with that, I, I-- a couple of things came up during the hearing that I was curious about. I was wondering if Chairman DeKay would be willing to answer some questions.

DeBOER: Senator DeKay, will you yield?

DeKAY: Yes.

DUNGAN: Thank you, Senator DeKay. And I apologize I didn't give you a heads-up. These are just legitimate questions I have having watched the hearing. There were some allegations made, I think, about the Brand Committee in that hearing, I think, showing up to people's houses with, like, body armor and guns and things like that. Was there any evidence submitted to the committee of those occurrences happening or any documented incidents where that had occurred? Or was that just sort of an allegation that had been floated during the hearing with not really any backing?

DeKAY: I can't substantiate that myself. I-- there's a lot of he said, she said stuff out there. If those allegations do prove true, they are what they are, but I have not seen them. I haven't seen physical copies of things that have taken place. I've just had feedlot people tell me they, they have had that happen. And so far, I haven't seen what the timeline is when those inspections were scheduled to take place and if they were in compliance of the inspection timeline.

DUNGAN: OK. And that's helpful to know. And I-- in trying to read through the bill too, it seems like there's this very convoluted district system that the committee amendment tries to establish. And I think Senator Jacobson's amendment adopts a similar structure, but I'm going to have to read through that as well. What was the impetus or-- or, why do we see the need to go to this district system, which seems a little bit complicated to me? And are-- so-- yeah. Two-part question. Why are we switching to that system? And do we have any concerns that if we switch to that district system it's going to ultimately kick off people of that board who are currently on there that provide a particular viewpoint or perspective as the cow-calf folk?

DeKAY: We will-- we can discuss that more with Senator Jacobson's amendment-- part of it. Wha-- the rea-- original reasoning for the specific regions is to make sure the entire state was going to be represented. There were going to be-- from northeast Nebraska, obviously-- throughout the state, there was going to be four regions represented within the Brand Committee and one region which would be the third of the state outside the Brand Committee. So two-thirds of state was going to be represented by four-fifths of the board and one-third of the state was going to be represented one-fifth of the board.

DUNGAN: OK. And I see I'm almost out of time, so I'll just put this question out in the ether and you can answer it later if you'd like. But, you know, I think that having an equitable distribution on the board makes sense of, of representation. I think one of the concerns--

DeBOER: Time, Senator.

DUNGAN: --I've heard is a disproportionate representation, so I'll maybe get back on the mic and ask that question. Thank you, Madam President.

DeBOER: Thank you, Senators DeKay and Dungan. Senator Ibach, you're recognized.

IBACH: Thank you, Madam President. I just want to touch on the-- a little bit about the beef industry in our state just to kind of give a, a background in why this legislation is so important-- it's been important to me for four years now-- and why we re-- represent our districts the way that we do. So you'll recall the Nebraska-- which I've said several times on the mic-- the Nebraska cattle industry is more than a business. It is a tradition, and it's passed down through generations. Ranchers and producers have built their livelihoods on Nebraska's vast prairies, and they are fostering a culture of resilience and pride that actually devine-- defines our state. You've also heard me brag that Nebraska consistently re-- ranks among the nation's top cattle-producing states, and right now we're number one. 6.8 million cattle and calves. The ind-- the industry utilizes more than 15 million acres of grazing land. Cattle exports from Nebraska contribute to over $1.1 billion annually, and the sector generates approximately $12 billion in the state GDP. These numbers underscore the industry's importance to Nebraska's economy, from supporting our family farms to driving small business growth in our communities into rural infrastructure. LB8-- LB1187 represents a step-- just a step-- in modernizing Nebraska's cattle industry. The bill revises the Nebraska Brand Committee, which is responsible for livestock identification and protection. Through LB87-- LB1187, fee structures have been updated to reflect current industry realities and ensure financial sustainability of the Brand Committee. District representation has been expanded to better address the needs of producers across the entire state. The reform process involved open dialogue and compromise, bringing together diverse voices and interests to create a solution. This is a one step in the solution that benefits all stakehold-- stakeholders across our state. Nebraska's cattle industry is a powerful engine for our local economies. It supports over 50,000 jobs, from ranch hands and feed suppliers to veterinarians and truck drivers. These jobs help retain population in our rural areas. It promotes community sustainability. And it bolsters local businesses. Infrastructure improvements driven by this industry such as roads, utilities, and services, these benefit all Nebraskans. The ripple effect of a strong cattle sector extends well beyond the ranch, touching every corner of our state. The reforms introduced by LB1187 are testament to the power of collaboration. Industry leaders, legislators, and community members engaged in inclusive, mostly respectful discussions to identify challenges and build this consensus. This teamwork reflects Nebraska's spirit of shared leadership and practical problem-solving. By embracing this compromise, stakeholders ensure that reforms address real-world needs and they promote long-term sustainability of our cattle industry. LB1187 is more than legislation. It is a commitment. It's a commitment to the future of Nebraska's cattle industry. The bill safeguards our heritage, it supports economic growth, and it strengthens our rural communities, which I'm very proud to represent in District 44. By honoring this tradition and embracing this change, Nebraska will remain a national leader in the cattle production and rural vitality. I'd also like to respond to Senator Dungan's request-- or, his questions. Expanding the board is crucial at this point, just to expand the voices. And I would also tell him that there is a silent majority and a very vocal minority, and we listened to both in, in drafting this compromise. So I ask for your support for AM3037 to AM2886 and the underlying bill, LB1187. Thank you, Madam President.

DeBOER: Thank you, Senator Ibach. Senator Clouse would like to recognize a guest: Bill Maendele, fro-- a Buffalo County commissioner, representing Kearney, underneath the balcony. Please-- the north balcony. Please stand and be recognized. Senator DeKay, you're recognized.

DeKAY: Thank you, Madam President. I'm going to be speaking off the top of my head about this without notes, so this might be scary, but I'm gonna try to give a little reference of how brand sta-- started and how we got to where we are today. The brand line was put in place in 1941. I'm sure brand was discussed and cussed before that time to come up with that brand line, which at that time had the cattle feeders on the eastern side of the state and the cow-calf guys on the western two-thirds of the state. That's how-- what the logic was for the original brand line. The RFLs came into effect in the early 1970s. And with current brand law, nothing has really been modified since that point in time significantly. In regard to LB1187 that I brought through conversations throughout the last two years and last winter at Nebraska Cattlemen's annual banquet, it was brought to my attention that, for a brand committee to be solvent financially, there was going to have to be a significant increase in fees, brand inspection fees, and registration fees. And those recommendations to me at that time were going to $2 a head per inspection and $500 a-- registration fee. We took that into account. We set the statutory cap limit up to $1.50 head inspection fee and to-- registration to $400 instead of the $500. We would like to be-- have Brand Committee be more effective and more efficient and still be able to conduct brand. Throughout those conversations, talking to cow-calf producers across the state in my district resoundingly said that they want to have brand in place. They were willing to pay a little more to keep brand inspection in place. That's what the context of bringing LB1187 come from. So we worked on that. Over the last two years, brand has been discussed and cussed numerous times with numerous amendments, and this is where we're at today with Senator Jacobson's AM3037. This is a compromise. We were-- a lot of times, it was irresistible force within-- not being able-- movement. So we, we were up against it and-- we're moving forward. We're making some changes, some significantly. And yes, it's probably not perfect, but it depends on how you look at it. Perfect is in the eyes of beholder. We're keeping brand in place. And brand will be in place going forward. With or without a brand committee, brand will still be a permanent form of identification. There are other mem-- ways to identify cattle, but brand is the only permanent form, and that will not go away. The mechanism, as far as investigating it, could be changed somewhat, but this is what we're trying to keep in place and restore and, going forward, keep brand in place. Myself, I'm a fourth-generation cow-calf producer from northeast Nebraska. We've been branding cattle-- calves every year since 1898. I'm gonna be branding going forward. And I support brand. I support the idea of permanent identification and work toward that in whatever way we can to move it forward and keep it sound. So thank you for your time.

DeBOER: Thank you, Senator DeKay. Senator Dorn, you're re-- Dorn, you're recognized.

DORN: Thank you, Madam Chairman. Just wanted to get up and talk a little bit about this bill-- this brand bill. Also, when I came up here eight years ago, didn't realize what, I call it, what was involved up here with the brand and remember some of the first bills up here-- and this is eight years-- and we really haven't, I call it, brought a bill forward until this one here to, I call it, make some adjustments or make some needed things that we are doing to the brand, the bra-- not the brand itself, because the brand we have not-- done nothing with-- not the area, not the impact, not the-- what the brand stands for. I think that's very important for the ag industry, for the cattle industry. But this is some changes that, I call it, brings us up to some more modern or more negotiated things in that industry-- in that brand industry. Really want to thank some people, though, here that have been involved over this, especially the last two, two months or whatever. Senator Ibach, Senator Storer, they've kind of been, I call it-- Senator Storer's really battled for the brand, the cow-calf, those people that are-- it is very, very important to them to have that and have that in place and what that means and what it accomplishes. And

Senator Ibach has, I call it, been more-- a little bit more with the feedlots. Really want to thank both of them, though, for the way they have professionally been involved in this and brought ideas and things to the table and how they have discussed and looked at each of those. I also want to say thank Senator Jacobson for working with them, working with the Ag Committee. Want to thank the Ag Committee, Senator DeKay, and all of the time they've put into this. Have we developed a perfect, perfect one? No, but we have come a long, long ways, and this is a very, very good amendment. One thing that I'll just say was Senator Dungan had about-- why the districts? There was a handout earlier this morning that shows on the back page the four districts out in the brand area. It shows the same amount of cattle, basically, in every one of those districts. So we have many boards in agriculture that are now developed, or have been-- the Corn Board and others-- that are by the number of producers or the number of a certain amount of cattle or something in there. So I think that is a very important thing to look at. But just-- I want to thank everybody involved, so. I yield my time.

DeBOER: Thank you, Senator Dorn. Senator Conrad, you're recognized.

CONRAD: Thank you, Mr. President-- or, Madam President. And good morning, colleagues. I definitely appreciate the hard work that many members put into this effort. I know it has been a frequet-- frequent topic of conversation on and off the legislative floor about, what's happening with the Brand Committee, what's happening with the Brand Committee? And so I know many members were involved, many members care deeply, worked hard, and worked in good faith. I'm not a member of the committee, and so I haven't been a part of those deliberations. Representing an urban district in north Lincoln, this issue doesn't directly touch upon my district, but of course we also have to serve the best interests of the state of Nebraska as a whole. And so in being perhaps an arm's length observer on this process and these issues, while I don't want to call into question the hard work that went into what I'm sensing is a pretty uneasy compromise, I, I, I, I just don't-- I don't quite understand how we got to where we are today. So to my point-- to, to, to the point from my friend, Senator Ibach, Nebraska is number one in the beef industry, and that's a point of pride and something that we all should be really excited about. And we need to figure out how we can give support to the industry at this critical time when they're facing so much uncertainty: tariffs, wildfires, fertilizer scarcity and increases, rising property taxes, rising gas and diesel prices. The, the list goes on and on and on. So under the current brand structure, Nebra-- and facing all of those challenges, Nebraska beef industry is, is at the top of the list. So that tells me that the status quo is working. If we have a status quo in place that supports our strong position in the industry nationally and is a critical driver of our economy, why are we acting like brand is broken? When I look at LB1187 pro-- from introduction, it seems to be a rather modest increase in fees to do some-- and adjustments in how we handle inspections and travel to perhaps do some modernization. So I'm not quite sure how this measure then grew to be significant changes in governance. Perhaps what seems to me from an outsider's perspective to be a sweetheart deal to Big Ag in terms of a favorable fee structure. And again, that's part and parcel with how this Legislature operates. Look at the agenda today. We got a sweetheart deal for Big Ag here in this measure. We've got a huge giveaway chipping away at public power to one of the biggest energy companies and data companies in the world on LB1261 coming up a few slots down the pike. And then, of course, we've got the UP corporate welfare bill coming in our remaining days of the session. So I, I-- perhaps not being in the middle of the negotiations provides a little perspective and clarity, and that's helpful sometimes when we emerge from committees and come back to the full floor here. But I, I-- it seems to me that this process was somehow hijacked along the way. And I had a chance to watch the most recent hearings in regards to the substantive amendments that were filed, and it seemed to me that there was a significant amount of concern and opposition from key industry voices, but most importantly from the people. And I don't know-- what I keep hearing around the halls of the Legislature is we got brand worked out, we got brand worked out. And I was like, OK, well, maybe you did amongst your committee, but did anybody key in the citizens of Nebraska or those who are most impacted on the front lines? Because my inbox is starting to fill up with people saying, please, please somebody listen to us. The committee is not listening to us. So I'm here to give voice to that as well. I haven't decided how I'm going to vote on the amendment that are pending on the board, but I, I, I have concerns about the process and the substance of the legislation, and my gut tells me that it's a giveaway to the biggest corporate interests at the expense of the people. Thank you, Mr. President.

DeBOER: Thank you, Senator Contra-- Conrad. Senator Rountree would like to recognize 26 fourth graders from St. Bernadette Catholic School in Bellevue in the north balcony. Please stand and be recognized by your Nebraska Legislature. Returning to the queue. Senator Fred Meyer, you're recognized.

F. MEYER: Thank you, Madam Chairman. A couple of areas I guess I would like to cover that haven't really been touched on yet. The first really, really strong voice I thought that came to the very first hearing was from Craig Uden, president of the Nebraska Cattlemen. His closing statement was, we have to find a middle ground. Craig also is the past chairman of the National Cattleman's Beef Association, so I think he has a very, very broad perspective of the cattle industry on a national level. But when he says we have to find a middle ground, I take that to heart. And I think that this amendment and this bill do exactly that as far as finding a middle ground that all phases of the cattlemen-- of the cattle industry can support. The next thing I'd like to talk about briefly is the District 5 representation and why someone out of the brand area should be considered for the board. Over the last maybe 20, 25 years, as the grain id-- industry has changed due to ethanol, there's a vast majority-- or, a vast amount of cropland in eastern Nebraska that has been-- the prairie has been plowed and it's been planted [INAUDIBLE] corn with center pivots put on it and irrigated, and that has depleted the amount of pasture land in east-- in eastern Nebraska that is available for cow-calf producers. Well, as, as smaller farmers in eastern Nebraska have realized the necessity to diversify their operations, they have gotten back into the cattle industry-- maybe on a smaller basis than previously-- with a cow-calf operation and calving some cows during the winter time when they don't have the crop chores. And without the, the grassland close to where they are-- north of Lincoln here, I know a cattleman there had a-- hauled about 800 cows out to Taylor, Nebraska in the brand area. He owned some pasture there. But I live right on Highway 281 and 92, and 92 is a conduit from, from east to west in Nebraska. And every May and October, if this was still in the 1800s, there would be a cattle drive from eastern Nebraska to western Nebraska grasslands. And every October, the first of November, it would be coming back the other way. So those cattle, I think the vast majority of them, those owners have a bra-- a licensed brand, like, like the rest of us do, and they're brand inspected when they come out of the brand area, as they're supposed to. But that segment of the cattle industry, which is substantial-- because there's a lot of cattle that move that way-- I think needs to have a voice on the, on the board. And it also broadens the scope of, of the Brand Committee to take everybody into account. I think-- Senator Dorn spoke earlier. I think he told me that some of his sons actually do that very thing and-- so I think it's important that they have a seat at the table as well. But I'm going to go back-- just, just closing my comments this time on the, on the mic-- so what Craig Uden said about finding a middle ground, and I think that's exactly what's happened here. Nobody's really happy. And sometimes I've heard it said that that makes for a, a decent bill. I don't think the feed yards got a great deal. I think the, the cow-calf producer, nothing-- and I mean-- nothing has changed for those, for those people. For the sale barn operators where a, where a lot of those calves are sold, nothing changes. Another thing that has changed is the video auctions, the online auctions for cattle. Some of the sale barns in Nebraska offer those services, but a lot of those are handled through a national entity. There's a couple of-- Northern, Northern Video, CattleUSA. There's a number of those that are video auctions which a cow-calf producer or a yearling producer can, can sign his cattle to those types of situations. And when they leave the brand inspection area-- inspected area, they are inspected because there's a change of ownership. So there's so many things that have changed in the last 40 years of the cattle industry that it-- it's really high time that we modernize the brand law as well. So I think this is a middle ground. I'd like to see the Legislature really get behind this initiative and show some leadership in moving us forward. So again, I would appreciate your green vote on both the amendment and the underlying bill. Thank you, Madam Chairman.

DeBOER: Thank you, Senator Meyer. Senator Storm, you're recognized.

STORM: Thank you, Madam Speaker. Thank you, colleagues. I'm gonna spreak o-- speak one time on this, and that's it. I sit on the Ag Committee, so I've been through the, the hearings the last two years. This, this subject's very close to me. It-- it's really pretty fascinating. And the beef industry is, is the number one economic engine in the state of Nebraska, so this is very important. And I wanna first of all thank the, the Ag Committee and, and the chair, DeKay. He's, he's put in a lot of hours on this. Rick Leonard, his legal counsel. Probably knows more about the Brand Committee than anybody else here in the body. Senator Jacobson de-- was very important in bringing people together in the body so we could try to get something passed this year, which is very important. So I want to thank him and many others who have been involved with this, this topic. And I, I would ask everybody to support AM3037, LB1187. And one thing that, that I noticed when I came to Nebraska-- I'm originally from Kansas. I grew up in western Kansas, cattle country in Kansas. And when I came to Nebraska, got on the Ag Committee, I realized that the cattle industry is very divided here in the state. It very much is. And something needs to be done. And I've said that from the very beginning. I told Senator Storer that from the very beginning. We need to bring this industry together. We need to help modernize it. We need to help all aspects of the cattle industry. The cattle industry is just not ranchers in the Sandhills or anywhere else. It's also feeders. It's dairy. It's sale barns. There's many segments to this, this puzzle which is the cattle industry, and they all have to try to work together and come together. And it's been hard for me to see one segment pitted against another segment, and it, it kind of is, and that's what, what we're trying to rectify here. We're trying to bring people together, and this is a good first step. As far as, as trying to bring more people onto the board from all over the state, I think people need to realize the brand inspection area is not the whole state. It's only part of the state. But the cattle industry is the whole state of Nebraska. So we're trying to bring that together-- to try to bring together. Senator DeKay came over and told me that there's 33 brands in the state of Nebraska. 11,000 of those brands are on the eastern part of this state. So the people on the eastern part of the state that actually have a brand-- a hot iron brand-- they pay fees. So they-- there's-- they should have a little bit of repre-- representation on this board. I think that's very important. I also want to point out there's been a tremendous amount of misinformation on social media and other places on this topic. And I want to point out that, that it's just so important that we can figure this out and, and come together on, on this subject because it, it truly affects the state of Nebraska. We are number one in the state and the nation as far as beef. We need to keep our, our status there. We need to try to do whatever we can to try to bring people together. The Nebraska Cattlemen Association came in, in in a neutral position the last hearing. The Brand Committee came in at a neutral position at the last hearing. Both told me we needed to do something. We need to do something about this. We can't just kick the can down the road, is the exact words that I used. There is-- I understand that there's people passionate on the other side that don't want anything to happen. But to me, that's not, that's not logical. We have to try to do something to try and rectify the situation. I also want to point out that this has nothing to do with branding cattle. I get people calling me every day saying, don't take away the ability to brand a cattle. This legislation has nothing to do with branding cattle. This has to do with fees, audits, oversight. That's what it has to do. If you don't want to brand your cattle in Nebraska, you don't have to. If you want to, you can. So this has nothing to do with the branding-- actual branding of cattle. That's all I have. Thank you.

DeBOER: Thank you, Senator Storm. Senator Ibach, you're recognized.

IBACH: Thank you, Madam President. I've had a couple people just ask me about the map, and so I want to clarify just a little bit. I'd like to bring your attention, if you have it in front of you, to-- and during AM2503 hearing-- which was a, a few weeks ago-- an individual from

Cherry County provided data that proposed districts in AM-- that proposed that the districts that we had originally created were inequitable based on cattle numbers. And so following that hearing, based upon the 2022 ag census data that she provided us during the hearing, we expanded those districts within the mandatory brand inspection area from two districts to four districts. We based the new districts on the total number of cattle located within a county and created four relatively compact districts that are a small deviation between the districts, if you look at the, the numbers. Because not every county reports their cattle on feed, it was hard for us to base the districts on cattle owned by producers alone. So each district contains just over 1 million cows. We believe that all cows matter regardless of where they are located. So we went with the precedent set in Baker v. Carr of one cow, one vote. And so I would also just like to point out I truly appreciate Senator Storer's comment that she's a fourth-generation farmer. It always brings-- it always brings to true life the fact that-- in our community, we are the seventh-- my grandchildren are the seventh generation on our operation thanks to a gentleman called Noah Fries [PHONETIC], who is their great, great, great, great, great grandfather. So thank you, Ms.-- Madam President.

DeBOER: Thank you, Senator Ibach. Senator Strommen, you're recognized.

STROMMEN: Thank you, Madam President. I just wanted to say a couple of words before we-- looks like we're going to be getting to a vote here. The number one concern that I hear from my constituents on this topic is, will this maintain the integrity of the brand? Now, I think most people know this is not my world. It's not something that I grew up with. But I do understand how important it is to the citizens-- the cow-calf individuals of District 47 and western Nebraska and the entire state. And I would say that, yes, this amendment from Senator Jacobson and the work of Senator Ibach and Senator Storer will maintain the integrity of the brand. I'm looking forward to putting this behind us, and hopefully we move on and get to bigger and better things here. So that's all I have. Thank you, Madam President.

DeBOER: Thank you-- Senator Jacobson. Seeing no one else in the queue. Recognized to close.

JACOBSON: Thank you, Madam President. I'll be very brief. Thank you for all the discussion today. For those who are wondering, are-- have the sides come together? The answer is yes. I believe that we've vetted this thoroughly with everyone. My role in this was to take the work-- the hard work that was done by the committee and all sides and trying to get this pulled together, and I think that's what we've done. I think LB3037 [SIC: AM3037], albeit not a perfect amendment-- as Senator Storer aptly pointed out-- I think it is-- brings together what the com-- what the industry needs at this point in time. And I think that there will be those that will-- that, that will not be happy with it, but I think if you really dig into it, you're gonna find that there's something for everyone in this. It, it brings the sides together. I've talked with, with, with the feed yard folks who are on board with this amendment because it accomplishes a lot of what they went after. And I've had-- heard from a lot of cow-calf producers that we kept the integrity of brand and brand inspection and verification of ownership, which was key. So again, huge thank-you to Senator Ibach and Storer for their willingness to agree to come with a, with a-- an amendment that makes sense and to everyone involved in the process. So again, I would encourage your green vote. I would ask for a call of the house because there are a few that left for a committee hearing, said, go call the house, they'd come back. So with that, I would encourage your green vote. Thank you, Madam President.

DeBOER: Thank you, Senator Jacobson. 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.

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

DeBOER: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Rountree, Senator Conrad, Senator Fredrickson, Senator Glen Meyer, Senator Juarez, Senator Hardin, Senator Lonowski, Senator Murman, Senator Hughes, please record your presence. The house is under call. Senator Rountree, please check in. Senator Fredrickson, Senator Hardin, Senator Lonowski, please return to the Chamber and check in. The house is under call. Senator Jacobson, we are missing Senator Fredrickson and Senator Hardin. Would you like to proceed or wait? Thank you very much, Senator Jacobson. The question before the body is the adoption of AM3037. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 39 ayes, 1 nay on adoption of the amendment, Madam President.

DeBOER: The amendment is adopted.

CLERK: Madam President: Senator Dorn, I have FA962 with a note that you'd withdraw.

DeBOER: So ordered.

CLERK: Senator Hansen, I have FA1042 with a note that you'd withdraw.

DeBOER: So ordered.

CLERK: And Senator DeKay, I have AM2503 with a note that you'd withdraw.

DeBOER: So ordered.

CLERK: In that case, Madam President, I have nothing further at this time.

DeBOER: Senator DeKay, you are recognized to close on the committee amendment.

DeKAY: I'll be very brief. This is the collaborative work between a lot of different parties within the Ag Committee and outside the Ag Committee, with other senators to get AM3037 amended into AM2886 and move this bill forward. As previously said, this is-- there's not going to be a perfect bill. This, this is going to affect everybody a little bit one way or the other, but I think this is a compromise that will enhance brand going forward. Thank you.

DeBOER: Thank you, Senator DeKay. The question before the body is the adoption of AM2886. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 38 ayes, 1 nay on adoption of the committee amendment.

DeBOER: The amendment is adopted. Seeing no one in the queue. Senator DeKay, you're recognized to close on the bill. Senator DeKay waives his closing. The question before the body is the advancement to E&R Initial of LB1187. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 36 ayes, 4 nays on advancement of the bill, Madam President.

DeBOER: The bill is advanced. Mr. Clerk for the next item.

CLERK: Madam President, bills read this morning were presented to the Governor at 11:05 a.m. Amendment to be printed from Senator Machaela

Cavanaugh to LB958. Notice that the General Affairs Committee will have an exec session at-- under the south balcony at 1:15. General Affairs, 1:15, under the south balcony. And Senator Guereca would move to recess the body until 1:15 p.m.

DeBOER: Colleagues, you've heard the motion to recess. All those in favor say aye. All those opposed say nay. We are recessed.

[RECESS]

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

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

KELLY: Any items for the record?

CLERK: I have no items at this time.

KELLY: Please proceed to the agenda.

CLERK: Mr. President, consistent with the Speaker's agenda, Select File: LB867. First of all, Senator, there are E&R amendments.

KELLY: Senator Guereca, you're recognized for a motion. Senator--

GUERECA: Mr. President, I move that the E&R amendments to LB867 be adopted.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

CLERK: Mr. President: Senator Kauth, I have FA507 with a note that you would withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President, Senator Hardin would move to amend with AM2972.

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

HARDIN: Thank you, Mr. President. In Section 9 of ER165, E&R amendment to LB867, the date of the reporting requirement relating to calculating the inflation factor for nursing facility rates is changed from August

1 to June 15 of this year. In order for this reporting requirement to be implemented, an emergency clause is needed because the June 15 date falls before the effective date, three months after adjournment. I'd appreciate your green vote on this amendment. Thank you.

KELLY: Thank you, Senator Hardin. There are guests in the north balcony Senator John Cavanaugh would like to recognize, including his son, Jack Cavanaugh V, as well as other fourth graders from Washington Elementary in Omaha. Please stand and be recognized by the Nebraska Legislature. Senator Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Ooh. Thank you, Mr. President. Well, I, I think I'm in support of LB867, but I, I did just punch in to, to talk about the Washington Elementary fourth grade class. Happy to see them here. It's great to have your kids come and visit. So hi, kids. But you probably have all heard me talk about my visits to fourth grades, and I started all of that because Ms. Hilger stopped me outside school one time and, you know, talked about coming down here with the class. And I said, oh, yeah, that'd be great. And she said, if you wanna come talk to the class, that'd be great. So that started me on this journey of sending a letter to every fourth grade class in my district and saying-- offering to come and talk to them. So I appreciate that she did that. And then she has allowed me-- Ms. Hilger-- and Mr. Cales, the other fourth grade teacher, who's-- there's Mr. Cales over there-- have allowed me to come talk to their class and attempt my experiment that I have talked to you all about with the Jolly Ranchers. And I've talked a lot about this particular class and how altruistic they addressed that, that experiment when there was not enough blue raspberry last year-- or, this-- I guess was last year-- in the fall, which was the, the winning-- or was going to win-- flavor. And I pointed out that there was probably 40 kids and 30 blue raspberries. The kids decided to go and choose a different flavor. And I don't recall what flavor won. Well, I-- you guys can't answer a question, sorry. But I did remember that Mr. Cales was the only one defending cherry, right? Cherry, yeah. Which is, of course, my fla-- favorite flavor. But I, of course, love to go talk to fourth grades. I appreciate the opportunity that they afford me. And I appreciate all of our fourth grade teachers but really do appreciate the work at Washington Elementary and how much they've allowed me to come in and be a part of the community there. So I-- thanks for being here, everybody. I hope you've had a good tour. Good to see you. Hopefully I'll see you a little bit more later. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Seeing no one else in the queue. Senator Hardin, you're recognized to close. And waive closing. Senators, the question is the adoption of AM2972. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 38 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM2972 is adopted. Mr. Clerk.

CLERK: Mr. President, Senator Ballard would move to amend with AM2970.

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

BALLARD: Thank you, Mr. President. AM2970 contains provisions of LB603, which introduced at the request of Nebraska area agencies on aging for the purpose of better aligning Nebraska's care management status with federal law. Care management is one of the core services delivered to aging Nebraskans by the Nebraska eight aging agencies on aging. The purpose of the care management is to help older adults stay in their homes longer and keep, keep more expensive care settings like nursing homes, among other benefits, that help control the rising expense of long-term care for our Medicaid programs. Care management services are partially funded under federal Older Americans Act, a federal law allows the-- older adults to contribute to help cover the cost of their services, require that they may-- they nay-- may not change-- change-- be changed for service. AM2970 would align Nebraska's care management statutes with federal law by allowing aging Nebraskans to receive these services to make a contribution towards the cost of service without being charged for it. LB603 had no opposition testimony during the committee hearing and has no fiscal note and was advanced to General File of the HHS Committee on an 8-0 vote. I'd ask for your green light on AM2970. Thank you, Mr. President.

KELLY: Thank you, Senator Ballard. Seeing no one else in the queue. You're recognized-- and waive closing. Senators, the question is the adoption of AM2970. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

KELLY: AM2970 is adopted. Mr. Clerk.

CLERK: Mr. President, Senator Ballard would move to amend with AM3023.

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

BALLARD: Thank you, Mr. President. Good afternoon, colleagues. Today, I'm offering AM3023, which would amend my bill, LB1221, onto A-- LB867. I do plan to withdraw this amendment, but I want to highlight some of the, the reasons for this amendment. As Nebraska moves forward to the imple-- implementation of Medicaid work requirements and community engagement requirements under H.R. 1, we all understand that DHHS is navigating an incomplete federal guidance and appreciate the department's concern about, about lock-- locking in statutory definitions too early. But as, as we heard in committee from hospitals, providers, and advocates and others, there needs to be clarity-- there, there needs to be clarity that does not go away if we wait. So while LB1221 may not be the vehicle this session, I do wanna strongly encourage the department to use the framework of this bill as it moves forward in implementation. It means to work closely with providers, especially hospitals and rural health care systems. It means recognizing real-world scenarios where Nebraskans are temporally unable to meet requirements-- not because they're unwilling to work, because they are in hospital beds, recovering from surgery, traveling for care, or managing serious medical conditions. And importantly means be accounting for caregivers. I would-- hear clearly from AARP that family caregivers, those providing essential unpaid care to loved ones, must be part of the conversation and should appropriately be recognized within the exemption framework. This is not about expanding programs. It is about implementing in a way that is predictable and aligns with how we, how we care for act-- for Nebraskans. As DHHS continues to work with CMS, I would encourage them to continue to engage with our provider community, patient advocates, and-- patient advocates. At the end of the day, we are-- all have the same goal of making sure Nebraskans receive care and coverage they deserve while complying with federal law. With that, I'd ask to withdraw AM-- this amendment. Thank you, Mr. President.

KELLY: So ordered. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Senator DeBoer would move to amend with AM3044.

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

DeBOER: Thank you, Mr. President. AM34-- AM3044 represents negotiated language between myself and DHHS on two sections of LB867. I spoke about both of these items on General File and appreciate the department's eagerness to address my concerns and work with me to come to a solution. Section 1 makes a change to how the department handles deprivation calculations with regards to individuals who use pooled special needs trust. In 2024, in partnership with Senator Slama, I passed LB1290 as part of LB1072. I believed the original changes suggested by the department would set us back to a position where we were automatically penalizing disabled seniors for utilizing pooled special needs trusts, running counter to the intent behind my original bill, which was to line ourselves with the states who did not penalize disabled senators-- or, seniors. The amended, the amended language before you today I believe achieves the department's goal of aliting-- aligning with federal statute and my goal of ensuring vulnerable seniors are not penalized for using pooled special needs trusts. So that's the first part. The second part of this amendment changes the membership of the Alzheimer's and Other Dementia Advisory Council. As proposed by the department, the council is to be changed to the Aging, Alzheimer's, and Dementia Advisory Council. I brought the original legislation that created the Al-- original Alzheimer's council because I believed it was incredibly important that we had a dedicated entity in charge of the state's plan to help serve those with Alzheimer's and other dementias-- a growing population in Nebraska. My worry is that by combining the Aging Council and the Alzheimer's Council we will lose focus on Alzheimer's and focus more just on aging. Alzheimer's isn't just an aging people's issue. It affects people of any age, and I still think combining the council risks the perception that Alzheimer's is just an aging issue when it isn't. But in my conversations with the department, I was pleased to hear the department fully intends a specific focus on Alzheimer's, even with the combined councils, and appreciate that they understood my concern of tilting the scales too heavily to just an aging population, generally, focus. We have agreed to the membership makeup that you see in the amendment, which strikes a better balance between those with a focus exclusively on aging populations and those with a focus exclusively on Alzheimer's, keeping the original intent of my bill and moving forward with the department's wishes. This amendment does not bring the Alzheimer's Association on board. They are still opposed to the combination of the councils. However, I want to thank them for their consistent advocacy and bringing this issue to my attention. Thank you, colleagues. And once again, I want to say language in these amendments is the result of negotiations between DHHS and my office. Thank you to DHHS for your thoughtful consideration of my concerns. And I urge you, colleagues, to vote green on AM3044.

KELLY: Thank you, Senator DeBoer. Mr. Clerk for an amendment.

ASSISTANT CLERK: Mr. President, Senator DeBoer would move to amend the amendment with FA1140.

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

DeBOER: Colleagues, this is a clerical error. Upon filing the amendment, DHHS informed me they wanted to see one word struck from the drafted amendment to ensure the most flexibility when trying to fill the seats of the council. That word is "facilities" on page 2, line 23 of my previous amendment. This amendment strikes that word at DHHS's request. Thank you.

KELLY: Thank you, Senator DeBoer. Seeing no one else in the queue. Senator DeBoer, you're recognized to close. And waive closing on the floor amendment. Senators, the question is the adoption of FA1140. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 33 ayes, 0 nays on the adoption of the amendment, Mr. President.

KELLY: FA1140 is adopted. Seeing no one else on the screen. You're recognized to close, Senator DeBoer. And waive closing. Senators, the question is the adoption of AM3044. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 36 ayes, 0 nays on the adoption of the amendment.

KELLY: AM3044 is adopted. Mr. Clerk.

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

KELLY: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB867 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB867 is advanced to E&R Engrossing. Mr. Clerk. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Select File: LB905. There are E&R amendments.

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that the E&R amendments to LB905 be adopted.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. The amendments are adopted. Mr. Clerk.

ASSISTANT CLERK: I have nothing further on the bill, Mr. President. Oh. Senator Kauth. Senator Kauth, I have FA545 with a note that you wish to withdraw.

KELLY: So ordered.

ASSISTANT CLERK: Nothing further on the bill, Mr. President.

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that LB905 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB905 is advanced to E&R Engrossing. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Select File: LB781. There are E&R amendments. Oh. I'm sorry. There are no E&R amendments. Senator Kauth, I have FA410 with a note you wish to withdraw.

KELLY: So ordered.

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

KELLY: Senator Guereca.

GUERECA: Mr. President, I move that LB8-- LB781 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB781 is advanced for E&R Engrossing. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Select File: LB955. There are no E&R amendments. Senator Kauth, I have FA611 with a note that you wish to withdraw.

KELLY: So ordered.

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

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that LB955 be advanced E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB955 is advanced for E&R Engrossing. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Select File: LB1029. There are no E&R amendments. Senator Kauth, I have FA685 with the note you wish to withdraw.

KELLY: So ordered.

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

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that LB1029 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye; those opposed say nay. LB1029 is advanced for E&R Engrossing. Mr. Clerk

ASSISTANT CLERK: Mr. President, leg-- Select File: LB764. I have no E&R amendments. However, Senator Kauth, I have FA393 with a note you wish to withdraw.

KELLY: So ordered.

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

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that LB764 be advanced to E&R for engrossing.

KELLY: Senators, you've heard the motion. All those in favor say aye. Those opposed say nay. LB764 is advanced for E&R Engrossing. Mr. Clerk

ASSISTANT CLERK: Mr. President, Select File: LB1057. There are no E&R amendments. However, Senator Kauth, I have FA715 with a note you wish to withdraw.

KELLY: So ordered.

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

KELLY: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB1057 be advanced at E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB1057 is advanced for E&R Engrossing. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Select File: LB852. There are no E&R amendments. Senator, Senator Kauth, I have FA492 with a note you wish to withdraw.

KELLY: So ordered.

ASSISTANT CLERK: Senator Spivey, I have FA549 with a note that you wish to withdraw.

KELLY: So ordered.

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

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that LB852 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB852 is advanced for E&R Engrossing. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Select File: LB455. First of all, there are Select File amendments. Or-- excuse me. Wha-- there are E&R amendments.

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that the E&R amendments to LB455 be adopted.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

CLERK: Mr. President, Senator Machaela Cavanaugh would move to recommit the bill to committee with MO449.

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

M. CAVANAUGH: Thank you, Mr. President. Do I have more things filed? Yes, I do. OK. I'm going to just go ahead and withdraw whatever I have filed. Thank you so much. Have a good afternoon.

KELLY: So ordered. Mr. Clerk.

CLERK: Senator Cavanaugh, that would be MO450 and FA1014. Both withdrawn.

KELLY: So ordered.

CLERK: In that case, Mr. President, Senator Hallstrom would move to amend with FA998.

KELLY: Senator Hallstrom, you're recognized to open. And--

CLERK: With a note that he would withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President, I have nothing-- Senator, I have nothing further.

KELLY: Senator Guereca, you're recognized for a motion.

GUERECA: Mr. President, I move that LB455 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB455 is advanced for E&R Engrossing. Mr. Clerk.

CLERK: Mr. President, consistent with direction from the Speaker, Select File: LB1261, from Senator De-- leg-- Select File: LB1261, from Senator DeKay. First of all, there are no E&R amendments. Senator Conrad would move to bracket the bill until April 16 with MO409.

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

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. I rise in continued opposition to LB1261 brought forward by my friend, Senator DeKay. I would ask for your favorable consideration of the motion on the board. However, since we only have four hours for debate on this critical topic on Select File, I definitely don't plan to spend a ton of time on the motions themselves but want to get to debate, discussion, record-building, accountability votes on many of the substantive mea-- amendments that are filed. I believe Senator DeKay has a more technical, substantive amendment that we have visited about pending. I know my friend, Senator Juarez, has amendments that were refiled from amendments that she brought forward on General File after we were able to structure debate at that juncture to ensure concessions for accountability and transparency and to ensure local govern-- governing boards involved in public power and the public power review board were making critical decision about these contracts, were making critical decisions about waiver of rights under these contracts to ensure that we had a public forum and more transparency and citizen engagement for the critical issues, questions, and process surrounding this massive new business model that we're fast-tracking in LB1261 for large corporations-- namely Tenaska and Google, apparently-- that are going to put great pressure on our land, on our water, on our utility rates, come with little if any benefit when it comes to full-time employment, are utilizing different aspects of favorable tax treatment to move forward with these kinds of ideas. And perhaps in addition to the economic and environmental concerns-- which are significant and real with this kind of massive project and novel legal structure-- is the serious concern that we're putting into place parallel systems anathema to our public power system and structure that ensures public power for most and private power for the largest, richest corporations in the world. And I think that's wrong and I think that's rushed and I think that's risky. But I'm clear-eyed and pragmatic about the wealth and the power and the influence behind this measure. I am clear-eyed about the level of support that this measure has in this body. I understand that all opponents have available at this juncture is an opportunity over the next few hours to build a record, to ask questions, perhaps seek some concessions, perhaps seek favorable amendment, which could really move the debate forward much, much more quickly if some of these issues are addressed and cons-- and considered and reformed. But I am hearing from a lot of constituents in my district and across the state who are joining the growing chorus of voices coast to coast, left to right, Republicans and Democrats, urban and rural, coming together and saying, hold on, we shouldn't mortgage our land or our water or our power to massive data centers, particularly when they benefit big tech corporations and leave little if any benefit for the state and local communities where they are sited. And perhaps it will end up being a good deal. Perhaps it will end up being OK. But we shouldn't rush forward to green-light a massive project that utilizes more power-- three times more power perhaps than the city of Lincoln. And we don't even know how much water it's using.

We don't even know what the plan is. We don't even know what the zoning implications are. We don't even know what the taxation structure is. We don't know if there's going to be any sort of thoughtfulness in terms of how we approach workforce and labor issues for these programs and projects. There's so many unanswered questions today about this massive, massive project that started off as kind of a sleepy bill before the Nebraska Nebra-- the Nebraska Natural Resources Committee. And the hearing felt murky. And it felt like something was off. And it felt like forced compromise. And it felt like we weren't getting the full story. So we tried our best to ask hard questions. And we got little in terms of candid response. And then shortly after the committee hearing, as we were preparing debate on the first round of this bill, a local news source broke open a new perspective on this issue due to a tip from some whistleblowers inside these companies and inside public power who were concerned about what was happening with these projects, who were concerned about this particular legislation green lighting a sweetheart deal to fleece our taxpayers and our natural resources. And it helped to shape the first round of debate. It helped to draw public attention to this issue. And I've passed around for you today another recent news article from just a few days ago from our neighbors to the north, published by the South Dakota Searchlight. Our neighbors to the north, in a state with a similar political culture to ours-- if not more conservative-- moved forward with a suite of bills to protect their water, to protect their electricity, to respect their local control when it comes to data centers, turning back efforts to provide preferential tax treatment and corporate welfare and tax incentives to these types of data centers and big tech that have the most to gain. A great review from very recently in our neighbors to the north in South Dakota. They took a different line. They came together from a conservative perspective to protect their people and their land from Big Tech. We should do the same. And we're going to have amendments before you to do that today. The better course would be to kill this bill and have a robust interim study to bring all stakeholders to the table and out from behind closed doors and into the light so that the public can ask the hard questions, so that policymakers know what we're being asked to vote on. But if we're not going to kill the bill, we're going to have a record vote. Who stands up for Nebraska taxpayers? Who stands up for protecting our water? Who stands up for protecting our utility rates? Who wants to ensure fairness for labor? Who wants to ensure a thoughtful approach to taxation for these massive, novel, new projects? We'll have the chance to do that together over the next many hours. Mr. President, with that, I'd like to withdraw.

KELLY: So ordered. Mr. Clerk.

CLERK: Mr. President: Senator Conrad, I have-- no-- excuse me. Senator DeKay, I have FA-- no. Senator Conrad, MO410, to recommit the bill to committee.

CONRAD: I'd like to withdraw, please.

KELLY: So ordered.

CLERK: In that case, Mr. President: Senator DeKay, I have FA968--

KELLY: Senator--

CLERK: --with a note that you would withdraw.

DeKAY: Yes.

KELLY: So ordered.

CLERK: Senator Conrad, I have MO411 with a-- indefinitely postpone the bill.

CONRAD: Thank you, Mr. President. I'll take that up quickly.

KELLY: Senator Conrad, you're recognized.

CONRAD: Thank you, Mr. President. I'd like to get to a clean vote on this motion to IPP or kill the bill as quickly as possible be-- before we work through the substantive amendments. Thank you.

KELLY: Thank you, Senator Conrad. Moving to the queue. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. Well, I rise in support of the motion to IPP and opposed to the bill. And I appreciate a lot of things that Senator Conrad was talking about there. And as Senator Conrad was talking about the rush to get this done, it really made me think about what we called, I think affectionately at the time, Lake Mike, which was in my first year here or maybe the second year. There was this rush. We really had to get this done, to fund a lake between Omaha and Lincoln on the Platte River. And the-- everybody just-- we couldn't stop and ask questions. And, and it ended up being part of this thing called, aptly named, or, I think-- the acronym ended up being STAR WARS or JEDI-- I can't remember which-- was the one that did a study and then found out that we should build this lake and the canal and then some, some flood mitigation in Saunders County. And I think there was also maybe an-- a boat slip in-- on, on the Missouri River in, oh, somewhere near in, in Senator DeKay's district-- and I can't remember which town or where it was-- by, by Niobrara or something like that. And then a-- and then some work at Lake McConaughy. And so it was like all of these things were tied up together from vari-- various geographical areas. And it was just a real rush to get it done. And I think if you look back a-- on all of the projects that were tied together in that package that we couldn't ask questions about-- I don't know if any of them have been done. I know, in this last budget, we cl-- took back some of the funds that would have been used for the flood mitigation in Saunders County. We had previously taken back money that was for that Lake Mike. And we have now captured some of the interest money on the canal. I don't think those boat slips got built near Niobrara. I don't know if the work's been done-- I don't think the work's been done at Lake McConaughy. And we know that the canal has not been built. And-- so it's-- there are these big projects people get real excited about and we-- you know, tied up in the imagination of the-- you know, who's gonna put their name-- who's gonna be at the ribbon cutting for this, who's gonna get, get the facility or the thing named after them. They-- it's-- we called it Lake Mike because it was a, a project, a brainchild of Senator Mike McDonnell and then-Speaker Mike Hilgers, who's now Attorney General Mike Hilgers. So that's how it got the name Lake Mike, is they were the big advocates for that lake. But in the rush to build something big and shiny, we didn't ask a lot of the questions. We did have to come back the next year and I think order a water study because there was-- ended up being concern that it would affect the secondary well source for the city of Omaha if we were to build a lake where-- some of the places they were thinking about, so I had to make sure that it wasn't going to get built in the well fields for Omaha. And, and then, of course, there had to be some-- there was some study and-- about whether it actually provided any flood mitigation or a-- maybe it would cause flood exacerbation problems. And so-- again, lots of, lots of questions that needed to be answered, but people were just unwilling to have that conversation and stop. So I appreciate Senator Conrad raising a lot of the questions that we need to raise around this big, shiny object that everybody's really excited about. And one of the arguments I've heard is we really got to pass this because we'll be, you know, setting the standard or whatever for other places that'll have to do this. What we do know is there is a huge increasing demand for data centers and data storage because of the conversion to AI and they use so much data, which then is increasing a huge-- creating a huge demand in energy production, which is of course having all these other impacts when we increase energy production. Of-- we know a lot of the sources of electrical energy production are dirty. They give off point source emissions and they use up water. And those are all questions that we need to think about and we need to balance before we rush to do this. Aside from a erosion in our public power system that-- again, this is allowing for a carve-out to that. So just chipping away at something that we should be very, very cautious-- we should guard very jealously because, as I always say, the pe-- our public power system in Nebraska is a gift that we were all given by previous generations that other states don't have. So we're very lucky to have the public power system. We should protect it. We should do everything we can to ensure-- oh. Thank you, Mr. President. Out of time.

KELLY: Thank you, Senator Cavanaugh. Senator Dover would like to recognize guests in the north balcony: fourth, fifth, and sixth graders from St. Leonard Catholic School in Madison. Please stand and be recognized by the Nebraska Legislature. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Good afternoon, colleagues. I do rise I think in favor of this motion to indefinitely postpone for the time being, but I am still listening to the conversation. I unfortunately missed the first round of debate on LB1261, and so I was trying to play a little bit of catch-up over the lunch hour to make sure I fully understood what exactly the bill did and what some of the implications of the bill are. And I think we're kind of talking about a couple of different things here. The bill in and of itself accomplishes one goal of allowing for those private production of power to buy into the grid and produce the-- but there's the secondary problem that I think Senator Conrad and Senator John Cavanaugh mentioned that specifically speaks to what happens if this bill passes. And is this bill necessary to effectuate some of the plans moving forward that we're going to see, I think, with regards to power production from private entities and the creation of data centers? Colleagues all say, you know, obviously, we want Nebraska to be some place that is open for business and we want to make sure that companies can come to Nebraska and work hand in hand with us as a state to grow our economy, to grow jobs. We all agree that that's important. But we also have to balance those decisions that we're making as a Legislature with the potential impact or the potential harm if certain things are to be built or grow in Nebraska. We've done this with a number of different industries or have seen bills, at least, of a number different industries over the last number of years. On the Revenue Committee last year, we saw bills that had to do with cryptocurrency and crypto mining, which I'm not gonna get into the details of because it's hard for me to always understand, but certain requirements with regards to crypto mining and the sound that they produce because it can be super loud. The water usage. We've heard concerns about this in a number of different industries. But across the country, there are concerns about data centers and the amount of water they use, the amount of energy that they use, and the lack of jobs that they create in the long term. When a data center is built, obviously, you know, there's construction jobs, which are fantastic for our folks in the construction and contracting industry and electric and, and, and steam fitting. That's wonderful. But when you're talking about these projects that are going to exist for a period of time moving forward, if they produce a de minimis number of jobs, I think we have to weigh what is the benefit that we're seeing to the local economy versus the impact that we're getting from things like massive amounts of water usage and massive amounts of power usage. And why is it necessary to have those things come in if the benefit that we're getting is pretty much nothing? At some point, I'm sure, during this discussion, we're going to talk a little bit about the environmental impacts, which some of my colleagues may or may not care about. But at the end of the day, one of the things we talk about in this Legislature all the time is water. What was it that Steve Erdman always used to say, that whiskey's for drinking and water's for fighting. Yeah, the-- water is something we talk about all the time. And we could get into a larger discussion about Lake Mike, as Senator John Cavanaugh talked about. We could have a larger discussion about one of Senator Cavanaugh's other favorite subjects: the canal. But this body seems to care a lot about water and are we a good steward of Nebraska water. In fact, to the tune of about $600 million set aside that we refuse to touch for that canal-- which may never be touched or may not be touched for decades-- we are willing to say we have to protect our water. And yet when we discuss the production of a data center or some other business that's gonna come in here and use massive amounts of water for-- what, I don't know-- AI, so we can make funny pictures on ChatGPT-- it seems to me like we're not taking seriously our responsibility to Nebraska water and to our constituents. And so that's part of why I rise with concern about this. It's not necessarily that I think LB1261 in and of itself is an evil bill or a bad bill, but it's what dominoes fall once LB1261 is enacted. And I don't think that we've dug too deep into some of those consequences. And certainly everyone in here purports to like the public power system. I certainly do. I think that our public power system in Nebraska is one of the amazing things about our state that makes us truly unique. But I do think we have to be careful that we don't inadvertently-- or maybe advertently-- chip away at the public power system that we have by implementing more of this private power, which not only can have a negative impact on our state environmentally, economically, but politically as well. So colleagues, I encourage you to think hard about LB1261 and whether or not this is a precedent that we want to set and whether or not it truly is more valuable for us to have data centers sucking up our power and our water than it is to protect our public power. Thank you, Mr. President.

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

MOSER: Thank you, Mr. President. Good afternoon, colleagues, Nebraskans watching along. Some of the things that have been talked about in the earlier speeches on this bill are things that are legitimate concerns, but they have nothing to do with this bill. This bill has a very limited scope. It does not prevent data centers. It doesn't change the regulations for data centers. Doesn't make it easier for them to be constructed. It protects public power is what it does. Groundwater use is controlled by the local NRD. So anybody that wants to use water and pump it out of the ground has to go to the NRD and get a permit to do that. And in some districts, they are fully appropriated and they won't allow new wells. So these may not be able to be built, data centers. These-- any data centers may not be able to be built in certain areas because there's no water available to be pumped from the ground because irrigation and other uses are already using all that. Surface water use-- so like water out of the rivers and lakes-- is controlled by the Department of Water and Energy, DWE. And again, if somebody wants to use water, they have to get a permit. They have hearings. The public can come in and, and testify. And the, the public is protected. As far as where they're built, most counties have zoning, and you-- they would have to go to the county. Or if it's in a city-- which I doubt. It would probably be out in the country-- the county would have to give zoning approval. And if they don't give zoning approval, it's not gonna happen. OK. So that's what's currently required, and it wouldn't change with this bill. This is Senator DeKay's bill, but I prioritized it because I think it's important to Nebraska. We always talk about Nebraska and we're kind of behind the curve in what's happening in technology and energy, and, and-- this is a way to get us-- to protect us from disasters in power usage going forward. If a data center comes currently and they pass all these other requirements-- they get zoning, they get the-- use wa-- permit for the water-- whichever they need-- then the public power district has to supply power to them. That's part of the public power model. They can't pick and choose who gets electricity. So if I build a house someplace and I want power, I call the power company, they're going to hook me up. And if somebody else wants power, they're gonna hook them up. That's just the way it works. Well, these large-load customers would cause a lot of expense for the power districts. And then if it turns out that these big projects are uneconomical, if they go broke, if there's no benefit from them, all the money that the power district spent to get infrastructure in there to serve them is out the window. It's-- and who pays that? The power district doesn't have any money. They get all their money from the people who pay for their electricity bill. So it comes back on the ratepayers. So this is a bill to protect ratepayers from having escalating rates. Environmental issues are regulated by the EPA, and so those have to be followed. If you wanna stop data centers in Nebraska, if you wanna stick your head in the sand and say, oh, no, not-- it's not gonna happen here, then you need to bring a bill to regulate data centers. And this isn't it. There's nothing in this bill that, that encourages them-- well, I shouldn't say that-- that discourages them. This bill would allow a developer to build their own power plant. They'd sell the power to the power compa-- the public power company, and they would resell it to the customer that's going to use it. So public power would make a margin on that electricity they sell. And if the whole project goes broke, public power is held more or less harmless because they have agreements on how this is all going to move forward. So all the hand-wringing and, and alarm that we're trying to raise here is not relevant to this bill.

KELLY: That's your time, Senator.

MOSER: Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. Senator. I rise in support of the motion, MO411, opposed to LB1261. But I do believe that there are substantive amendments coming, so I'm not going to take my time too much on this motion right now. I will just say that I have concerns about increased water usage. And I'd be interested to hear conversation from the body that has refused to allow us to take any money from the Perkins Canal Fund. If water is such a precious and finite resource, then why would you be in support of LB1261? Thank you, Mr. President.

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

HUNT: Thank you, Mr. President. And I, I will take some time on this bill today. I, I, I rise in virulent opposition to LB1261 and in opposition to the kind of world that we're standing to create by moving forth with policies like those represented by LB1261. You know, not because I'm opposed to growth or economic development or technology. Certainly not. But, you know, to me, it's kind of like junk food. It tastes good today, but I don't know what value I'm getting here. I will say, I do think that there's some people who do stand to get some value from this. And I, I want to share an article that is going to come with a little bit of a trigger warning, colleagues, because it does mention our colleague, Senator Dorn. And I don't read this article to besmirch Senator Dorn or to put a target on him or to do anything that should be interpreted as not collegial but because this is a part of the public record already. And I don't think it's responsible for us to have the platform that we do in the Legislature here when we're talking about legislation that is so consequential for our state and not talk about what that really means and how that's actually affecting people, including people in this body who stand to profit. So this was some very impressive investigative reporting from the Flatwater Free Press, published March 18, by Anila Yoganathan. And it says-- the headline is "Nebraska Lawmaker Among Those Who Optioned Land for Potential Data Center Project." As private energy developer Tenaska scoured southeast Nebraska for land to house a potential data center and power plant, the company found several Gage County landowners willing to sell, including a state lawmaker. Senator Myron Dorn, whose district includes Gage County and parts of southeast Lancaster County, signed an agreement with Tenaska earlier this year allowing the company the exclusive right and option to purchase about 80 acres of his land in Gage County. Dorn, who is in his eighth year in the Legislature, had not publicly disclosed the potential land deal as a conflict when he was contacted by the Flatwater Free Press on Monday. On Tuesday, he filed a disclosure, noting the agreement and potential conflict of interest it posed. The filing came the same day the Nebraska Legislature began debating LB1261, a bill proposed by the Governor's Office that would allow private developers like Tenaska to build and own power plants to serve a large industrial customer-- like a data center. That's my addition. It would allow these plants to hook up to the grid, opening the door for them to sell excess power back to the local public power district's grid. The bill, which Tenaska has publicly supported, has been closely associated with data centers. Flatwater recently reported that Google has proposed building a mass-- a massive data center in Nebraska that would be powered by a privately built natural gas plant. Tenaska would be responsible for the gas plant, which could be capable of generating more than three times the amount of energy needed to power the city of Lincoln. Tenaska has not responded to multiple comments-- multiple requests for comment about whether its recent land options, including the agreement made with Dorn, could be used for this potential project. On Monday, Dorn told Flatwater that he had not looked at the Governor's bill and was unsure if the agreement he reached with Tenaska posed a conflict of interest that would require disclosure. I visit with other people, Dorn said. Hadn't thought of it. Didn't realize the bill was out of committee and up that quick. Dorn said a contract company representing Tenaska approached him late last fall about the land. This was followed by conversations with representatives from Tenaska. Since December, Tenaska has optioned hundreds of acres in Gage, Lancaster, Otoe, and Cass Counties. Dorn said during their conversations representatives mentioned both data centers and a power plant and had talked about a pipeline, but they didn't outright say the land would be used for a data center powered by a gas plant. I'll go on and say, Rick Wheatley-- a resident in nearby Otoe County-- told Flatwater that Tenaska representative mentioned the company was trying to put together 2,000 acres near a gas pipeline for a power plant that could serve an AI center. However, colleagues, if Tenaska wants to power a data center and hook up its power plant to the grid, the company needs LB1261 to pass, which runs oppo-- opposite to what Senator Moser just said on the mic. If Tenaska, a private company who this bill is a little present for because they've-- you know, there's CEOs in this city who say--

KELLY: That's your time, Senator.

HUNT: --jump and you all say, how high? And I'll continue on my next time. Thank you.

KELLY: Thank you, Senator Hunt. Senator Jacobson would like to recognize guests in the north balcony from Nebraska Insurance Federation. Please stand and be recognized by the Nebraska Legislature. Senator Fredrickson, you're recognized to speak.

FREDRICKSON: Thank you, Mr. President. And good afternoon, colleagues. And good afternoon, Nebraskans. So I'm gonna be honest, I, I, I actually don't know where I'm gonna land when it comes to this bill. I've been trying to listen to the arguments and, and certainly can appreciate the, I don't know, I, I guess the proponents of the legislation and, and the pitch for economic development. That always perks my ears, and I always want to learn more about that. But I will say this: I was, I was intrigued by the article that was released about

South Dakota that Senator Conrad had passed out. And I was reading through that a little bit more, and I, I found this was actually quite interesting because it almost feels as though South Dakota's had a very similar path as we did and, and in a way almost at a 180. And-- so specifically, it talks about how South Dakota really went from seeing a number of legislation and bills out there that were focused on incentivizing steps towards and progress towards these types of data centers and, and they reversed course and they actually went the other direction. And they specifically-- looks like they were really concerned about water use in, in these data centers. And so I started looking into this a little bit more about how much water is actually used in these data centers and what are some of the innovative models around this. And some of things that I-- I'm intrigued by, it sounds like in some urban areas-- like I think in Memphis, Tennessee was one place I read about-- they actually use wastewater to help with the cooling of some of these data centers, which, you know, certainly is kind of innovative, I suppose, but I don't know if that's in the plans for here. But the thing that is really perking my interest is that when I looked more into the water use by these-- so on average-- again, these are averages, so I don't know what this would mean for a specific data center in Nebraska, per se, and I gen-- so I'm genuinely kind of curious about this-- but data centers consume significant water, large facilities using up to 5 million gallons of water a day for cooling. And that's comparable to a city of 50,000 people. So again, that's a larger data center, but that is a huge amount of, of water that's being used. And I know Senator Dungan made the comment earlier about workforce and, and opportunities and job options for people. And certainly with data centers, the construction component will lead to job opportunities. There's no doubt about that. But whether or not that is going to lead to ongoing jobs-- considering a lot of these centers are simply programmed by computers and running with computers-- is, is a question that I have. But I think my biggest question is kind of-- you know, there's a lot of components to discuss with this and-- in the legislation in front of us, but my biggest question really comes down to the water piece. And again, this is something I'm, I'm totally open to being educated about if I'm, I'm getting this wrong, but I, I-- I'm just kind of curious as to, where, where are we getting the water to cool these data centers if in fact that's the direction we're going? Is that something that we're gonna be looking at through our aquifer? Is that something that we're gonna be looking for-- through, you know, is it-- is there-- is this possibly gonna compromise water resources for ag land? I, I, I don't, I don't know. And so those are questions that I have. I think that my concern with this is that if we are in fact looking to protect our water-- which I fully support. I, I-- we've had lots of conversations in here about how important agriculture is as an industry here in Nebraska. And how does that kind of coexist with a facility like this, which is going to, you know, I think objectively be a very large burden on, on water supply, potentially, so. I don't know if-- if maybe Senator DeKay might be willing to answer a question.

KELLY: Senator DeKay, would you answer a question?

DeKAY: Yes.

FREDRICKSON: Thank you, Senator DeKay. So I guess my question-- I don't know if you had, you had heard-- I know you were kind of engaged in a conversation on the side-- but I, I guess, my biggest question is, thinking about the water supply issue here and whether-- can-- do you have any thoughts on where this-- what water do we plan to use for a potential data center?

DORN: Thank you for the question. First off, this doesn't have to deal-- this bill does not deal with the water issues. That will come from the NRDs and environmentalists to see if the water's adequate when they are planning-- where they're planning to put it, if it will work. But with the advent of new technology, data centers are now using a closed-loop system so that botter-- water that they initially get is recycled and used over and over, just like antifreeze in your car.

FREDRICKSON: So with the closed-loop system, is that similar to kind of what they were doing in Memphis with, like, like, utilizing like wastewater and other things? I--

DeKAY: Could you repeat that?

KELLY: That's time, senators. Thank you, Senator Fredrickson and DeKay. Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. Good afternoon, colleagues. I do want to continue the discussion on water because we notter-- we know how critical water is to, to life. And certainly, we know that there are so many water issues right here in our state. You know, we have about $2.3 billion worth of requests from every single county across our state of Nebraska for assistance in funding aging water infrastructure, systems that have reverse osmosis to re-- reduce and-- some of the contamination we are seeing from the groundwater wells, you name it. You've heard me talk about-- you know, we used to be called the corn belt, but now we're called the cancer belt because of some of problems that we are seeing with health risks to our population that do need to be addressed. So $2.3 billion of requests for clean, safe drinking water in our state. We know that's so important. Perkins County Canal, that is going to be, you know, one of the biggest battles i-- of-- in our state of Nebraska, dueling-- duking it out with the state of Colorado on the legality of the water that they really have signed a compact to deliver to our state. We know that is so critically important. I want to say to my fellow senators that, in our state of Nebraska, we are blessed. We are on top of the Ogallala Aquifer. And in our state of Nebraska, we are so fortunate. Underneath us is, like, an ocean of water. And the Ogallala Aquifer goes-- has tendrils and la-- and lakes going all the way to Texas. Unfortunately, they have found that those communities have sucked up those-- that water and they have dried out, even requiring some of the communities to relocate because they have no water supply. And if any of the senators want a copy, it's a National Geographic article on the Ogallala Aquifer. It's fascinating. But we are blessed. We are fortunate. But it's not an infinite amount of water. And we use a tremendous amount of water in our ag industry. Just think of all the corn we produce and the corn that's irrigated and the ethanol industry. But then we come to data centers. I stand in support of LB261. And I heard Senator Moser's comments correctly. It's going to go down to the local jurisdictions. And I don't think they understand-- or maybe they are aware, but when, when they see that a data center is thinking of locating in their county or their community, they're thinking dollar signs and, and thinking that this is really going to help out that municipality's budget and things like that. But they also have to be smarter. And I-- I've heard Senator DeKay talk about this. I don't know if Senator Moser spoke about this. But other communities are acting smarter. I think Senator Fredrickson talked about North Dakota or South Dakota. They're trying to understand better and make stronger requirements for data centers to have that closed-loop system so they have water reclamation so that they're not continuously taking 2 million gallons of water every single day to cool all the data systems' equipment that they have and all the fire suppression systems that they have for these huge facilities that they have. And so that's incredibly important, that there is a water reclamation requirement and that they had the closed-loop system, but also that when they dump all that water eventually back into our system, that it's treated, it's treated appropriately so that it doesn't increase and enhance the contamination that we're seeing. And I would say, colleagues, we really need to help those counties and communities understand that they do have jurisdiction over that, but they have to make these request and requirements. The local authorities have to get engaged into doing that. And that's where we can be very helpful in working with NACO, Nebraska Association of County Officials, and even working with the municipalities on helping them understand that there are things that we can do to make the data centers be a better neighbor-- if it's requiring them to monitor and reclaim their water or if it's requiring them for the noise level and controls they have to do. So many other communities have welcomed a data center, but they've also wised up that they want that data center to be a better partner in their community. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. Colleagues, I just wanted to hop on the mic one more time to raise an issue that I am trying to parse through myself-- and I just spoke with Senator Clements about this, and I also mentioned it to Senator Moser. And I, I mostly wanna make this comment on the mic to raise a flag so we're not surprised in the future if an issue comes up. This has to do with tax credits and it has to with ImagiNE Nebraska or Advantage. So as I talked about the first time on the mic, there are certain dominoes that could fall if LB1276-- LB1261 goes into effect. Long story short-- I'm gonna try to walk through this as quickly as possible so I don't have to punch in again-- this is being done in part to fund a data center that I believe Google is building. The concern is that data center that Google is building will cost anywhere, hypothetically, between $40 to $50 billion, with a B. If they apply for that project to also be associated with Advantage, that means that there are certain tax credits that that project is going to be due under the Advantage program. If it's a $40 to $50 billion project, that means that ultimately they could be paying upwards of $3 billion in sales tax. So Nebraska takes that $3 billion in sale tax and it sits in the General Fund. Due to Advantage, they would then be owed $3 billion in tax credits. Now, if the timing of this works out-- that comes in, it goes back out-- no skin off our nose. We're fine. We passed a bill, colleagues, that if the revenue of the state of Nebraska goes over a certain percentage-- 3% of the projected revenue-- the extra money automatically goes to Property Tax Relief Credit Fund, meaning that money disappears. So if the $3.1 billion in sales tax comes and sits in the General Fund and we as a Legislature decide we're not gonna touch it-- good luck on that-- $3.1 billion that we don't touch and it goes back out the door, we're OK. If that $3.1 billion, though, comes in during a certain window and it triggers the mechanism where that money automatically goes to the

Property Tax Credit Fund, that money's gone. And then the data center comes a-knocking, saying, we applied for Advantage. You owe us our money under this program in tax credits. You owe us $3.1 billion. The state of Nebraska could be on the hook for billions of dollars, which would essentially bankrupt the state in one month. Now, I told Senator Moser-- and he's right, that that's not what this bill is necessarily about. And that's not what we're talking about with LB1261. But what LB1261 does is it is the first step, I believe, in enabling that project to go forward. And in the reporting that was talked about by Senator Conrad, it's very clear that the creation of this plant I think is in part being done to support that data center that Google wants to build. I'm not trying to cast a, a positive or a negative on data centers, even about, you know, whether they should be built, shouldn't be built. But from a purely fiscal and logistical perspective, we could be in a very, very, very bad position if we end up owing a megacorporation billions of dollars and we don't have it anymore. So I don't know if there's an amendment that we can propose to this bill or if an amendment can be put in somewhere else or maybe a bill can be brought to limit a data center's access to certain programs like Advantage or ImagiNE Nebraska. I think there's some amendments on here that maybe do talk about that issue. I'm trying to parse through all of this as we're talking about it, but I just wanted to sort of raise that red flag. And I spoke with Senator Clements about this to confirm that my logic was not completely off base, that this could be a problem. So for those senators in here who are leaving, for the people who are gonna be gone in a few days, I understand this may not make you super concerned. But for my colleagues that are gonna be here for the next number of years, if this is a problem and we end up owing $1 billion-plus to a company thanks to Advantage because this bill passes, I just don't want us to be surprised. We have now found ourselves in a budget deficit and a crisis, it feels like, every year that I've been here except my first year. And I'm frankly sick of having to feel like we're in this austerity measure government. And I don't want to do something rashly that puts us back in that situation. So if anybody can comment on or speak to sort of the impacts or negative impacts of Advantage or ImagiNE, I would be more than happy to talk about that. Hopefully I'm wrong. That would be great. But I just-- I wanna make sure that this is not an issue and the timing problems of it with regards to that Property Tax Credit Fund being automatically given the money if it's over the 3% income for the year is the main issue here. So with that, happy to continue listening to the conversation, but I wanted to put that on the record. Thank you, Mr. President.

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

JACOBSON: Question.

KELLY: The question's 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. Request for a re-- roll call vote, Mr. Clerk.

CLERK: Senator Andersen voting yes. Senator Arch. Senator Armendariz. Senator Ballard. Senator Bosn voting yes. Senator Bostar not voting. Senator Brandt. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh not voting. Senator Clements voting yes. Senator Clouse voting yes. Senator Conrad voting yes. Senator DeBoer voting no. Senator DeKay voting yes. Senator Dorn voting yes. Senator Dover. Senator Dungan voting yes. Senator Fredrickson voting no. Senator Guereca. Senator Hallstrom voting yes. Senator Hansen. Senator Hardin. Senator Holdcroft not voting. Senator Hughes. Senator Hunt voting no. Senator Ibach voting yes. Senator Jacobson voting yes. Senator Juarez voting no. Senator Kauth. 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 not voting. Senator Quick not voting. Senator Raybould voting yes. Senator Riepe not voting. Senator Rountree voting no. Senator Sanders voting yes. Senator Sorrentino voting yes. Senator Spivey not voting. 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, 7 nays, Mr. President, to cease debate.

KELLY: Debate does cease. Senator Conrad, you're recognized to close.

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. I appreciate my friend, Senator Jacobson, calling the question so that we can move through the motion as quickly as possible and get to the substantive amendments. Really appreciate being able to negotiate with my friends, Senator Juarez and Senator DeKay, to ensure that we have a thoughtful structure to the pending amendments before the body this afternoon. So after-- I, I do want a clean vote on this motion to indefinitely postpone. I think that is the best course of action to kill this bill for this session. If that fails-- and I'm clear-eyed about kind of the political landscape of the moment-- I do want to work through the substantive amendments as, as expeditiously as possible, including a mutually agreed upon and very beneficial one that my friend, Senator DeKay, will be bringing after this motion. I'd urge your favorable consideration. And thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senators, the question is the motion to indefinitely postpone. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 9 ayes, 23 nays to indefinitely postpone, Mr. President.

KELLY: The motion is not adopted. Mr. Clerk.

CLERK: Mr. President, Senator DeKay would move to amend with AM2665.

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

DeKAY: Thank you, Mr. President. Just a sec.

CLERK: Mr. President: Senator DeKay, I understand you'd withdraw AM2665 and AM2666.

KELLY: So ordered.

CLERK: In that case, Mr. President, Senator DeKay would open on AM2851.

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

DeKAY: Thank you, Mr. President. AM2851 is an amendment brought to the public power utilities from the Nebraska Power Review Board, which makes a couple of technical changes to LB1261. AM2851 would do two things. First, the amendment would clean up the language pertaining to service areas. Specifically, it would strike "of" in line 9 and insert "where." And insert "is located" following "customer" on line 10 so that the beginning of the subdivision reads as follows, quote, the privately owned electric supplier and consumer-owned utility providing retail electric service within the service area where the industrial customer is located and where applicable, end quote. Second, the amendment would subs-- substitute the term "board of directors" in the two Senator Conrad amendments adopted on General File with the term "governing body." There are well over 100 public power utilities in the state, but only about 30 of them have a board of directors. So the term "governing body" is more appropriate. Everyone from the power industry is fine with these amendment. I would appreciate your green vote on AM2851. Thank you.

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

von GILLERN: Thank you, Mr. President. I rise to add some clarity and actual-- some actual calculations and facts to what Senator Dungan shared a little bit ago, which-- I want to be kind in my analysis of what he shared, but much of what shared is inaccurate. Number one, he mentioned that these incentives could potentially be earned on the Advantage program. Well, the Advantage program expired in 2021. I'm certain what he's referring to was the ImagiNE program-- the ImagiNE incentive program, which has taken place since 2021. So I'll give him grace there. However, the ImagiNE program limits incentives to 3% of gross receipts as a cap. Exact same figure-- roughly same figure as what we're-- our required reserve is as a state. So if we had a 6 bil-- if we had $6 billion in receipts, that'd be $180 million annually. So that's, that's on the incentive itself. But he also spoke about the spillover for the Property Tax Relief Fund, which we passed a bill this last year to address the concern about that, and it limits that spillover to $200 million a year. Still big numbers, but not $3 billion, not $6 billion, not gonna bankrupt the state in one month. So I think it's important that we get our facts correct with regards to what the incentives will do. And I know incentives are a hot topic right now and, and there are lots of, lots of overlap about what bills we're talking about. And I think the testimony's being seen as being damaging to other bills, including my priority bill, which will be coming up for debate here probably early next week, so. The other important fact is that no application has been made under ImagiNE for any of these projects. So we're talking about something that hasn't happened-- unlikely to happen, quite frankly. If, if the, if the project was going to happen in the state of Nebraska, if this was going to move forward and if, if credits-- if incentive credits were intended to be used, that application certainly would have been made by now. Not saying that it couldn't be made at some time in the future, but best practice would be that it would have been made by now. So what I originally punched in to talk about was water usage and data centers because there's a lot of misinformation about that also. I think a lot of what the information that's been shared about data centers and water usage has been looking in, in the rear view mirror, not looking at today's technology or what technology's being utilized going forward. First of all, the most, the most dramatic usage of water in data centers is for evaporative cooling, which is not utilized in our area. Evaporative cooling is very effective in, in dry climates. If you go to Arizona-- we lived in, in Phoenix for six years. We had an evaporative cooler on our home, and many homes did. It's very effective in dry climates, not effective in wet climates. Most systems are now going to, to ground-loop hydronic systems, or closed loop, water and glycol systems, where the water and the fluid never leaves the system. It's, it's exactly what it sounds like. It's a closed loop. It goes through, it gets cool, it gets chilled, it runs around the equipment, which warms it up, goes back to the chiller, and gets chilled again. It's more expensive than just pumping cold groundwater out and running it through the system, but, but the environmentally sensitive nature of many of these companies has led them in that direction. Just pulling a few data pieces up off-- online. Google has-- is deploying AI to optimaze-- optimize water cooling when it's necessary. Microsoft has piloted systems using recycled water and using effluent. So the-- that's water that would normally be wasted. It would be treated and then used as cooling and then treated and-- and, again, most likely used in a reclaimed system or a rainwater collection system. So again, closed-loop systems, u-- reuse the same water, reuse the same cooling means, which, again, much of those-- quite often, that's a glycol system. And quite often today, that's used in a closed-loop ground hy-- ground well hydronic system. There's a lot of technology change going on here. Admittedly, the old systems were water hogs. The new systems are being very thoughtfully designed to where that's not the case. So I think it's important that we look at what types of systems are being utilized and most likely would be utilized going forward. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. I do appreciate the clarifications from Senator von Gillern. I just wanted to clarify what I was talking about and make sure it's clear on the record. I do understand there's a difference between Nebraska Advantage and ImagiNE. My understanding from conversations that I'd had was that Google had previously been approved for Advantage tax credits and that there were projects that could-- that the future data center could fall under. And so my understanding is that because there were certain projects by Google that have already been approved by Advantage, that, hypothetically, if this data center were to go forward, it could fall under the approval of the prior projects as well as one thing that had been approved. And so while I understand that Advantage has been closed since, I think, 2020, because of those prior approvals, there was some belief or concern that these data centers could also then qualify for those credits. And so I don't know whether or not that's true. My understanding is that the reporting requirements for Advantage are different and perhaps maybe less transparent than ImagiNE. I appreciate the transparency of ImagiNE Nebraska's reporting requirements. And obviously, we have the joint hearing of the Appropriations and Revenue Committee to talk about some of those incentives. And I've been very clear on the record too that I don't think that every incentive is bad. I think that means-tested incentives do serve a purpose in the state of Nebraska. I've said that before. And so nothing I was saying there was intended to bemoan any of the other bills. I, I just wanted to make sure that we flagged a concern for LB1261. Certainly, it's not meant to be a false flag. If I am wrong, I am happy to be wrong on this. I've been wrong before. I don't have enough pride to say that I'm not going to be wrong again. But these are conversations that I'd had with objective individuals who had at least raised a potential concern about the interplay between Advantage and the data centers. And research had been done on that, I believe, by the fiscal office. I just wanted to make sure that that was being shared. But I do understand the difference between Advantage and ImagiNE, and my intention was not to conflate the two. But I simply wanted to raise the issues that I had discussed off the mic on the record so that if in a couple of years there's a continued concern we're not caught off guard. But again, I appreciate Senator von Gillern's hard work on those bills. He knows those things in, in and out, and I'm not questioning that at all. So just wanted to respond to that briefly. With that, I would yield the remainder of my time. Thank you, Mr. President.

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

RAYBOULD: Thank you, Mr. President. You know, I want to continue the conversation on water. And I, I do appreciate Senator von Gillern pointing out that a lot of the data centers are being required to do these more costly water reclamation system, closed-loop system. And actually, even if they do make a dump of that water, they do have another retreatment of that water before it goes back into our systems. And I just want to share-- I mean, I started to get involved in water issues when I was a county commissioner. And it really got brought up when we were talking about the Costco chicken plant coming to Fremont. And, you know, I wasn't concerned about the runoff from the chicken barns because of the system that they use for windrowing all the chicken waste. And the chicken waste is picked up by local farmers, and it's, it's put down on the fields in the spring and the fall, and how important that is, but I really got engaged in the water issues. The water issues became so important, and here's why. In 2012, we had a tremendous drought. Now, I knew that the Costco chicken plant back then, it takes one gallon of water to process one of the birds in the plant. OK. And so they process 2 million birds a week. So that's 2 million gallons of water. And what they do is they pump, treat, and dump. They dump that water back in the confluence of the Elkhorn and the Platte River. That goes a little bit further downstream. And as everybody knows that we have our, our groundwater wells, pumping stations in Ashland. And so it became an issue in 2012, because why? Because we had a drought. And I only found this out when I became a member of the Lincoln City Council that we were so close to calling in the city of Lincoln's superior water rights. And what does that mean? So all those industrial commercial users upstream from the city of Lincoln-- that would mean all the feedlots, the hog barns, the chicken barns, all, all manufacturers that use water in their production-- would be required to stop. To stop. And that would become a critical issue for any data center should we go through another serious drought. And so that's why municipalities, that's why counties need to be really smart when they come down with those zoning requirements and discussions with the data centers. What is your plan B for a drought situation where you as a commercial industrial manufacturer of data would be required to shut down your operation? Certainly, having a backup plan, a water reclamation system, that closed-loop system, and a treatment of the water that is discharged is critically, critically important as we go forward with looking at incorporating dat-- data centers in our state of Nebraska. Back to the Costco chicken plant. I know I kept asking them in a-- in the state of Nebraska near Fremont plant, what happens if we have that drought situation and the NRDs shut off water? All the irrigators, hog barns, chicken barns, feedlots, everything would have to shut down. And I asked them a question, like, where do you bus the 2 million birds that need to get processed that week? Where do you bus them? Where do you-- where do you redirect these chickens so that they can be processed? They didn't really have an answer. They really didn't like the question, first of all. But it's these things that are so critically important as we talk about-- we need to have safe, clean drinking water. We need to force Colorado to release the water in the compact that they owe us. So water-- I know Senator Cavanaugh quoted that, you know, whiskey is for drinking and water is for fighting over. And it's-- that is a true statement. And as we're learning from all the other state's examples, we have to be smarter. We have to ask the right, right questions. And jumping back on some of the incentives, I think it's, it's great that we have that dialogue and discussion. And without a doubt, we should have our fiscal analysts do a cost-benefit analysis to make sure we're spot on, that we're not going to be on the side of the equation where it's not as beneficial as we had anticipated, not only for the state of Nebraska but for the communities and counties that, that the data centers are going in. Having said all that and I-- you know, all the concerns about water, I still support LB1261. I think it is so important for our state of Nebraska, but we need to have the guardrails, guidelines, restrictions, and encourage them to be a great neighbor to our state. Thank you.

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

von GILLERN: Thank you, Mr. President. Just real quick, we looked up a few facts here because I think there were some comments made about how little data centers contribute to their communities. We looked up Google-- the Google data center in Sarpy County pays approximately $1.5 million in property taxes annually. Meta in Sarpy County pays approximately $4.1 million in property taxes. And I know the Springfield School District is eternally grateful for the contribution that they make to their budget each year. So to say that they're not contributing in some way is, is certainly a misrepresentation. So just want to share those two bits of information. Thank you, Mr. President.

KELLY: Thank you, Senator von Gillern. Seeing no one else in the queue. Senator DeKay waives closing. Senators, the question is the adoption of AM2851. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 34 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM2851 is adopted. Mr. Clerk.

CLERK: Mr. President: Senator DeKay, I have FA926 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President, Senator Juarez would move to amend with AM2132.

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

JUAREZ: Thank you very much, Mr. President. Good afternoon, colleagues. And good afternoon to everyone joining us online. I would like to use part of this opening to express that I have a respect and appreciation for our natural resources in this state. And I've tried to be an advocate over the years for conserving and wisely using our natural resources. Water is a precious resource, and I am disturbed by the issue of data centers expanding their operations in Nebraska. My issues with data centers in general are the consumption of water and disproportionate use of our energy resources. The Environmental and Energy Study Institute found that data center developers are increasingly tapping into freshwater resources to quench the thirst of data centers, which is putting nearby communities at risk. With larger and new AI-focused data centers, water consumption is increasing alongside energy usage and carbon emissions. Novel technologies like direct-to-chip cooling and immersion cooling can reduce water and energy usage by data centers. A medium-sized data center can consume up to roughly 110 million gallons of water per year for cooling purposes, equivalent to the annual water usage of approximately 1,000 households. Larger data centers can each drink up to, to 5 million gallons per day, or about 1.8 billion annually, usage equivalent to a town of 10,000 to 50,000 people. Together, the nation's 5,426 data centers consume billions of gallons of water annually. One report estimated that U.S. data centers consume 449 million gallons of water per day and 163.7 billion gallons annually. This was as of 2021. A 2016 report found that fewer than one-third of data center operators track water consumption. Water consumption is expected to continue increasing as data centers grow in numbers, size, and complexity. Again, I share this information to speak to the environmental issues data centers bring to communities where they operate. One of my other values as a state senator is to make sure our workers in this state are treated fairly and are protected. LB1261 as introduced creates a very specific and very powerful statutory protection for a certain class of privately owned electric generation facilities by limiting the ability of Nebraska consumer-owned public power systems to use eminent domain in very narrowly defined circumstances. Now, reasonable people can disagree about whether that protection is appropriate. But if this body is going to create a statutory seal-- shield for privately owned generation, if we are going to step in and change the longstanding balance between private developers and public power systems, then I believe we also have an obligation to ensure that those projects meet the same basic workforce expectations that already apply to major infrastructure projects across the state. That is what my amendment does. My amendment does not prohibit LB1261 from moving forward. It does not expand the scope of the bill. It does not require union labor. And it does not interfere with a private developer's ownership or operation of a facility. What it does is very straightforward. At its core, AM2132 is about fairness, responsibility, and protecting Nebraska workers. My time on the Natural Resources Committee has made the very-- made me very aware that we need to grow and modernize our energy infrastructure. This amendment does not seek to slow progress and ensures that progress is done right. First, this amendment establishes a clear and reasonable expectation if a privately owned electric generation facility benefits from the kind of contracts described in this bill, then, during construction and major maintenance, workers should be paid no less than prevailing wage. That is not an extreme position. That is a Nebraska value: fair pay for honest work. It ensures that skilled labor is respected and that we are not undercut-- undercutting local workers with substandard wages. Second, it encourages the use of registered apprenticeship programs. This is about investing in the next generation of Nebraska's workforce. Apprenticeships create pathways into good-paying careers, strengthens our label pool, and keeps talent here in our state. When we tie major energy projects to workforce development, we are not just building facilities. We are building futures. Third, the amendment reinforces something that should never be in question: compliance with workplace safety laws. Every worker deserves to go home at the end of the day the same condition they arrived. That is not negotiable. And this language makes that expectation explicit. And importantly, colleagues, this amendment introduces a critical protection for the workers of our consumer-owned utilities. Nebraska is unique in that regard and rightly proud of it. This prov-- provision makes it clear that nothing in this subsection can be used to justify layoffs, wage cuts, or erosio-- erosion of collectively bargained rights. We are drawing a firm line. Growth and private generation cannot come at the expense of the men and women who have long powered our communities. I believe that this Legislature needs to have a stronger voice for workers in this state, not just a voice for the corporations coming to and developing projects. Workers' rights should be in all conversations, around all new projects in this state, and I fear that we may continue to leave the workers out of these conversations. This amendment is balanced. It supports economic development while safeguarding workers. It respects both the need for energy expansion and the people who make that expansion possible. We often talk about wanting jobs-- good jobs in Nebraska. That is how we help ensure that the jobs created under this framework meet that standard. I urge your adoption of amendment AM2132. Thank you.

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

JUAREZ: OK. What I would like to do is-- after my closing, I do want a call of the house. If we're going to support new energy projects and give them special protections, then we should also expect something in return: fair pay for workers, safe working conditions, and opportunities to train the next generation. This amendment does not stop progress. It simply makes sure that progress is done the right way. We can grow our economy and stand up for Nebraska workers at the same time. Again, everyone, I ask for your support on AM2132. And I appreciate the call of the house for our vote. Thank you.

KELLY: Thank you, Senator Juarez. Senators, there's a request to place the house under call. The quest-- the question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 16 ayes, 9 nays to place the house under call.

KELLY: The house is under call. Senators, please record your presence. All unexcused senators outside the Chamber, please return and record your presence. All unauthorized personnel, please leave the floor. The house is under call. All unexcused members are present. Senators, the question is the adoption of AM2132. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 15 nays, 32 nays on adoption of the amendment.

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

CLERK: Mr. President, Senator Juarez would move to amend with AM2133.

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

JUAREZ: OK. Thank you very much. I want to take time on this amendment to share some concerns on the direction of this country, how it's headed with artificial intelligence, and the future of big tech giants, what they're preparing for us. On December 11, 2025, Trump signed Executive Order 14365, removing barriers to American leadership in artificial intelligence. This order aimed to halt state-level AI regulations-- which affect data centers-- by threatening to withhold federal broadband funding from states that pass onerous laws. I am concerned that our approach is deregulation first, then deal with the impacts of data centers and AI later. This to me is a red flag. It makes more sense to regulate something before the harm is done to the environment, public, or resources, not after the problems, especially when other states have proven that deep concerns with expanding AI and data centers. Also, there is a U.S. Senate bill introduced in March: a bill to impose a moratorium on the construction of new data centers until legislation is enacted that safeguards the public from the dangers of artificial intelligence. The press conference indicated the deep concerns for workers in this country. We are headed towards automation and a technological revolution. But are we going to do this for the good of all or for a few at the top? Carving out provisions for one business through LB1261 does not say good for all to me. I want us to take this AI boom seriously and question the consequences of this technology before rolling over and letting our land and natural resources cater to the data centers and whatever is needed for the next AI to grow. AI, like any tool, is helpful, but we must continue cautiously before we turn into a future without human decency and connection. These research notes argue that the current boom in AI data center construction may be economically and technologically unsustainable. Companies are rapidly building massive, resource-intensive facilities to support cloud-based large language models even as advance-- advances suggest, these systems could soon run efficiently on cheapo-- cheaper local hardware, raising the risk that many of these centers could become underused or obsolete within a few years. At the same time, there's little evidence that major AI firms have established profitable business models. Instead, they appear to be lightening access and raising prices by reducing usage limits, increasing subscription cost, eliminating free tiers, and discontinuing expensive services, signaling financial strain rather than stability. Meanwhile, the expansion of data centers carry significant societal costs. They consume enormous amounts of electricity, potentially up to 12% of total U.S. demand by 2028, while contributing to rising energy prices for consumers, with residential electricity costs increasing by about 7.1% in 2025 and exceeding 20% in some states. And even sharper spikes in regions with heavy data center concentration. Let's pay attention to the issues other states are experiencing who brought data centers without much regulation. Mr. President, could I have a gavel, please? Can't even hear myself. These facilities also strain water supplies, compete for land and benefit from tax breaks and zoning changes that shift burdens onto local communities. Reports further highlight supply chain pressures, including chip shortages and rising hardware costs, as well as environmental and infrastructure impacts like increased pollution, land use conflicts, and stressed power grids. Taken together, these trends suggest a speculative "build it and they will come" approach, where rapid investment in AI infrastructure may be outpacing both technological direction and sustainable economic demand. Think of how technology changes. Large computers once stored in a room;

now they are on handheld devices. Back to my amendment. A-- AM2133 takes language from LB409, heard in the Natural Resources Committee, brought by Senator John Cavanaugh. This bill requires that one member of the Nebraska Power Review Board be a licensed journeyman electrician affiliated with a labor organization. The primary purpose of AM2133 is to ensure that workers have a voice in decisions that directly affect their livelihoods, particularly in situations where a power generation facility is closed or decommissioned. These events can have significant economic consequences for employees and their communities, and it is important that their perspectives are representated-- represented at the decision-making tables. This practice of boards and commissions or committees not having those who are in the field, to me, is the wrong approach of oversight. I think we need to be intentional with who we elect or appoint onto these committees, boards, or commissions. Instead of a political game, experts are necessary, and these workers who are in the filed have a lot of experience and knowledge to offer. You can see this idea is not new. And workers have frustrations in every industry of not feeling their leadership understands the jobs they delegate. In 2024, the Legislature passed LB1370, which, among other provisions, established reporting requirements to the Power Review Board when a facility is being closed or decommissioned. As part of that process, Senator Cavanaugh worked on an amendment requiring the board to make recommendations on necessary transition activities to help avoid economic harm to workers. Giving these expanded responsibilities, I believe it is both reasonable and necessary that the board include a member who has first-hand experience in the electrical workforce and can specifically represent employee interest. AM2133 accomplishes that by designing one of the current layperson positions for a licensed journeyman electrician affiliated with a labor organization. At its core, AM2133 is about fairness and representation. As the Power Review Board takes on greater responsibility to oversee facility closures and their impacts, it is essential that workers have a seat at the table. Thank you for your time and consideration. And I wanted to mention something that is going on right now is, Oracle announced, who-- everyone I know is aware that they're a big tech giant-- that they are laying off 17,000 workers to utilize AI. Thank you.

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

GUERECA: Thank you, Mr. President. I rise in support of AM2133. I-- the-- wha-- I agree with what Senator Juarez said about, about her amendment, you know, ensuring that we have a journeyman electrician as part of that Power Review Board I think makes a lot of sense. Having someone who has that hands-on field experience when making a lot of these decisions to me makes all the sense in the world. And certainly, you know, always having representation from, from the workers when important decisions are being made to me makes a lot of sense. And I am supportive of the amendment. Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. I rise in support of AM2133. I appreciate Senator Juarez bringing it. This was my bill, and it-- Senator Juarez did a great job of explaining the necessity for this. We did pass a bill a few years ago about decommissioning and how when a, a facility is decommissioned we have to make arrangements and, and plans and offer for the workers who work there and make sure that they are getting a equal-- or, opportunity to equal paying jobs and they, they don't have to leave the community. And-- so that partic-- particular expertise on that issue, it would be very useful to have somebody who is a worker involved in the Power Review Board. And to keep in mind, the Power Review Board is made up of-- I think it's five members. One's a lawyer, one's an accountant, and then there's three laypeople. And this would just replace one of the laypeople and say that that person has to be a journeyman electrician. And so it just is saying rather than have somebody with no qualification, we can have two people with no qualification and one person who has this sort of background. So I encourage your green vote on AM2133. I think a electrician would bring some real great value and insight to the Power Review Board. And I think-- I encourage your green vote. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. And thank you to my friend, Senator Juarez, for bringing this amendment forward, and to my friend, Senator Cavanaugh, for introducing this legislation. I, I don't know if Senator Juarez plans to take this particular amendment to a vote or not, but I, I think if she does, I would probably be present, not voting just because I think it probably has a procedural issue in terms of the fact that the underlying legislation that Senator Cavanaugh introduced has not yet been advanced from the committee. But I am glad that she filed the amendment so that this discussion could have at least some record-building, some accountability on an issue that we have been working on to try and get through the Natural Resources Committee for,

for some time. And I'll tell you I am surprised at the level of resistance by senators and other stakeholders to ensure that we have a balanced approach to the membership of our Power Review Board, just like we do a lot of other critical boards and commissions. Think about the Ethanol Board. We have a labor representative. We have industry representatives, et cetera. We clearly have undesignated lay representatives on the Power Review Board. We have additional spots for lawyers and accountants, et cetera. But just the, the significant amount of opposition from government bureaucrats and stakeholders and pol-- politi-- politicians in this body who are incredibly resistant to letting a labor representative and a-- someone with an electrician's expertise, who's on the front lines of these issues literally have a seat at the table is, is very striking to me. So I-- I'm probably not gonna vote on the amendment if it-- if, if Senator Juarez does put it to a vote just because of the procedural issue, but I am glad that she filed it so that more Nebraskans know that we are valiantly trying to ensure balance on some of these key decision-making bodies, and those good faith efforts are being severely resisted. Thank you, Mr. President.

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

CLOUSE: Thank you, Mr. President. I was not going to speak to this issue, but then listening to Senator Conrad and talking about the procedural issue or problem with this amendment-- I, I would agree with that, but more so the content of the amendment. And the amendment talks about a union electrician being a part of the Nebraska Power Review Board. And where I have a problem with that is that a union electrician should have no more right to Power Review Board than any other labor group, whether there's boilermakers, mill rights, custodial staff. Just because it deals with transmission and those types of things, it does not correlate to an electrician. Different functions, different things that they work with on a day-to-day basis. The other piece to this is we're, we're relating it to closing a power plant. How many power plants did we close in a year in the state of Nebraska? How many power plants do we have operating? So that argument doesn't fly with me, and that's why I was no in committee and I will be a very strong no on this amendment simply because I don't think it's, it's the right way to deal with this. And I don't think that a, a union electrician has any more right to the Power Review Board than other labor workforce groups that are mentioned. Thank you.

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

JUAREZ: Thank you very much, Mr. President. I will pull my amendment. I am glad to have spoken up on these issues, especially concerning protecting our workforce. Thank you.

KELLY: So ordered. Mr. Clerk.

CLERK: Mr. President: Senator. Juarez, I have AM2083 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: Senator Conrad, I have AM2123 with a note that you would withdraw. Senator Conrad, 20-- AM2123.

CONRAD: Sorry. I got-- thank you. Thank you so much, Mr. Clerk. Thank you so much, Mr. President. OK. Colleagues, AM2123 in front of you is essentially a clarifying amendment that says no tax incentives. No tax incentives for this big data center energy project, whatever configuration, in LB1261. If the biggest-- some of the biggest corporations in the state and the world-- namely Tenaska, namely Google-- are going to come and pilfer our land and our water and compete with our public power with a green light under this legislation, well, they can do it under the existing taxation structure, and they don't need to have any additional corporate welfare payments to do that. One thing that I think is important to note is-- I mentioned this on the General File debate. And the Platte Institute actually put together a very interesting white paper about the taxation approach to data centers in Nebraska and compared to our sister states. And what the findings from that well-researched report demonstrated was that Nebraska already has actually a much more beneficial tax structure for data centers than say, for example, some of our other sister states, just by how the current revenue infrastructure works and applies to data centers. But this is a pretty straightforward amendment. I would encourage the body to take a look at it. We know that these massive corporate welfare programs which are costing our state literally billions of dollars on the state and local level, erasing-- or, putting additional pressure on local property tax payers to benefit the very, very few and the most wealthy. All this says-- it's rather straightforward-- is it says this massive data center doesn't need any more corporate welfare. They've already-- are taking advantage of a favorable taxation structure that's detailed in the

Platte Institute's report. It's why Nebraska already has northwards of 30 smaller data centers in comparison to the one proposed or that would be enabled by this legislation. But it just makes clear that we shouldn't be giving access to Google or Meta or Microsoft any sort of corporate welfare in terms of these programs that we have before us. Additionally, colleagues, I want to draw your attention to another important fact about this specific substantive amendment. Not only are politicians hearing the response from their constituents across the country and across the political spectrum about their skepticism with these kinds of projects and the impacts to land and water and power, but deep-- they also have deep concerns about this approach to economic development without lasting jobs. They have deep concerns about this approach to economic development propped up by corporate welfare and additional tax incentives. So because the corporations are savvy at assessing public opinion on these topics and seeing the wave of opposition that is hitting local community councils or city councils or county boards where these massive data centers like the one proposed or facilitated in LB1261 are, are being talked about in other communities in other states, they're seeing an outpouring of opposition from residents-- a lot of time rural residents, a lot of time conservative residents who are concerned about these issues. And to get ahead of public opinion and to try and shift things in their favor, just a few months ago, Microsoft-- one of the biggest developers of these massive AI data centers-- recognizing the public revolt, stepped forward, vowing to cover the full power costs of these massive data centers and to reject corporate welfare and tax breaks that may be available to them when they're pushing these projects forward. So Microsoft has a voluntary pledge in that regard, which they should be commended for. But I understand Google is at the heart of wanting to pilfer our water and our land in Nebraska in this massive new project that would be allowed under LB1261. I haven't seen anything out there that says that they have made a similar commendable corporate pledge to reject tax incentives. So let's do it for them. If it's good enough for Microsoft, if these are such good programs that they can stand on their own, if they already have favorable taxation as compared to our sister states-- if you look at the Platte report-- let's just be really, really clear that Google doesn't need our corporate welfare. Thank you, Mr. President.

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

HUNT: Thank you, Mr. President. I just wanted to finish reading this article that I had started. This is from the Flatwater Free Press. And, you know, I, I agree that this is obviously a corporate welfare bill again, but it's also a handout to politicians and some members of this body who stand to personally profit if we pass LB1261. Once again, the article is from the Flatwater Free Press, and it's titled "Nebraska Lawmaker Among Those Who Optioned Land for Potential Data Center Project." And I will continue where I left off in interest of time. Flatwater recently reported that Google has proposed building a massive data center in Nebraska that would be powered by a privately built natural gas plant. Tenaska would be responsible for the gas plant, which would be capable of generating more than three times the amount of electricity needed to power the city of Lincoln. Tenaska has not responded to multiple requests for comment about whether it's recent land options, including the agreement made with Dorn, could be used for this potential project. Rick Wheatley, a resident in nearby Otoe County, told Flatwater that Tenaska-- a Tenaska representative mentioned the company was trying to put together 2,000 acres near a gas pipeline for a power plant that could serve an AI center. However, however, if Tenaska wants to power a data center and hook its power plant up to the grid, the company needs LB1261 to pass. Scott Danigal, executive director of the Nebraska Accountability and Disclosure Commission-- I hope I said that right-- said that if passing LB1261 would increase the likelihood of the sale, Dorn should file a conflict of interest form with both the NADC and the Speaker ahead of any discussion or vote on the bill. Filing the form does not preclude the senator from voting on the bill. On his disclosure form, Dorn explained that his decision not to-- explained his decision to abstain from voting. Quote, my vote is only one of 49, he wrote. The bill will benefit the entire state and any landowner who may contract with a private entity. It's not exclusive to my property. So that's the article that was in the Flatwater Free Press. I don't want to imply or say that Tenaska is taking advantage of people, because they can certainly sell their land and do whatever they want with their land for any purpose, whatever. If they want to sell it to a corporation for this reason. But I think if venture capitalists and corporations like Tenaska love this stuff so much, they should put the data center in their own yard, on their own property-- of which they own plenty-- instead of in the beautiful rural parts of this state, where they're contributing to pollution, where they're making the water unsafe, where they're coming onto people's property and polluting the water. And that's a big concern that I have. I think that this bill is a job killer. When you strip away the language and look at what the bill actually does, I think the picture becomes a lot clearer because we know what AI does. We know the path that this country is going down with sucking up the resources of, of water and land, sucking up all of the electricity, generating all of this heat from these places, all of this pollution, and reducing the amount of jobs that we actually have in Nebraska. Data centers are not labor intensive. They consume enormous amounts of resources-- land, water, electricity-- but they don't employ very many people once they're operational. A facility that uses as much power as a city does does not create as many jobs as a city does. It creates a few highly specialized positions. And that's it. It's not economic development. It's not the kind of job creation or growth that our communities in Nebraska actually need in order to thri-- to thrive. And look no further than the 49 members of this room to see that there are members here who are going to be enriched, whose pockets are going to be fatter as we are decimating our climate, harming our natural resources, contributing to the culture of taking away jobs, and lining the pockets of these corporations like Tenaska, who-- you know, I'm trying to think of a more polite word. I can only think of, like, really vulgar words, but-- you know, it's a term for, like, a subordinated man. That's what the Legislature is to these corporations. These CEOs talk to each other and go, look at all of our profits. Look how much money we're giving. Look at what we're donating to the ballroom. Look at what we're-- we're putting Trump's name on a train. This and that. Let's see what we can get the Legislature to do. They'll do it. They'll prioritize it. And they'll-- the whole time, they'll say that they're just creating jobs, they're just doing economic development, but we are their tools.

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

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. This amendment was filed on General File. It was refiled to Select File some time ago. It's a very straightforward amendment. It's three lines. It says, no privately owned electric generation facility that is subject to a contract under this subsection shall receive any tax incentives under the Nebraska Advantage Act or ImagiNE Nebraska Act. That's it. That's all it says. If this private power company and Big Tech says the whole purpose of this bill is that we want to pay our way, we don't want to burden public power, we don't want to burden Nebraska taxpayers, we don't want to burden Nebraska ratepayers-- number one, I don't believe that. But number two, that's what proponents of this measure have been saying. Right? That's the whole reason we have to have the bill, right, according to the Governor, according to Tenaska, according to Senator DeKay. The whole reason we have to have this bill, according to proponents, is that this massive data center-- bigger than anything that we have in Nebraska today-- that will utilize three times the amount of power that the city of Lincoln, our second ya-- largest city utilizes, they said, well, we have to have this new sweetheart deal, this new carve-out because we don't want to burden anyone and we're going to pay our own way. Really? If they're going to pay their own way-- and go look up the net worth and corporate holdings and current financial position of Tenaska. Go look up the current net work-- worth and financial holdings and market capitalization of a company like Google. And let's be real clear on the board with our votes. And you can explain it to your constituents however it sees fi-- you see fit. Let's draw a line in the sand and say, if you're gonna do this project, you don't get our corporate welfare programs. That's what a green vote says. A red vote says, come to the trough. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Members, the question is the adoption of AM2123. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 15 ayes, 27 nays on the adoption of the ame-- amendment, Mr. President.

KELLY: AM2123 is not adopted. Mr. Clerk.

CLERK: Mr. President: Senator Conrad, I have AM2120 with a note that you would withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President, Senator Conrad would offer AM2119.

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

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. AM2119 before you essentially would ensure-- excuse me-- that we would have an environmental impact statement available on these types of massive new projects. It is pretty state-- straightforward in terms of the fact that we know there are significant concerns about land use, about water, about noise pollution. There's really just a, a host of, of different questions and issues that policymakers have and the public have about the environmental impacts of a massive project like this. And again, colleagues, go and look at the existing data centers in Nebraska. And some of them are quite substantial. Now, think about how much bigger a data, a data center project with privately generated power-- which is anathema to our public power system-- think about how big those facilities are going to be, what kind of a footprint they're going to have for our land and our water and other environmental concerns. And all this amendment does is require an environmental review so that policymakers and the public can have a clear understanding about how these massive projects will impact our natural environment and the people who inhabit it. Thank you, Mr. President.

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

CONRAD: Thank you, Mi-- thank you, Mr. President. I would urge your favorable consideration of this amendment to ensure that we have an environmental impact statement on projects like this. Thank you.

ARCH: Members, the question before the body is the adoption of AM2119. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 13 ayes, 24 nays on adoption of the amendment, Mr. President.

ARCH: The amendment is not adopted. Mr. Clerk.

CLERK: Mr. President: Senator Conrad, I have AM2110 with a note that you withdraw.

CONRAD: Please.

ARCH: So ordered.

CLERK: In that case, Mr. President, Senator Conrad would offer AM2111 [SIC: AM2116].

ARCH: Senator Conrad, you're recognized to open on AM2111 [SIC: AM2116].

CONRAD: Thank you, Mr. President. Sorry. I'm just triple-checking the pending amendment details that I have-- that I have printed off here. And I'm just not seeing this particular number.

CLERK: Apologies, Senator. AM2116.

CONRAD: OK. There you go. Thanks. Thank you so much. I was in a, a bit of a panic procedurally there because I didn't have that one on my list. OK. Thank you. Thank you, Mr. Clerk. Thank you, Mr. President. So colleagues, I would draw your attention to AM2116. What this amendment would do is that would ensure that public power has the tool-- the extraordinary tool of eminent domain to utilize if there is a breach of contract under this section. And I have significant reservations about the utilization of eminent domain generally and think it must be utilized in a very, very careful manner so not to run roughshod over our sacred private property rights. But when it comes to public power, one reason that we have this unique structure in our beloved Nebraska is because this is the hammer. Eminent domain's the hammer that protects the public power system that's been established and stewarded for generations in Nebraska and served Nebraska well. Many if not all of our sister states would be eager to reap the benefits that Nebraskans do with our unique public power system. We lead in reliability. We lead in affordability. And how public power protects that primarily from a legal perspective is through the utilization of eminent domain. And so all this says-- which, by the way, we're, we're giving up that power and that hammer in this bill. All this says is if the parties involved in this murky contract for massive new data center projects and private power generation literally breach their contract, then it restores the existing legal mechanism for public power to protect public power. I'd urge your favorable consideration. Thank you.

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

HUNT: Thank you, Mr. President. I agree with what Senator Conrad has just shared and rise in support of AM2116. I think we've seen a concerning increase in the use of eminent domain in Nebraska in the last decade. And I think that we should ensure that eminent domain isn't used to help corporations, you know, line their own pockets and take away the property of Nebraskans, especially when that land is going to be exploited and polluted and so on and so forth. I don't, I don't support this at all. I do think that this bill is being rushed. And I'm also-- I mean, I'm hearing a lot of rumblings and people are talking about it, and I-- I'm not even sure this project is gonna go forward, you know? And so I'm, I'm actually even questioning the need for LB1261 at this point. This is really not a minor policy adjustment. And it's not even just a giveaway for one company like we would have in a bill like that Union Pacific bill where we're just giving them, you know, kind of an expenditure for-- you know, a present to help them run their business or something like that. This is a policy change that will not just affect Tenaska but could affect lots and lots of corporations who might want to pursue the same kind of goals in Nebraska with building a gas pipeline to a data center or what have you. This is a framework for more projects of an unprecedented scale that I've ever seen in Nebraska. And these projects would consume more electricity than the entire city of Lincoln. To create how many jobs? You know, think about how many jobs there are in the city of Lincoln. That's why I say this bill is a job killer. And I don't think it's a good deal. I think it raises a fundamental question for us as lawmakers, which is, what are we trying to maximize? Are we trying to maximize energy consumption or the happiness of three or four CEOs in our state who already own lots of property, who already own lots of homes, who aren't in danger of any kind of, you know, hardship by not passing this bill that wasn't there before? Or are we trying to maximize opportunity for Nebraskans? Because those are not the same things. And if we're going to commit Nebraska's resources-- our land, our water, our public power system-- to projects of this scale, then I think that the return on investment should be really clear to us. And in this case, it isn't. It should mean more jobs, not fewer. It should strengthen our local economies, not strain it. It should make life more affordable. But LB1261 doesn't guarantee any of that. It basically asks Nebraskans to absorb the risks of a present to Tenaska while offering very little in terms of broad-based economic benefit, very little in terms of job creation or anything like that. That's not a fair trade. So I encourage my colleagues to look at how many Nebraska families are better off because of this bill. And then there's the long-term picture. I mean, we're being asked to build infrastructure around an industry and a model-- artificial intelligence-- that's really rapidly evolving. And these technologies are explicitly designed to reduce labor, to replace human work, to employ fewer people. So we have to be honest. We are not just helping an industry. We are subsidizing that industry in their transition away from human labor, from employing people, from supporting workers. And that's something that concerns me a lot about AI. There's a cartoon-- maybe I'll find it and print it off and distribute it for old time's sake-- but there's a political cartoon-- I think it was in the New Yorker-- that I really liked and-- do you remember the Jetsons? And they had Rosey, who was the maid. You know, she was a robot and she did all these tasks for the household for the Jetsons. And then the Jetsons got to go about their day and, and do art and read books and watch TV and have all these nice things because Rosey was taking care of all the chores. And this cartoon kind of portrays AI as flipping those roles, as Rosey from the Jetsons is doing all of the fun stuff. Like, she's creating the art. The AI is creating the TV. The AI is creating, you know, all the books that we're reading now. And then George Jetson is the one washing the dishes and doing the laundry and still having to do the menial labor of everyday life. And that's exactly where AI is sending us. You know, I wish the robot would make my life easier in my household. Instead, everything I look at online, I have to ask myself if this was created by AI.

ARCH: Time, Senator.

HUNT: Everything I read I have to ask if a human wrote it. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. If my friend, Senator DeKay, would yield.

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

DeKAY: Yes.

CONRAD: OK. Now, Senator DeKay, I know you have a lot of passion for public power and a lot of experience and dedication. So I know that you've looked at these issues for a long time on-- as a member of the Natural Resources Committee. Are renewable projects subject to eni-- eminent domain in Nebraska?

DeKAY: Can you repeat that? I didn't--

CONRAD: Yeah. So you know how we have worked for many years to kind of figure out how to bring renewable energy projects into the Nebraska public power landscape? So can you just maybe share with me or for the record or with the public or for the body, how do we approach that for purposes of eminent domain? Does that make sense? Is that helpful? Is that better stated?

DeKAY: This issue on the "enimen" domain, what it does is-- and public power put this in as a goodwill gesture to say that if Tenaska builds a generation plant, that Tenaska has the ability to go to their people, their bankers, their lending company, whatever, to get the money that they are-- they are protected that-- they're not going to build that generation and at day one or one year, public power's not going come in and have condemnation against that generation source and be able to take it away from us. So it gives a company like that protection [INAUDIBLE] know if they're going to build it, pay for it, and run it, that they are going to be able to use it in that way.

CONRAD: Right. Yes. I under-- I remember that, that component from the committee hearing. But I'm, I'm asking you to help me compare and contrast on the record kind of what steps do renewable projects have to go through-- your solar, your wind, what have you-- because they have to jump through bunch of different hoops to get up and running and be successful in Nebraska and they have to work kind of through agreements. They have-- they're subject to nameplate tax, all of these different kinds of things. But the Legislat-- my point is the Legislature has worked carefully over many years to figure out how to update our public power model to recognize that a-- there are other projects outside of that, like renewables. So how does that approach to the utilization of eminent domain kind of jive with what we are talking about in this bill? Or is it different? Is it a different carve-out?

DeKAY: It's a-- if it's-- in other projects that public power's been involved with, it's a different type of "eniment" domain. This one is used for-- to protect a generation source. So I guess I can answer that by-- there will be agreements. There will be contracts between public power and Google, Tenaska. There will be all kinds of different contracts signed between them, and that puts protections in place for everybody involved. When it comes to other issues when we're talking about the environmental issues and stuff like that, there will be environmental studies done to see if it's conducive to have a project there. And at the end of the day, if these contracts aren't favorable for public power, if the environmental studies come back that it doesn't show that it's conducive to have a plant there, public power is still going to have the ability to say no and stop the project.

CONRAD: Right. OK. Yeah. I remember that discussion from the co-- the committee level. Thank, thank you, Senator DeKay. And, and thanks for reaffirming that on the record. And, and, my colleagues, again, this is a straightforward amendment. It's about three or four lines. It says, in the event of a breach of contract-- which apparently is going to be the primary governance tool outside of, you know, things like state law. But in the event of any breach of contract by the privately owned electric--

KELLY: That's time, Senator.

CONRAD: --supplier-- thank you.

KELLY: And you're next in the queue, Senator.

CONRAD: Thank you, Mr. President. In the event of any breach of contract by the privately owned electric supplier, the consumer-owned utility or utilities, they shall regain their authority to use eminent domain to acquire the subject generation asset. So proponents of this measure have stated clearly-- and again, I, I disagree because it's not found in the bill-- but they've stated over and over and over the talking points that LB1261 puts up guardrails. Really? It defers basically all key aspects in regards to labor and land and water to contract negotiation between the utilities, the private utility, and the massive user. So all my amendment says is that when that contract is breached, when they don't live up to what they said they were gonna live up to, then we bring back the hammer that public power has to utilize sparingly but appropriately to ensure we carry George Norris's vision and legacy forward: that we remain a public power state. When the parties breach the contract, it gives us the ability to reestablish the power of public power. I'd ask for your favorable consideration.

KELLY: Thank you, Senator Conrad. And you are recognized to close.

CONRAD: Thank you, Mr. President. I'd recognize your-- or, I'd request your favorable consideration of this amendment.

KELLY: Thank you, Senator Conrad. Senators, the question is the adoption of AM2116. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 11 ayes, 19 nays on adoption of the amendment, Mr. President.

KELLY: AM2116 is not adopted. Mr. Clerk.

CLERK: Mr. President, Senator Conrad would move to amend with AM2772.

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

CONRAD: Thank you, Mr. President. Thank you, colleagues. I draw the body's attention to AM2772 before you. All this says-- again, it's about a paragraph. It says, as part of the application for approval of the Nebraska Power Review Board, the industrial customer shall provide information on the amount of water projected to be used by the facility to be served by the privately owned electric generation facility, the source of such water, the potential impacts on adjacent or other regional water users, including but not limited to residential and agricultural water users, and whether the necessary permits for the use of such water have been obtained. It's literally a transparency and disclosure measure. It doesn't say you can't do the project. It doesn't say you-- it's not proscriptive in terms of what we would allow them to utilize a certain amount of water. It literally says, as part of the application, to approve this novel and massive concept, they have to provide information that the public and policymakers can assess about how much water they're gonna project to be utilizing, where it comes from, and what the impacts are to other people, including farmers and homeowners. That's it. That's all it says. It's an eight-line amendment. We've heard, rightly so, as a concurrent theme over many legislative sessions about how precious and important our water is in Nebraska. And that's right. That's right on. Our careful stewardship of the aquifer, our thoughtful approach to ensuring that we have the water we need through our NRD system, through our state agencies, through our partners at the university-- I mean, almost every week in the reading materials I take home, there's some report about water quality and quantity, either reoccurring or new, because it's a critical issue. Just recently, I had an opportunity to review the Nebraska Statewide Groundwater Level Monitoring report. This comes out on a regular basis. And it details carefully trends and present snapshots about where we are with groundle-- groundwater and what that means for wells and what that means for usage and what that means for ag and what policy decisions are affecting that and what weather patterns are affecting that and lifts up solutions that we need to think about and all stakeholders need to think about as we keep our shared focus on being good stewards of our water. Look no thur-- further than your inboxes over the last week or so, where we finally had a chance to see the Governor's Water Quality and Quantity Task Force, the final report from that newly established entity. And colleagues, it's significant. It's about 300 pages. And I've admittedly only had time to read the executive summary thus far but will plan to dig into the full report. My friend, Senator Raybould, and others have spoken passionately for years about the documented, the documented worthy projects impacting communities small, medium, and large that are in need of infrastructure support and investment to ensure plentiful and clean water for their communities and their citizens, for their citizenry. We know that there is a significant waiting list for communities across Nebraska that are crying out for tools and resources to buttress their approach to water for their community, their business, and their citizens. And there's never enough resources to make those investments. So the waiting list and the project list grows ever longer. We know that we have needs to bring in water for today and tomorrow. And that's at the heart of my colleagues' advocacy for the $600 million-plus investment in the Perkins County Canal. And they've been very passionate and clear about their reasons for securing and protecting that investment. I think we'd accomplish the same in a more economical way, but I understand what they're saying when they bring that up. I know you talk to your constituents. I know you stay in close contact with your NRDs. I know you all think about water quality and quantity. All I'm saying in this amendment-- an eight-line amendment-- is that when this kind of novel and massive project is proposed the private utility and the massive company putting up this massive user, they just have to tell us how much water they're planning to use, where they're getting it from, and what the impacts are for other users. That's it. There's no tricks. Read it for yourself. It's eight lines. And then once policymakers and the citizens have that information available, they can decide what to do with it. But we have no guarantee in LB1261 that we'll even know that basic information without this amendment. Thank you, Mr. President.

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

CLERK: Mr. President, Senator Fredrickson would move to amend the amendment with FA1143.

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

FREDRICKSON: Thank you, Mr. President. And good afternoon, colleagues. And good afternoon, Nebraskans. I decided to put up a floor amendment after some further consideration of the bill and some discussions I've had with some of my colleagues, and maybe it's also just the result of sitting next to my good friend, Senator Danielle Conrad, from the Fighting 46 and the osmosis that occurs between us. But I-- my, my biggest concern that I have had with, with the potential data center here is that related to, to, to water use. And I actually had a really nice conversation with Senator DeKay. He educated me a lot more on the updated technology as it relates to cooling of these data centers, specifically how a, a closed-loop system is one in which you are not going to consistently be using and using more and more water to cool these systems. And so, you know, my concern with this is obvious-- obviously always has been the concern about the use of water preservation of this. And, you know, water's finite. We-- it's, it's probably one of our most precious resources that we have here, and this is something that I, you know, I think we-- I think we should actually take seriously. So I also looked into what South Dakota recently did. I know Senator Conrad had elevated that article about their recently passed legislation where they literally did a 180 and they decided to put in more regulation as it relates to data centers, and specifically the water use component of that. And so this is something similar to what they did up in South Dakota by simply requiring that the system would be close looped in nature. So we've heard that these companies, whether it be Google or Tenaska, whatever it might be, are going to be incentivized to do closed loop simply because of-- that is there the environmental pressure might be from the public, but the reality is an open-loop system, as I understand it, is much cheaper to do. And so, you know, obviously, we can hope that that's what these corporations would do, but that's certainly not guaranteed to occur. So this amendment would simply ensure that any data center that would be built would in fact be a close-loop system. And again, the concern here being that the preservation and protection of our most valuable resource in the state-- water-- is, is the top priority and not being exploited through any of these projects. So again, I think this is a, a, a, a, a fa-- a fairly serious amendment. I know that people might have mixed feelings about this, but I, I, I do think that we need to think about this from the perspective of, you know, if we do move forward with LB1261, we wanna show that we're welcoming of industry in our state, we're welcoming of possibly a data center, for example, but that we're not going to be sacrificing our land or our resources in order to bring in that industry. So I think this would just simply set a responsible standard that we're saying, if you're going to do this in our state, the preservation of water, the pre-- preservation our resources is our priority and we are asking that you ensure that you do that for us. So I ask for your favoral-- favorable consideration. Thank you, Mr. President.

KELLY: Thank you, Senator Fredricksson. Senator von Gillern, you're recognized to speak.

von GILLERN: Thank you, Mr. President. I punched in before Senator Fredrickson dropped his FA. I find it intriguing. I find it probably a little bit too restrictive at this point for me to support, but I think it's, it's absolutely heading in the right direction and probably aligns with technology and aligns with what the, the data center builders and owners and operators are moving towards regardless. So-- but I, I think it's, it's maybe a little early to lock that in as, as a requirement, but I think it's something that I would-- and, and I'm trading emails and texts with all kinds of parties that are involved in, in this conversation, trying to learn more about this as we go along. So I'd be happy to join Senator Fredrickson in, in an investigation regarding whether that's appropriate at this time or not. But I was-- I really punched in with regards to Senator Conrad's proposed AM2772. I just wanted to flag-- as, as Senator Moser mentioned earlier, groundwater is regulated by the NRDs. There are-- there's extensive reporting required. There's intensive application systems required that are all public notification. All of those are public meetings. It's all public documentations. Surface water is, is regulated by DWEE, Department of Water and Energy and Environment. Again, a public system, all public notifications. In addition, something that has not been mentioned is, quite often, the EPA will require either a phase one environmental study or a phase three environmental study. I don't even know what a phase two is, but one is, one is a-- more of a title search and is, is more legal documentation. The other involves actual testing on sites for pollutants and different contaminants and environmental impact statements. Those are all very complicated and very expensive studies that are all made available to the public, so. That-- while I appreciate Senator Conrad's effort in bringing the bill, I think it would be duplicative to require the Nebraska Public Power Review Board to also process this information. This inf-- information is already available. It's already made available to the public. It's-- these are all public entities and, and elected boards and elected bodies that are handling this information. So again, I appreciate, I appreciate what she's looking to do. It's, it's, it's my position that the-- those efforts are already in place and already taking place. If there's a way to maybe collect that data in a more, I don't know, more understandable or productive manner that makes it more presentable or understandable to the public, that might be worth some conversation. But again, I think this is an effort that would be at least a second or third duplication of effort that's already required by these applicants. Thank you, Mr. President.

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

CONRAD: Thank you so much, Mr. President. Thank you, so much, my friend, Senator von Gillern, and to my seat mate, Senator Fredrickson, for your floor amendment here. Actually, I was reading about a massive data center project in Memphis, I think it was, that was recently profiled in Governing magazine. And one really cool thing that they were detailing in that article was about how this massive, massive project was not utilizing or tapping into the city water, to the drinking water but rather had developed technology to utilize wastewater, gray water for the plant in cooling its towers and its chips, et cetera. In that instance, they were using, like, 3 million gallons a day and had the potential to use up to 5 million gallons a day. So I think there, there are some very interesting questions about the technology, about the source of water, about the amount of water utilized for these projects. Obviously, there's innovative things happening in development in other communities surrounding these types of novel projects and ideas. And I think Senator Fredrickson's floor amendment is good because it helps to recognize kind of current technical approach to these issues. It seeks to ensure that there's not literally an ongoing drain-- no pun intended, but it just came out that way, I guess-- on our existing drinking water or city waters or community waters, whatever that might be, and it kind of takes, again, the industry at its word that it's going to be utilizing things like closed-loop technology to limit the footprint on the precious resource of water. And Senator Moser and Senator von Gillern are exactly right. They completely and com-- they completely detailed in an accurate way our regulatory and legal framework for managing water in Nebraska through our unique NRD system and our relevant state agencies. But colleagues, I would draw my good friends' attention to LB1261 itself, where there is no engagement or enforcement or authority or approval in relation to water for this specific sweetheart carve-out project even contemplated to the NRDs, the DWEE, or what have you. The framework of LB1261 requires the approval at a certain component at the Power Review Board in looking at the contract terms and the other related and relevant issues. And all my amendment does is says, as part of that process, they just have to tell us how much water they're using, where they get it from, and what the impact to adjacent users are. That's it. And many colleagues, friends, have brought many bills over the year that says, yeah, this data exists at this agency or this exa-- data exists at this level, but what I'm proposing that we do is make it easier for citizens, for policymakers, for interested parties to pull together the existing data and information into a focal point and a clear source. I mean, if it's your contention that citizens should spend their time attending every NRD meeting, combing through the Nebraska Department of Energy's website, sitting in on public power meetings, watching county zoning boards for efforts impacting these kinds of projects, and going to the Power Review Board-- just to name a few. If it's your contention that that's what citizens who care about their land and water should do, that's fine. I'm just saying make it clear. It's not hard for a billion-dollar corporation to include three components on their application.

KELLY: That's your time, Senator.

CONRAD: How much water are you using? Thank you, Mr. President.

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

FREDRICKSON: Thank you, Mr. President. So just to remind folks-- well, first of all, thank you for the discussion. I appreciate the thoughts folks have on this. And I think that we're probably in alignment as a body on, on the closed-loop system. Certainly it seems like there might be a little difference on whether or not we feel like this should be included in the, the bill itself, but I appreciate that discussion. Just to remind, folks, this floor amendment would simply just require that the cooling system for the data center-- should the data center come out of this legislation-- be a closed-loop system. Again-- and the goal of that being that, of course, to preserve our state's water and to protect our ag friends. So I would request your favorable, favorable consideration. Thank you, Mr. President

KELLY: Thank you, Senator Fredrickson. Senators, the question is the adoption of FA1143. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 12 ayes, 20 nays on adoption of the floor amendment, Mr. President.

KELLY: FA1143 is not adopted. Mr. Clerk. Items for the record.

CLERK: Thank you, Mr. President. Your Committee on Enrollment and Review reports LB803, LB304, LB304A, LB888 to Select File, some having E&R amendments. Your Committee on Education, chaired by Senator Murman, reports LR422 to the Legislature for further consideration. And amendment to be printed from Senator Bostar to LB1096. All I have at this time.

KELLY: Thank you, Mr. Clerk. Seeing no one else in the queue. Senator Conrad, you're recognized to close on AM2772.

CONRAD: Thank you, Mr. President. Thank you, Senator Fredrickson, for his thoughtful floor amendment. I wish that would have been adopted, but I would ask for your favorable consideration of this straightforward amendment. It's eight lines. It says, at the relevant point of decision-making in whether or not to green-light these projects at the Power Review Board, the company and the private wind developer literally just tell us what they already know. But they have to tell us. That's the point of transparency. That's the point of open government. They have to tell us how much water they're using, where they're getting it from, and what the impacts are to other users, including our farmers and ranchers and our neighbors. I'd urge your favorable consideration. Thank you.

KELLY: Thank you, Senator Conrad. Senators, the question is the adoption of AM2772. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 12 ayes, 18 nays on adoption of the amendment, Mr. President.

KELLY: AM2772 is not adopted. Mr. Clerk.

CLERK: Mr. President, Senator Conrad would move to amend with AM2794.

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

CONRAD: Thank you, Mr. President. Thank you, Mr. Clerk. Good evening, colleagues. AM2794 relates to disclosure about the impacts from the utilization of natural gas or other energy resources as part of the application process for this novel, massive endeavor. The data center being proposed under LB1261 would require 3,000 megawatts of electricity-- three to four times the amount of electricity as the city of Lincoln, our state's second largest city. Doing some kind of back-of-the-napkin scratch calculations and discussions with stakeholders and subject matter expertise-- with subject matter expertise, there's-- it's estimated that a project like this might require six to eight times the amount of natural gas as presently utilized by all customers in the city of Lincoln. So we know that in order to generate 3,000 megawatts of electricity, three to four times the amount of electricity utilized by the city of Lincoln, that that would probably take about six to eight times the amount of gas that's presently being utilized by all the customers in the city of Lincoln. So using that much gas is likely to drive up prices for residential and business customers. It also has potential implications for an increase in fertilizer prices for farmers because anhydrous utilizes natural gas in the manufacturing process. There's also concerns that this might lead to shortages and spikes in costs that would hurt residential and business customers at times of high demand, such as the deep cold snap we experienced in recent winter storms, which resulted in spikes of natural gas for customers throughout the region. So again, this is not a restriction. This is not a prohibition. This is a disclosure of the impact. That's it. It's transparency. So that the public and policy makers and all relevant stakeholders know at the single point of approval what the impact is for gas. And people have said over and over and over again that we have to have LB1261 because it protects public power and it ensures guardrails and all of these other kind of talking point rhetoric that actually aren't really found in the bill, but nevertheless. They haven't answered the hard questions. If the goal is to protect existing users and consumers in Nebraska, we need to have an understanding and assessment of not only the water implications but the implications in relation to gas. And all I'm asking for in this amendment is a disclosure of that impact. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Seeing no one else in the queue. You're recognized to close on AM2794.

CONRAD: Thank you, Mr. President. I'd urge your favorable consideration.

KELLY: Thank you, Senator Conrad. Members, the question is the adoption of AM2794. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 10 ayes, 18 ayes on adoption of the amendment, Mr. President.

KELLY: AM2794 is not adopted. Mr. Clerk.

CLERK: Mr. President, Senator Conrad would move to amend with AM2801.

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

CONRAD: Thank you, Mr. President. Colleagues, I filed this amendment, AM2801, just to ensure we had a discussion about taxation for this project. In talking with other senators and relevant stakeholders-- and again, I really put this in as truly a draft, really a placeholder, just modeled on an existing approach to taxation for renewables, et cetera. I don't think it's going to work from a practical perspective, so-- I, I do still have a lot of significant questions about our approach to taxation with these massive projects, but I don't think the right way to resolve those is through AM2801. So I would ask for that to be withdrawn, please.

KELLY: So ordered. Mr. Clerk.

CLERK: Mr. President, Senator Conrad would move to amend with AM2796.

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

CONRAD: Thank you so much, Mr. President. Thank you, Mr. Clerk. Good afternoon, colleagues. Almost good evening. Colleagues, the good news is this is the last amendment before you on this bill today, and I hope to work through it as expeditiously as possible. It is a three-line amendment. It says that the industrial customer shall use the re--

shall use renewable energy and battery storage technology to power the privately owned electric generation facility to the extent feasible. It's not a mandate. It's not a requirement. It's not a prohibition. It doesn't set a particular standard for utilization. It's essentially intent language that models our current approach to energy and power, as reflected in the Nebraska Chamber's recent reports in relation to power. We need to take an all-of-the-above approach to meet our current and future energy needs in Nebraska. All this three-line amendment says is that the industrial customer shall use renewable energy and battage stor-- battery storage technology to power the privately owned electric generation facility to the extent feasible. That's it. It's basically intent language. It's basically aspirational. But it would be an important direction from this august body to the critical stakeholders that say, we want you to at least explore and utilize renewable energy sources and battery storage technology if it's feasible. That's it. I'd ask for your favorable consideration. Thank you.

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

MOSER: Thank you, Mr. President. Good afternoon, colleagues. Quite a bit of the discussion we're having this afternoon is mirrored in Senator Brandt's bill, LB1010, and the amendment, AM2422. And if you look at page 18, it says, the owner/operator of a data center shall submit an annual report to the Department of Water, Energy and Environment and the Natural Resources Committee of the Legislature on or before September 30 each year including the following: the name of the data center, the names of the developers, the physical size of the data center, the location of the data center, including street address, the annual electricity demand of the data center, the annual water use of the data center, the sales and tax-- sales and use tax exemptions the data center utilizes or expects to utilize, any incentive payments for the data center under the ImagiNE Act or the Nebraska Advantage Act, all-- sub item (a)-- (i)-- I've kind of left out some of the other section numbers-- all energy efficiency, load management, and con-- conservation measures implimited-- implemented by the data center, and all commitments by the data center to use renewable energy, and (k) the surface-- service light-- life of the data center. And then it says, each public power supplier shall make available to the public on the supplier's website the number of cryptocurrency mining operations, and then it goes on from there. This is on page 18. So a lot of what we've been talking about and asking-- making motions to affect LB1261 is already in LB1010, and it applies to the same thing we're talking about here. So I think those provisions are already addressed. Thank you, Mr. President.

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

PROKOP: Thank you, Mr. President. And I-- there's a couple topics that I have some familiarity with. I'm looking over at Senator Brandt right now and see if I can get a smile out of him or not, but LB1010 is something that we had a lot of conversations about, and I appreciated the opportunity to work with Senator Brandt on that bill. But battery storage is, is a bill-- and I've had a couple ber-- bills here the, the last couple of sessions on tha-- on that topic and-- just LB1010 generally, I think-- the, the opportunity to talk about that for, for one second in conjunction with what Senator DeKay is proposing here with LB1261. I-- kind of a broader picture of how we need to approach energy and, and power development i-- into the future, I think, and I-- and why I appreciate what Senator Conrad's proposing with, with AM2796. Really, that kind of all-of-the-above approach. What we're-- what's happening with, with LB1010-- I think it's a, it's a small step in the right direction. I think there's some other further steps that we're gonna need to take to make sure that we're really able to, to build our energy future in a way that needs to, needs to take place. But just the way that Senator Conrad has addressed it with this amendment I think is reasonable and helps support the broader goal of making sure that we're-- or, or the bigger picture of making sure that we are encouraging economic development in that way. So I, I think a, a good amendment. I'll be a-- voting green on, on that. Thank you, Mr. President.

KELLY: Thank you, Senator Prokop. Seeing no one else in the queue. Senator Conrad, you're recognized to close on AM2796.

CONRAD: Thank you, Mr. President. And thank you, friends. Again, like I said, yay, this is the, the last filed amendment and motion on this measure at this stage of debate. And I really appreciate everybody's good questions, good record-building, the record votes that we've been able to put forward in regards to this measure. And I do just want to pa-- point out perhaps one point of clarity to my friend, Senator Moser's, discussion point in regards to this amendment. Senator Moser, you're absolutely right. It's been great to work with you and the members of the Natural Resources Committee to incorporate provisions of my friend, Senator Machaela Cavanaugh's, amendment and bill into LB1010 to ensure that we actually are putting together some annual reports detailing key issues surrounding data centers in Nebraska. That's good. I'm, I'm very excited about that. I, I think that that will provide critical transparency and information to the public, policymakers, and all stakeholders about a lot of the issues that we've been talking about today on LB1261. And I will go back. I don't have my LB1010 file before me on my desk today. I will go back and triple-check, but let me just point out a small but important nuance. So that's going to gather information and data on an annual basis for the existing data centers. I think there's-- it's somewhere in between 30 and 40 in Nebraska, if memory serves from the reports. And it will pull that information together. What LB1261 is doing is totally outside of the existing data center world. OK? And so that information, which, again, is, like, all reporting, right, it's-- it lags. What my amend-- my amendments had to come in on LB1261 to shape the development of this project, which is separate and distinct from our current approach to data centers. So if this LB1261 type project ever gets the green light through the power review boards and the local governance boards and Tenaska and Google get their way, then at some point we will have information through LB1010, as amended, about some of these issues. But what I'm saying, Senator, is that's too late for a project this big with too many unanswered questions. And I don't think it's good enough for our citizens to say, at some point down the road, you'll get to figure out what's going on with water and land and labor and tax. And that's the difference. So I'd urge your favorable support of this amendment. And thank you for your time and consideration this afternoon, colleagues.

KELLY: Thank you, Senator Conrad. Senators, the question is the adoption of AM2796. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 13 ayes, 20 nays on adoption of the amendment, Mr. President.

KELLY: AM2796 is not adopted. Mr. Clerk.

CLERK: Mr. President: Senator DeKay, I have AM2667 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President: Senator, I have nothing further on the bill.

KELLY: Senator Guereca, you're recognized for a motion. Senator McKinney, you're recognized for a motion.

McKINNEY: Thank you. Haven't done this in a while. Mr. President, I move to advance LB1261 to E&R for engrossing.

KELLY: Senators, you heard the motion. And there is a request for a record vote. It's a debatable motion. Senator Cavanaugh.

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

KELLY: Senator DeKay, would you yield?

DeKAY: Yes.

M. CAVANAUGH: Senator DeKay, there-- is been a lot of conversation happening in this building and really across the state about Google pulling out of this project that this is kind of the epicenter of. Is that correct? And if it is, do we still need to move LB1261?

DeKAY: I don't have pertinent information on that, if Google's still thinking about a project here. But this does encompass other projects that might be interested in this still. The base bill, LB1261, still protects public power and its ratepayers to the fullest, what other-- whatever entity that might be interested coming in.

M. CAVANAUGH: OK. Thank you for that. I, I didn't, I didn't talk on this very much. I talked at the beginning because we had a lot of amendments to get through, but I am opposed to LB1261. And I am very concerned about water resources. And I also was kind of surprised that there wasn't more conversation from everyone who's told me repeatedly that we cannot take any money from the Perkins Canal Fund because that is so important because water is so important. So I just don't understand. I'm not following the logic thread here on how this bill is OK without any of the guardrails that Senator Conrad, Senator Juarez, Senator Raybould have brought forward. We can't do any of those things to protect water because water is so important. Thank you. Senator Jacobson just brought me some water. That's very kind of you, Senator Jacobson. Or did you bring it for Senator Guereca? To taunt me, Senator Jacobson? Is that for Senator Guereca? Oh, it is for me. OK. Thank you. Yes. So I guess I have-- I've lost the, the logic thread on, on water in this body, but maybe somebody after this bill advances would be so kind as to explain it to me. But, yeah. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. 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.

CLERK: 27 ayes, 0 nays to place the house under call.

KELLY: The house is under call. Senators, please record your presence. All unexcused senators outside the Chamber, please return and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senators Guereca, Dorn, and John Cavanaugh, please return to the Chamber and record your presence. The house is under call. Senator DeKay, we're lacking Senator Guereca and Dorn. How do you wish to proceed? We will proceed. Senators, the, the motion was previously made to advance LB1261 to E&R Engrossing. And there was a request for a record vote. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 32 ayes, 13 nays on advancement of the bill, Mr. President.

KELLY: LB1261 is advanced to E&R Engrossing. I raise the call. Mr. Clerk.

CLERK: Mr. President, items for the record, if I could. Your Committee on General Affairs, chaired by Senator Holdcroft, reports LB725 to General File with committee amendments. Amendments to be printed from Senator Storer to LR298CA. And a new LR from Senator Storer: LR494. That'll be laid over. As it concerns the agenda, Mr. President: LB1261A, Select File. There are no E&R amendments, Senator.

KELLY: Senator Guereca for a motion. Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move LB1261A be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB1261A is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President, Select File: LB525. First of all, Senator, there are E&R amendments.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the E&R amendments to LB525 be adopted.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

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

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the-- I move that LB525 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB525 is advanced for E&R Engrossing. Mr. Clerk.

CLERK: Mr. President, Select File: LB525A. There are no E&R amendments. Senator Jacobson would move to indefinitely postpone the bill with MO555.

KELLY: Senator Jacobson, you're recognized to open

JACOBSON: Thank you, Mr. President. We have rerun the fiscal note. There is no fiscal note, so therefore there's really no reason to carry an A bill. So that's why I would encourage you to, to please indefinitely postpone my bill.

KELLY: Seeing no one else in the queue. You're recognized to close on the motion. And waive. Senators, the question is the adoption of the motion to indefinitely postpone. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 39 ayes, 0 nays on the motion, Mr. President.

KELLY: The motion is adopted. Mr. Clerk.

CLERK: Mr. President, Select File: LB1212, from Senator Riepe. First of all, Senator, there are E&R amendments.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the E&R amendments to LB1212 be adopted.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

CLERK: Mr. President: Senator Kauth, I have FA872 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President, Senator Lonowski would move to amend with AM2998.

KELLY: Senator Lonowski, you're recognized to open on your amendment.

LONOWSKI: Thank you, Mr. President. And I want to thank Senator Riepe for allowing this friendly amendment to add LB899 to LB1212. AM2998 contains provisions of LB899, which I introduced at the request of the Nebraska Board of Engineers and Architects for the purpose of streamlining the occupational licensing requirements for engineers in Nebraska. This bill makes a simple, commonsense change to the current engineer licensing process. As it stands today, a prospective engineer in the state of Nebraska must apply to the board two separate times and pay two separate fees. First, the applicant must apply to the board and receive the board's permission simply to have the ability to sit for one of the required licensing exams. After successfully passing that exam and meeting all the other requirements, the applicant must apply again for their licensing credentials. LB899 simply removes the requirement that prospective engineers obtain the board's approval prior to taking any of the required licensing examinations. Once the applicant has successfully completed the exam and met all other requirements, they will complete-- they will complete one application process and pay one fee for licensure in Nebraska. This change aligns the engineering licensure process with the architectural licensure process in Nebraska and more closely aligns Nebraska's licensure process with that of other states. Importantly, this bill does not change or lower any of the existing requirements for an engineer license in Nebraska. LB899 had no opposition testimony during its committee hearing and has no fiscal note. It was advanced to General File by the Government, Military and Veterans Affairs Committee on a 7-1 vote. Again, I want to thank Senator Riepe for graciously allowing me to amend this simple occupational licensing reform measure into LB1212. With that, I ask you for your green vote. Thank you, Mr. President.

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

RIEPE: Thank you, Mr. President. I simply wanted to say that this amendment, AM2998, is both friendly and germane. Thank you, Mr. President.

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

M. CAVANAUGH: Senator Riepe knows me so well. I was wondering if it was germane, but I talked to his wonderful staff, and he explained that this is a licensure bill and this is a licensure AM. I was concerned when I looked up Senator Lonowski's bill, LB899, because it is referenced-- it was referenced to the Government Committee, but it was initially referenced to HHS Committee. So clearly, our Referencing Committee thought that it might be an HHS bill and-- with the reassurances that it's kind of the same area of statute, so thank you, Senator Riepe, and to your wonderful staff. And thank you, Senator Lonowski.

KELLY: Thank you, Senator Cavanaugh. Seeing no one else in the queue. Senator Lonowski, you're recognized to close. And waive closing on the amendment. Senators, the question is the adoption of AM2998. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

KELLY: AM2998 is adopted. Mr. Clerk.

CLERK: Mr. President, Senator Riepe would move to amend with AM2937.

KELLY: Senator Riepe, you're recognized to open on your amendment.

RIEPE: Thank you, Mr. President. AM30-- AM2937 contains the necessary revisions to align LB1212 with the practical authorities currently granted to the Board of Medicine and the Department of Health and Human Services. This amendment primarily makes technical adjustments to clarify that certain functions previously assigned to the board are now carried out by the department. This is my previously mentioned amendment that addresses issues highlighted by the Attorney General and by the department. There will be a quick amendment to, to this amendment, AM3028, to further assure that the language lines up with the needs of the department. I respectfully urge your support for AM2937 and the pending floor amendment. Thank you, Mr. President.

KELLY: Thank you, Senator Riepe. Seeing no one else in the queue. Mr. Clerk for an amendment.

CLERK: Mr. President, Senator Riepe would move to amend with AM3028.

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

RIEPE: Thank you, Mr. President. AM3028 makes a few minor corrections to the reconciled differences between the red line provided to bill drafters and the re-- version we received. This is largely in the usage of approved, quote, unquote, versus, quote, unquote, recommended and, quote, unquote, may versus, quote, unquote, shall. These changes further clarify that the department holds the actionable authority with the board, retains its ability to provide recommendations. I ask for your green vote on AM3028 and the underlying amendment and the underlying bill. Thank you. And thank you to Senator Machaela Cavanaugh for her kind remarks. Thank you, Mr. President.

KELLY: Thank you, Senator Riepe. Senators, the-- Senator Riepe, you're recognized to close on that amendment. And waive. Senators, the question is the adoption of AM3028. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 38 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM3028 is adopted. Senator Riepe, you're recognized to close on AM2937. And waive. Senators, the question is the adoption of AM2937. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

KELLY: AM2937 is adopted. Mr. Clerk.

CLERK: Mr. President: Senator, I have nothing further at this time.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move LB1212 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB1212 is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President, Select File. First of all, Senator, there are E&R amendments.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the E&R amendments to LB815 be adopted.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

CLERK: Mr. President: Senator Kauth, I have FA444 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: In that case, Mr. President: Senator, I have nothing further.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the E-- move that LB815 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. LB815 is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President: LB1091, Select File. There are no E&R amendments. Senator Kauth, I have FA750 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: In that case, Senator, I've nothing further on the bill.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move that LB1091 be advanced to E&R for engrossing.

KELLY: Senators, you heard the motion. All those in favor say aye; those opposed say nay. LB1091 is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President, Select File: LB1126. First of all, there are E&R amendments, Senator.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the E&R amendments to LB1126 be adopted.

KELLY: Senators, you heard the motion. All those in favor say aye. Those opposed say nay. The amendments are adopted. Mr. Clerk.

CLERK: Mr. President: Senator Kauth, I have FA786 with a note that you'd withdraw.

KELLY: So ordered.

CLERK: Mr. President, in that case, Senator Dorn would move to amend with AM2752.

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

DORN: Thank you, Mr. Lieutenant Governor. Want to thank Senator Moser for allowing me the opportunity to offer AM2752 to the Transportation and Telecommunication Committee priority bill, LB1126. Last session, I introduced LB576. As originally introduced, the bill gave the Public Service Commission the ability to raise the rate to fund PSAPs, which are our 911 public safety answering points, which are basically all of our call cent-- de-- call centers that, when you have an emergency, you call into-- up to $1. Currently, every county pays up to $0.70, and Douglas County is capped at $0.50. The amendment removes the dollar surcharge and removes the cap on Douglas County, which would then make all cell phone users pay the same PSAP rate. The amendment makes the wireless 911 surcharge equal across all Nebraska counties and uniform with our landline 911 surcharge. I want to give you a little bit of background on PSAPs. Currently, there are 67 of them in the state. Some of those counties out west go together and have one-- one with four or five counties. They are known as PSAPs, or the data-- the part where they answer all of these calls. What has become an issue is the cost and the increased cost to keep up with putting in new ones or keeping up with technology. Surrounding states that have wireless 911 surcharge, according to the National Emergency Number Associations, are South Dakota at $1.25, Iowa at $1, Kansas at $0.90, and Missouri at 3% of a monthly bill. This amendment does not automatically increase the rate. First, the bill makes the rate equal among all counties with a maximum rate of $0.70. Second, it gives the Public Service Commission the ability-- and I want to stress this-- the ability to the ra-- raise the rate as necessary. There are three good reasons to adopt this amendment. One, the amendment treats all residents, cell phone users, and all counties equally when paying for PSAPs. Many residents in Douglas County, outside of the metro area and, and-- may need emergency service. It's imperative that these services can be contacted and emergency personnel can be dispatched. Two, the amendment would help ease the burden on small county property taxpayers who may have to make up the financial burden of providing for PSAPs in rural counties by having the surcharge fund the system. The Public Service Commission would determine the needed funding. Third, and most importantly, emergency services are critical in our rural areas. When there's an accident or, as we've experienced lately in the state of Nebraska, when there are fires, we must ensure that we have emergency responders, but the only way to get those responders to the location is to have reliable 911 public safety answering points. With that, I encourage you to give a green vote to AM2752.

KELLY: Thank you, Senator Dorn. Seeing no one else in the queue. You're recognized to close. And waive closing. Senators, the question is the adoption of AM2752. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 30 ayes, 11 nays on adoption of the amendment, Mr. President.

KELLY: AM2752 is adopted. Mr. Clerk.

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

KELLY: Senator Guereca for a motion.

GUERECA: Mr. President, I move LB1126 be advanced to E&R for engrossing.

KELLY: That's a debatable motion. Senator Machaela Cavanaugh, you're recognized to speak.

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

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

DORN: Yes.

M. CAVANAUGH: Senator Dorn, I, I, I don't think I understood what that last amendment was. A-- maybe I'm misunderstanding it. Is this an-- fee increase on Omaha?

DORN: No, it is-- it is allowing the amount-- currently, all the rest of the state except Omaha pays $0.70 on every cell phone and landline into, into a fund that funds the PSAPs, and that is prorated out on 40%-- for the number of PSAPs we have, 40% by population and 20% by another factor. So there's a factor how that funding goes out. This allows the Public Service Commission to raise that. All the rest of the state pays $0.70 now, and this will allow them-- allow Douglas County or Omaha also to be part of that-- allow them to bring that up to $0.70. So it does not raise it. I wanna stress that. It allows the

Public Service Commission to raise that. This was brought by the county's association to me so that they can help fund the rural PSAPs. Many of those are really struggling to keep up with technology.

M. CAVANAUGH: So, so it, it removes the prohibition from the PSC increasing this fee in Omaha?

DORN: Yes.

M. CAVANAUGH: So now the PSC can decide to increase this fee in Omaha to pay for the rural--

DORN: It's up to the Public Service Commission. This fee--

M. CAVANAUGH: What is, what is PSAP?

DORN: Pardon?

M. CAVANAUGH: What is PSAP?

DORN: It's the-- it's basically your 911 call centers. That's what they're-- they're the public service-- I forget. They took-- I gave the book to my staff.

M. CAVANAUGH: She just put it on your desk.

DORN: Oh. OK. There-- there's a name for it. Senator Moser gave it the other day. It's for tho-- those public service ag-- there's 68 of them in the state of Nebraska, plus two State Patrol ones. And this funding goes into that fund then. And it's allocated 40% by the number of locations, 40% by population. So much of the-- what will go into Omaha will come back to Omaha. And then there's two other parts that are-- also make up that disbursement.

M. CAVANAUGH: OK. OK.

DORN: Oh, here. It's public service answering points. That's what they call them. PSAPs.

M. CAVANAUGH: OK. And those are essentially 911--

DORN: Yes.

M. CAVANAUGH: OK.

DORN: They're our 911 call centers across the state of Nebraska, including-- Lincoln has one, Omaha has one. And if I can find the right page here, I will let you know here how it's split up.

M. CAVANAUGH: Do you know what the-- so the surcharge in Omaha is $0.50.

DORN: It was back in 2001 when this came into effect, this surcharge did. And at that time, what I was told-- I wasn't here-- to get enough votes, they had to make an exception for Omaha.

M. CAVANAUGH: Yes, because of Senator Chambers.

DORN: Probably.

M. CAVANAUGH: Definitely it was because of Senator Chambers--

DORN: Yes.

M. CAVANAUGH: --because, as I think Senator McKinney pointed out, the year after Senator-- Senator McKinney's first year, after Senator Chambers was no longer here, this was introduced then because a lot of things were introduced that Senator Chambers had blocked. So that is why. But thank you for answering my questions. I, I just wanted to make sure I was understanding correctly what we were doing. And I did get back in the queue. I, I-- I'm concerned by increasing fees to pay for-- I think if 911 needs to be paid for, we should be thinking about the state's obligation there. And putting more on the city of Omaha to fund things in the rest of the state-- and that's going to come at a cost to a lot of high-poverty areas in the city of Omaha, which is why Senator Chambers fought against it. And it seems like maybe not a big deal to go from $0.50 to $0.75-- or, $0.70, but when we are increasing fees all over the place to pay for what we used to pay for with general funds and then not pausing the income tax cuts and our general funds are plummeting, as a result, we are shifting government from income taxes-- which are based on actual income-- so presumably ability to pay-- and we're shifting that to fees, which are fees that you have to pay to have a phone. And you need a phone. So, you know, these, these things are--

KELLY: That's your time, Senator.

M. CAVANAUGH: --concerning. Thank you, Mr. President.

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

von GILLERN: Thank you, Mr. President. Senator Machaela Cavanaugh, I was looking forward to saying I was with you 100% until you brought up the income tax, but that's OK. I'm-- 100%, you are-- 100%-- Machaela Cavanaugh, you're-- I'm, I'm, I'm, I'm giving you a shout-out here. I just want-- didn't want you to miss it. You're 100% correct. That was a tax increase on Omahans. Yes. The-- and the-- and I, I want to push back a little bit. The, you know-- and, and of course I wasn't here when this was crafted. And, and I understand the influence that Senator Chambers had on the body, but also the pure population density in Omaha at $0.50 is very different than a smaller population in other counties at $0.70. And a-- Omaha's already contributing dramatically outside of the metro area for these other-- for the-- to support these other districts. So it, it-- the conversation came up. I was tracking it. I pulling it up on my screen as Senator Dorn was going through his testimony, and, and that-- that's what led to my "no" vote. And it was a really, really interesting vote if you look at that, the fact that it was a tax increase on Omahans and, and if you look at the, the vote count on that. But anyway, you-- you're, you're absolutely correct. That's, that's my read on what, on what just happened. And had I been a little bit more on the ball, I would have punched in and pointed that out before the vote. But thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Thank you, Senator von Gillern. I appreciate that. As our, our colleague and friend, Senator Riepe, knows quite well, I am a fiscal hawk. And I like to pay attention to these things very closely. I, I look forward to the days where I won't be looking at fiscal notes anymore, but I have a feeling I'll still nerd out and look at fiscal notes after five days are over. So again-- li-- and, and I take your point very well, Senator von Gillern. I do understand the density issue and that that generates more revenue. And I do think that we should be making sure that our rural communities have access to high-quality health care, education, housing, and certainly 911 services. I just question how we are going about funding that. And I also question why the, the counties asked for this. Like-- I guess I should ask if Douglas County came in on this bill at all. Maybe-- OK. Would Senator Dorn yield to a question?

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

DORN: Yes, I will.

M. CAVANAUGH: Did Douglas County come in on this?

DORN: That I would have to ask Jon Cannon for sure. He told me that all of the counties had, I call it, been neutral. And if you don't mind, I would like to give how it is-- the funds are disbursed.

M. CAVANAUGH: Sure.

DORN: I, I can either get now or later.

M. CAVANAUGH: No, go for it.

DORN: The 911 Service System Fund, which is what the Public Service Commission-- all this money goes into and it's disbursed out. 40% of available funds for a base amount that each PSAP receives. No county can have more than one PSAP. So there's 68 of those. 40% is based on PSAP call volumes. So a county like Douglas County, who does way more, is going to get back more of that money. 20% is based on the population of the area served. There again--

M. CAVANAUGH: Right.

DORN: --Douglas County's going to get back more. And 20, you know-- and, and-- yeah. 40, 40, and 20. That's the-- and-- in the notes it says, as we're transf-- as we are transforming to the new, I call it, 911 cell phone system that they can use, this is part of the reason why these upgrades are costing more money, because of the cost of those systems. Thank you.

M. CAVANAUGH: OK. Thank you. I appreciate it. I-- I'm, I'm still-- well, obviously it's Select File, so I'm still not in support of the measure, but I appreciate the explanation and the conversation. Thank you, Mr. President.

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

SPIVEY: Thank you. Good afternoon, colleagues and folks that are joining us online. I appreciate the flag for this. Things move really quickly in here, and it's already a long day. I think it's 5-- almost 5:30. And so I just wanted to underscore the sentiments of Senator von Gillern and Senator Machaela Cavanaugh on this, and then Senator DeBoer for keeping a very watchful eye. You know, we all are one body in the

Unicameral, and I also am very proud to be an Omaha senator, and a north Omaha senator. And so what does that mean for the district and the city and the geo-- the geography that I represent? That doesn't mean that we have to be divided, urban versus rural, but we should always prioritize our constituents and our geographies and take that into consideration for our votes in the negotiation. And so, I just wanted to get up, again, as an Omaha senor-- as a Omaha senator to talk about why I voted no on that AM. And while I do think it is an increase, to Senator von Gillern's point, Omaha does pay its fair share across the state, given the density of population and what you see there from a commerce perspective and an economic-- a prosperity perspective. And so I just wanted to make sure I was able to put that on the record. Thank you, Mr. President.

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

CLERK: Mr. President, Senator Dungan would move to reconsider the vote on AM2752.

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

DUNGAN: Thank you, Mr. President. Colleagues, I don't intend on taking my full 10 minutes on this open. Not trying to filibuster this. I legitimately think we should reconsider the vote that was just taken. I was a present, not voting because I was taking care of another matter out in the hallway. And so I was able to file this motion to reconsider given that I did not vote on the amendment. Had I have voted on the amendment or been listening to the debate, I think that-- what I've heard both before and after is clear that this is a problematic amendment. It sounds like we're increasing the fees for folks in Omaha in order to subsidize other parts of the state. I, I don't know the details of all the ins and outs on that, so I've appreciated some of the conversation. But I do think the increased fees and, and taxes we continue to talk about are a problem. I don't think it comes from a bad place. I don't think Senator Dorn's amendment was intended to be malicious. But I do think these are the kind of things that on nights like tonight, when we've been going all day, we're tired, we start rolling, it's very easy for us to vote yea or nay and not exactly maybe understand the full context of what we're talking about. Not accusing anybody of not understanding what they voted for, but I just wanted an opportunity to reconsider the vote, certainly an opportunity for me to cast my vote, and I think it gives us a chance to talk a little bit more about this amendment. I know we're going to break soon for dinner. And then we started the Judiciary bill at 6, I believe. So this is not intended to drag things out for a particular period of time, but I do think the motion to reconsider is valid and we should have that conversation. Thank you, Mr. President.

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

DeBOER: Thank you, Mr. President. So this has been kind of a perennial bill in the time that I have been in the Legislature. And essentially what it does, while I-- Senator Dorn is correct. It does not actually raise the cost for Omahans. It does give the authority. And it has always been articulated to me that there is pretty widespread belief that as soon the authority has been raised that that would also lead to the raise in taxes for Nebraskans in this area. So I understand, having been on the TNT Committee, the need to fully fund our PSAPs. I think Senator Machaela Cavanaugh had a good point when she talked about the fact that we probably need to do that as an obligation of the state. And so having some money from the general funds or something like that, if we need it, is not remiss in any way. So I will-- if Senator Dungan would like to reconsider his vote and some others, I would be happy to give them that opportunity. This certainly is an issue that is worth talking about. And I have-- I did not vote for it out of committee. One of the problems with adding a bill on Select File is that you do not have the advantage of being able to look at the committee report. Had you looked at the committee report, you would have seen that the three Omaha senators-- I think we were not voting on this particular bill. And I will say I'm a little torn because I understand the need for the PSAPs to be fully funded, but also this is a tax specifically on my constituents and not on all of yours. There are many things within the Telecom and Transportation Committee where there are fees and taxes that are placed on Omaha that are not necessarily for the benefit of Omaha. You might recall a bill-- last year, I think Senator Fredrickson had a bill that would have tied gas tax funds to, in some small part, to the-- to their county of origin. And I, amongst others, decried that because of how much that would redistribute the fees and leave western Nebraska and some of the more rural areas without the kind of money that they need for their roads. So in the transportation and telecom area, we do tax in the state a lot of things that Omaha pays kind of the burden of for the, the benefit of the rest of the state. I know that that goes back and forth on-- in other areas of taxation. And I'm willing to admit that. But this is one area where Douglas County and Omaha really do take more than their fair share to pay for. Needs of government, no question, PSAPs are important. I can guarantee they're important. But this is one of those areas where the burden is put on the taxpayer in Omaha in a larger way than the benefit that they get from it. So I am supporting Senator Dungan's reconsider motion. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. I also rise in support of MO516 to reconsider the vote taken. And yes, I was looking-- as Senator Conra-- or, Senator DeBoer said-- sorry-- about the votes. I actually was looking at the vote taken, and it was predominantly-- people who were opposed were Omaha and Lincoln senators or who ju-- did not vote were Omaha and Lincoln senators. So I, I think that it's worth reconsideration of this. And a thought occurred to me. A-- again, I understand density. Omaha has more people. So if you increase it by $0.20 in Omaha, that's going to increase the revenue. But the fact that Omaha has the $0.50 and the-- if we were to increase their revenue to $0.70, then that revenue would presumably go to the rural areas-- means that Omaha is probably charging the right amount currently for Omaha. So it really is a fee increase to Omaha for the rest of the state. And I-- you know, I-- Omaha does fund a lot of things for the rest of the state kind of writ large just because, again, the nature of it, that-- there's more people there. But Omaha is also a urban area with a lot of housing and less land, less agricultural land, and we are taxed at 100% of the valuation and rural Nebraska is taxed 70% of the valuation for their land that's agricultural land, not their houses. So we are also subsidizing that. So if we want to talk about parity in, in costs, then we should also be considering low-- either lowering Omaha's valuations-- or, housing valuations to 70% or increasing agricultural valuations to 100%. So-- or we could just undo this and keep it where we're at and everybody can have their nonparity in these various categories. Compromise. Thank you, Mr. President.

ARCH: Members, the body will now stand at ease until 6 p.m. When we return, we will begin debate on LB935.

[EASE]

__________: Attention, senators, the Legislature is scheduled to resume in five minutes.

DeBOER: The Legislature will now reconvene. Mr. Clerk.

CLERK: Madam President, pursuant to the Speaker's agenda, Select File: LB935. First of all, Senator Dungan, there are E&R amendments.

DeBOER: Senator Dungan for a motion.

DUNGAN: I move the adoption of the E&R amendments to LB935.

DeBOER: Colleagues, you've heard the motion. All those in favor say aye. All those opposed say nay. The E&R amendments are adopted.

CLERK: Madam President: Senator Kauth, I have FA594 with a note that you would withdraw and substitute FA1146.

DeBOER: Without, without objection. So ordered.

CLERK: Madam President, Senator Bosn would offer FA1146.

DeBOER: Senator Bosn, you are recognized to open on your motion-- your amendment.

BOSN: Thank you, Mr. President, members of the ca-- of the Legislature that are here. FA1146 adds language that was a-- apparently proposed at the hearing that somehow was overlooked that we need to add for individuals who are filing in forma pauperis, and this needs-- la-- language needs to be added. Adds Title IV-D child support language on lines 34, lines-- excuse me-- page 34, line 16 of the E&R amendments, ER163, to clarify that counties will not be responsible for paying for the state docket fee for civil cases. I ask for your support, your green vote on FA1146 to LB935. Thank you, Madam President.

DeBOER: Thank you, Senator Bosn. Turning to the queue. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Madam President. Well, first, I just want to applaud Senator Dungan for such a great job on the fly as the E&R chair. So tha-- I didn't want that to go unrecognized. But more importantly, I think I'm going to be the first person to recognize on the floor of the Legislature the successful launch of the Artemis Space Shuttle. Yeah. That's a good one. These type-- types of things don't come along very often. The United States going back to the moon is very exciting. And, of course, it's a risky endeavor. And so to successfully reach the first step to get off of the surface of the planet I think is really impressive. And it's something that does seem to be unifying to all of us here. A lot of us had-- were talking about it before. And it was co-- coincidentally lucky for us. Happened over the dinner break, so we all got to go and watch the launch of the return to the moon. So very exciting. Congratulations. Godspeed, Artemis crew. So on this bill, obviously, I have concerns and issues with the bill. I'm just trying to pull up the amendment here. I think this part is just a cleanup amendment. So I don't think I really have a problem with FA1146. I have a substantive amendment myself coming up in-- I actually don't know what the order of the amendments are at the moment, but the amendment that I worked on with Senator Bostar, which I believe will be AM2984-- it will be up at some point in time. That addresses the concern that I had raised about the presumption of probation and reinstates the presumption of probation for Class IV felonies but puts in there that the pres-- there is not a presumption if someone pleads down to a Class IV felony from a higher level felony. And so you only get the presumption if the underlying offense is a Class IV felony and that if you're charged with something-- you know, some sort of high-level theft and you plead down to a lower level theft, there's-- the, the presumption does not stand at that point. So when we get to that, I encourage your green vote on that amendment. And at this point, I think we'll just wait to get to that. Thank you, Madam President.

DeBOER: Thank you, Senator Cavanaugh. Senator Dungan, you're recognized.

DUNGAN: Thank you. Thank you, Madam President. Colleagues, I do rise I, I think in favor of FA1146. I, I too am gonna try to parse that apart. It's a really small amendment. I just pulled it up. And it does seem like it's including some additional language with regards to the in forma pauperis finding, which is effectively the finding that somebody can't pay fees or is indigent, is the phrase that's often used in the court system. And so if that is the case-- I'll, I'll make sure that I double-check that-- but I think that that amendment sounds fine. As it pertains to LB935 writ large, I was not able to be a part of the discussion on the first round of debate, but I did have an opportunity to both listen to that debate, watching online, and talk to a number of my colleagues who were a part that debate and follow along during the committee process as well. I think it's of no great surprise to my colleagues or to some of the people that are watching at home who are regular followers of the Legislature that there are a number of facets of LB935 that I find problematic, not the least of which, obviously, is the increase in penalties or creating new crimes that may or may not be unnecessary. I, I generally have a belief in this job that most things that should be criminalized in the Year of our Lord 2026 already are a crime. That being said, there are from time to time things that come up that need to be clarified or need to be changed or updated in statute to ensure that we are appropriately addressing things that could be criminal in this day and age. A good example of that was Senator Hardin last year had a bill that did, I think, update the statute to ensure that artificial intelligence or AI being utilized to create child porn was illegal, and I think that was a good bill that accomplished a good and laudable goal by virtue of the fact that we were updating the statutes to appropriately I think address advancements in technology and, and make sure that we keep that updated. That being said, this bill, as-- at least I'm looking at it on the committee statement and trying to make sure that I'm catching up appropriately-- does, I think, include some additional penalties or crimes that I don't think are necessary. A good example of that is this drone bill that has to do with prohibiting a-- the operation of an unmanned aircraft in restricted areas and makes adjustments to the provisions related to unlawful intrusion through the use of unmanned aircraft systems. So this is an issue that I know has come up before the Legislature before-- certainly even before my time-- was how do we deal with the use of drones in certain circumstances that may be intrusive or cause problems in the community. My read of the statutes-- and certainly my conversations with other attorneys who practice in criminal law-- is that the usage of drones to do things like peeping in windows and things like that was already prohibited. I know the Legislature made some changes to update the statute to include that specific language-- that drones can't be used for those purposes-- but also has sought to create new crimes specifically for the purpose of using drones in certain ways when I do believe those fall under certain statutes. What I think we have to be careful of is creating duplicative criminal penalties that can stack on top of each other that don't achieve a goal of actually having a safer community or safer neighborhoods while inadvertently or maybe advertently adding the amount of time that could potentially be added to these crimes that can contribute to an ongoing problem of prison or jail overcrowding in the state of Nebraska. For those who don't know, the jail in Lancaster County is jam-packed. Talking with the administrators at the jail, I brought some bills this year-- and others have brought bills in the past-- to try to alleviate some of that problem-- not by reducing sentences but by encouraging reentry and encouraging the ability for individuals to get out of custody and back into the community in a way that then they remain out of custody and can remain-- not, not, not creating this cycle of recidivism. And I think that that's something we should be focusing on. And so my understanding-- I'm gonna punch in here again real quick because I think I'm gonna run out of time. My understanding when we talk specifically about the unmanned aircraft portion-- I think which is originally LB1020, incorporated in some various sections of the AM2743 that was adopted-- is that this is already covered by federal statute. And so when we have a federal statute that we are then duplicating with an additional crime at the state level, I think that is unnecessary. I think that that is duplicative. And I think that if there are appropriate avenues for the feds to be able to charge somebody with something, I don't see the need to create a state statute that simply mirrors that when in reality it's not an ongoing problem. And I think those things can stack. I understand, obviously, if we're talking about specific examples. I do believe that this is a specific bill intended to address a Lincoln issue. I'm looking at the proponents here and it looks like it's primarily Lincoln and Lancaster County individuals--

DeBOER: That's time, Senator, but you are next in the queue.

DUNGAN: Thank you, Madam President. Lincoln and Lancaster County individuals testifying in favor of it. And so I understand it might be a limited problem, but I do think that that's the kind of bill that we absolutely need to take into consideration, that we can't keep adding new crimes because we feel like it. If it's actually a problem, I think there's enough that we can address at the federal level to, to take care of that. Now, that is not the, the bulk of my objection to LB935. I keep squinting because I don't have my glasses on and it's hard to see when it gets darker in here. That is not the bulk of my objection to the LB935, but it is an example of what I fear we continue to do as a body with the creation of new penalties and certainly the increasing of penalties that we've seen in general. Just yesterday, another Judiciary package went through where there were increased criminal penalties that we talked about at great length. And for those watching the debate all the way through this session, you've heard a lot of the arguments for or against that. I don't necessarily want to rehash all of those, but I do think that if we're talking about creating crimes and if we're talking about creating penalties or increasing penalties, we need to have an honest discussion about why we're doing it and whether or not it accomplishes the goal that we are seeking to accomplish. You've heard me talk before about making sure when we have discussions about criminal justice that we are all approaching it from the same, I guess, perspective or that we're at least coming at it from an even playing field to make sure that we're not talking past each other. And so where that conversation I think needs to start is, what is the goal of implementing a criminal penalty? Because if we don't agree about that, we're not going to be able to talk to each other about what should or shouldn't be a crime, right? And what I mean by that is, what is it we're trying to accomplish as a state by criminalizing something? To run through those again, because I do think they matter, there are different penological or punishment goals that you can have, right? There is retribution, which is punishment, right, where you're just saying, you did a thing that's bad; we're going to hit you on the wrist for it, or worse. There's retribution. There's deterrence, which we talk a lot about. You know, is there an actual deterrent by criminalizing this or by increasing the penalty? Are we stopping people from doing it? There's incapacitation, which is, we are literally going to create a penalty that prohibits you from doing this thing in the future. Locking somebody up, for example, might prohibit them from stealing a car, right? Incapacitation is one perceived goal. And then finally, there's rehabilitation. Are we implementing penalties that seek to rehabilitate or restore that individual to a state where they're able to then get out of custody or serve their time or do their sentence on probation and find themselves in a position where they're able to not recidivate? And when I say recidivate, I mean commit another crime, get back injol-- involved in the justice system. And so those four goals are really what I think you look at or should look at when you're implementing a crime or a penalty. And we don't talk about them enough because I think we all just take for granted, oh, this thing's bad, we should make it a criminal penalty; or, oh, this thing is super bad, so we should increase the, the amount of numbers that somebody can get in custody if they're convicted of it. But if you don't have a conversation about why we do these things, then it's almost impossible to have a conversation about whether the bill that we're proposing or the amendment we're proposing is actually going to accomplish that goal. I think that all four of those penological goals serve a purpose. I certainly think that all four of those goals are things that are taken into consideration. And it's not mutually exclusive, right? You can implement a penalty that seeks to deter somebody from doing something while also rehabilitating them. Or you can implement a penalty that is punishment based, retribution based while simultaneously saying it's also going to incapacitate somebody. So these things are not all mutually exclusive. But I do think when we're talking about-- and, and I'm using this unmanned aircraft drone build-- small though it may be-- as an example, but when we're talking about that, implementing a new crime, or if we're taking about what we did yesterday with increasing criminal penalties, we need to understand what we're trying to do as a state. Our prisons are overcrowded. That is just true. There's been a little bit of dispute over what overcrowding means. And I know that we've had third-party objective analysis of the Nebraska prison system come in and say that we are the, I think, second-most crowded prison system to Alabama, if I remember correctly, from the analysis that's been done. And that's not a number two that I want Nebraska to be, right? If we're talking about football, basketball, that's great. I don't want to see us be number two in prison overcrowding. There's been a discussion over what does overcrowding mean. Does it mean bed capacity or does it mean actual people?

DeBOER: Time, Senator. And you're next in the queue for your third opportunity.

DUNGAN: Thank you, Madam President. And I promise I'll wrap up this soliloquy here shortly, but I think this is important to get on the record, colleagues. Our prisons are overcrowded and, as I stated earlier, our jails are overcrowded, at least in some of the areas like Lincoln, where we're seeing record numbers of people housed in the jails, not being released, or with an inability to I think find other avenues for them, both pretrial and post-conviction as a sentence. So when we talk about why we do the things that we do, we have to ask ourselves, what are we trying to achieve? My goal, what I think we should be seeking to achieve is twofold. One, and paramount, we gotta have safe communities. Everybody in this room agrees we need safe streets, safe sidewalks, safe cities, safe towns, safe villages. We all agree on that. There's not a single person in this room who would disagree with that. And if you believe that's the case, then you are either misguided or being disingenuous. Nobody in here wants a dangerous Nebraska. And so what we have to figure out is, how do we achieve that? Because the second thing I want to achieve with these punishments, with our crimes, with the way that our statutes are written, is, how do we rehabilitate individuals who are in the justice system, who are justice involved, in such a way that we achieve a safer community by reducing recidivism and simultaneously be good stewards of taxpayer dollars by reducing the amount of money that we're spending-- property tax dollars, by the way-- on jail or on prisons, on housing people for incredibly large amounts of time and setting them up for failure when they leave and creating a less safe community by refusing to or having the inability to provide them programming that actually creates re-- rehabilitation? And that's kind of what leads me to my final little part of this conversation, which we're going to talk more about, which is court fees and making sure that we fund our court system appropriately. The entire time that I've been in this Legislature, we have had cuts or proposed cuts to the Supreme Court's budget. And for those who don't know, when you say Supreme Court, we're not just talking about the Supreme Court here in the Capitol. They are in charge of all of the courts, and there are a number of programs that are run through that budget. You talk about things that everybody in this room says they like-- veterans court, drug court, DUI court, problem-solving courts that are means tested, like the ones we have that are run here in Lancaster County that are held out as gold standard but are being implemented across this entire state to help people like our veterans who have served their country, who have issues like substance use disorder, right? We have these programs being established across this entire state that need funding that, if we fund appropriately, will create safer communities and reduce recidivism and continue to give back and be a good investment of our dollars. But every single year that I've been in the Legislature so far, we have seen cuts and cuts and cuts proposed to the Supreme Court budget. We have seen an executive branch that has insisted that the Supreme Court use their cash funds first before getting any additional money for things that are essential, constitutional requirements like having court interpreters that can provide proper interpretation. Even though those cash funds we know are artificially inflated at that point in time-- and we're having that conversation by the pandemic-- and have been essentially unofficially obligated to ensure that the court improvement project goes through to make sure that our courts are updated in such a way that we can administer justice across the entire state, be you rural or urban. And so we have seen a continual attack on these programs that we know work and that create safer communities. And so what we see this year and what I think we're going to have a little bit more of a conversation about here tonight is this proposal to increase court fees seemingly in an effort to make sure we don't give general funds to the courts, full well knowing that if we don't properly fund our courts, programs like the veterans court and the drug court are not going to be able to be successful. Court fees, as we're talking about them here, are regressive. These are not optional things. They affect people regressively. And people are often not in court optionally. It's not a use tax, right? People have to go to court for particular reasons, and it's not a choice they make in a number of circumstances. And so increasing those fees is disproportionately harming people who cannot afford them and doing so at the detriment of our court systems who desperately need to remain funded appropriately in an effort to make sure that we have safe communities and safe streets and that we're administering justice properly. So I appreciate my colleagues giving me the time here to talk three times in a row. I see nobody else is in the queue, so this is my third time. But I think this is an important bill. I think there's a number of facets of it that can be discussed, and I look forward to the amendments we're going to have here tonight because I do think they're substantive. And I do appreciate the work that's gone in both by the folks on the Judiciary Committee and my--

DeBOER: Time, Senator.

DUNGAN: --fellow colleagues to reach some conclusions. Thank you, Madam President.

DeBOER: Thank you, Senator Dungan. Seeing no one else in the queue. Senator Bosn, you are recognized to close on FA1146.

BOSN: Thank you, Madam President. Colleagues, I ask for your green vote on FA1146. Again, all this does is add that individuals who file in forma pauperis and also individuals covered under Title IV-D child support language are covered in that section for the court fees portion. That's on page 39, line 16 of the E&R amendments at 1-- ER163. I ask for your green vote. Thank you, Madam President.

DeBOER: Thank you, Senator Bosn. The question before the body is the adoption of FA1146. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 38 ayes, 0 nays on adoption of the floor amendment, Madam President.

DeBOER: The floor amendment is adopted. Mr. Clerk for the next item.

CLERK: Madam President, a series of motions and amendments to withdraw: Senator Conrad, FA1120; Senator Rountree, FA1121; Senator John Cavanaugh, FA1122; Senator DeBoer, FA1124 and FA1125. All with notes that they would withdraw.

DeBOER: So ordered.

CLERK: In that case, Madam President, Senator Conrad would move to amend with AM2989.

DeBOER: Senator Conrad, you are recognized to open on your amendment.

CONRAD: Thank you, Madam President. Thank you, Mr. Clerk. Good evening, colleagues. Colleagues, quickly, I'd like to draw your attention to this substantive amendment. This was an issue that I flagged in regards to my friend, Senator Ibach's, bill on General File. My friend, Senator Ibach's, measure is an attempt on behalf of the bar association and other interested stakeholders to try and strengthen our current programs and approach to attract talented attorneys to practice in rural areas. This was a project that I started during my first time in the Legislature, and we've been able to glean a lot of information about what's worked and what hasn't worked. But one thing that we know is that there continues to be significant vacancies at county attorneys' offices, public defenders' offices, and in just general-- generally in the provision of required legal services in-- many legal deserts in many counties across greater Nebraska. So the original measure introduced by Senator Ibach would have expanded eligibility and applicability for the program benefits from the existing threshold of-- I think it was 15 counties with a population of 15,000 or less-- up to essentially all counties except for Douglas, Lancaster, and Sarpy. So that would be a pretty significant expansion of the program. And then thankfully, Senator Ibach, Senator Bosn, and others were de-- were able to secure an additional $10,000 in funding. But what I was concerned about with that approach was that, in essence, it was going to perhaps have unintended consequences to dilute meaningful awards for loan forgiveness to attorneys who are practicing in the most exigent areas of need. By that significant of an expansion, I would just hate to, to see a meaningful award that somebody who has made professional and personal decisions in reliance on all of a sudden be diminished or diluted as we cast the net wider with not really a lot more money. So I visited with Senator Ibach, Senator Bosn, and others, and what I'm proposing to you-- and my friend, Senator Bosn, has a floor amendment to further wordsmith this section together. But in essence, it would create a priority designation and system within the rural loan repayment program to ensure that, first, we're going to, to provide awards to attorneys who are practicing in a county with no other actively practicing attorneys. So that's the first order of priority, where there's literally no attorneys practicing. Then the second kind of round of awards would go to those counties where there's fewer than three licensed attorneys actively practicing. And then the next round, the next tier, the next priority designation would go that expanded new practice area of basically all counties except for Lancaster, Douglas, and Sarpy. If you look at subsection (3) in my amendment-- Senator Bosn's floor amendment is going to change that language-- but what we were trying to do with the last component in essence is to ensure that we hold harmless those current recipients-- again, so that they don't see their meaningful award diluted. I'm going to wrap up pretty quickly here. It's my understanding Senator Ibach and Senator Bosn see this as a friendly amendment. I see Senator Bosn's floor amendment as a friendly amendment. But just by way of example, there's about 5,800 attorneys, give or take, in Nebraska. We have a decently high lawyer-to-resident ratio. However, we have a significant concentration of attorneys in urban areas and we have many counties-- I think 12 counties in Nebraska-- that have no practicing lawyers, 22 counties that have three or fewer lawyers, and then it goes from there. And you can get all of these maps on the bar association and maybe even Supreme Court's website. And they're very interesting. So that's a little bit about the landscape. So just to give you an example of about how the program works: in working with the Commission on Public Advocacy, I was able to discern that there's about 40 applicants that qualify each year. Typically, the amount of award is between about $4,000 and $5,000, which is a pretty significant incentive to explore rural practice or to stay in rural practice. And they usually have an opp-- they have all kinds of program eligibility and application procedures out there. But you can see that there's about 40 awards, give or take, made each year. And that-- again, that's a meaningful amount of $4,000 to $5,000 in loan forgiveness that go out under the con-- contract promise to practice in the rural area for three years, et cetera. So what I was worried about with such a significant expansion is what I didn't want to have happen is all of a sudden more lawyers were eligible but all lawyers got less because it could make-- a $4,000 or $5,000 loan forgiveness benefit is going to make a really big difference to a household income versus, say, for example, a $500 award or something of, of that nature. So I didn't want there to be unintended consequences from the expansion. And I would urge your favorable consideration because I think this priority designation will help us target the, the measure where it's needed most and try to hold harmless existing, existiant-- existing beneficiaries. Thank you, Mr. Pres-- Madam President.

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

ASSISTANT CLERK: Thank you, Madam President. Health and Human Services Committee will hold an executive session now in Room 2022. Health and Human Services Committee, executive session in Room 2022. Additionally, Senator Bosn would move to amend with FA1147.

DeBOER: Thank you. Senator Bosn, you are recognized to open on your floor amendment.

BOSN: Thank you, Madam President. Colleagues, I ask for your green vote on both the floor amendment as well as Senator Conrad's AM2989. I appreciate her work on this because I think even in committee we were having these types of conversations about prioritizing the funding for the communities that are-- I mean, just because one community is suffering doesn't mean the fact that a community who has no attorneys isn't also suffering. So while we want to provide the opportunity for these programs to as many communities as we can, there does need to be some prioritization of the neediest communities in terms of attorneys practicing. So I appreciate her work on this. What we wanted to kind of clarify was that this new language would not negatively impact anyone who has already been awarded a, a payment under this previously. And so we added some language. My floor amendment will say, to awards aft-- on or after June-- or-- excuse me-- July 1, 2026. And then subsection (3), to clarify, basically says there's nothing in this that impacts anyone who has been awarded a loan forgiveness-- or-- excuse me-- a loan-- Education for Public Service and Rural Practice Loan Repayment Assistance Fund prior to June 30, 2026. So I ask for your green vote on FA1147 and your green vote on AM2989. Thank you, Madam President.

DeBOER: Thank you, Senator Bosn. Seeing no one else in the queue. Senator Bosn, you're recognized to close. And Senator Bosn waives her closing on FA1147. The question before the body is the adoption of the floor amendment. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 34 ayes, 0 nays on the adoption of the amendment, Madam President.

DeBOER: The floor amendment is adopted. Seeing no one else in the queue. Senator Conrad, you are recognized to close. Senator Conrad waives her closing. The question before the body is the adoption of AM2989. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

DeBOER: The amendment is adopted. Mr. Clerk.

ASSISTANT CLERK: Madam President, John Cava-- Senator John Cavanaugh would move to amend with AM2984.

DeBOER: Senator John Cavanaugh, you're recognized to open on your amendment.

J. CAVANAUGH: Thank you, Madam President. So this is the amendment I talked about a little bit ago. This addresses the concerns that I raised on General File. Worked with Senator Bostar and stakeholders to craft this amendment. Basically, what it does is it reinserts the presumption of probation that was created under LB605 but creates an-- another exception. So under-- there's a presumption of probation for someone who's convicted of a Class IV felony, and then it's overcome by a number of things. So it's basically, the court shall impose a sentence of probation unless-- and the current language is-- the defendant is concurrently or consecutively sentenced to imprisonment for a felony other than this-- they-- than a Class IV felony and the defendant has been deemed a habitual criminal pursuant to 29-2221 or they have some substantial and compelling reason why-- and it goes through a bunch of other things. So then we're adding, the defendant was originally charged with a Class I, Class I-A, I-B, I-C, I-D, II, II-A, III, or III-A felony. So those are-- the Class I's and II's are obviously the most serious felonies that we have. That include things like homicide and, and drug trafficking and things like that. And then we have III's and III-A's, which are higher felonies than Class IV's. But in so-- some instances, as a result of a plea agreement or something, someone will plead to a lesser charge. So plead down from a III or a III-A or a II-A to a Class IV. And if they do that in this case, then they would not be afforded that presumption. So if somebody is still charged with a-- an original offense that's a Class IV felony-- so like a, a theft offense of a, of a lesser dollar amount or possession of a controlled substance but a, a very small amount-- those folks would still get the presumption. But if they were originally charged with a higher level offense and, and plead down to the Class IV, then they would no longer get that presumption of probation. They still could be placed on probation, which-- of course, they could always be placed in probation for these offenses. But they would no longer have the presumption. So it protects the presumption for the folks in those original charges we were talking about but does address that concern that Senator Bostar had rai-- had raised and was seeking to address with his bill. So I think this is a good compromise. I would encourage your green vote to AM2984. Thank you, Madam President.

DeBOER: Thank you, Senator Cavanaugh. Turning to the queue. Senator Bostar, you're recognized.

BOSTAR: Thank you, Madam President. I rise in support of AM2984, introduced by Senator Cavanaugh. I want to thank Senator Cavanaugh and Senator Rountree as well. We started the conversation about working for a-- working toward a compromise on this provision when the bill was up on General File and kind of pushed around a bunch of good ideas and then, and then landed here. And I think that this is, this is a good path forward. This preserves the-- as, as Senator Cavanaugh mentioned, this preserves the presumption of probation for those initially charged with those Class IV felonies, which-- those were always envisioned as a sort of a minor possession charge, which is where the presumption initially then also came into play-- but then removes the presumption for those who are essentially pleading down to the Class IV, which I think is, is the right approach. And so I would encourage your green vote on the underlying amendment and the, the bill itself. Thank you.

DeBOER: Thank you, Senator Bostar. Senator Dungan, you're recognized.

DUNGAN: Thank you, Madam President. I appreciate Senator Bostar and Senator John Cavanaugh working on this. I think it is a good consensus amendment. I just wanted to provide a little bit of context for this, given that I, I do practice in the courts still actively and I see this happen at sentencings on a regular basis. And I wou-- just want to be very clear about some things. I listened to part of this debate on General File, and I wanted to make sure we were all on the same page about this presumption. Never, ever, ever, ever once has a judge, at least that I've seen, sentenced somebody to probation when they wanted to send them to jail or prison. There's not a circumstance I've ever seen where a judge looks at a, a person who's being sentenced and says, man, I really wish I could send you to jail or prison, but there's a presumption of probation so therefore I have to give you probation. That's not how it works. During a sentencing, you get what's called a presentence investigation done beforehand, generally, if you've been convicted of a felony. We call it a PSI. You go and you meet with the probation office. You have an interview with that probation office. And what your attorney and what the judge and what the county attorney gets is, like, a 250-page document that includes a bunch of information about you, all of the police reports, your criminal history, and any additional information that the courts want to know. Based on that presentence investigation, you get essentially what's called an LS-CMI score-- it's the level of service and case management index, for those who care-- and they determine whether or not you are a low, medium, or high risk to reoffend. And it also tries to see whether you're low, medium, or high needs if you were to be placed on probation. You then go before the judge. The judge has reviewed that PSI, the presentence investigation. The attorney's given a chance to make comments, the county attorney makes comments, defendant has a chance to speak, and the judge sentences you. If the judge does not think you are a suitable candidate for probation, even if there's a presumption, the judge just says, I find that you are not a suitable candidate for probation. They then usually follow it up saying something to the effect of, I find that any lesser sentence would depreciate seriousness for the offense and promote disrespect of the law, or something to that effect. And then they sentence you to time in custody. That's how it works. So I just want to be very, very, very clear. I understand some of the concerns that have been raised. I think that this amendment that's been proposed ge-- puts us in a better place. But this presumption of probation is not resulting in people getting placed on probation who otherwise would be in jail or prison if the judge wanted them to be. It is a presumption, but it's a presumption that can be overridden at the determination of the court. And if they believe that you are not a suitable candidate for probation based on the aggregate of data that's presented to the court, they're not gonna do it. Because putting somebody on probation who either doesn't want to be on probation or is not a good candidate for probation is a waste of time, it's a waste of money, and it's a waste of essentially the entire point of probation, which is to provide, as we discussed earlier, that rehabilitative service. So I just wanted to put that on the record. I don't think that-- you know, that's necessarily here nor there with regards to the adoption of this amendment. I do support AM2984 because I think it puts us in a better place. But I just want to be clear what the presumption of probation actually does. And if my colleagues would like to work with me on trying to come up with some teeth to make sure that there's a true presumption of probation that I think maybe re-- ultimately results in more people being placed on probation, we can talk about that. If we want to really address prison overcrowding or jail overcrowding, certainly I think it would make sense for a presumption of probation on most misdemeanors, especially if we're presuming probation on Class IV felonies. Certainly, a lesser offense of a misdemeanor under certain categories and charging you'd assume would also have a presumption of probation if that would make an impact. So we can continue to have that conversation about ways to reduce prison overcrowding while still maintaining safe communities and reducing recidivism, but I wanted to make sure that was clear on the record, given that I didn't hear much of that discussion the first time around on the debate. So with that, I'd encourage your green vote on AM2984. Thank you, Madam President.

DeBOER: Thank you, Senator Dungan. Senator Rountree, you're recognized.

ROUNTREE: Thank you so much, Madam President. And I just rise to say we support the AM2984 amendment and just to thank Senator Cavanaugh and Senator Bostar, and also receive the comments that Senator Dungan has given us as far as working forward with this presumption of probation and so forth. But nevertheless, this is good collaboration. There was a lot in that bill. There was a lot in the hearing when we had that. And some things are driven forward, but it's good to have a good opportunity for communication and takes things a step further and then see can we get to the best bill that we can. So I think this meets that need. So I just want to thank Senator Bostar for entertaining that and also for Senator Cavanaugh for working together and getting us to an amendment that I think's agreeable and meets all the parties' needs involved. Thank you so much, Madam President.

DeBOER: Thank you, Senator Rountree. Seeing no one else in the queue. Senator John Cavanaugh, you're recognized to close on your amendment.

J. CAVANAUGH: Thank you, Madam President. Thank you, colleagues, Senator Bostar, Senator Rountree, for working with me on this, and Senator Bosn also for working on this. Senator Dungan, thanks for your comments. So I encourage your green vote on 28-- or, AM2984. Thank you, Madam President.

DeBOER: Thank you, Senator Cavanaugh. Colleagues, the question before the body is the adoption of AM2984. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 37 ayes, 0 nays on adoption of the amendment, Madam President.

DeBOER: The amendment is adopted. Mr. Clerk.

CLERK: Madam President, Senator Spivey would move to amend with AM3046.

DeBOER: Senator Spivey, you are recognized to open on your amendment.

SPIVEY: Thank you, Madam President. And good evening, colleagues. I have filed-- sorry. My computer, of course, when I unplug it to get up, logs me out. I have filed AM3046 to have some intentional conversations specifically around the court fees of the bill and-- talked a little bit to Chair Bosn about this earlier a little bit off the mic. And I'm sure we will continue to engage during this debate on the amendment as well as Senator Holdcroft's, whose portion that this bill was originally introduced by. So the AM that I filed for folks that maybe haven't had a chance to review it or look at it, it specifically looks at the docket fee that were newly added with this legislation. So new penalties and fees were added-- think for, like, the traffic stops and things that we debated before. And this creates a cash fund in order for those. As I was talking to some of the folks about this and-- again, trying to circulate amongst other debate that's happening throughout the day-- from my understanding, originally, that was an a-- that was a part of the bill. The, the, the fees that are being assessed went to a cash fund to ensure that they then went to the Supreme Court. So my amendment looks at that. It also has that no part of those fees, if this is adopted, that are in that cash fund can be diverted out or transferred for any other reason. And then it also takes the traffic stop from 36 to 18. I'm just knowing some of the disproportionate numbers that I brought up before on the mic around who, who are impacted by the traffic stops, whether it's income, geography, and race. And so I think this is, again, an opportunity to have just some intentional debate around this. So I hope folks can jump in the queue and bring their different perspective. And, and the other piece I will say in this opening-- and won't take the full 10 minutes-- is that, on Appropriations-- again, we see every agency. We saw the Supreme Court as a separate branch of government. I know Mr. Steel always likes me to make sure I underscore that-- the Supreme Court is a separate branch of government-- but we see their budgets and we have this conversation. And I think the air or the approach from the executive branch that manages our agencies and has insight into purview into the Supreme Court would like for these entities to be self-funded through fees. We have seen that last year and this year a decrease in our General Fund appropriation, an increase in their cash fund appropriation and spending authority. And then that is absolutely mutually exclusive to the bills that we have passed around some of the increased specific fees or new fees that have come. And if you look at the fiscal note that was published yesterday-- there are two. On the first page at the bottom, it says, the Supreme Court further states that AM2395, LB1228 would increase General Fund and cash fund revenues through the new court fees and require a one-time General Fund expenditure of $100,000 to modify the JUSTICE system that we've talked about. Revenue estimates are volatile due to the potential of fee waivers and the ability to extract certain civil case data from JUSTICE, but the estimated maximum revenue is $4 to $5.0 million to the General Fund. And so when we talk about balancing our budget-- which just passed today-- and what we're looking at, we did account for balancing our budget based on these fees and-- which I think is problematic in itself. The conversation that I had with Mr. Steel and some of my other colleagues is kind of this philosophical chicken or the egg. We know that the Supreme Court's budget is funded through General Fund, also some cash funds that, that have mixed income or-- coming in for their expenses. And ideally, in our hearing, when I asked this question when we were talking about their budget and knowing that this bill was in a different committing, Mr. Steel said they prefer straight general funds. It's more predictable. They believe it's best practice and they believe that this is a function of government and it should be funded by general funds.

But when you think about this very pragmatically, we have created new fees that are punitive-- which I know some of my colleagues will talk about-- to then go into the General Fund, which is funding government, and not even necessarily for the intended purpose. And so again, I think this is-- this warrants conversation. I will say that, as this passed General File, I didn't recognize that this is what passed when-- was voted. When we divided out all parts of the question-- it was a, a eight-part division-- and so I did miss this. And so-- otherwise, I would have brought this up on General File. So I do just want to name that. And I appreciate the space and, and me letting Senator B-- Senor-- or, Chair Bosn know that I wanted to bring this up on Select for that reason. I think it-- this deserves intentional debate. We have heard lots of times around how we are funding government. We have now accounted for an-- a, a increase in our General Fund and balanced our budget based on these fees that some would argue are punitive and have some constitutional implications. And then I think the, the other part of my amendment that addresses that I think deserves good conversation and debate are just around the fees itself. How do we come to those agreements? What, what are those numbers? And how do we ensure that the fees are not on the backs of folks that cannot afford it? I know that there's the waiver component and folks can apply for it. And just like every other kind of additional step, if you are in crisis or navigating implications of poverty, that might not be accessible. And so then your license is suspended. You can't drive to work, right? It spirals you. And we've seen the evidence around that and the impacts of these types of fees. And so I hope folks punch in and give their perspective. I'll probably punch in one more time so I don't take all the time up on this opening on this. But hope folks will take this AM seriously. This is a, a serious consideration. And I appreciate the time and intention that you all will put towards this. Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. Well, I rise in support of AM3046, though I would tell you it doesn't alleviate all of my concerns about the fee increases that are in this bill, but I do think it's a better way to do it. On General File, I did talk a good bit about my concerns with these fee increases. And I referenced the constitutional requirement that any penalties go to the Common School Fund. And then there's some case law on litigating that, which includes School District of McCook v. City of McCook, and then DeCamp v. City of Lincoln. And so the School District of McCook v. City of McCook is, is probably more on point here because this is-- it-- it's about a parking fine. And it's where the city was charging parking fees in the early days of automobiles. And then if somebody failed to pay the parking fee, then they would charge a fine and then they would charge, like, service fees on top of that. And so I'll just read this quickly to you. In City of McCook v.-- or-- I'm sorry-- Dist-- School District of McCook v. City of McCook, the payment of money after the violation within a fixed time to avoid a prosecution under the ordinance is penal in character. The differences are basic and controlling. The payment of money here involved is in no sense remedial or compensatory to the city. And so then it goes on, the con-- the contention that the constitutional provision applies only to the exactions resulting from a criminal proceeding is not tenable. So what it's saying there is that they can charge a penalty-- which, of course, is supposed to be, you know, a-- well, it's a penalty. It's a punishment. It's supposed to divert people from doing the offense. But they can also charge fees on top of that for the cost of administering and prosecution. And so we have a lot of fees that are for that purpose. So we have-- just in, in-- example of a traffic citation. There is indigent defense fee, which we charge to cover the cost of, of providing indigent defense for people, uniform data analysis fee, JRF fee, filing fee, JRF fee, civil legal services fund, LEIF, L-e-i-f, laser non-- la-- LASF, nonwaivable, legal aid services fund, and then automation fee. And so the automation fee here is really the only one I, I recall off the top of my head, but we talked about it-- I talked about it last time. The automation fee is specifically a fee to pay for the computer system, which is-- this was printed off of the computer system-- for the maintenance and operation of the JUSTICE system, which is an acronym that stands for something but is just a not very good computer system. And so a number of these fees are being assessed on-- including traffic offenses, I think divorces and other civil filings. And they-- some of the fees are going to be used to buy a new computer system, which I agree we need. But I, I think it is not-- I think it is a, a-- hard to argue that a new computer system for future-- for the administration of future offenses is a reasonable fee to charge someone for the prosecution of an offense that they're currently in court for. Because they-- the new computer system will not be used for the course of whatever case that person is in, in before the court. The maintenance fee, yes. The $8 that is charged and the automation fee I think you could say is a reasonable fee for the administration of that case. But that-- I think it's $10 in this ca-- in this bill, which I don't believe Senator Spivey's addressing in this amendment, but I'm still talking about. Well, I'll find it lin-- before my next time on the mic. But that fee I think in particular is problematic. But additionally, all of these other increases that go to the General Fund are problematic. I think that they ag-- again, are on top of all of this reasonable-- or-- well, in some cases, not so reasonable-- fees that we're charging that-- for the administration of JUSTICE. And now we are going to these folks who are coming into the court system, either in small claims or in divorce or for traffic tickets, and looking at them with dollar signs in our eyes and thinking these are an opportunity to bring in some more money. And I think that violates the constitution. I think it violates the historic interpretation of what we can charge fees for and when a fee becomes a penalty. And I think this crosses into the territory of punitive and therefore should not be something we do. I'm gonna run out of time, so I'll, I'll talk next time about my concerns and wha-- one of the, the great things Nebraska has is this constitutional requirement that penalties go to the Common School Fund. It has allowed us to avoid some of the great injustices that ha-- we have seen in other states.

ARCH: Time, Senator.

J. CAVANAUGH: Thank you, Mr. President.

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

DeBOER: Thank you, Mr. President. Colleagues, so when we last were on this bill, I had amendment on the court fees, which was accepted. And I appreciate all of you voting that amendment onto the bill. And somehow, still in all of that, I didn't notice that somewhere between the committee hearing and last week-- whenever we had this bill up-- that there had been a shift in where the court fees were going. And that's not on anybody else. That's on me. I hadn't noticed that these fees-- which, in the committee hearing were going to the Supreme Court's fund-- that then now are going to the General Fund. And here's kind of the objection that I have to that. I don't like the idea of taking money from folks-- rai-- raising fees on folks and then taking money from folks who are utilizing this basic function of government-- going to the courts-- and using that to support the General Fund, which-- those moneys in the General Fund are for the general support of anything in the state. So that could be to pay for schooling, that could be pay for the university, that could be paying for corrections, that could be paying for any number of things. Could be paying our salaries. Any number of things that that could go to. And so my objection is raising money by raising the court fees to pay for generalized things. Now, you might say poh-tay-toh, poh-tah-toh because the alternative was going to be that we were going to put this in the

Supreme Court fund and they were going to give them less general funds. But I, I do think that's a distinction that makes a difference. When we are just raising these fees for a basic function of government in order to support the General Fund, that's basically like what we do with the tax-- we put it into the General Fund-- that's a problem for me. I wonder if Senator Bosn would yield to a friendly question.

ARCH: Senator Bosn, would you yield to a question?

BOSN: Only if it's friendly.

DeBOER: I promise you it is. Can you tell me what your thinking was behind moving from the, the way it was in the hearing, where it went to a, a fund in the Supreme Court to the General Fund?

BOSN: Sure. And just to clarify-- again, this is Senator Holdcroft's bill. So the changes weren't made just in a vacuum of what Carolyn Bosn thinks. But my concern with the initial language, knowing that there were fees that were raised substantially higher than where we ended, was that if we swept funds out of the budget in Appropriations from the courts, if we reduced what we were giving to the court system in anticipation of what those fees were going to be, that any negotiations later down the line to reduce what those fees collected were would then result in a problem for the courts. And so rather than sweep-- I'm just throwing numbers out for round purpose sakes. Let's say we thought this initially was gonna raise $10 million, these fee increases. And so we swept $10 million out of the court's funds in anticipation that they would now collect this. Well, we've negotiated those fees down half or around there. So now we're only collecting $5 million. But we've reduced their budget by $10 million. So they're at a $5 million deficit. So my thought in co-- in conjunction with Senator Clements was, I don't want to defund the courts. I don't want to reduce what we fund them in terms of problem-solving courts and all the good things we do. I think we should fund that. And so if we put this money to the General Fund, then we are not jeopardizing the ultimate amount of money that we give to the courts in the budget. Does that answer your question?

DeBOER: It does. Do you understand the concerns that myself and others have about using a fee-funded program? So the idea behind court fees is that it pays for the administrative costs of the court.

BOSN: Yes.

DeBOER: And then to use that to go into general funds-- the same sort of thing I think could happen, where they could say, we're going to lower the amount of budget for the court and now you still have these raised fees that are not actually paying for programs in the court. They're just going into the General Fund.

BOSN: I share your concern for that, and I think the way that we have done this strengthens the ability to come in and say we shouldn't do that because we've provided additional funds to the General Fund through these fees in lieu of cutting the budget of the court. So I understand your concern. I certainly can't stop someone--

ARCH: Time, Senator.

BOSN: --from bringing that legislation.

DeBOER: Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. I rise in support of AM3046. I am opposed to LB935. I agree with Senator Spivey in her opening where she discussed the fact that, you know, we're using fees to fund the General Fund. I-- and I understand that we have fees for different things and tho-- you know, like, for license plates. And that covers the cost of the license plates and the DMV's administration of the license plates. So it's a fee for service. These aren't-- I mean, we call them fees, court fees, but they're not really court fees. They're penalties that you're paying. And the-- as the fiscal note says, it's not a consistent-- what is the words they used? It's a, it's a volatile source because they can be waived and there's an inability to extract certain civil case data from JUSTICE. It says that the-- it's estimating $4 to $5.5 million to the General Fund and $2 to $2.5 million to the Cash Fund. And I guess it's unclear to me-- and maybe this was addressed just now in the back-and-forth between Senators DeBoer and, and Bosn, but it's unclear to me if that $4 to $5.5 million-- is that going to fund the courts? There's the $2 to the $2.5 million that goes to the Cash Fund. And so if we're sending some of it to Cash Fund and some of it to General Fund, is 100% of this going to fund the courts? Because if not, then that's a pretty big problem, that we would be levying penalties in the courts to fund the General Fund. So that's a, a big concern that I have. And additionally, the fact that we just created a new fee entirely-- the state docket fee did not exist. Well, it currently still does not exist. Only in this piece of legislation does it exist until this passes. So this bill creates a new fee. It-- it's a fee that's going to the General Fund. And we are essentially just using fees that aren't clearly tied to service to pad the General Fund. So that feels problematic to me. I don't think that that's an appropriate way to function and to budget. It's also, as, as the fiscal note states, volatile. So that's another reason to not be a fan of it. But I-- is this the last amendment on this bill? I think it might be. So. Oh, there might be another one. Well, anyways, I don't need to belabor the point. I don't like fees. I don't like fees to fund the General Fund. Definitely don't like fees for people who are in the court system funding the General Fund to make up for a deficit. So I will be voting yes on this AM because it at least puts it towards a cash fund. But I am still a no on LB935. Thank you, Mr. President.

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

ROUNTREE: Good evening. Thank you so much, Mr. President. And good evening, colleagues. And good evening to those who are still watching online. I rise in support of AM3046, offered by Senator Spivey. We have-- we've raised fees and other type fees in other bills that we've done in here, but basically I like the amendment because it specifies what these funds will be used for-- and not for the General Fund but specifically for the Supreme Court Docket Fee Cash Fund. And that'll be used for those operations of the court that are specified in this amendment. And we talk about guardrails and putting systems around things that we do, and I think that this put those guardrails in place. It allows these fees to be collected, utilized-- if there are penalties, utilized for the purposes of the Supreme Court that are listed here in that amendment and not to be swept at any other time for other type General Fund operations. So I would urge everyone's support of this particular amendment, of AM3046, to the bill. Thank you so much, Mr. President.

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

McKINNEY: Thank you, Mr. President. Just lending my voice to this topic of court fees and making sure they go to the right spaces and-- I-- maybe I missed it. I probably did. Maybe I didn't. I don't know. I just-- it's been a lot of long days in this place. And I could have been told something, I just may have forgot it. But I don't recall these going to the General Fund. Maybe it was said, so I'm not saying that it wasn't said. I just might've missed it for whatever reason, so. I think-- just trying to make that clear. But my assumption was that this was going to support the court and JUSTICE 2.0 and some other things. And my support in committee was based around not attaching this to the CPI. It wasn't support of increasing fees because I don't support increasing fees because-- I just don't, especially not to the General Fund. And I say not to the General Fund for many reasons, and partially because I think it takes away from why these fees are collected and then the dollars can be funneled to things that have nothing to do with a traffic ticket, anything to do with the courts and those type of things. And I don't know if that's fair, and I don't think it is fair, especially for those individuals paying these fees. If it's a fee for administration in the court system, should stay in the court system to make sure it functions, especially because of the conversations about cutting their budget. Every Supreme Court Justice or Chief Justice since I've been here, whether it was He-- Heavican or now, I, I think, Supreme Court Justice Funke-- may-- I think I'm right-- but they always talk about the need for more resources to do the job of the courts and make sure the courts are ran in a, you know, efficient way so we can have problem-solving courts, so we can, you know, properly, you know, do probation and those other things. So that's why I think it's important. And if-- I think-- and, and I think if you take it away from that, then I think it loses its merits as, as to why we're raising the fees or taking the fees in general. I think that if it's for the courts, it should stay for the courts as much as possible. And I think making sure it doesn't go to the General Fund is, is one of those things. Because, we all know, once something hits the General Fund, it could go a lot of places, especially in the financial state that we're in as a state. It could-- the-- these fees or these-- the collection of fees or wherever the fees goes could go to, you know, things like a prison, things like a canal, things like-- I don't know. Anything, honestly, because it's going to the general funds. I wonder-- maybe. Could be used for property tax relief. I don't know. Maybe I'm wrong. Maybe that's not constitutional. But constitutionality in this place is hit or miss, depending on the day. Some things are constitutional. Some days, they are not. And it might not even be constitutional to put it towards property tax relief, but just a thought. If it goes to the General Fund, who's to say that it can't? And that's just my point. I think fees that are assessed in our justice system should stay in our justice system primarily. And, you know, there's a obvious need because every time we get the State of the Judiciary, we are told, we need more money to properly run the courts or else we have to cut things. Or, we need more money to update a, a, a outdated JUSTICE system. So I think it should stay in the courts as much as possible, and I think we should ensure that occurs. I don't know if this amendment does it for some people or we need to do something else, but I do think the intent of this amendment is valid because things should stay in the courts. And again, if I was told this was going to the general funds, my apology. I am not saying somebody is not saying the truth. I just might've missed it. And it's been a long few weeks here-- or, a long session. Thank you.

ARCH: Time, Senator. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. I rise in favor of AM3046. And I just wanted to highlight some of the concerns that have been raised with regards to the attacks on the court's budget that cause real problems. And I, I want to highlight what happened last session where we actually had, I believe, added in some money for the courts to make sure there was money for things like problem-solving courts. And it was the Governor's intention to veto that. For those who remember the sort of strange nature of the last few days of the last session, there was a report or a letter that was given to us saying that there was going to be a line-item veto to the courts. Ultimately, that did not go through-- I think due in part to those not being delivered either on time or to the right place. But regardless of what happened, ultimately the line-item veto did not, did not go through. But originally, we were told there was going to be a veto to part of the judicial branch appropriation. The response that was shared by the courts at that point in time dated May 22, 2025 that I think was shared with all the senators says, this memo's in response to the Governor's line-item veto message reducing the judicial branch General Fund appropriation by $4.1 million for FY '25-26 and by $7.8 million for FY '26-27. If not overridden, this level of funding will result eff-- effective July 1 in the elimination of DUI problem-solving court in Lancaster County, mental health problem-solving court in Sarpy County, veterans treatment court in Sarpy County, drug court in Platte County, all transitional living reimbursement for adults on probation, problem-solving courts, and postrelease supervision, and, finally, nonstatutory services for juveniles on probation and a reduction in the reimbursement of many vital placements. The reason I highlight that is those are all important programs that I think a-- the bulk of us at least say we support. If there is a hesitance to support this plan, to have these fees go into the General Fund, it's because there is a lack of trust that many in this body have that the money is going to go where it says it's going to go or that it's going to support the programs they say it's going to support. What this feels like to me is the courts have seen now time and time again these attacks on these programs and a refusal to fund these programs appropriately. And instead of trying to continue to convince a hostile either executive branch or Legislature that these programs are important, they're trying to find another way to fund them. I fundamentally disagree with an increase in court fees. As many have pointed out, it's not only regressive, but I find it to be problematic that a constitutional right-- the Nebraska Constitution ensures that the courts shall remain open to all individuals. It is a right. It is an essential branch of government-- that we're going to increase a fee on that. I fundamentally disagree with that, but I understand why the courts are sort of scrambling to find a way to continue to fund these programs. And it-- colleagues, it's because this Legislature and the Governor's Office have refused to appropriately fund those courts. Now, we could continue to zoom out and ask ourselves, why is this a problem? You know, here we are in my fourth session in the Legislature and, every year except my first one, we seem to be in the midst of a crisis with regard to the budget. This whole session-- this she-- session in particular has been a budget-focused session because we find ourselves in a situation where we don't have enough money or we're in a budget deficit. Why is that? Well, we can talk about the different reasons, whether it's the implementation of H.R. 1 at the federal level or the tax cuts that have been passed here at the state level. But at the end of the day, we find ourselves in a budget crisis, and so the courts I think are scrambling to try to find ways to continue to fund these programs. I don't think this is the right way to do it. But if we are going to do it, I think Senator Spivey's amendment is appropriate because we simply cannot trust that if money goes into the general funds it's not going to be swept or used for other purposes. Frankly, I don't trust that if it goes to a cash fund it's not gonna be swept, because this Legislature's done that exact same thing. But hopefully if we pass Senator Spivey's amendment it is a better way of ensuring the usage of this money for its purported use, which is to fund the courts and not to funnel it away for other things. So I think that that's part of the problem with where we are right now, is a lack of trust. And my hope is that an adoption of AM3046 puts us in a situation where perhaps there's a little bit more trust that these fees are going to be used for what they say they're going to be used for. Either way, I do object to court fee increases.

ARCH: Time, Senator.

DUNGAN: And I would encourage your "no" vote on LB935. Thank you, Mr. President.

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

HALLSTROM: Thank you, Mr. Speaker, members. I rise in opposition to Senator Spivey's amendment and in support of the underlying bill. I just briefly reiterate essentially what Senator Bosn said. It's not unprecedented for fees to go to the General Fund. The Supreme Court General Fund Agency 05 has a reflection of county and district court fees in the amount of about $6 million that has gone to the General Fund since 2021 through 2024-25. I'm not sure whether there are other statutes, but, for your reference, Section 25-2712 specifically authorizes fees paid to the county court under Chapter 33 to go to the State Treasurer for credit or deposit into the General Fund. There's got to be another statute because that only applies to the county court. And Agency V reflects $6 million taken in '24-25 from both the county and district court fees. And I think as Senator Bosn said, my recollection is when we looked at the initial fees that were proposed by Senator Holdcroft, we were going to be raising fees on par with some of the surrounding states. We were not going to go above those states, but we were far below them in terms of the combined fees that we had. And I think there were probably legitimate concerns that those fee increases were perhaps too great. So the committee continued to look at the issue, analyze what could or should be done, and I think we were going to raise about $12 million, if I remember correctly, from that. And we settled on fees that I think were in line with keeping up with the CPI with the passage of time since the fees were last modified. And so that seemed to be a good approach. But it significantly reduced the amount of money that was being taken from those fees. And as a result, I think Senator Bosn's suggestion that if we thought we were going to raise $10 or $12 million, and then as we did, inevitably, we reduced the amount of fees associated with Senator Holdcroft's bill that is before you today. We're only raising five or six. If that's the case, then we would have shortchanged the court and effectively cut their budget in that respect. So I would agree that the approach that we have, the mea culpa that's going on is fine. If, if there were members of the committee that didn't understand what was going on, there was a great deal of communication. There was a great deal of negotiation with some of the committee members that were a little bit apprehensive about the level of the fee increase and how they would ultimately be funneled, whether it's through the Cash Fund or into the General Fund. The decision was made to put them in the General Fund, and I think that's the way that we ought to go forward. So thank you.

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

GUERECA: Thank you, Mr. President. I too rise in support of AM3046 to LB935. Like a lot of my colleagues have already spoken on the mic, I'm-- I won't belabor the point. Definitely some concerns that a lot of the programs that should be funded by these fees are kind of put a little more at risk, so to speak, with the volatility of, of the General Fund. Generally not best practice. Probably a debate we should have had in the first round of debate, but here we are in Select File. So I just wanted to cue in to say, rise in support of AM3046. And colleagues, I ask you all to vote green on it. Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. Well, again, rise in support of AM3046 but generally opposed to the fees. And I've explained my concerns about this a couple of different ways. And there's certainly precedent or whatever the history of how we have specifically moved the fees around. But again, there are fees for specific reasons. And if I were here when some of these fees were proposed, I probably would have opposed them as well. But that's not the conversation we're having today. The conversation we're having today is about the proposed fees in front of us. And the proposed fees in front us are, in addition to-- so let's look at this traffic ticket that I have here. State fine, $25. Automation fee, $8. Legal aid, $4.25. Nonwaiverable, $2. LEIF, $2. Civil legal services, $1. Filing fee, $12. JRF, $6. Uniform data analysis, $1. Indigent defense fee, $3. Dispute resolution fee, $0.75. NC-- NSC education fee, $1. Filing fee, $8. For a total of $74. We're talking about adding $36 in fees on top of that for traffic offenses. And as I've said, I'm opposed generally to increasing fees, but I'm specifically opposed to increasing fees for the purposes of raising revenue and not for the purposes of the cost of administration. And so we are essentially adding 50% to the fee that somebody gets when they get a traffic ticket. And I think folks would say, well, yeah, you, you got a traffic ticket. You deserve to be punished. That's punitive, and that's exactly what the problem is. It's punitive, therefore, if you-- if it's punitive, it should go to the Common School Fund. And it should not be a revenue raiser. And this is an important distinction that I was starting to talk about the last time, which is we have-- you can read about all of the terrible things that have happened in many other states because they do not have this same requirement, that any punitive fee goes to the Common School Fund. States like Missouri is a good example, where you have towns that raise so much of their city budget based off of traffic enforcement in their town. And-- so then they have this perverse incentive to cite people for everything and get them in the system. And I'll look it up if I can find the article between now and the next time I, I get to talk, but there's a, a journalist from the St. Louis Post-Dispatch, I think is the newspaper, who wrote about the debtors' prison of these fines and fee courts in Missouri and how, every month, people would come back and ask for more time to pay their fines and fees and there was interest and they would have to put some money down and then they'd have to come back next month. So of course, taking time off of work, going to the court system, increasing the overall cost to the court system, but ex-- keeping people in the system to come back month after month to pay $5 towards what was originally a stop, stop sign violation or something like that. And then we have examples of communities where a huge percentage of the people are involved in the court system because of the ability for that community to raise money off of court costs or fees and fines. And Nebraska has been spared this because we have this. City of Omaha cannot raise its revenue for the city based off of traffic enforcement or jaywalking enforcement or any of those sorts of things. And so we have been protected from it because of that. And what is happening with this bill is the state is seeking to raise operational revenue for the state through the court system-- through the fees in the court system, which, again, are becoming punitive at that point. But it is also a bad idea to make it a benefit to the state to have people in the court system. The court systems are necessary, but they are that. They are necessary. They should not be something we really want people to get into. They have an o-- a, a right, an opportunity, they, they-- absolute right to get in the courts. But we should not want people to need to be in the courts. They are for dispute resolution and, and punishment. So what we're doing here is raising revenue on the backs of poor people who are going to be in the courts and we're going to have them come back time and again on a traffic ticket that was-- $74 is now going to be 100-- what-- $108-- $36 plus $74--

ARCH: Time, Senator.

J. CAVANAUGH: --$110. Thank you, Mr. President.

ARCH: Senator DeBoer would like to recognize some special guest: Steve and Cameron Schadendorf, cousins from California, and they are located under the north balcony. Please rise and be welcomed by your Nebraska Legislature. Returning to the queue. Senator DeBoer, you are recognized to speak.

DeBOER: Thank you, Mr. President. Colleagues, you'll recall that, on General File, I talked about this increase in court fees being akin to us charging someone to come into our hearings and charging them $5 in order to come and give us feedback about our bills in the hearings. And I said that not knowing at the time that what we were doing was putting this in the General Fund. Putting it in the General Fund exacerbates that problem. Folks who are taking advantage of the court system-- which all of us use-- are taking advantage of one of the general functions of government. If we did not-- I will remind you, I said before-- have a court system that functioned, none of you would be able to use a contract because there would be no one to enforce it. The courts are a general function of government. There should not be a cost to use a general function of the government. Now, there are court fees. Those court fees, ostensibly, are going to defray the specific costs of the specific instances that you are using the court. And I don't even love that. Because again, we do not charge people to come into our hearing rooms and speak to us and we do not charge people for other general functions of government. If we put these funds-- these additional court fees for a general function of government into the General Fund, they are fungible. There's no way to track which dollar came from court fees and which dollar came from income taxes once they get put into the General Fund. So if there is a concern that there will be a cut of programs within the judicial branch for things like problem-solving courts-- that we all know are so successful in our state-- then we should be concerned about the fact that they're going in-- that these court fees are going into the General Fund. Because once they get into the General Fund-- and in a climate where we have a structural deficit in our budget-- we know that at some point there's at least going to be a temptation to use those dollars. In fact, we won't even know which dollars are being generated by court fees, and so we will use them for general purposes. So if we are putting stuff into the General Fund, there is no guarantee that those programs which we are trying to save here-- ostensibly, with this increase in fees-- will be saved. There will be just as much likelihood that they can say, OK, we're going to cut problem-solving courts in four years because we will still be in a structural budget deficit, as per our green sheet. So now we have the problem that we have raised fees for folks and there's no guarantee we won't cut services. At least when we were raising fees and we had some guarantee of not cutting services, I could be sort of OK with the idea that we are going to save all of those really important problem-solving courts. Here's what I think happened. I think the judicial branch made a bad deal because they're actually gonna be charged more money for the privilege of collecting these court fees. The court administrator talked to me last week about the amendment that I put on for the graduated county court amendment, and he said it's gonna cost them $100,000 to program so that they can do that to collect the new fees. And here's the thing: they're not getting any of those fees. I told them to pound sand because I thought, we're giving you $5 million; you can find $100,000 to program to get it. But they're not getting it. It is not dedicated to the court. It's going into the general funds. And that's a problem for me because we are charging people more money for a basic function of government without any guarantee that they will continue to get the programs that we're trying to save. Thank you, Mr. President.

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

BOSN: Thank you, Mr. President. Again, I rise in opposition of AM3046. I just want to clarify for everyone so that we're all crystal clear what this does and does not do. Colleagues, these funds are going to the General Fund, and there is no cutting of the budget for the courts in the budget we just approved. So while everyone thought we were putting this money-- no modification, sorry-- we-- while we are not putting this money into the courts, everyone also somehow didn't look at the Appropriations bills where the money didn't get modified and reduced in the Appropriations bills. There is no reduction in the amount of money that is going to the courts. I can assure each and every one of you that, since 2003-- which is the last time these court fees were increased in any meaningful way-- the cost of doing business has increased, the cost of running the courts has increased. These fees are going to the administration and the costs to run the courts. That is the purpose, is to defray the increased cost, the, the cost of keeping the lights on, the cost of printing paper in there, the cost of hiring staff, the co-- the cost of hiring janitorial staff and security and all the things that go with running a court have increased from 2003 until today's date. And the purpose of this is not to defund the courts to some amount that we don't know what fees-- what these fees will actually bring in. So rather than cut the budget or modify the budget to a lower amount and then hope-- on hope that we raise that much money through fees, what we've done is a more responsible thing and say, the courts should be fully funded at X amount of dollars. And we're not changing that. These funds are going to help defray the increased and growing costs of running the courts over the course of time. I would also point-- for those who are thinking that this hurts those who are the poorest in our communities, I-- one, I disagree. I don't think all individuals who file these cases-- I don't think we should limit that to individuals who are in poverty. I disagree with that. But I would direct your attention to the original amendment to this bill on page 39, line 12, that states, notwithstanding Section 29-2709 or the in forma pauperis status of any litigant. In other words, if you are someone who can't afford to pay those filing fees, there's a method by which you would not be required to pay these fees. That's still in existence. Colleagues, I ask for your red vote on AM3046 and ultimately your green vote on LB935. Thank you, Mr. President.

ARCH: Se-- Senator John Cavanaugh, you're recognized to speak. And this is your third opportunity.

J. CAVANAUGH: Thank you, Mr. President. Well, again, I, I rise in support of AM3046. But an-- as I've stated before, it doesn't solve all of my concerns. But my concern is that we-- I mean, I, I agree with a lot of what Senator Bosn just said, that we should fully fund our courts, that we have an obligation to do those things. And, by the way, we get a lot more benefit if we fund them appropriately. You know, the problem-solving courts save us a lot of money in the long run. And efficiency of the well-run courts saves us a lot of money. My concern is that we have funded the courts through the budget and now we're going to try and find an-- a source of money to put into the General Fund. And-- I think Senator DeBoer hit on this, which is once you put all the money in the General Fund and it sloshes around in there, then it's all fungible and the money-- it's not so much that it came from, you know, sales tax or here, but it's General Fund funds. But I have opposed court fee increases for a number of years. There was-- when I first got here, there was a bill to increase court fees for judges' retirements and we were told we have to do this. This is terrible how poorly funded the judges' retirements are. And we fought that, and it ended up being a split-the-baby situation where we increased court fees on civil but not criminal cases. And with-- even with that half split, the judges' retirement then is fully funded. And we of course were told by the court at that point in time-- I remember being-- we were negotiating this-- that so many cases-- the fees are waived when someone says that they-- the-- and this is distinct from what Senator Bosn was talking about, the in forma pauperis. But when folks can't afford to pay the fees, you can ask that the court waive them because somebody can't afford the fees. And I can tell you I've seen that done-- I can count on one hand and-- maybe less than one hand the number of times that I've seen court fees actually waived because someone couldn't afford to pay them. I have seen people sit in jail-- sit them out, we call it, where they sit in a jail for a certain period of time, accruing doll-- a dollar per-- amount a day-- and I don't remember off the top of my head what the dollar amount is-- a day towards their fines and fees. And-- so people can decide to sit in jail rather than pay fees if they can't afford them. They can work them off in the offender work program, all those things. So there are other things that happen to cause-- you know, that-- get the fees resolved that do not result in the money coming in is another problem. So I can-- I have seen people deprived of their liberty because of an inability to pay a $74 fee. And so that is a concern. And there are obviously some people that-- a $36 increase is not going to break the bank and is not a big deal to people. But the problem is a fundamental one, which is, again, raising the money for more than it costs for the administration of that justice. And so there are lots of fees that are already assessed, and perhaps a, a, a genuine approach would be to address some of those fees if that's-- if it actually-- the data analysis costs more than $1, that might be something to, to address. Or the automation. Costs more than $8. So those-- that would be different than just a wholesale increase in these-- large amount of these fees. So I've been thinking about this while we've been talking about it, specifically on the traffic misdemeanor or infraction, and looking at this, that there is a ability-- I had a traffic ticket not that long ago. And I just paid it online. So I didn't even go to the courthouse. I just went to the website, put in the citation number, and put in my credit card and paid it. And that fee of that cost is factored in there with the automation and everything and the online payment fee. And so I think I'm gonna try and find a way to bring an amendment to suggest that if someone has a traffic misdemeanor or a minor-- or infraction and they pay it online or if it's waiverable-- waivable is the-- what it's called on the ticket-- and they actually do pay it that way that they shouldn't have to pay this additional $36 because they are not incurring any additional expense to the-- to their prosecution, which is what it is, ev-- even if you-- you're technically pleading guilty by waiver on that to your traffic ticket. So there's no additional cost to that. There's no courtroom time. There's no janitor. There's no lights. There's nothing. It is just the online portal. So I'm going to work on that amendment and see if I can get that up, and then we can talk about that--

ARCH: Time, Senator.

J. CAVANAUGH: --in a few minutes. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. I continue to have this conversation both off the mic and on the mic with individuals who are affected by this. I, I-- again, this goes back to-- to me, to trust. Because what we're talking about here with Senator Spivey's amendment in particular is, where does the money go? We're not even talking about whether there should be court fees or, or increased court fees or not. It's, it's, where does that money go and how is it going to be used? My understanding is that the, the Governor's recommended budget-- which ultimately was not adopted in its entirety-- but that originally had a, a, a fairly significant cut to the court's budget this year. Ultimately, I think the courts were held flat. I don't believe they received any additional funding this year, but they were denied some increased funding that they requested. There was some deficit spending, I think, that they wanted as well. And so, you know, when we see these requests come from the top down to cut the court's budget, that's where you start to see put on the chopping block the programs that I outlined last time I was on the mic that were being imperiled by the proposed vetoes last session, like the drug court, the DUI court, these things that, again, help everybody, I think, have a safer community and things that we all agree are good. And so when you see a proposed cut to the tune of $10-plus million and you see a request over the last number of years to utilize a cash fund which is going to be depleted in the near future because it's being utilized to make ends meet, it's difficult to trust that money that is being collected ostensibly for the operation of the courts is going to be used for that if it goes to the General Fund. I, I was wondering if Senator Bosn would yield to you just a brief question.

ARCH: Senator Bosn, will you yield?

BOSN: Yes.

DUNGAN: I, I, I, I heard you on the mic talking a little bit about what this does or doesn't do. And getting away from whether or not court fees are good or bad-- because we can have that discussion until we're blue in the face-- but just talking about the actual administration of the court fees that we're talking about here, functionally, what is it about Senator Spivey's amendment that you oppose if the purpose of these court fees is to go to the operation of the court and that's what Senator Spivey's amendments seeks to enshrine, is the utilization of those fees to the court? Why would you be opposed to AM3046 if it's simply trying to utilize those fees for court costs-- or, for court operations?

BOSN: So-- I, I think I've answered that question both times I've been on the mic. The, the corresponding reaction would then be to cut or to reduce, modify-- whatever synonym we want to use-- the appropriation to the courts in the budget bills. And the question becomes, how much do we reduce that budget? And if we knew exactly how much money we were going to raise from these court fees, that would be simple. Right? We would know. We could just level, level set it. But we don't know. And so rather than take the risk to the potential detriment of the courts and their funding, what we've done is say, we will continue to fund you at the amount we have already agreed to. We will not reduce it or modify it. What we will do then is try to recover some of the growing and increasing costs that the courts are incurring and have been for 23 years since the last time we had any meaningful increase. We will raise funds through that and still continue to do our obligation, as everyone has said, to fully fund the courts.

DUNGAN: OK. And I, I hear what you're saying. I, I, I guess I don't understand why you could lea-- if-- is the goal that you're talking about to leave the General Fund appropriation for the courts where it currently is set?

BOSN: Correct.

DUNGAN: Because they're coming in and saying, we need more. And so is--

BOSN: I have not heard them say that, so I cannot answer that question.

DUNGAN: But their request in the Appropriations Committee-- let-- let's assume-- arguendo-- maybe I'm right or maybe I'm wrong-- but if the courts are coming into the Appropriations Committee and saying, we need additional money, would it be your intention, I guess, under this-- your opposition to say, no, we are not going to increase your general funds and any additional money that you need is going to come through court fees?

BOSN: I am not going to speculate on that because I haven't heard that and I haven't heard the reasons for it. So it may be a yes and it may be a no.

DUNGAN: So you have not heard if the courts have asked for additional money?

BOSN: I have not heard that from them.

DUNGAN: So then why are we raising court fees?

BOSN: I can explain it a fourth time, but I can't--

DUNGAN: But-- you're, you're saying for the operation of the courts for increased costs, which means they need more money.

BOSN: No. We have increased the amount of money that the state general funds have appropriated to courts over the last 23 years. Do you agree with that?

DUNGAN: That we've increa-- I'm sorry. Say that again.

BOSN: The amount of money from the state that has gone and been appropriated to the courts--

DUNGAN: Has increased. Correct.

BOSN: --has increased, right?

DUNGAN: Correct. Yes.

BOSN: And so to help defray that increased cost that the state has bearne the-- borne the burden of paying for the courts to operate, this fund will help to defray that cost.

DUNGAN: But the increased cost is the operation of the courts because of new programs, cost of inflation. I mean, is that not something that--

IBACH: Time, Senator.

DUNGAN: Thank you, Madam President.

IBACH: Senator McKinney, you're recognized to speak. And this is your third time on the mic. Thank you.

McKINNEY: Really? Wow. Well, I rise in support of AM3046. I know it's late. But kind of thinking about what was just being discussed, I thought they did need more money because they wanted to update JUSTICE and we didn't have the money to appropriate it. I'm kind of confused now, because do they, do they or do they not need more money from us to update JUSTICE 2.0? I thought they did, and I thought that was partia-- partly the reason to increase the fees, is to pay for JUSTICE 2.0. I-- now I'm really confused because I, I, I really thought the increase for some of the fees was to pay JUSTICE because they didn't have the money and it wasn't being appropriated. Now I'm confused. Now I really got to think about this. I'm missing something. But I, but I thought the increase in the fee was because they needed more money to pay for

JUSTICE. I'm almost sure that, that is what I was told. And they have asked for more money for JUSTICE. The, the Chief Justice said it in his State of the Ji-- of the Judiciary that, we need more money to pay for JUSTICE 2.0. And I think it's in that thing they handed out to us. It might be in my office. But I'm almost sure part of these increases is to pay for JUSTICE because they don't have the money and it wasn't being appropriated. I'm-- OK. Now I'm-- something to think about here. But-- and I think-- you know, I think we've failed to realize or acknowledge or-- yeah, failed to acknowledge or realize that individuals who make less, for whatever reason or not, interact with the courts more than those who may have a little more money. It's just a fact of life. I'm not making any assumptions or judgments. I'm just saying it is a fact that individuals with lower income end up interacting with the courts for a-- not for, but more times than not than individuals with money. Especially when you live in a community that is overpoliced by law enforcement. You know, some days we got OPD patrolling. Then you see the state troopers sitting off the interstate pulling people over. Then you see county sheriffs intruding into the city. So you can have three different agencies operating in this small radius in north Omaha. And I see it a lot. And it's, and it's going to increase over the summer. You're gonna see the state troopers on one street, OPD on one street, and the sheriff somewhere lurking too. Probably in Florence trying to pull people over for speeding down Florence going to the interstate. That's usually where they're at. Then the troopers are usually off I-75, somewhere around there. OPD has the northeast precinct, so they just always around. And because of that and the fact that the community's median income is a lot less than some of these other districts, more people from that community may or may not end up in front of the courts. So we need to think about that when we are increasing fees. And just because somebody gets a citation or a ticket does not mean they are actually-- or, it, it doesn't mean that they're actually guilty or-- I don't even know if-- guilty or whatever-- it, it won't get waived or whatever, but it's a-- it's an inconvenience. Sometimes they might get waived or whatever. Or, like, if it's insurance and you go to court and show that you have insurance or you got your license plates or whatever, it could get waived, but it's, it's a inconveniance. And when you're overpoliced and overpatrolled, it happens. But I am really confused now. I thought the increase in the fees were because the Su-- Supreme Court did not have money to pay for JUSTICE, which means they needed it, because they didn't have it. Now, if we have money to pay for JUSTICE, a couple of bills that I pa-- that I tried to pass would have passed because we didn't have money to pay for JUSTICE. So I'm kind of confused now, but

I thought these increases was to pay for JUSTICE 2.0. Maybe I missed that too. Thank you.

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

HUNT: Thank you, Madam President. Senator McKinney, I'm confused too because, from listening to the debate, that's also what I thought. But I only ever know 20% of what's going on, so. But I do my best, and how can anyone ask any more of me? It surprises me how hot proponents of bills like this get and how defensive and in-- indignant, you know, because you're gonna win. You're gonna get it. With, with a series of amendments, maybe we chip away at one objectionable thing or another, but it's gonna pass. Easily. So, you know, we count the votes. We do the work in committee. It comes out, and the-- the outcome is ordained. It's all but signed, you know. So no need to raise the temperature at all. But what got me out of my seat was listening to Senator DeBoer make the point once again that is a comparison that really grabs me and works for me, saying that charging people to use the courts is like charging people to come testify in the Legislature, charging them to use the legislative branch of government. I say, why not? If we want to run government like a business, maybe we should be charging some fees for people to come in and testify or to come in and sit in the balcony. Because of course there's costs associated with that. There's printing. There's the cost of security. There's staff that's needed to process all the testimony and, and paperwork and exhibits that testifiers bring in. There's security needed for the building. Maybe some of the people that want to participate in their government by coming to the Capitol to see their legislative branch in action should be defraying some of that as well with some fees. That's running government like a business. Maybe I'm giving you some ideas for next time. But I also think that these increases in fees-- which I'm always against-- reflects a deeper shift in how we think about government where we have to run it like a business. And it's sort of treating the courts like a luxury service or like an amenity that people can choose to use if they afford it. But the courts aren't that. They're a fundamental function of government. And when we raise court fees, what we're doing is we're placing a higher price on justice itself. And as Senator McKinney said, you know, for whatever reason, it is a lot of lower income people who are more likely to be court involved, justice-involved individuals. And-- so by raising fees, we're basically telling Nebraskans that if they need to defend themselves or protect their families or assert their rights in some way, they are going to have to pay more for the privilege to do that. And that's not justice for all. That's not accessibility. And I'm not in favor of public goods, public services being rationed to the people based on their ability to pay when we're all taxpayers. We're all putting in our fair share, in theory, that we're supposed to be. We hear this phrase really often from the Governor, from the president, from some people in this body about running government like a business. And it's as if it's, like, inherently wise or efficient. It sounds kind of smart, because in this culture we respect business owners and we think that if you own a business, you know, that experience must come with some knowledge and expertise that qualifies you to be a leader in government. But government is not a business. It was never meant to be. Government's not supposed to generate a profit. It just is supposed to serve the people. And those are very different missions. And when we confuse them, we start making decisions-- like raising court fees-- that undermine the purpose of these public institutions. So you can see this mindset play out in other areas too. The first thing I thought of was the postal service. I run a business where we send mail every single day. And I'm a big supporter of the USPS. But people argue that the postal service should be shut down because it's not, quote, unquote, profitable. They're applying this private sector mindset to a public service. And the purpose of the post office isn't to turn a profit. It's to make sure that every person, no matter who they are and where they live, can get their mail. So when we start asking ourselves if the courts are paying for themselves, I think we're asking the wrong question. The question should be about the role that they're playing in a just and fair society where justice is accessible to all. Are they fair? Are they serving the public? Those are the metrics that matter. And raising fees on people who are already--

IBACH: Time, Senator.

HUNT: --struggling to access justice is the wrong direction on all of them. Thank you, Madam Chair.

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

CONRAD: Thank you, Mr. President. Good evening, colleagues. I appreciate what my friend, Senator Spivey, is trying to do to draw attention to this issue. We've had a lot of debate about the massive regressive court fee increase that the Supreme Court agreed to with the executive branch and then now are asking us to paper over. Tha-- I mean, that's clear. You can go back and you can look at the text of the Chief Justice's remarks to this body in the State of the Judiciary Address, where he notes the need for a new computer system and their other initiatives and then notes that they've had budgetary challenges, et cetera, and then details in his speech how the court worked hand in glove with the executive branch to come up with this scheme. Not the appropriators. Not the Judiciary Committee. The Chief Justice let us know out loud and proud in the State of Judiciary how he did it and why. And that's fine. But I'm not gonna be complicit in that. And it's-- if you want respect as an independent, coequal branch of government, perhaps you should extend the same respect to other coequal branches of government. And let's talk about regressivity. This isn't, like, our opinion, senators. This is undeniable. Go and look at the great body of weight that has looked at the regressive nature of court fees-- from the right, from the left, to the center. From the right, the Institute for Justice. From the Right, the R Street Institute, the Cicero Institute, the Liberty Justice Center, the American Conservative Union, the Texas Public Policy Foundation. From the left, the ACLU, the Brennan Center, the Tax Policy Center, the Fines and Fee Justice Center, the Urban Institute, and, most importantly in this instance, as clearly analyzed by the American Bar Association. The ABA considers court-imposed fines and fees to be regressive because they disproportionately burden low-income individuals, functioning like a tax on the poor rather than a fair system of justice. And let's talk about the users outside of the traffic and the criminal, which of course is a significant component in the volume of our cases. But most of them are not high-priced contract disputes or business litigation. That does come up. But it's primarily family law. It's primarily consumer law. It's primary landlord-tenant. It's mainly debt collection itself. That's the volume in the courts that further exacerbates the regressivity. I think everybody can see the writing on the wall about how this measure is going to move. I appreciate that the committee tried to mitigate the damage from the initial proposal. Each of the members involved in that deserve credit. But I just want to conclude by expressing frustration and disappointment to the Nebraska State Bar Association, which I've been a proud member of since I was sworn in to the bar and became an attorney almost 20 years ago. And I'm still proud to keep that bar card in my pocket. They've had countless task forces and discussions about access to justice. And what do they do? Do they come to the Appropriations Committee to support the court's fee-- for-- court's budget, expansion for problem-solving courts, whatever it might be, protect the general funds? No. They run to Judiciary in support of a massive regressive fee increase. And I'm disappointed. And nobody from that organization has talked to me. And I'm a dues-paying member. And the same goes for the court. They've had countless initiatives on access to justice for the poor. I've been amongst their biggest champions in my 12 years in the Legislature. And nobody came to talk to me. And they don't have to come to talk to me. But since they didn't, I'll express my frustration and disappointment here. And I hope other members of the bar know what's happening in that House of Delegates that's become--

IBACH: Time, Senator.

CONRAD: --little more than a country club. Thank you, Mr.-- Madam President.

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

HOLDCROFT: Thank you, Madam President. I thought I should get up and defend my bill at least once and to tell you how we got to where we are now with these fees. You know, the bill came in and a-- a-- and court-- you know, we're talking about court costs here. Court costs are going up. I mean, we have inflation. And court costs are funded two ways. On the back of the taxpayer, first of all. And then the second way is with the court fees. And the court fees don't come near to covering even 20% of the cost of the courts. And the court fees have not been increased in most-- in all these areas in the past 20 years. So we've been seeing more and more of a burden on the taxpayer for paying the courts. Now, the-- I agree that the cre-- the taxpayer is responsible for, for providing a quality court system for its citizens, but it-- at what-- but at what ra-- unbalanced rate does that go? I mean, we're, we're getting more and more paying by the taxpayer and less and less by the people who are actually using the system. So we, we started to-- when the-- the Governor's first approach to this was, well, let's just match what the other states do for these specific areas. And we didn't, we didn't compare it to, to Colorado, because Colorado is astronomic. And I'll, I'll give you some of their numbers in just a minute. So we went and tried to balance with Iowa. Iowa's is pretty close to what-- who we are. And that was the first numbers that we had. And those turned out to be too high. And so we started negotiating. We essentially cut, cut them by 50% of the original values. And so let me just give you some numbers. I mean, let's look at traffic. And I, I have to challenge Senator Co-- Senator Cavanaugh's numbers because the cost-- current cost is $49. It's not $74. I don't know where he came up with those numbers. But we can certainly compare numbers afterwards. But what we did was we increased the, the cost from $49 by $36 and came to $85. Well, if you look at Colorado, it's $300. We pay $85. Colorado pays $300. Iowa. Iowa is at $55, so they're a little less. South Dakota, $105. Missouri, $91. Kansas, $108. So typically, Colorado's way ahead of us. Iowa's is also above us. But, you know, South Dakota and Missouri and Kansas, we're right in the, in the same place with them.

Let's look at another category: divorce. Right now, it's $190 for, for, for a divorce. In Iowa, it's $265. In South Dakota, $97. In Missouri, $198. In Kansas, $195. In Colorado, $260. OK? We're paying $190. They're paying $260. So that's how we came up with these numbers for a reasonable increase in the court fees, which have not been raised for the last 20 years. In addition to that, we added on the $10 for the new system. So the actual increase in court fees was independent of the additional $10 that was asked for by the, the court system for their JUSTICE system. So we didn't raise the, the court fees to fund JUSTICE. We just tacked on another $10 in there for every case to raise the moneys for that. So that's how we came up with those numbers. I think they're reasonable. I think we compare well with the states around us on those. But finally, the last thing I'll leave you with is this idea of putting these fees into the-- into a cash fund, which we don't currently do. In fact, we have it in statute. Statute 25-2712: fees and, and costs; amount; transmit to State Treasurer; deposit in the General Fund. So by the 15th day of the month, following the calendar month in which they were received-- and this is direction to the clerk of the court in the counties-- transmit all such fees and costs received together with any interest or other income accumulated as a result of Section 25-2713 and any fees for credit--

IBACH: Time, Senator.

HOLDCROFT: --card use-- oh. Thank you, Madam President.

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

M. CAVANAUGH: Thank you, Madam President. I, I know-- we've had this argument on other issues about border bleed, so thank you, Senator Holdcroft, for raising the amount that different states charge for divorce. We are competitive. People must be flocking through our borders to file for divorce because it's cheaper to do it in Nebraska. So let's keep it that way. I do believe that divorce should be as inexpensive as possible, especially when we are talking about situations pertaining to domestic violence. We don't want to create barriers for people in a domestic violence situation to extract themselves legally from that. So that's one of the reasons that I am not in support. So we-- with this fee increase, we are actually-- the state docket fee, we are actually doubling what the state has for fees to fund the courts. While we have also simultaneously decreased the court's General Fund appropriation, it-- this last year, we decreased their appropriation by $4 million. And now we are, in addition to decreasing their appropriation, we are doubling our revenue for general funds, which essentially means that we're taking $8 million away from, like, just the regular Genal-- General Fund appropriation by replacing it with fees, even though those fees go into the General Fund. So just wanted to add that to the conversation here. Again, this bill-- Senator Holdcroft's bill, it is-- does create a new fee: the do-- state docket fee. And that fee is going to offset General Fund appropriations for the courts. It is a volatile, unpredictable fee. And what Senator Spivey is doing here is redirecting it to at least a more appropriate fund. So vote yes on AM3046, I hope. Thanks.

IBACH: Senator Dungan, you're recognized to speak. And this is your third time.

DUNGAN: Thank you, Madam President. I just wanted to follow up on a couple of things I was saying previously on the mic, and then we can-- well, I'll be done talking on this amendment, at least. I, I appreciate Chair Bosn and I being able to have a conversation off the mic. I think that when I was asking my questions, we were sort of talking past each other. And that might have been my fault for asking the questions in a way that was not clear. But what I highlighted for her, at least in terms of our difference on this-- and what I wanted to highlight at least one last time because I do think it bears repeating right now-- is what this comes down to is trust. And when the courts are coming in and asking for money-- maybe not this year because we're in-- not in the budget year, although it's felt like a budget year. There were deficit requests, I believe, this year. But last year, there was a request for an increase and they were held flat. And that being held flat was actually better than the proposed cuts that came in originally in the Governor's budget that I think were to the tune of $10 to, $10 to $11 million. Maybe I'm wrong about that, but it was a significant amount. There's not a trust that if this money goes into the General Fund it's gonna be used for the right reasons or it's gonna be used for the actual funding of the court. And again, I don't think we should be doing this at all. But if we're going to be doing it, the money needs to be utilized for what we're saying it's being utilized for. If it goes into the General Fund, it's going to show up on the green sheet or on our budget as an additional $4 to $6 million. That's $4 to $6 million that could be used for insert whatever else here. And maybe this is a lack of trust with the other branches of government, maybe it's a lack of trust I feel right now with our Legislature. Certainly I think it's an ambiguity about whether or not the future Legislature-- which we cannot bind to any particular requirement-- is going to continue to fund the courts. I do believe that Senator Bosn and Senator Holdcroft-- who I've worked with extensively over the last couple of years on various court issues-- believe that the courts need to be funded appropriately to do things like drug courts and problem-solving courts and DUI courts. Absolutely. And we have worked together to ensure that that happens. But that doesn't mean that the future Legislatures are gonna do the same thing. And if we create this structure, if we create these increased fees, that gives an allowance in the future for perhaps an Appropriation Committee or for a proposed budget from the Governor to say, oh, they got these fees coming in now, so we can go ahead and cut our, our appropriation. We can cut how much we would have given them or we can offset that with those fees. And we can continue to see a decrease in how much the courts are funded, because what seems like is often paramount is watching that number go down on paper and not necessarily achieving the right goals of how to properly fund our judiciary in a way that creates safe communities and has a good return on investment on those dollars to appropriately make sure that the programs operate. So this to me comes down to a lack of trust. I'm sorry, but we have been burned before. We have seen cuts be proposed that would absolutely decimate-- anything from the courts to the universities. And this session, we have seen a budget that we just passed earlier today that has massive cuts to a number of programs and things that are actually important. They're not wants. They're needs. And what these courts do and how they operate, they provide needs for a number of people. And so that is part of my concern and I think part of frustration, is it strikes me as-- I don't want to say disingenuous, but it strikes me as-- I don't understand why we wouldn't just take whatever court fees are being raised and put them into a specific cash fund to be used for the courts. I don-- I don't, I don't get it. It's been explained to me multiple times, but I feel like we're maybe talking, you know, past each other-- two ships passing in the night, whatever analogy you want to use. But if the money that we're using these fees for should go to the courts, I think it should go a specific fund at the very least in order to make sure we can track it. And then, if the future Legislatures decide to sweep those funds-- which they tend to do time and time and time again-- at least there's a legislative record of it. Right? Because if they're gonna go into that cash fund and they're gonna amend the language to say, and also it can be used for the General Fund, we'll at least know. Because we're gonna take a vote on it and we can debate it. But if it goes to the General Fund, it falls into a fungible pit of money that can be utilized for other things and ultimately result in the courts losing more funding for programs that are absolutely essential. I don't understand why this very simple amendment to assure accountability and a lack of comingling of funds is not going to be adopted other than maybe the introducer or maybe that we're already on Select File and things are just going to kind of muscle on through. Senator Spivey I think has a lot of information she can share about how appropriations work and about how we got to where we are today, and I really appreciate her leadership on the Appropriations Committee to trying to ensure that funds are being used properly. So I would encourage the adoption of AM3046. And I do still believe that we should vote red on LB935.

IBACH: Time, Senator.

DUNGAN: Thank you, Madam President.

IBACH: There's been a request to place the house under call. The question i-- the question is, shall the house go under call? All those in favor vote aye; those opposed vote nay. Record, Mr. Clerk.

CLERK: 23 ayes, 3 nays to place the house under call.

IBACH: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All una-- unauthorized personnel, please leave the floor. The house is under call. Senator Spivey, you-- there's no one in the queue. You're welcome to close on AM3046.

SPIVEY: Thank you, Madam President. And good evening again, colleagues. I appreciate the debate on AM3046 and encourage your green vote, as this is a serious amendment. I think for the folks that were watching whether on the floor or in their offices or in the lounge, hopefully we're able to get some different perspective. And I think there were some really great points made in general. And I think-- I made it clear on other colleagues: I do object to the court fees being raised and what we discussed on General File. What my amendment specifically does is look at putting the court fees-- the new court fee-- specifically the docket fee-- and, and what was raised into a cash fund and then looking at changing the, the amount for traffic stops. We talked about this. And again-- on General File. This wasn't clear. And this is why bringing it on Select, otherwise I think I would've tried to have more intentional debate there, but this is a new fee. And so we have heard folks talk about raising taxes and opposing taxes. And this is not in-- just a CPI increase of what exists. We did add a new fee with the docket fee, which I think is problematic. And I-- Senator Conrad made a really good point for the, the fees that we increased because of CPI and what we're looking at, that it is on transactions that really impact everyday people, working people versus maybe larger types of spaces of litigation or things that are being filed. And so some of the questions that I still have-- and Senator Holdcroft spoke to a little bit about the states that are around us. And outside of the, the couple states were named, have we ever done a competitive, really comprehensive analysis with NCSL or the National Center for State Courts around what other states are doing and how? It was raised that Colorado, for example, was maybe, like, $100 more for their marriage license fee. And my question is well, what does it go to? Is it going to their General Fund? How are they using it? What does that look like? Colorado is also bringing in more revenue with marijuana that we won't even discuss to help address some of their expenses. And so I think it has to be contextual. When we talk about fees, it can't just be in a silo but really needs to look at the, the, the way government needs to work, how we are operationally using these funds, and then who are they impacting. There was some discussion-- and I just wanna underscore again the difference between fi-- fines and fees. And I appreciate Senator Dungan and Cavanaugh really explaining that. So for fines, that goes to our school fund, and that's how it's defined in statute. And, and you can see that in-- the fees that we have are going to various funds. And so an example for someone that is convicted of improper registration-- they have expired tags. They're pulled over. So their filing fee, $8. Their NCS education fee, $1. Dispute resolution fee, $0.75. Indigent defense fee, $3. Uniform data analysis, $1. Judges' retirement fund, $6. Filing fee, $12. Civil legal services fund, $1. LEIF, $2. This LAS-- LASF nonwaivable fee, $2. Legal aid services fund, $4.25. Automation fee, $8. The fine, $25. So now with fines and fees, that is $74. And so again, when you look at this for folks that are navigating precarious income situations, what would be a fine of $24 when we add these other fees now can double or triple. And if you are living paycheck to paycheck, if you not paying this fine or fee means that you lose your license and you cannot go to work, you cannot drive, you cannot get the new job you're paying for, it can actually spiral people further into poverty. And that means that we are going to spend more on that. And so as a member of Appropriations, I just wanted to uplift that the courts did ask for more money. We did cut them-- there was a proposed cut last year. There was veto snafu, and we added back money into the floor. And this year, in the deficit year, they came back and said, we will do what we can with what we have through cash funds. And so I spend five days a week in a beautiful dark room with other committee members looking at this budget. And to say that the courts did not need more money, did not request more money is not factual. They need more money. They're doing what they can and what they have, which is not enough. And we've seen that. And my fear-- and

I said this in my opening-- is that the approach from the executive branch is that either branches of government or agencies will fund themself with cash funds and we will see a decrease in general funds, which the general--

IBACH: Time, Senator.

SPIVEY: --funds is what we added to the green sheet. Thank you, Madam President.

IBACH: Colleagues, the question is the adoption of AM3046. All those in favor vote aye; those opposed vote nay. Record, Mr. Clerk.

CLERK: 13 ayes, 30 nays on adoption of the amendment, Madam President.

IBACH: The amendment is not adopted. I raise the call. Mr. Clerk.

CLERK: Madam President, Senator John Cavanaugh would move to amend with FA1150.

IBACH: Senator John Cavanaugh, you're recognized to open on your amendment.

J. CAVANAUGH: Thank you, Madam President. Good evening, colleagues. So FA1150 is my amendment that is my attempt to action-- make actionable the idea I talked about previously. So generally opposed to increasing the court fees. However, I think that, that-- I can read the room. The decision's been made. Folks want to increase court fees. But in the interest of increasing-- as I think Senator Holdcroft just talked about last time he was on the mic, that the increasing costs of court administration-- I think Senator Bosn's talked about-- a lot of folks have made that argument. So there are several types of court interactions that are in this bill. And there is an increase-- this new state docket fee for civil causes of action that have different dollar amounts. And then there is dissolution, which I take to mean divorce. And then there is small claims. And then there is traffic misdemeanor or infraction. And so I-- my amendment addresses specifically to traffic misdemeanor or infraction. And I've gone through a couple of times examples. And one example is for a traffic infraction where this person was ticketed for no valid registration-- essentially that their license plate was expired. The state fine is $25. And then all of these other things, the for-- the fees and everything, add up to $74. And that person went online and paid the $74 fine-- or $75-- $74 fi-- fine and fees. And that is permissible under the statute, which I address in this amendment, which is 29-424, which is citation; contents;

procedure; complaint; waiver; use of a credit card, authorization. Essentially what that does is allows for the court to create a univer-- uniform form that is the citation in lieu of arrest form that then-- whenever you get a ticket and they don't arrest you, that's the citation in lieu of arrest. And officer gives that to you. Has a little number on the bottom. You can go online and pay that and not go to court. You could go to court and contest your traffic ticket or even pay it at, at court, but you can-- ahead of time, which I'm sure most of us have done. I've gotten a, a speeding ticket and, and just paid it online. You can go online and you put in that number, you put in your credit card number, and you pay the fine. And so this-- that allows-- creates this-- a system that says at least 24 hours before the time set for the appearance of the citation, the cited person, either the prosecuting attorney or, or other persons authorized by law to issue the complaint for the particular offense shall issue and file complaint-- a complaint charge-- such person with an offense or such person shall be released from the obligation to appear as specified. A person cited pursuant to Section 29-422 to 29-429 may waive his or her right to trial. The Supreme Court may prescribe uniform rules for such waiver. So the Supreme Court created this form. It's on their website. And that is what my amendment-- well, what my amendment says is, if someone is cited pursuant to that and, and uses that to pay the fine rather than come to court, then they will not be assessed this additional $36 because there is no additional cost borne by the court system for that person because they have paid the fine through the, the-- through the online portal, didn't come to the court, didn't require a, a docket or a call or anything like that. So there is no additional cost associated with that. So if our goal here really is to say the cost of administering courts has gone up and therefore we should increase these costs, I think this is an appropriate way to at least say when someone is not increasing the cost of, of the administration of the court that we should not bear-- they should not bear the additional cost of the administration of the court for others. I would say-- I talked to Senator Bosn-- and, and I'm not saying she supports this. I'm saying that she and I spoke about this. And she said that she thought I didn't cite to the right section in statute. Reading it, I think maybe I should cite those entire sections. And if folks would like, I can file a new amendment and we can take it up. And so-- you all let me know how you want me to proceed on that. But I, I did-- this has been-- I've been thinking about this especially since the Artemis launch today, which is President Kennedy's speech at Rice University talking about going to the moon the first time. We choose to go to the moon. We choose to go to the moon in this decade and do the other things not because they are easy but because they are hard, because the goal we se-- it will serve to organize and measure the best of our engineers, our skills, because the challenge is one that wi-- that we are willing to accept, one we are unwilling to postpone, one we intend to win, and to do-- and, and the others too. So I obviously read that because the Artemis, but sometimes we, you know, we shoot for the moon and we end up orbiting it and come back. But we only get to the moon if we set our sights there. So this is an amendment that, you know, I'm putting out there with-- so-- it's an ambitious one-- and, and put up there in-- i-- as a mechanism to order our efforts, our skills, our energies towards that broader goal and get us closer to this-- the objective here. So I encourage your green vote on FA1150. Happy to answer any questions. Thank you, Mr. President-- or, Madam President.

IBACH: Senator Bosn, you're recognized to speak.

BOSN: Thank you, Madam President. Colleagues, I rise in opposition to FA1150 but maybe not for the reasons you think. I think it's actually a problem to charge someone a different amount in fees because they've exercised their constitutional right to maybe have a trial or to, you know, plead not guilty. So I, I don't like the precedent that that sets. I think that's a slippery slope that I-- I guess my initial thought is that Senator John Cavanaugh would agree with that concern. So I do oppose that amendment. I also, just because I want to get this done and not forget-- and it's on my table-- want to briefly address a concern that is not in FA1150-- but this is my turn to talk-- raised by the Nebraska Retail Federation, and that's specifically in the language in LB7-- excuse me-- LB978 that was included. Begins on Section 5, page 5 of the E&R amendment. The concern is that this bill in that portion did not contain an express exemption from liability for conduct undertaken to comply with federal reporting obligations. As members know, federal law requires certain electronic service providers and remote computing services to report known child sexual abuse material to the National Center for Missing and Exploited Children and to preserve relevant evidence. After consulting with legal counsel in the Attorney General's Office, we concluded that an amendment adding such an exemption is not necessary, but I want to briefly explain the reason so that it is clear and on the record. First, state law cannot impose liability for conduct that federal law requires. If federal law requires reporting and preservation of child sexual abuse material for that purpose, Nebraska law does not need a separate carve-out to say that compliance is allowed. Adding one would be largely redundant and could create confusion where none is needed. Second, as a practical matter, the concern appears remote under the language of Section 5 itself. That section is aimed at knowingly and intentionally allowing or facilitating access to prohibited condu-- excuse me-- content on a publicly available internet website, disseminating prohibited conduct-- excuse me-- content on an internet website, or creating or developing prohibited content that is made available on an internet website. By contrast, compliance with federal reporting and preservation duties ordinarily invo-- involves retaining material on private internal systems for reporting and evidentiary purposes, not making it publicly available on a website or disseminating it in the way addressed by this section. So both legally and practically, an express exemption is unnecessary. Conduct required by federal law is already protected, and the conduct involved in reporting and preserving evidence is materially different from the conduct targeted in that bill. I just want to make sure and get that on the record so that it's in the train of thought on that particular portion. But again, I rise in opposition to FA1150 for the reasons previously mentioned. Thank you, Madam President.

IBACH: Seeing no one else in the queue. Senator John Cavanaugh, you're recognized to close on FA1150.

J. CAVANAUGH: Thank you, Madam President. I appreciate Senator Bosn speaking on this and, and obviously the record information. But I guess I'm reading the room. Everybody likes it as is, so we'll go forward with the vote as is. I, I agree that people should not be charged to assert their rights. The, the argument here, though, is that there is a cost associated with people asserting their rights and we are increasing those costs for people to gain access to the courts. I'm opposed to that in general. But if the whole point of what everybody is saying here is that it costs more to do these things and therefore we should charge more for that, then we are charging people more for things that don't cost more, right? That's, that's what the point of this amendment is saying. And-- oh, I did want to address-- I-- is-- forgot about-- Senator Holdcroft mentioned other states have higher fees or-- than Nebraska. And I sort of addressed that earlier, which is Nebraska doesn't have higher fees because we don't raise revenue on the backs of people with fees. That's why Nebraska doesn't have higher fees. Other places use these as revenue raisers and therefore they re-- they have higher fees to raise that revenue. And that is the thing I said we are lucky to have. We are lucky to have the constitutional provision that fines go to the Common School Fund, because that has prevented this sort of runaway arms race of raising fees for the purposes of raising revenue. And we have been spared some of those worst things, like what happened in Ferguson and other cities in this country, where so many of the citizens were being overpoliced, arrested, brought into debtors' prisons for the purpose of raising revenue through the criminal justice system. So we have been spared that because we have this constitutional provision. And again, my fundamental opposition to this is that this increasing these fees is getting into the territory of punitive and therefore should be going to the gen-- general school fund as opposed to the General Fund. But again, this amendment sa-- speaks to that and says, if you are not actually increasing the cost of your own prosecution, you shouldn't have to pay it. I would say there are examples where we do charge people for certain aspects of the increased cost. There are fees for bringing witnesses into court. There are service of process fees and other things like that that are only created by someone asserting their innocence and litigating a case. And so the-- it is not unheard of for us to charge those things. I again disagree with the idea that we should make it harder for people to access justice by increasing fees. But this is just one opportunity to say, if you don't make it harder on us, we won't make it harder on you. So I encourage your green vote on FA1150. Thank you, Madam President.

DeBOER: Thank you, Senator John Cavanaugh. Seeing no one else in the-- or, the question before the body is the adoption of FA1150. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 11 nays, 23 nays on adoption of the amendment, Madam President.

DeBOER: The amendment is not adopted.

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

DeBOER: Senator Guereca, you are recognized for a motion.

GUERECA: Madam President, I move LB935 be advanced to E&R for engrossing.

DeBOER: There's been a request for a machine vote. The question before the body is the advancement of LB935 to E&R for engrossing. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 33 ayes, 12 nays on advancement, Madam President.

DeBOER: The bill is advanced. Mr. Clerk for the next-- Mr. Clerk for items from the record.

CLERK: Thank you, Madam President. Your Committee on Enrollment and Review reports LB758, LB787, LB1236, LB1236A as correctly engrossed and placed on Final Reading. Additionally, your Committee on Enrollment and Review reports LB1048, LB826, LB1086, LB1096, LB1096A to Select File, some having E&R amendments. Motion to be printed from Senator Raybould to LB1219. And amendment to be printed from Senator Quick to LB889. As it concerns the agenda, Madam President, Select File: LB1126. When the Legislature left the bill, pending was the bill itself as well as a motion from Senator Dungan, MO561, to reconsider the vote taken previously on AM2752.

DeBOER: Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Madam President, colleagues. This would undo striking the fees for Omaha for the 911 system. It would put it back to how it was before. So it would be reversing what we did with Senator Dorn's amendment. And ideally, if we do that, then we can move along quickly. So I hope people will consider voting for Senator Dungan's motion. Thank you.

DeBOER: Thank you, Senator Machaela Cavanaugh. Senator Dungan, you're recognized.

DUNGAN: Thank you, Madam President. I appreciate the opportunity to get back to this. Just by way of context, for those who either missed what we were talking about back around, like, 5:15 when I filed this or have forgotten since then, there was this vote on an amendment from Senator Dorn that ostensibly increased a fee for folks in Omaha. That's my understanding. But again, when that vote came up, I was outside of the Chamber and I came back in and that vote had occurred. There was not a call of the house, and so I heard the ding and came back in. The vote was done and people were talking about it. There was a couple people who talked on the mic saying this was a fee increase and there was some conversation about what that fee went to and whether it was beneficial or not. And I think we heard some history a little bit about why people had fought against that fee increase in the past. I know that Senator von Gillern as well as some other folks talked to me about it real quick as well, I think expressing some concern about that increase. And so by virtue of the fact that I had not participated in the vote and was present, not voting, I was permitted to file the motion to reconsider. So I would ask my colleagues: green vote on the motion to reconsider so we can have, again, a conversation about the amendment that was brought on by Senator Dorn. I think there were some concerns at that juncture about potentially some germaneness issues. But certainly regardless of whether or not there's a germaneness issue, I think that there is a, a legitimate conversation that my colleagues should be interested in about an increased fee, ostensibly maybe an increased tax, I don't know, but an increased fee. So for the colleagues of mine who are concerned about increased costs, I understand it just affects our friends in Omaha. I'm a Lincoln senator. That being said, we all represent the entire state. Obviously, earlier today there was a branding conversation. I have zero background in ag, but I tried hard to follow that debate and jump in. So I think we owe it to our fellow colleagues to engage in these conversations even if it doesn't necessarily affect us or our direct constituency, because we do represent Nebraska as a whole. So I would encourage your green vote on the motion to reconsider so we can once again have a brief, hopefully, conversation about Senator Dorn's amendment for that increased cost and we can move on with a vote on that. So thank you, Madam President.

DeBOER: Thank you, Senator Dungan. Senator Hunt, you're recognized.

HUNT: Thank you, Madam Chair. I wish we had time to run a little card here because I had some conversations over the dinner break with folks-- by folks, I mean Republicans-- who would be in support of this measure, but I don't think that we are organized enough and there's not enough time in the queue to do more with it. So I support the reconsider motion. What could happen is that we could vote for the reconsider motion. I'm looking at the Clerk here as I talk. And if it's successful and we can reconsider the amendment, at that time, Senator Dorn could withdraw the amendment. The Clerk is not shaking his head no, so that's right. Thank you, Mr. Clerk. And then we could move on with LB1126 without any friction for the rest of the night. So I-- this, this amendment from Senator Dorn also has a big germaneness issue. I'm suffering from the reality of fatigue throughout this day, as we all are. And when a-- LB1126 originally came up and Senator Dorn's amendment came up, we had just come off a more intense debate that I was engaged in. And, you know, sometimes a bill comes up and you see it as a little moment for a break. So I took a little mental break and I completely spaced Senator Dorn's amendment and what the ramifications were for it. Senator DeBoer came and, and knelt down next to me and, and told me about the amendment. She kind of tipped me off about what it would do to raise fees for Omahans. And coming off a previous bill that we just advanced that also raised fees-- this is a little bit of a theme of the night, is the raising of fees and, and our support or opposition for those things. And I will always be opposed to raising the fees. I did vote in opposition for the amendment, as did many other Omaha senators for reasons that have been outlined. But besides raising the fee, besides a policy, you know, disagreement about that measure, there is a germaneness issue for that amendment to LB1126. And so in lieu of a germaneness challenge, which is what we should have done in the first place were we not plagued with fatigue, we have this reconsider motion instead. So I encourage colleagues to support the reconsider motion so that we can have Senator Dorn withdraw that amendment and move LB1126 clean. Thank you, Madam Chair.

DeBOER: Thank you, Senator Hunt. Seeing no one else in the queue. Senator Dungan, you're recognized to close on your reconsider motion.

DUNGAN: Shocking. Thank you, Madam President. I think a lot's been said about this. I think Senator Hunt is correct that we're all kind of tired here and-- that doesn't mean we're not doing our work, but I do think it means that sometimes people are not listening exactly to all the conversation that's happening, which I understand. I know there's been a lot today going on and it can become a little bit monotonous listening to the mic all the time. But this is a real motion to reconsider. I think that often bears repeating because we so often see reconsiderers and other filibuster-esque motions on the board and people just look to see who introduced it and hit green or red based on that. This is a real conversation to see whether or not there's an opportunity to reconsider that vote. Similar to Senator Hunt, I had conversations briefly right after we broke for the dinner break with people who were interested in retaking this vote. So I would ask others to engage in that consideration and vote green on the motion to reconsider. Thank you, Madam President.

DeBOER: Thank you, Senator Dungan. Colleagues, the question before the body is the reconsideration motion for AM2752. All those in favor please vote aye; all those opposed vote nay. There's been a request for the roll call vote. Mr. Clerk, please call the roll.

CLERK: Senator Andersen voting yes. Senator Arch not voting. Senator Armendariz. Senator Ballard not voting. Senator Bosn voting no. Senator Bostar voting no. 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 voting no. Senator Dover voting no. Senator Dungan voting yes. Senator Fredrickson. Senator Guereca voting yes. Senator Hallstrom voting no. Senator Hansen voting no. Senator Hardin voting no. Senator Holdcroft voting no. Senator Hughes voting no. 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 voting no. Senator Quick not voting. Senator Raybould voting yes. Senator Riepe voting yes. Senator Rountree voting yes. Senator Sanders voting no. Senator Sorrentino voting no. Senator Spivey voting yes. Senator Storer voting no. Senator Storm voting yes. Senator Strommen voting yes. Senator von Gillern voting yes. Senator Wordekemper voting yes. Vote is 18 ayes, 25 nays to reconsider.

DeBOER: The reconsidera-- the reconsider motion is not successful. Mr. Clerk.

CLERK: Madam President: Senator Guereca, I have nothing further.

DeBOER: Senator Guereca for a motion.

GUERECA: Mr. President, I move LB1126 be advanced to E&R for engrossing.

DeBOER: Colleagues, you've heard the motion. All those in favor say aye. All those opposed say nay. The bill is advanced. Mr. Clerk for the next item.

CLERK: Madam President, Select File: LB1135. First of all, Senator, there are E&R amendments.

DeBOER: Senator Guereca for a motion.

GUERECA: Madam President, I move that the E&R amendments to LB1135 be adopted.

DeBOER: Colleagues, you've heard the motion. All those in favor say aye. All those opposed say nay. The E&R amendments are adopted.

CLERK: Senator Kauth, I have FA795 with a note that you'd withdraw.

DeBOER: So ordered.

CLERK: In that case, Madam President, Senator Dover would move to amend with AM2821.

DeBOER: Senator Dover, you're recognized to open on your amendment.

DOVER: Thank you, Mr. President. Good evening, colleagues. AM2821 is joining of my-- is the joining of my LB811 with its corresponding Urban

Affairs Committee amendments. LB811 come-- came out of committee 7-0, bringing support from the League of Municipalities, Nebraska Commission of African American Affairs, Nebraska Housing Developers Association, Nebraska Realtors Association, and the Southeast Nebraska Land Bank, among others. It's a targeted update to the Nebraska Municipal Land Bank Act that authorizes cities and villages of all classes to establish land banks. Land banks are a tool used to acquire, manage, and return vacant, abandoned, and tax-delinquent properties to productive use, ultimately placing them-- properties back on the tax rolls and supporting local redevelopment. Under current law, this tool is limited only-- cities of the met-- metropolitan and primary classes. LB811 expands access so that communities across Greater Nebraska, regardless of size, have the ability to address problems, properties, and support housing development and neighborhood revitalization. In addition to the underlying bill, the committee sta-- the committee amendment, AM2321, adds provisions relating to how land banks market property intended for residential development. The amendment requires land banks to advertise such developments for sale up to 90 days after acquisition or until an offer is accepted. It also allows land banks to include contractual provisions requiring construction to begin within a specified time frame and authorize the land bank to acquire property, including repurchase at the original price, if construction does not begin as agreed. These provisions do not apply to land banks created by cities of the metropolitan class and cities of primary class. My office worked with the League of Municipalities and land bank representatives to refine the language of this AM. Together, LB811 and AM2321 expand access to land banks while pro-- promoting timely development and responsible use of the property. I would ask for your support in advancing AM2821 to LB1135. Thank you, Madam President.

DeBOER: Thank you, Senator Dover. Mr. Clerk.

CLERK: Madam President, Senator Dover would move to amend the amendment with FA1148.

DeBOER: Senator Dover, you're recognized to open on FA1148.

DOVER: Thank you, Madam President. FA1148 adds clarifying language on page 2, line 12 of the amendment. It states, for any reason-- excuse me-- for real property of the land bank that is intended for residential development, the land bank shall advise the availabil-- excuse me-- adv-- advertise the availability of such property for sale 90 days after acquiring the property. What I realized upon reading the a-- the amendment, it didn't deal with-- sometimes they're going to demo the property and get-- and prepare the site for development. And so that situation was not included in the amendment. So I added this part: or after completing demolition of any structure and site preparation necessary for development. That's what this floor amendment does. And it continues on then just to simply say in the amendment: or until an offer to buy the property is accepted, whichever is earlier. I urge your support of FA1148. Thank you.

DeBOER: Thank you, Senator Dover. Seeing no one in the queue. Senator Dover, you're recognized to close. Senator Dover waives his closing. The question before the body is the adoption of FA1148. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 32 ayes, 1 nay on adoption of the floor amendment, Madam President.

DeBOER: The floor amendment is adopted. Seeing no one in the queue. Senator Dover, you're recognized to close on AM2821. Senator Dover waives his closing. The question before the body is the adoption of AM21-- AM2821. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 38 ayes, 1 nay on adoption of the amendment, Madam President.

DeBOER: The amendment is adopted.

CLERK: Madam President: Senator McKinney, I have AM2925 with a note you'd withdraw.

DeBOER: So ordered.

CLERK: In that case, Madam President, Senator McKinney-- excuse me. Senator Spivey would move to amend with AM2872.

DeBOER: Senator Spivey, you're welcome to open on AM2872.

SPIVEY: Thank you, Madam President. And good evening again, colleagues. And thank you to Senator McKinney, chair of Urban Affairs, for allowing me to present AM2872. AM78-- AM2872 is for LB1033, a bill that updates Nebraska's Low-Income Home Energy Assistance Program, also known as LIHEAP, a crisis-assistancy gap-- cap program, increasing the maximum annual payment from $500 to $800 for eligible household per program year without a waiver. Nebraska receives approximately $40 million annually in federal LIHEAP funding and serves nearly 4,000 households each year. LIHEAP is a federally funded block grant program. It does not impact general funds, and no Nebraska taxpayer dollars are used for this program. LIHEAP operates with an approximate $3.5 million annual surplus. Only $1.1 million per 3% of the block grant is used for the crisis assistance payments. And currently, crisis payments are capped at $500 per household unless you get a waiver. Nearly 3,000 Nebraska households annually rely on the crisis assistance to prevent loss of heating or cooling services-- a basic need to stay within their home. So LB1033, now AM2872, increases the standard annual crisis payment cap to $800. It preserves existing authority for higher payments in true extenuating circumstances, reduces administrative delays in emergency situations, and improves efficiency while maintaining fiscal responsibility within the federal block grant structure. There was no opposition to this bill. And I would appreciate your green vote on AM2872. Thank you, Madam President.

DeBOER: Thank you, Senator Spivey. Senator Bosn, you're recognized.

BOSN: Thank you, Madam President. I wondered if Senator Spivey would yield to a couple of questions.

DeBOER: Senator Spivey, will you yield?

SPIVEY: Of course not. Just kidding. April Fools. Yes, I will.

BOSN: Thank you. OK. I thought I heard you say LB1033, but I wanted to make sure. Is that the bill that this was previously?

SPIVEY: Yes, that is the current one. Yes.

BOSN: So I'm-- it's always hard when these come on as floor amendments. And that's not your fault, but I'm-- it makes it harder for those of us who are hearing it in live time. OK. So your to-- your opening was that this has no fiscal note. Is that corr-- did I hear that correctly?

SPIVEY: Yeah. So it's no impact to general funds, and there is no additional fiscal note. So with LIHEAP funding, it's all a federal block grant funding-- so what we get is what we get-- and it's used for crisis assistance. So this is not changing the amount of that federal grant. What it is saying is the cap for assistance for your home is at $500 now. And then if you wanted more, you have to have a waiver. It's saying you don't have to have a waiver and the cap is now $800. So it removes that extra administrative burden to do the waiver because the average of energy assistant need in Nebraska is about $800. So there's no General Fund implications. It's not expanding the federal block grant. This is the block grant, it's just adjusting the cap.

BOSN: OK. Is "LICAP" something that's only in Omaha?

SPIVEY: LIHEAP. It's across--

BOSN: Or, LIHEAP. I'm sorry.

SPIVEY: --Nebras-- no. It's across Nebraska, and it serves 40,000 Nebraskans. So it's for anyone in Nebraska.

BOSN: OK. And how do you qualify?

SPIVEY: So you apply to a state agency to receive that funding. You-- this is for extenuating circumstances. So say your partner passed away and you lost income and you have fallen behind for your heating and cooling for your home, then you would apply for it. So it's, it's an approval process for this block grant, but you-- there has to be the extenuating circumstance.

BOSN: OK. And so that doesn't change in this bill, though?

SPIVEY: I'm not changing any of that. It's just the cap.

BOSN: OK. And is there evidence that the $500 with the waiver was not satisfying those?

SPIVEY: Yep. So I work with specifically OPPD on this and the-- some of the energy companies. The average of energy assistance for these extenuating circumstances is between $800 and $1,000. And so they always were doing the $500 plus the waiver. And so this is just saying-- it was removing some of that burden where you can now do up to $800. And that agency can still say, oh, it's really $1,000. We're going to do the waiver now to give you $1,000. So it doesn't change the process in terms of the waiver and all of that. It's just saying now the average that we're seeing is $500 to $800.

BOSN: OK. Thank you. I appreciate you answering those.

SPIVEY: Of course.

BOSN: And I don't have any additional questions. Thank you, Madam President.

DeBOER: Thank you, Senator Bosn and Spivey. Senator Hansen, you're recognized.

HANSEN: Thank you, Madam President. I was hoping Senator Spivey would answer a couple questions for clarification.

DeBOER: Senator Spivey, will you yield?

SPIVEY: Of course.

HANSEN: All right. I think I remember this. This came to HHS, if I remember right. And I-- I think this came in front of HHS probably a few times over the years. So just for clarification's sake, we're not putting more money-- we're not appropriating more money into LIHEAP. Your bill just changes the proportions of how they're divvied out, correct?

SPIVEY: Almost right. So we are not putting more money into LIHEAP. It is a federal block grant money. So no general funds, no taxpayer dollars.

HANSEN: Mm-hmm.

SPIVEY: The difference that is saying is, right now, if you apply for assistance, your cap is $500. If you need more, you have to do a waiver. My bill is saying your cap now is $800. And if you need more-- bless you-- then you apply for a waiver. So that's what my bill changes.

HANSEN: OK. So-- I can-- I can't remember and [INAUDIBLE] time to look up, do, do all of the funds typically get used up every year?

SPIVEY: So right now, there is about a $3.5 million annual surplus, but it's federal funding. So the specifications are used based on that federal block grant. And within the full block grant, $1.1 million, or about 3%, is used for crisis assistance, what LIHEAP is. And so there are other uses of the federal block grant, and this is one of the uses.

HANSEN: OK. I-- OK. The only-- the thing I'm-- I wouldn't say I'm concerned about is that since we're increasing how much people can get, is there a potential less people will get this then?

SPIVEY: No, because we have a $3.5 million surplus right now in, in the fund. And what it is saying is that the actual, the actual average of what people are needing about-- is about $800, which they could be already getting with the waiver. And so this is just saying it's easier on the agency and the administration because then they can get-- do up to that cap. And then if they still need more, they can still do it. Because they could do up to $1,200. They can go up to $1,500 with the waiver.

HANSEN: Yeah. I, I just-- again, I'm-- it's more because I'm unfamiliar about, OK, how many waivers get approved, how high do they go up. So say, say--

SPIVEY: That is all agency discretion, and that does not change. All agency discretion.

HANSEN: It's more the data, right? And so, like-- so say 100 people get this a year, you know, they, they meet the $500. Some get approved for a waiver for more, some don't. And now, since they're all going to get approved up to $800, then there's less to go around, I think. You kno-- you know what I mean? And so-- that's the-- the potential is there. I, I think maybe if-- we might use up that $3.5 million pretty quick.

SPIVEY: So I have some data around how the LIHEAP has been used. So for LIHEAP funding use by type-- so in fiscal year 2019: $18 million about for heating; $8.3 million for cooling; weatherization, 2.6; carryover was 1.1. 2020, COVID year: heating, 25; cooling, 8; weatherization, 2.3. When you get to 2024, it was-- just to skip some of these years and for sake of time. 2024 was $20 million, cooling was 7, and then weatherization was 3.2. So you see some modest increases based on, I think, where people are and folks navigating being low income in these extenuating circumstances. And so-- in the hearing, there was no opposition. There was no feedback from HHS around that there was going to be issues with the administration. And again, we have that surplus. And so I think-- again, this doesn't mean that we're spending more money. It's just reducing the administration of the waiver and that, that burden to have the cap at $800.

HANSEN: OK. Do you know-- briefly here, do you know how many of those waivers get approved, off chance?

SPIVEY: No. It's, it's really at the discretion of HHS and how many people have the extenuating circumstance.

HANSEN: OK. And-- you know-- and I, and I get that. I'm just trying to, trying to figure out-- boy, if all the waivers get approved, like, do we need to increase the cap? You know what I mean? Like, keep it at

$500 if they're all getting approved. I know it's one more hurdle that they go through, but that might be able to show that they-- you know, the necessity of some of these funds that these people need. And so I just want to make sure we're not, like, at a buffet table and our eyes are bigger than our stomach, you know, and then all of a sudden that $3.5 million gets used up pretty quick and now we're stuck in a bind where we're serving less people with those federal funds. That's, like, the only concern I have, I guess, which--

SPIVEY: Yeah. I think-- at the hearing, OPPD and some partners kind of spoke to that to just say most-- the idea behind this is kind of twofold. We're meeting people where they are. This is the average that we're seeing for the extenuating circumstances and it's making it easier on the agency because they're not having to do the waiver. We're allowing them the discretion to go up to the cap of $800. I think it was Senator Glen Meyer who was like, you know, why not-- let's do $1,000. And I said, yeah, let's do it. And, and then he was like, stop. So, you know, so I think we--

DeBOER: Time, senators.

SPIVEY: --kind of talked about-- oh, thank you, Madam President.

DeBOER: Please state your point of order.

BOSN: Germaneness.

DeBOER: Senator Bosn, Senator Spivey, please approach. It is the ruling of the chair that it is not germane. Senator Spivey, for what purpose do you rise?

SPIVEY: To overrule the chair. Motion to overrule the chair.

DeBOER: Senator Spivey, you are recognized to open on your motion.

SPIVEY: Thank you. So I respectfully disagree with Madam President on that. This bill and what LIHEAP specifically looks at-- and if, and if you look up what the program does in the use of the fund, deals with weatherization. And so Senator John Fredrickson's bill, which is a part of the package and, and within Urban Affairs, deals with the PACE program, which is specifically around energy assistance and the use of that. So I do believe that it is germane based on the use of the fund, the bills that are contained in this package, and how the funds are expended to deal with housing, specifically for the weatherization and the utility side that is currently contained in the package that made it to Select File. So I would ask for your green vote to-- motion to overrule the chair. Thank you, Madam President.

DeBOER: Senator McKinney, you are recognized.

McKINNEY: Thank you, Madam President. I also stand in support to overrule the chair. I don't agree. I believe that the bill's nexus was germane, in a sense. So I, I really don't, I mean, understand the-- it at all because even when you read the bill, it deals with energy products-- projects. Weatherization is a energy project. And you can get weatherization through LIHEAP. So I'm confused on how there isn't a nexus between the bills in the-- in, in the package. We've a-- we as a body have amended bills from other committees multiple times, and you could've argued germaneness issues on every one of those if-- for, for the basis of this ruling. And the-- I think it was things that were completely not germane to other bills that got attached to bills. But when you talk about a nexus and those type of things, what is weatherization? A energy project. Which can be done with LIHEAP funds. So it's really-- I don't know. I think it's novel. It's interesting. So it's-- I guess we're here, but. And I really-- you know, it's, it's, it's just interesting the things that happen at night around here. But I believe that the body should overrule the chair. I believe the bill was germane. And it's, it's hard for me to make a big argument because I'm so perplexed by the ruling of the chair that it wasn't germane and perplexed by also the argument that it wasn't germane when individual-- that, you know, argue germaneness have voted for things that wasn't germane on other bills or couldn't easily been argued. And it-- this just goes back to, honestly, the lack of consistency in his body, picking and choosing when we want to hold true to rules or unsaid rules in this place just-- and, and, and that's what's so frustrating about this, is we could, we could literally point to issues on bills where things got attached from other committees-- it's just, it's just interesting. And you supported them. But tonight, that's not the case. And I, I disagree wholeheartedly with the ruling of the chair on this. If weatherization isn't a energy project, I don't know what is. You're specifically weatherizing your home for energy efficiency. That is what it is. If it's something else, please educate me and send me back to school. But weatherization is a energy project. Which can be done with these, these entities, the land bank-- what else is in here? It's-- so it-- it's confusing. I mean, we're going to hear a argument that, you know, it doesn't deal with the bill. It's a different chapter. There was different chapters for other bills on-- that people voted in at times this session. And that is a fact. But-- I don't know. It's neither here or there, I guess, but I do believe we should be overruling the chair on this and voting to allow it to happen. If not, though, it's cool. We're gonna definitely be consistent going forward. So keep that in mind too. Thank you.

DeBOER: Thank you, Senator McKinney. Senator Bosn, you're recognized.

BOSN: Thank you, Madam President. Colleagues, I, I, I just want to be clear, I, I understand the want-- the desire to add this bill and, respectfully, germaneness is whatever this body decides it-- germaneness is. You, you can vote to overrule the chair. But I just wanna be clear that we would be finding germaneness where it, it just is not germane. First of all, these bills went to two separate committees. These bills open two completely distinct and separate chapters of law. And the bill that is Senator McKinney's committee bill deals with something entirely different. It doesn't deal with energy assistance to those who are suffering from an emergency like Senator Spivey's bill does. There's-- there is just no overlap there. And so do whatever you want, but do it eyes wide open that there is not a germane portion of Senator Spivey's bill to this bill. You may really like Senator's Spivey's bill. That isn't the point. It doesn't make it germane. So I just want to point out that context. Thank you, Madam President.

DeBOER: Thank you, Senator Bosn. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Madam President. Senator Bosn did not have the same issue on Senator Riepe's bill, LB1212, when we amended Senator Lonowski's bill from a different committee-- not same statute, not the same area at all. That wasn't an issue then. And that was earlier today. We took Senator Lonowski's bill from Government and amended it into Senator Riepe's bill from HHS. Not the same statute. Both dealt with licensure. So this body, we decided-- I got on the microphone and mentioned the germaneness. We decided collectively that it was germane. So it's germane if we want it to be germane. This is the same sect-- same topic area. Yes, it was referenced to a different committee. LIHEAP is always referenced to HHS. I don't know why. It should really be-- I think because it's a public assistance program. It probably should be going to Urban Affairs regularly, but it doesn't because it's public assistance. So let's be consistent, as Senator Bosn said. If it's germane for Senator Lonowski and Senator Riepe, then why is it not germane when the exact same situation exists for Senator Spivey and McKinney? Thank you, Madam President.

DeBOER: Thank you, Senator Cavanaugh. Senator Clouse, you're recognized.

CLOUSE: Thank you, Madam President. And, and the pages owed me one because they kicked me out earlier. Otherwise, I'd have been on the mic earlier, so. That's OK, guys. We'll, we'll, we'll be fine. I want to bring-- my comment's from a different perspective, and that is talking about the germaneness. And when we talk about the power districts being involved with this and it relates to energy, I can tell you all the years that I was in power and the-- in that responsibility, not once did somebody come to me and say, hey, we need to approve this weatherization program. It was totally separate. You know, power company's worried about the bills and, and getting the bills paid and things like that. This is a good bill. I'm, I'm not going to say that, because I, I do support it. And I think that it, it probably should have been handled in a different way. But as far as germaneness, I firmly believe it is not germaneness based on the argument that the power companies said this. Because that's just the wrong, wrong thing to be applying that to. So I respectfully disagree with those that cite the power districts as the reason why this should, should be a part of this. With res-- regard to the different committees, I've wondered that all, all session, is, how do some of these bills get in what committee? I've had a bill that they-- the committee even voted no because they didn't think it should have been in the committee. Had nothing to do with the bill, but it got out of committee, but the "no" vote was because they didn't think it should have been in that committee. So I, I think the germaneness is an issue. And I, I think that it's still a good bill. So I-- hopefully we find some place for it. If it-- if not this, then where? And I hope that we can come up with some resolution, but I do not think it's germane based on utilizing the, the power district's testimony. Thank you.

DeBOER: Thank you, Senator Clouse. Colleagues, each senator may only speak one time on a motion to overrule the chair. Seeing no one else in the queue. Senator Hunt, you're recognized.

HUNT: Thank you, Madam Chair. Would Senator Machaela Cavanaugh yield to a question?

M. CAVANAUGH: Senator Machaela Cavanaugh, will you yield?

M. CAVANAUGH: Yes, Madam President.

HUNT: Thank you, Senator. In the interest of collegiality-- because I know that you were speaking to, you know, Senator Spivey and others, is there anything you'd like to say in conversation with me? And you can answer.

M. CAVANAUGH: Thank you, Senator Hunt. I was going to say, to Senator Clouse's point about two different committees opening up different sections of statute, we are going to be consistent and therefore we will revisit Senator Riepe's bill. If this is deemed to be not germane by the body, then we need to revisit Senator Riepe's bill and pull it back to remove Senator Lonowski's bill so that we are being consistent in our germaneness rulings.

HUNT: What was Senator Riepe and Lonowski's bills?

M. CAVANAUGH: They were two different licensures bills. Senator Riepe's had to do with nursing and Senator Lonowski's, I think, was electrical, Senator Lonowski.

HUNT: Thank you for jogging my memory. I recall. And I, I think there are other examples as well.

M. CAVANAUGH: There are.

HUNT: That's the one that's coming to your mind first, but I've got a few too.

M. CAVANAUGH: Yeah. Because that one was just earlier today. And I brought up the issue of germaneness. And I was like, well, it's different committees, but it makes sense because it's licensure. And-- so let's just do it.

HUNT: I'm honestly kind of a stickler for germaneness. And it is sort of in the eye of the beholder sometimes. There's a, a very narrow gray area, but there's a thin gray line, for sure, you can stand in. But, you know, there's some things like calling the question. I never vote for that. And germaneness, I try to be a stickler for that. But there is kind of a gray line. And there's definitely a lot of things that we add to bills that are absolutely not germane. But as Senator Wayne used to say, the rules in here are whatever 25 people think the rules are. Germaneness is whatever 25 think is germane, so.

M. CAVANAUGH: Exactly. So I guess we'll find out. Thank you, Senator Hunt.

HUNT: Thank you, Senator. Thank you, Madam Chair.

DeBOER: Senator Dover, you're recognized.

DOVER: Thank you, Madam President, and I feel sorry for you up there because it's a tough decision to make when someone brings up a question of germaneness, but I-- but as far as consistency goes, just so everybody knows, this was a-- the-- people, people here didn't hear a discussion up there yesterday when Senator Dungan questioned germaneness on my bill. And I can-- I, I can't speak for Senator Spivey, but basically-- and I'm sure there's other people who were trying-- you know, like with my bill-- I can just speak to myself-- I was trying to find a path forward for the-- helping out the Real Estate Commission, clean up some verbiage. We took our best shot. Senator Dungan questioned germaneness. We went up and met. And, and it was exactly the same thing I'm hearing now. So the question was, it was heard by two different committees. It's two separate sections of law. Therefore, it really isn't germane. And that's what I heard yesterday. So if anyone's saying that we're not-- I mean, you can argue about other situations, but this is exactly what happened last night to me. They told me it wasn't, and I just came back and sat down. Thank you, Madam President.

DeBOER: Senator Riepe, you're recognized.

RIEPE: Thank you, Madam President. I think if we're going to talk about germaneness, I think it's not fair to go back to say, well, the-- this is the germaneness in-- particularly my bill, LB1212, that happened today. Then if we're going to look at germane-- germaneness, we need to go back to January of this year and look at every one of them up and down the line. Now, if you think we have time to do that, then so be it. But it's not fair to look at the mo-- one that's most recent in your mind and then call it out with limited knowledge. So thank you very much, Madam President.

DeBOER: Senator Ben Hansen, you're recognized.

HANSEN: Thank you, Madam President. Not going to kind of talk a whole lot about the germaneness aspect of whether it is or is not. And actually, with Senator Spivey's bill, I'm not actually completely against it. This is probably a bill I'd probably vote for. I think I even voted it out of committee. I just did have some of those concerns I wanted to talk to Senator Spivey about. And I was glad that she answered my questions. And so I think maybe the difference that maybe

Senator Cavanaugh was bringing up is-- when Senator Lonowski attached his bill to Riepe, I think-- I'm pretty sure nobody brought up a point of order and questioned whether it was or was not germane. I think if we would have, then we would be having that discussion at that time. And perhaps we would've found it not germane in this same instance. So I don't know if we can quite compare them, because we didn't have that course of action with Senator Lonowski's bill on Senator Riepe's as we do with this one. Somebody just happened to bring it up. Now it's up to the body or it's up to the presiding chair to, to determine that, and it's up to the body to decide whether we want to overrule the chair or not. And so I think the fact that we did attach one bill to another in a different committee is very similar to what we're do-- what Senator Spivey is trying to do. I think just, however, in that instance, nobody questioned it. So it's hard to say what would have happened if somebody would have made a point of order and questioned it at that time. We may not have the-- it might have been a germaneness issue and it may not have gotten attached. So I think it's hard to say, because we didn't do it then, we shouldn't do it now. I'm not telling people how to vote or what they do-- want to do with the overrule the chair or not. And I don't want to question the germaneness aspect. And again, I, I actually don't mind Senator Spivey's bill. It's probably one I would vote for. But I think those are just two different instances. And I just wanted to bring that up, maybe in comparison to what Senator Machaela Cavanaugh was talking about, so. Thank you, Madam President.

DeBOER: Thank you, Senator Hansen. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Good, good evening, Madam President. Good evening, colleagues. I couldn't resist the temptation to jump in. [INAUDIBLE] talking about it. I just wanted to read the germaneness section. So no motion, proposition, or subject different from that under consideration shall be admitted under col-- color of amendment. Any amendment that is not germane is out of order. Germane amendments relate only to the details of the specific subject of the bill and must be in the natural and logical sequence to the subject matter of the original proposal. A nongermane amendment includes one that is related to, related to a substantially different subject. So the-- a lot of people point to the committee. The committee is not dispositive. It means if it's in a different committee, it could still be germane. It is helpful and instructive, but, of course, something could be in the same committee and also not be germane. So it's not-- you know, it's not proof that it-- something is germane. It's not proof that something's not germane The standard is whether something's in the logical, natural sequence of the idea of the underlying bill. So that's the question that we have to answer when we are determining whether something is germane or not. Often, you can also point to the sections-- chapter and section of statute that it opens up as saying, well, these are in the same sections, and so they're closely related in that way. But, of course, it has to do-- the standard is whether we think it is in the logical, natural sequence of the underlying idea. So that's the standard you're supposed to exercise in determining germaneness. Other things are instructive and helpful, but they do not-- they're not outcome determinative or dispositive. They are not the only thing you make the determination on. So that's what I would say to look at. That's why folks have been pointing to the actual subject matter of the two bills. So. Happy to help. Thank you, Madam President.

DeBOER: Senator Hallstrom, you're recognized.

HALLSTROM: Yes, Madam President. And I was along the same lines as Senator Cavanaugh. Had my pink book out to read through that, so I won't repeat it. Typically, we opine when we go through there as to whether or not it's germane or not. I think if you look at the committee statement, you look at the original subject matter of the bill plus all of the amendments that were placed, they're considered to be germane under our rules if they come out of the committee. If you look at the subject matter of each of the topics that are covered there, I don't think there's anything remotely related to Senator Spivey's bill. I don't necessarily have a problem with her bill substantively, but I think with regard to the germaneness rule that the ruling of the chair was appropriate. I think one thing that we probably should give some consideration to-- and I think, over the years, it's probably flip-flopped back and forth as to whether-- what the "you can only talk once" means. And that either means you can only talk once and/or you can be asked questions. I think that's something for us to look at. If you can be asked questions by the other 48 members, we'll go back and forth quite a bit on that regard. So perhaps something to look at into the future just as a matter of convenience and, and economy. Thank you.

DeBOER: Seeing no one else in the queue. Senator Spivey, you're welcome to close.

SPIVEY: Thank you, colleagues. I appreciate the debate. I still disagree with the ruling of the chair. And, again, appreciate the comments and folks weighing in. I think it's about the nexus of each bill. And if you look at the committee package, there is the nexus in looking at PACE, which is around energy assistance in housing. My bill specifically is around housing and energy assistance. And it has the weatherization. I did check in with the Clerk's Office before because, again, I think the rules are important and I want to make sure that we do things that are appropriate and intentional in this body. And so for sake of time and for interest to continue to move through the agenda, I will withdraw. Thank you, Madam President.

DeBOER: Mr. Clerk.

CLERK: Madam President, Senator McKinney would move to amend with AM2862.

DeBOER: Senator McKinney, you're recognized to open on your amendment.

McKINNEY: Thank you, Madam President. AM2862 just deals with a date change from what we did on General to now. I talked to representatives that represent the city of Omaha and Douglas County, and they just asked, could we change the implementation date? So that's what we did in this amendment. So that is pretty much what it is. We changed it. Yeah. We changed the im-- implementation date. It's that simple. Thank you.

ARCH: Turning to the queue. Senator Clouse, you are recognized to speak.

CLOUSE: I think they got me in the queue wrong. They come back. I'm--

ARCH: Seeing no one in the queue. Senator McKinney, you are recognized to close on AM2862. And Senator McKinney waives close. The question before the body is the adoption of AM2862. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 36 ayes, 0 nays on adoption of the amendment, Mr. President.

ARCH: AM2862 is adopted. Mr. Clerk, next item.

CLERK: Mr. President, Senator McKinney would move to amend with AM2993.

ARCH: Senator McKinney, you're recognized to open on AM2993.

McKINNEY: Thank you, Mr. President. AM29993 [SIC: AM2993] just deal with a change about membership-- a, a member spot on the land bank in the city of a metropolitan class. It just says at least one member who resides in a city council district described in, in subsection 13-2610.

The land bank is OK with this. We talked about this, and this is the language that we were able to get to that appeased everybody. Thank you.

ARCH: Seeing no one in the queue. You're recognized to close on AM2993. Senator McKinney waives close. The question before the body is the adoption of AM2993. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 37 ayes, 0 nays on adoption of the amendment, Mr. President.

ARCH: AM2993 is adopted. Mr. Clerk, next item.

CLERK: Mr. President, Senator Guereca would move to amend with AM3059.

ARCH: Senator Guereca, you are recognized to open on AM20-- AM3059.

GUERECA: Thank you, Mr. President. I wa-- want to thank Chairman McKinney for allowing me to add AM3059, which is my LB1250. This would allow a city of the first or second class or any village in Nebraska to sell or transfer its water and sewer systems to a tribe when the following conditions are met. First, the city must enco-- be encompassed by tribal lands. Second, the voters must approve the transfer through a ballot measure authorizing the sale or transfer of said systems. And finally, that it has a tribal headquarters located within the tribal lands. If these conditions are met, state law should not stand in the way of a locally approved decision. This bill responds to a dispute between the Winnebago Tribe of Nebraska and the village of Winnebago. In that case, voters participated in a ballot initiative to transfer responsibilities for water and sewer services from the city to the tribe. The village, however, has questioned whether current state law gives the authority to complete the transfer. L-- this-- LB1250 would address and answer that question directly. It makes clear that when voters approve the transfer and the municipal political subdivision lies within tribal lands, the municipal subdivision has the authority to act. The tribe has invested approximately $17 million in water and sewer infrastructure since 197-- 1979 and has another $8 million in pending projects. These funds come from federal Indian health services program that only the tribe can access. Without clear authority under state law, the community risks losing access to these federal dollars and the infrastructure improvements they support. LB1250 does not force any municipal political subdivision to transfer its systems. It empowers local voters, clarifies municipal authority, and ensures that communities can continue to access this critical infrastructure funding when they choose to do so. This bill did come out of committee 5-2. I have in-- since that time worked with the committee members that had some concerns, worked with the tribe to bring that language. And that language that we inserted was ensuring that the, the town or the village had the tribal headquarters within, within their, their, their boundary. So with that, I ask for your green vote on AM3059. Thank you.

ARCH: Senator Storer, you are recognized to speak.

STORER: Thank you, Mr. President. Would Senator Guereca yield to se-- question?

ARCH: Senator Guereca, will you yield?

GUERECA: Yes, of course.

STORER: Thank you, Senator Guereca. This seems like it was probably-- which many things are, so this is not a criticism-- but this seems like this was probably written for a very unique situation and specific village. Can-- would it-- could you provide a little more context of the specific situation that this is gonna help rectify?

GUERECA: Yeah. So it's a-- was a dispute between the Winnebago Tribe of Nebraska and the village of Winnebago. The village of Winnebago had an election to transfer the responsibility to the sewer and water services from the city to the tribe. And then-- so there were some questions of whether or not the town had the authority to transfer those services. So that is why we're inserting this language. So if a town, village wants to transfer that responsibility of their water sewer systems to a tribe and they're within that tribal boundaries and there's a tribal headquarters located in their land and there's a vote of the people that they're able to do so.

STORER: OK. Thank you. And I guess just for clarification-- and this is a learning-- opportunity to learn, but it would be-- have been my assumption that a village or city that is on tribal land would also be inclu-- considered to be owned by the tribe, but is that not the case?

GUERECA: It is not, no.

STORER: OK. Thank you.

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

ANDERSEN: Thank you, Mr. President. I was in the committee hearing, and the, the biggest driver was the fact that the city actually owned the water infrastructure. The tribe was using their federal status in order to bring in money to help maintain it. I think $17 million is what had-- they had gotten from the federal government to keep the infrastructure running. So that was one of the, the reasons to convert it over to the tribe, was to maintain that relationship with getting federal funds to maintain their infrastructure. Another key point was if you look at-- in-- I don't remember what the percentage was. Will Senator Guereca yield to a question?

ARCH: Senator Guereca, will you yield?

GUERECA: Yes.

ANDERSEN: Thanks, Senator Guereca. What's the rough percentage of the people living in the city that are part of the tribe? Do you remember?

GUERECA: It, it was over 90%. I want to say close to 95%, if I remember correctly. The tribal representative said that in the committee hearing.

ANDERSEN: Thank you. So it's really not a big transfer. It is really just a paperwork or administrative change for them. One of the concerns coming out of committee was that if we made this change on behalf of the Winnebago Tribe that it would affect the other tribes, the Sioux and the Omaha and everything else. And the reality is he updated the, the verbiage in the bill in order to make it so that the, the tribal headquarters had to be co-located. And that would keep the other ones in a separate category. Thank you, Mr. President.

ARCH: Seeing no one in the queue. Senator Guereca, you're recognized to close on your amendment.

GUERECA: Thank you, Mr. President. I just want to again thank the, the Urban Affairs Committee for letting me present this bill, for having the conversation with them, and wor-- for working with me to come to AM3059. And colleagues, I would ask for your green vote. Thank you.

ARCH: Members, the question before the body is the adoption of AM3059. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

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

ARCH: The amendment is adopted. Mr. Clerk.

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

ARCH: Senator Guereca, you are recognized for a motion.

GUERECA: Mr. President, I move LB1135 be advanced to E&R for engrossing.

ARCH: Members, you've heard the motion. All those in favor say aye. Opposed, nay. It does advance. Mr. Clerk for items.

CLERK: Thank you, Mr. President. Amendments and-- series of amendments and motions to be printed: Senator Machaela Cavanaugh to LB921; Senator McKinney to LB1114; Senator Hallstrom to LB1114; Senator Ballard, LB1114; Senator Raybould, LB1075; Senator John Cavanaugh to LB1075; Senator Dungan to LB1075; Senator Ballard to LB1075; Senator Sorrentino to LB921. And Mr. President, a priority motion: Senator Holdcroft would move to adjourn the body until Thursday, April 2nd at 9:00 a.m.

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