

FIFTY-THIRD DAY - APRIL 3, 2006**LEGISLATIVE JOURNAL****NINETY-NINTH LEGISLATURE
SECOND SESSION****FIFTY-THIRD DAY**

Legislative Chamber, Lincoln, Nebraska
Monday, April 3, 2006

PRAYER

The prayer was offered by Senator Combs.

ROLL CALL

Pursuant to adjournment, the Legislature met at 10:00 a.m., Senator Cudaback presiding.

The roll was called and all members were present except Senator Dw. Pedersen who was excused; and Senators Brashear, Burling, Landis, Preister, and Price who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the fifty-second day was approved.

**SELECT COMMITTEE REPORTS
Enrollment and Review**

LEGISLATIVE BILL 925. Placed on Select File as amended.

(E & R amendment, AM7208, is printed separately and available in the Bill Room, Room 1104.)

LEGISLATIVE BILL 1256. Placed on Select File as amended.

(E & R amendment, AM7213, is printed separately and available in the Bill Room, Room 1104.)

LEGISLATIVE BILL 1006. Placed on Select File as amended.

E & R amendment to LB 1006:

AM7207

- 1 1. Strike the original sections and all amendments
- 2 thereto and insert the following new sections:
- 3 Section 1. At the general election in November 2006 the
- 4 following proposed amendment to the Constitution of Nebraska shall
- 5 be submitted to the electors of the State of Nebraska for approval

6 or rejection:

7 To amend Article VII, sections 7, 8, and 9:

8 VII-7 The following are hereby declared to be perpetual
9 funds for common school and early childhood educational purposes of
10 which the annual interest or income only can be appropriated, to
11 wit:

12 First. Such ~~per cent~~ percent as has been, or may
13 hereafter be, granted by Congress on the sale of lands in this
14 state.

15 Second. All money arising from the sale or leasing of
16 sections number sixteen and thirty-six in each township in this
17 state, and the lands selected, or that may be selected, in lieu
18 thereof.

19 Third. The proceeds of all lands that have been, or
20 may hereafter be, granted to this state, where by the terms
21 and conditions of such grant the same are not to be otherwise
22 appropriated.

23 Fourth. The net proceeds of lands and other property and
1 effects that may come to this state, by escheat or forfeiture, or
2 from unclaimed dividends, or distributive shares of the estates of
3 deceased persons.

4 Fifth. All other property of any kind now belonging to
5 the perpetual fund.

6 VII-8 All funds belonging to the state for common school
7 and early childhood educational purposes, the interest and income
8 whereof only are to be used, shall be deemed trust funds. Such
9 funds with the interest and income thereof are hereby solemnly
10 pledged to the purposes for which they are granted and set apart
11 and shall not be transferred to any other fund for other uses.
12 The state shall supply any net aggregate losses thereof realized
13 at the close of each calendar year that may in any manner accrue.
14 Notwithstanding any other provisions in ~~the~~ this Constitution, such
15 funds shall be invested as the Legislature may by statute provide.

16 VII-9 (1) The following funds shall be exclusively used
17 for the support and maintenance of the common schools in each
18 school district in the state or for early childhood education as
19 provided in subsection (3) of this section, as the Legislature
20 shall provide:

21 ~~a-~~ (a) Income arising from the perpetual funds;

22 ~~b-~~ (b) The income from the unsold school lands, except
23 that costs of administration shall be deducted from the income
24 before it is so applied;

25 ~~c-~~ (c) All other grants, gifts, and devises that have
26 been or may hereafter be made to the state which are not otherwise
27 appropriated by the terms of the grant, gift, or devise; and

1 ~~d-~~ (d) Such other support as the Legislature may provide.

2 (2) No distribution or appropriation shall be made to any
3 school district for the year in which school is not maintained for
4 the minimum term required by law.

- 5 (3)(a) An early childhood education endowment fund shall
 6 be created for the purpose of supporting early childhood education
 7 in this state as provided by the Legislature.
 8 (b) An amount equal to forty million dollars or ten
 9 percent of the value of the funds belonging to the state for
 10 common school and early childhood educational purposes described in
 11 Article VII, section 7, of this Constitution, whichever is greater,
 12 shall be allocated for the early childhood education endowment
 13 fund. The Legislature may also allocate additional funds from the
 14 funds belonging to the state for common school and early childhood
 15 educational purposes described in Article VII, section 7, of this
 16 Constitution for the early childhood education endowment fund.
 17 (c) Only interest or income on such early childhood
 18 education endowment fund may be appropriated as provided by the
 19 Legislature for the benefit of the common schools and for the
 20 exclusive purpose of supporting early childhood education in this
 21 state.
 22 (d) For purposes of Article VII of this Constitution,
 23 early childhood education means programs promoting social,
 24 emotional, intellectual, language, physical, and aesthetic
 25 development and learning for children from birth to
 26 kindergarten-entrance age.

27 Sec. 2. The proposed amendment shall be submitted to the
 1 electors in the manner prescribed by the Constitution of Nebraska,
 2 Article XVI, section 1, with the following ballot language:

3 A constitutional amendment to permit use of funds
 4 dedicated to the schools for common school and early childhood
 5 educational purposes.

6 For
 7 Against.

8 2. On page 1, strike beginning with "schools" in line 1
 9 through line 6 and insert "educational lands and funds; to provide
 10 for submission to the electors of an amendment to the Constitution
 11 of Nebraska by amending Article VII, sections 7, 8, and 9, to
 12 permit the use of funds dedicated to the schools for common
 13 school and early childhood educational purposes; and to provide
 14 for the time and manner of submission and the ballot language for
 15 submission."

LEGISLATIVE BILL 239. Placed on Select File as amended.

E & R amendment to LB 239:

AM7211

- 1 1. On page 4, line 14, strike "Registers" and insert
- 2 "Registered"; in line 15 strike "2005" and insert "2006"; and in
- 3 line 17 strike "Provides" and insert "Provided".

LEGISLATIVE BILL 489. Placed on Select File as amended.

(E & R amendment, AM7212, is printed separately and available in the Bill

Room, Room 1104.)

LEGISLATIVE BILL 845. Placed on Select File as amended.
E & R amendment to LB 845:

AM7214

- 1 1. Strike the original sections and all amendments
- 2 thereto and insert the following new sections:
- 3 Section 1. Section 53-101, Reissue Revised Statutes of
- 4 Nebraska, is amended to read:
- 5 53-101 Sections 53-101 to 53-1,122 and section 3 of this
- 6 act shall be known and may be cited as the Nebraska Liquor Control
- 7 Act.
- 8 Sec. 2. Section 53-132, Reissue Revised Statutes of
- 9 Nebraska, is amended to read:
- 10 53-132 (1) If no hearing is required pursuant to
- 11 subdivision (1)(a) or (b) of section 53-133 and the commission
- 12 has no objections pursuant to subdivision (1)(c) of such section,
- 13 the commission may waive the forty-five-day objection period and,
- 14 if not otherwise prohibited by law, cause a retail license or craft
- 15 brewery license to be signed by its chairperson, attested by its
- 16 executive director over the seal of the commission, and issued in
- 17 the manner provided in subsection (4) of this section as a matter
- 18 of course.
- 19 (2) A retail license or craft brewery license ~~shall~~ may
- 20 be issued to any qualified applicant if the commission finds that
- 21 (a) the applicant is fit, willing, and able to properly provide
- 22 the service proposed within the city, village, or county where
- 23 the premises described in the application are located, (b) the
- 1 applicant can conform to all provisions and requirements of and
- 2 rules and regulations adopted pursuant to the Nebraska Liquor
- 3 Control Act, (c) the applicant has demonstrated that the type of
- 4 management and control to be exercised over the premises described
- 5 in the application will be sufficient to insure that the licensed
- 6 business can conform to all provisions and requirements of and
- 7 rules and regulations adopted pursuant to the act, and (d) the
- 8 issuance of the license is or will be required by the present or
- 9 future public convenience and necessity.
- 10 (3) In making its determination pursuant to subsection
- 11 (2) of this section the commission shall consider:
- 12 (a) The recommendation of the local governing body;
- 13 (b) The existence of a citizens' protest made in
- 14 accordance with section 53-133;
- 15 (c) The existing population of the city, village, or
- 16 county and its projected growth;
- 17 (d) The nature of the neighborhood or community of the
- 18 location of the proposed licensed premises;
- 19 (e) The existence or absence of other retail licenses
- 20 or craft brewery licenses with similar privileges within the
- 21 neighborhood or community of the location of the proposed licensed

22 premises and whether the issuance of such license would result
23 in or add to an undue concentration of licenses with similar
24 privileges and, as a result, require the use of additional law
25 enforcement resources;

26 (f) The existing motor vehicle and pedestrian traffic
27 flow in the vicinity of the proposed licensed premises;

1 (g) The adequacy of existing law enforcement;

2 (h) Zoning restrictions;

3 (i) The sanitation or sanitary conditions on or about the
4 proposed licensed premises; and

5 (j) Whether the type of business or activity proposed to
6 be operated in conjunction with the proposed license is and will be
7 consistent with the public interest.

8 (4) Retail licenses or craft brewery licenses issued or
9 renewed by the commission shall be mailed or delivered to the clerk
10 of the city, village, or county who shall deliver the same to the
11 licensee upon receipt from the licensee of proof of payment of
12 (a) the license fee if by the terms of subdivision (5) of section
13 53-124 the fee is payable to the treasurer of such city, village,
14 or county, (b) any fee for publication of notice of hearing before
15 the local governing body upon the application for the license,
16 (c) the fee for publication of notice of renewal as provided in
17 section 53-135.01, and (d) occupation taxes, if any, imposed by
18 such city, village, or county. Notwithstanding any ordinance or
19 charter power to the contrary, no city, village, or county shall
20 impose an occupation tax on the business of any person, firm, or
21 corporation licensed under the act and doing business within the
22 corporate limits of such city or village or within the boundaries
23 of such county in any sum which exceeds two times the amount of
24 the license fee required to be paid under the act to obtain such
25 license.

26 (5) Each license shall designate the name of the
27 licensee, the place of business licensed, and the type of license
1 issued.

2 Sec. 3. (1) On or before January 1, 2007, the commission
3 shall adopt and promulgate rules and regulations governing programs
4 which provide training for persons employed in the sale and service
5 of alcoholic liquor and management of licensed premises. Such rules
6 and regulations may include, but need not be limited to:

7 (a) Minimum standards governing training of beverage
8 servers, including standards and requirements governing curriculum,
9 program trainers, and certification requirements;

10 (b) Minimum standards governing training in management of
11 licensed premises, including standards and requirements governing
12 curriculum, program trainers, and certification requirements;

13 (c) Minimum standards governing the methods allowed for
14 training programs which may include the Internet, interactive
15 video, live training in various locations across the state, and
16 other means deemed appropriate by the commission;

17 (d) Methods for approving beverage-server training
18 organizations and programs. All beverage-server training programs
19 approved by the commission shall issue a certificate of completion
20 to all persons who successfully complete the program and shall
21 provide the names of all persons completing the program to the
22 commission;

23 (e) Enrollment fees in an amount determined by the
24 commission to be necessary to cover the expense of enrolling in a
25 training program offered by the commission pursuant to subsection
26 (2) of this section, but not to exceed thirty dollars; and

27 (f) Procedures and fees for certification, which fees
1 shall be in an amount determined by the commission to be
2 sufficient to defray the expenses associated with maintaining a
3 list of persons certified under this section and issuing proof of
4 certification to eligible individuals but shall not exceed twenty
5 dollars.

6 (2) The commission may create a program to provide
7 training for persons employed in the sale and service of alcoholic
8 liquor and management of licensed premises. The program shall
9 include training on the issues of sales and service of alcoholic
10 liquor to minors and to visibly inebriated purchasers. The
11 commission may charge each person enrolling in the program an
12 enrollment fee as provided in the rules and regulations. All such
13 fees shall be collected by the commission and remitted to the State
14 Treasurer for credit to the Nebraska Liquor Control Commission Rule
15 and Regulation Cash Fund.

16 (3) A person who has completed a training program which
17 complies with the rules and regulations, whether such program is
18 offered by the commission or by another organization, may become
19 certified by the commission upon the commission receiving evidence
20 that he or she has completed such program and the person seeking
21 certification paying the certification fee established under this
22 section.

23 Sec. 4. Original sections 53-101 and 53-132, Reissue
24 Revised Statutes of Nebraska, are repealed.

25 2. On page 1, line 2, strike "section 53-132" and
26 insert "sections 53-101 and 53-132"; in line 4 after the semicolon
27 insert "to provide for beverage-server and licensee training and
1 certification; to harmonize provisions;" and strike "section" and
2 insert "sections".

(Signed) Michael Flood, Chairperson

STANDING COMMITTEE REPORT
Nebraska Retirement Systems

The Nebraska Retirement Systems Committee desires to report favorably upon the appointment(s) listed below. The Committee suggests the appointment(s) be confirmed by the Legislature and suggests a record vote.

David L. Bomberger - State Investment Officer

VOTE: Aye: Senators Patrick Bourne, Philip Erdman, Don Pederson, Marian Price and Elaine Stuhr. Nay: None. Absent: Senator John Synowiecki.

(Signed) Elaine Stuhr, Chairperson

NOTICE OF COMMITTEE HEARINGS
Health and Human Services
Room 1510

Tuesday, April 11, 2006

8:45 a.m.

Patricia Madsen - Child Abuse Prevention Fund Board

(Signed) Jim Jensen, Chairperson

Agriculture
Room 1524

LR 441 Monday, April 10, 2006

9:00 a.m.

(Signed) Bob Kremer, Chairperson

GENERAL FILE

LEGISLATIVE BILL 1256A. Title read. Considered.

Advanced to E & R for review with 26 ayes, 2 nays, 16 present and not voting, and 5 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 990A. Advanced to E & R for engrossment.

BILLS ON FINAL READING

Dispense With Reading at Large

Pursuant to Rule 6, Section 8, the Legislature approved the dispensing of the reading at large of LB 968 with 37 ayes, 2 nays, 5 present and not voting, and 5 excused and not voting.

The following bill was put upon final passage:

LEGISLATIVE BILL 968. With Emergency.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-2715.02, 77-2716.03, 77-3501.01, and 77-3505.02, Reissue Revised Statutes of Nebraska, sections 77-2704.55, 77-2716.01, and 77-5023, Revised Statutes Cumulative Supplement, 2004, and sections 66-1345.04, 77-201, 77-2701, 77-2701.04, 77-2715.07, 77-2716, 77-3442, and 79-1016, Revised Statutes Supplement, 2005; to change intent relating to funding of the Ethanol Production Incentive Cash Fund; to change taxable valuation provisions relating to agricultural land and horticultural land; to exempt housing agencies from certain sales and use taxes; to change provisions relating to the sales and use tax on contractor labor; to change income tax rate schedules; to provide an income tax credit as prescribed; to change provisions relating to income tax income and liability adjustments and personal exemptions; to change property tax levy limitations; to change provisions relating to homestead exemptions; to harmonize provisions; to provide operative dates; to repeal the original sections; and to declare an emergency.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass with the emergency clause attached?'"

Voting in the affirmative, 42:

Aguilar	Cudaback	Howard	McDonald	Smith
Baker	Cunningham	Hudkins	Mines	Stuhr
Beutler	Engel	Janssen	Pahls	Stuthman
Bourne	Erdman	Jensen	Pederson, D.	Synowiecki
Brown	Fischer	Johnson	Price	Thompson
Byars	Flood	Kremer	Raikes	Wehrbein
Combs	Foley	Landis	Redfield	
Connealy	Friend	Langemeier	Schimek	
Cornett	Heidemann	Louden	Schrock	

Voting in the negative, 2:

Kopplin Kruse

Present and not voting, 1:

Chambers

Excused and not voting, 4:

Brashear Burling Pedersen, Dw. Preister

A constitutional two-thirds majority having voted in the affirmative, the bill was declared passed with the emergency clause and the title agreed to.

The following bills were read and put upon final passage:

LEGISLATIVE BILL 968A. With Emergency.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 968, Ninety-ninth Legislature, Second Session, 2006; to provide for transfers; and to declare an emergency.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass with the emergency clause attached?' "

Voting in the affirmative, 44:

Aguilar	Cornett	Heidemann	Langemeier	Schimek
Baker	Cudaback	Howard	Louden	Schrock
Beutler	Cunningham	Hudkins	McDonald	Smith
Bourne	Engel	Janssen	Mines	Stuhr
Brown	Erdman	Jensen	Pahls	Stuthman
Burling	Fischer	Johnson	Pederson, D.	Synowiecki
Byars	Flood	Kopplin	Price	Thompson
Combs	Foley	Kremer	Raikes	Wehrbein
Connealy	Friend	Kruse	Redfield	

Voting in the negative, 0.

Present and not voting, 2:

Chambers Landis

Excused and not voting, 3:

Brashear Pedersen, Dw. Preister

A constitutional two-thirds majority having voted in the affirmative, the bill was declared passed with the emergency clause and the title agreed to.

LEGISLATIVE BILL 75.

A BILL FOR AN ACT relating to political subdivisions; to provide for submission to the electors of an amendment to the Constitution of Nebraska by amending Article XI, section 1, to authorize the investment of public endowment funds by political subdivisions subject to limitations as provided by the Legislature; and to provide for the time and manner of submission and the ballot language for submission.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?' "

Voting in the affirmative, 42:

Aguilar	Cudaback	Howard	McDonald	Smith
Baker	Cunningham	Hudkins	Mines	Stuhr
Beutler	Engel	Janssen	Pahls	Stuthman
Bourne	Erdman	Jensen	Pederson, D.	Synowiecki
Burling	Fischer	Johnson	Price	Thompson
Byars	Flood	Kopplin	Raikes	Wehrbein
Combs	Foley	Kremer	Redfield	
Connealy	Friend	Kruse	Schimek	
Cornett	Heidemann	Langemeier	Schrock	

Voting in the negative, 0.

Present and not voting, 4:

Brown	Chambers	Landis	Louden
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Excused and not voting, 3:

Brashear	Pedersen, Dw.	Preister
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A constitutional three-fifths majority having voted in the affirmative, the bill was declared passed for the general election.

Dispense With Reading at Large

Pursuant to Rule 6, Section 8, the Legislature approved the dispensing of the reading at large of LB 188 with 39 ayes, 2 nays, 5 present and not voting, and 3 excused and not voting.

The following bill was put upon final passage:

LEGISLATIVE BILL 188.

A BILL FOR AN ACT relating to political accountability and disclosure; to amend sections 32-1601, 32-1602, 32-1604, 32-1604.01, 32-1606, 32-1607, 32-1608, 32-1608.01, 32-1608.03, 32-1612, 49-1463, and 49-14,126, Reissue Revised Statutes of Nebraska, and sections 32-1603, 49-1446.04, 49-1463.01, 49-14,124, and 49-14,125, Revised Statutes Supplement, 2005; to redefine a term; to change provisions regarding campaign expenditures and public funds; to provide for loans and late fees; to change penalty provisions; to change powers and duties of the Nebraska Accountability and Disclosure Commission; to eliminate unconstitutional provisions; to harmonize provisions; to provide an operative date; to repeal the original

sections; and to outright repeal section 32-1614, Reissue Revised Statutes of Nebraska.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?' "

Voting in the affirmative, 30:

Aguilar	Cornett	Janssen	Mines	Schrock
Beutler	Cunningham	Johnson	Pahls	Stuhr
Byars	Foley	Kopplin	Pederson, D.	Stuthman
Chambers	Friend	Kremer	Price	Synowiecki
Combs	Howard	Kruse	Raikes	Thompson
Connealy	Hudkins	McDonald	Schimek	Wehrbein

Voting in the negative, 10:

Baker	Erdman	Flood	Langemeier	Redfield
Brown	Fischer	Jensen	Louden	Smith

Present and not voting, 6:

Bourne	Cudaback	Heidemann
Burling	Engel	Landis

Excused and not voting, 3:

Brashear	Pedersen, Dw.	Preister
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A constitutional majority having voted in the affirmative, the bill was declared passed and the title agreed to.

The following bill was read and put upon final passage:

LEGISLATIVE BILL 287. With Emergency.

A BILL FOR AN ACT relating to crimes and offenses; to amend section 28-101, Revised Statutes Cumulative Supplement, 2004; to state intent; to define terms; to prohibit picketing of a funeral as prescribed; to provide a penalty; to harmonize provisions; to repeal the original section; and to declare an emergency.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass with the emergency clause attached?' "

Voting in the affirmative, 44:

Aguilar	Cornett	Heidemann	Langemeier	Schimek
Baker	Cudaback	Howard	Louden	Schrock
Beutler	Cunningham	Hudkins	McDonald	Smith
Bourne	Engel	Janssen	Mines	Stuhr
Brown	Erdman	Jensen	Pahls	Stuthman
Burling	Fischer	Johnson	Pederson, D.	Synowiecki
Byars	Flood	Kopplin	Price	Thompson
Combs	Foley	Kremer	Raikes	Wehrbein
Connealy	Friend	Kruse	Redfield	

Voting in the negative, 0.

Present and not voting, 2:

Chambers Landis

Excused and not voting, 3:

Brashear Pedersen, Dw. Preister

A constitutional two-thirds majority having voted in the affirmative, the bill was declared passed with the emergency clause and the title agreed to.

Dispense With Reading at Large

Pursuant to Rule 6, Section 8, the Legislature approved the dispensing of the reading at large of LB 562 with 39 ayes, 2 nays, 5 present and not voting, and 3 excused and not voting.

The following bill was put upon final passage:

LEGISLATIVE BILL 562.

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend sections 53-103, 53-123.04, 53-123.11, 53-124.11, 53-124.12, and 60-6,211.08, Reissue Revised Statutes of Nebraska; to redefine alcohol to include the gaseous form; to permit removal of opened bottles of wine from licensed premises; to permit a farm winery to obtain a special designated license and a catering license; to eliminate a reporting requirement; to harmonize provisions; to repeal the original sections; and to outright repeal section 53-167.04, Reissue Revised Statutes of Nebraska.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?'"

Voting in the affirmative, 45:

Aguilar	Connealy	Friend	Kruse	Redfield
Baker	Cornett	Heidemann	Langemeier	Schimek
Beutler	Cudaback	Howard	Louden	Schrock
Bourne	Cunningham	Hudkins	McDonald	Smith
Brown	Engel	Janssen	Mines	Stuhr
Burling	Erdman	Jensen	Pahls	Stuthman
Byars	Fischer	Johnson	Pederson, D.	Synowiecki
Chambers	Flood	Kopplin	Price	Thompson
Combs	Foley	Kremer	Raikes	Wehrbein

Voting in the negative, 0.

Present and not voting, 1:

Landis

Excused and not voting, 3:

Brashear Pedersen, Dw. Preister

A constitutional majority having voted in the affirmative, the bill was declared passed and the title agreed to.

Dispense With Reading at Large

Pursuant to Rule 6, Section 8, the Legislature approved the dispensing of the reading at large of LB 876 with 39 ayes, 2 nays, 5 present and not voting, and 3 excused and not voting.

The following bill was put upon final passage:

LEGISLATIVE BILL 876. With Emergency.

A BILL FOR AN ACT relating to banking and finance; to amend sections 8-148.04, 8-179, 45-335, 45-336, 45-701, 45-702, 45-709, 45-714, 45-717, 45-717.01, 45-901, 45-906, 45-907, 45-911, 45-912, 45-915, 45-916, 45-917, 45-919, 45-922, 45-925, 45-1002, 45-1007, and 45-1026, Reissue Revised Statutes of Nebraska, sections 8-141, 8-178, 8-1001.01, 8-1008, 8-1010, 8-1012, 8-1111, 8-1601, 8-1602, 8-1605, 76-1006, 76-1007, 76-1008, and 76-1012, Revised Statutes Cumulative Supplement, 2004, sections 8-1,140, 8-355, 21-17,115, 45-706, 45-707, and 45-1024, Revised Statutes Supplement, 2005, and sections 9-705 and 9-707, Uniform Commercial Code, Reissue Revised Statutes of Nebraska; to adopt the Financial Data Protection and Consumer Notification of Data Security Breach Act of 2006; to change provisions relating to state-chartered bank loan limits; to change community development investment conditions; to change provisions relating to the reorganization of nationally-chartered banks as state-chartered banks; to revise powers of state-chartered banks, building and loan associations, and credit unions; to change and provide

enforcement powers and procedures under the Nebraska Sale of Checks and Funds Transmission Act; to provide for a transaction exempt from registration under the Securities Act of Nebraska; to change provisions relating to bankers banks; to change provisions, provide enforcement powers and procedures, and change administrative fines under the Mortgage Bankers Registration and Licensing Act; to change provisions relating to the Delayed Deposit Services Licensing Act; to change provisions relating to installment sales and loans and to define terms; to change requirements relating to charges, loan fees, and the writing of loans or other products or services as prescribed; to change provisions relating to the sale of trust property; to eliminate obsolete provisions; to change provisions relating to the effectiveness of certain secured transactions; to harmonize provisions; to provide operative dates; to repeal the original sections; and to declare an emergency.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass with the emergency clause attached?' "

Voting in the affirmative, 44:

Aguilar	Connealy	Friend	Kruse	Redfield
Baker	Cornett	Heidemann	Langemeier	Schimek
Beutler	Cudaback	Howard	Louden	Smith
Bourne	Cunningham	Hudkins	McDonald	Stuhr
Brown	Engel	Janssen	Mines	Stuthman
Burling	Erdman	Jensen	Pahls	Synowiecki
Byars	Fischer	Johnson	Pederson, D.	Thompson
Chambers	Flood	Kopplin	Price	Wehrbein
Combs	Foley	Kremer	Raikes	

Voting in the negative, 0.

Present and not voting, 2:

Landis Schrock

Excused and not voting, 3:

Brashear Pedersen, Dw. Preister

A constitutional two-thirds majority having voted in the affirmative, the bill was declared passed with the emergency clause and the title agreed to.

The following bills were read and put upon final passage:

LEGISLATIVE BILL 915.

A BILL FOR AN ACT relating to public health; to define terms; to provide

for standards and procedures for rehabilitation of clandestine drug lab sites; and to provide powers and duties.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?' "

Voting in the affirmative, 44:

Aguilar	Connealy	Heidemann	Langemeier	Schimek
Baker	Cudaback	Howard	Louden	Schrock
Beutler	Cunningham	Hudkins	McDonald	Smith
Bourne	Engel	Janssen	Mines	Stuhr
Brown	Erdman	Jensen	Pahls	Stuthman
Burling	Fischer	Johnson	Pederson, D.	Synowiecki
Byars	Flood	Kopplin	Price	Thompson
Chambers	Foley	Kremer	Raikes	Wehrbein
Combs	Friend	Kruse	Redfield	

Voting in the negative, 0.

Present and not voting, 2:

Cornett Landis

Excused and not voting, 3:

Brashear Pedersen, Dw. Preister

A constitutional majority having voted in the affirmative, the bill was declared passed and the title agreed to.

LEGISLATIVE BILL 1069.

A BILL FOR AN ACT relating to transportation; to amend sections 75-109.01, 75-302, 75-370, and 75-371, Reissue Revised Statutes of Nebraska; to provide for reimbursement of transportation costs for eligible persons as prescribed; to eliminate certain provisions related to transportation of hazardous materials; to harmonize provisions; to repeal the original sections; and to outright repeal sections 75-383 and 75-384, Reissue Revised Statutes of Nebraska.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?' "

Voting in the affirmative, 46:

Aguilar	Connealy	Heidemann	Louden	Smith
Baker	Cornett	Howard	McDonald	Stuhr
Beutler	Cudaback	Hudkins	Mines	Stuthman
Bourne	Cunningham	Janssen	Pahls	Synowiecki
Brashear	Engel	Jensen	Pederson, D.	Thompson
Brown	Erdman	Johnson	Price	Wehrbein
Burling	Fischer	Kopplin	Raikes	
Byars	Flood	Kremer	Redfield	
Chambers	Foley	Kruse	Schimek	
Combs	Friend	Langemeier	Schrock	

Voting in the negative, 0.

Present and not voting, 1:

Landis

Excused and not voting, 2:

Pedersen, Dw. Preister

A constitutional majority having voted in the affirmative, the bill was declared passed and the title agreed to.

LEGISLATIVE BILL 1069A.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 1069, Ninety-ninth Legislature, Second Session, 2006; and to reduce appropriations.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?' "

Voting in the affirmative, 45:

Aguilar	Combs	Foley	Kremer	Raikes
Baker	Connealy	Friend	Kruse	Redfield
Beutler	Cornett	Heidemann	Langemeier	Schimek
Bourne	Cudaback	Howard	Louden	Schrock
Brashear	Cunningham	Hudkins	McDonald	Stuhr
Brown	Engel	Janssen	Mines	Stuthman
Burling	Erdman	Jensen	Pahls	Synowiecki
Byars	Fischer	Johnson	Pederson, D.	Thompson
Chambers	Flood	Kopplin	Price	Wehrbein

Voting in the negative, 0.

Present and not voting, 2:

Landis Smith

Excused and not voting, 2:

Pedersen, Dw. Preister

A constitutional majority having voted in the affirmative, the bill was declared passed and the title agreed to.

SPEAKER BRASHEAR PRESIDING

RESOLUTIONS

Pursuant to Rule 4, Sec. 5(b), LRs 317, 326, and 335 were adopted.

SPEAKER SIGNED

While the Legislature was in session and capable of transacting business, the Speaker signed the following: LRs 317, 326, and 335.

While the Legislature was in session and capable of transacting business, the Speaker signed the following: LBs 968, 968A, 75, 188, 287, 562, 876, 915, 1069, and 1069A.

WITHDRAW - Amendment to LB 994

Senator Jensen withdrew his pending amendment, AM2926, printed separately and referred to on page 1270, to LB 994.

MOTION - Return LB 994 to Select File

Senator Jensen moved to return LB 994 to Select File for the following specific amendment:
(Amendment, AM2984, is on file and available in the Clerk's Office, Room 2014.)

The Jensen motion to return prevailed with 38 ayes, 0 nays, 9 present and not voting, and 2 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 994. The Jensen specific amendment, AM2984, on file and referred to in this day's Journal, was adopted with 41 ayes, 0 nays, 6 present and not voting, and 2 excused and not voting.

Advanced to E & R for engrossment.

MOTION - Return LB 994 to Select File

Senator Thompson moved to return LB 994 to Select File for the following specific amendment:

AM3034

(Amendments to E & R amendments, AM7178)

1 1. Insert the following new sections:

2 Section 1. The Legislature finds that sudden infant death
3 syndrome is the sudden, unexpected death of an apparently healthy
4 infant less than one year of age that remains unexplained after
5 the performance of a complete postmortem investigation, including
6 an autopsy, an examination of the scene of death, and a review of
7 the medical history. The Legislature further finds that, despite
8 the success of prevention efforts, sudden infant death syndrome has
9 been the second leading cause of death for infants in Nebraska for
10 the last twenty years. Although there are no known ways to prevent
11 sudden infant death syndrome in all cases, there are steps that
12 parents and caregivers can take to reduce the risk of sudden infant
13 death. The Legislature further finds and declares that there is a
14 present and growing need to provide additional programs aimed at
15 reducing the number of cases of sudden infant death syndrome in
16 Nebraska.

17 Sec. 2. The Legislature finds that shaken baby syndrome
18 is the medical term used to describe the violent shaking of an
19 infant or child and the injuries or other results sustained by
20 the infant or child. The Legislature further finds that shaken
21 baby syndrome may occur when an infant or child is violently
22 shaken as part of a pattern of abuse or because an adult has
1 momentarily succumbed to the frustration of responding to a crying
2 infant or child. The Legislature further finds that these injuries
3 can include brain swelling and damage, subdural hemorrhage, mental
4 retardation, or death. The Legislature further finds and declares
5 that there is a present and growing need to provide programs
6 aimed at reducing the number of cases of shaken baby syndrome in
7 Nebraska.

8 Sec. 3. Every hospital, birth center, or other medical
9 facility that discharges a newborn child shall request that each
10 maternity patient and father of a newborn child, if available,
11 view a video presentation and read printed materials, approved by
12 the Department of Health and Human Services, on the dangers of
13 shaking infants and children, the symptoms of shaken baby syndrome,
14 the dangers associated with rough handling or the striking of an
15 infant, safety measures which can be taken to prevent sudden infant
16 death, and the dangers associated with infants sleeping in the same
17 bed with other children or adults. After viewing the presentation
18 and reading the materials or upon a refusal to do so, the hospital,
19 birth center, or other medical facility shall request that the
20 mother and father, if available, sign a form stating that he or she
21 has viewed and read or refused to view and read the presentation

22 and materials. Such presentation, materials, and forms shall be
23 provided by the department.

24 Sec. 4. The Department of Health and Human Services
25 shall conduct public awareness activities designed to promote
26 the prevention of sudden infant death syndrome and shaken baby
27 syndrome. The public awareness activities may include, but not
1 be limited to, public service announcements, information kits and
2 brochures, and the promotion of preventive telephone hotlines.

3 Sec. 5. Section 43-2606, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 43-2606 (1) The Department of Health and Human Services
6 Regulation and Licensure shall adopt and promulgate rules and
7 regulations for mandatory training requirements for providers
8 of child care and school-age-care programs. Such requirements
9 shall include preservice orientation and at least four hours of
10 annual inservice training. All child care programs required to
11 be licensed under section 71-1911 shall show completion of a
12 preservice orientation approved or delivered by the department
13 prior to receiving a provisional license.

14 (2) The department shall initiate a system of documenting
15 the training levels of staff in specific child care settings to
16 assist parents in selecting optimal care settings.

17 (3) The training requirements shall be designed to meet
18 the health, safety, and developmental needs of children and shall
19 be tailored to the needs of licensed providers of child care
20 programs. The training requirements for providers of child care
21 programs shall include, but not be limited to, information on
22 sudden infant death syndrome, shaken baby syndrome, and child
23 abuse.

24 (4) The department shall provide or arrange for training
25 opportunities throughout the state and shall provide information
26 regarding training opportunities to all providers of child care
27 programs at the time of registration or licensure, when renewing a
1 registration, or on a yearly basis following licensure.

2 (5) Each provider of child care and school-age-care
3 programs receiving orientation or training shall provide his or her
4 social security number to the department.

5 ~~(6) Rules and regulations adopted and promulgated under~~
6 ~~this section by the Department of Health and Human Services shall~~
7 ~~be deemed adopted and promulgated by the Department of Health and~~
8 ~~Human Services Regulation and Licensure on and after August 28,~~
9 ~~1999.~~

10 Sec. 6. Section 79-1902, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 79-1902 (1) The State Department of Education, in
13 cooperation with the Department of Health and Human Services, the
14 Department of Health and Human Services Regulation and Licensure,
15 and the Department of Health and Human Services Finance and Support
16 shall develop a packet entitled "Learning Begins at Birth" to be

17 given to the parents of each child born in this state on and after
18 January 1, 2003.

19 (2) The packet shall contain information about child
20 development, child care, how children learn, children's health
21 including, on and after the operative date of this section,
22 information on the prevention of sudden infant death syndrome and
23 shaken baby syndrome, services available to children and parents,
24 and any other information deemed relevant by the Department of
25 Health and Human Services, the Department of Health and Human
26 Services Regulation and Licensure, the Department of Health and
27 Human Services Finance and Support, or the State Department of
1 Education. The State Department of Education shall indicate which
2 information in the packet is appropriate for the parents of
3 infants, for the parents of toddlers, and for the parents of
4 preschoolers.

5 (3) The State Department of Education shall develop a
6 variety of types of the packet, based on the needs of parents.
7 The information in the packets may be in the form of printed
8 material or in the form of video tapes, audio cassettes, or other
9 appropriate media.

10 Sec. 7. Original sections 43-2606 and 79-1902, Reissue
11 Revised Statutes of Nebraska, are repealed.

12 2. Renumber the remaining sections and correct internal
13 references accordingly.

14 3. Correct the operative date and repealer sections so
15 that the sections added by this amendment become operative three
16 calendar months after the adjournment of this legislative session.

The Thompson motion to return prevailed with 31 ayes, 0 nays, 15 present and not voting, and 3 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 994. The Thompson specific amendment, AM3034, found in this day's Journal, was adopted with 30 ayes, 0 nays, 16 present and not voting, and 3 excused and not voting.

Advanced to E & R for engrossment.

MOTION - Return LB 994 to Select File

Senator Erdman moved to return LB 994 to Select File for the following specific amendment:

FA667

Amendment to AM3034

Page 2, line 22 strike shall and insert may.

The Erdman motion to return prevailed with 31 ayes, 0 nays, 14 present and not voting, and 4 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 994. The Erdman specific amendment, FA667, found in this day's Journal, was adopted with 34 ayes, 0 nays, 11 present and not voting, and 4 excused and not voting.

Advanced to E & R for engrossment.

MOTION - Return LB 856 to Select File

Senator Mines moved to return LB 856 to Select File for his specific pending amendment, AM2886, found on page 1198.

The Mines motion to return prevailed with 35 ayes, 0 nays, 10 present and not voting, and 4 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 856. The Mines specific pending amendment, AM2886, found on page 1198, was adopted with 36 ayes, 0 nays, 8 present and not voting, and 5 excused and not voting.

Advanced to E & R for reengrossment.

MOTION - Return LB 856 to Select File

Senator Raikes moved to return LB 856 to Select File for the following specific amendment:

AM3018

(Amendments to Final Reading copy)

1. On page 11, line 1, strike "eight" and insert "seven".

Senator Raikes withdrew his motion to return.

MOTION - Return LB 856A to Select File

Senator Mines moved to return LB 856A to Select File for his specific pending amendment, AM2887, found on page 1179.

The Mines motion to return prevailed with 32 ayes, 0 nays, 13 present and not voting, and 4 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 856A. The Mines specific pending amendment, AM2887, found on page 1179, was adopted with 40 ayes, 0 nays, 5 present and not voting, and 4 excused and not voting.

Advanced to E & R for reengrossment.

MOTION - Return LB 962A to Select File

Senator Price moved to return LB 962A to Select File for her specific pending amendment, AM2946, found on page 1299.

The Price motion to return prevailed with 27 ayes, 0 nays, 18 present and not voting, and 4 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 962A. The Price specific pending amendment, AM2946, found on page 1299, was adopted with 38 ayes, 0 nays, 7 present and not voting, and 4 excused and not voting.

Advanced to E & R for reengrossment.

MOTION - Return LB 819 to Select File

Senator Mines moved to return LB 819 to Select File for his specific pending amendment, AM2547, found on page 874.

The Mines motion to return prevailed with 35 ayes, 0 nays, 10 present and not voting, and 4 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 819. The Mines specific pending amendment, AM2547, found on page 874, was adopted with 37 ayes, 0 nays, 8 present and not voting, and 4 excused and not voting.

Advanced to E & R for reengrossment.

LEGISLATIVE BILL 1010. E & R amendment, AM7197, found on page 1223, was adopted.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 898. Advanced to E & R for engrossment.

LEGISLATIVE BILL 1107. E & R amendment, AM7201, found on page 1321, was adopted.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 904. E & R amendment, AM7205, found on page 1326, was adopted.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 1148. E & R amendment, AM7202, found on page 1322, was adopted.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 1038. E & R amendment, AM7203, found on page 1324, was adopted.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 808. Senator Kopplin renewed the Kopplin et al. pending amendment, AM2931, found on page 1286.

The Kopplin et al. amendment was adopted with 30 ayes, 0 nays, 15 present and not voting, and 4 excused and not voting.

Senators Raikes and Landis offered the following amendment: (Amendment, AM3003, is on file and available in the Clerk's Office, Room 2014.)

Pending.

BILL ON FIRST READING

The following bill was read for the first time by title:

LEGISLATIVE BILL 1222A. Introduced by Baker, 44.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 1222, Ninety-ninth Legislature, Second Session, 2006; and to declare an emergency.

AMENDMENTS - Print in Journal

Senator Kruse filed the following amendment to LB 845:
AM2996

(Amendments to E & R amendments, AM7214)

- 1 1. On page 5, line 12, after "regulations" insert ", but
- 2 such fee shall not exceed thirty dollars".

Senator Howard filed the following amendment to LB 1024:
AM3013

(Amendments to Standing Committee amendments, AM2687)

- 1 1. Strike sections 96 and 102.
- 2 2. On page 18, strike lines 4 through 12.

- 3 3. On page 147, strike beginning with the comma in line
 4 19 through "(3)" in line 24 and insert "and (2)".
 5 4. Renumber the remaining sections, amend the repealer,
 6 and correct internal references accordingly.

Senator Howard filed the following amendment to LB 1024:
 AM3017

(Amendments to Standing Committee amendments, AM2687)

- 1 1. On page 151, line 21, strike "one-third" and insert
 2 "fifty percent".

Senator Howard filed the following amendment to LB 1024:
 AM3014

(Amendments to Standing Committee amendments, AM2687)

- 1 1. Strike section 109 and insert the following new
 2 section:
 3 Sec. 109. (1) A learning community shall be governed
 4 by a coordinating council composed of eleven members, elected
 5 on a nonpartisan ballot, from election districts as provided in
 6 subsection (2) of this section.
 7 (2) Election districts for each learning community shall
 8 be drawn by the election commissioners of the counties in which the
 9 member school districts of the learning community are located and
 10 shall contain substantially equal population. Election districts
 11 shall be redrawn after each federal decennial census to ensure that
 12 such election districts continue to contain substantially equal
 13 population.
 14 (3)(a) For a learning community established before
 15 January 1, 2008, the initial coordinating council members shall
 16 be appointed as provided in subsection (2) of section 106 of
 17 this act and their successors shall be elected pursuant to
 18 this section in the 2008 general election and shall take office
 19 beginning in January 2009. Candidates from even-numbered election
 20 districts shall be elected for two-year terms at the statewide
 21 general election in 2008 and for four-year terms each four years
 22 thereafter. Candidates from odd-numbered election districts shall
 1 be elected for four-year terms at the statewide general election in
 2 2008 and each four years thereafter.
 3 (b) For a learning community established on or after
 4 January 1, 2008, the initial coordinating council members shall be
 5 appointed as provided in subsection (2) of section 106 of this
 6 act and their successors shall be elected pursuant to this section
 7 in the next statewide general election following establishment
 8 of the learning community and shall take office beginning the
 9 following January. Candidates from even-numbered election districts
 10 shall be elected for two-year terms at the first statewide general
 11 election in which coordinating council members are elected under
 12 this subdivision and for four-year terms at the statewide general
 13 election each four years thereafter. Candidates from odd-numbered

14 election districts shall be elected for four-year terms at the
 15 first statewide general election in which coordinating council
 16 members are elected under this subdivision and at the statewide
 17 general election each four years thereafter.
 18 (4) Members of a learning community coordinating council
 19 shall receive no compensation but shall be reimbursed for their
 20 actual and necessary expenses incurred in serving as members of
 21 such council as provided in sections 81-1174 to 81-1177.

Senator Schrock filed the following amendment to LB 1226:
 AM2990

(Amendments to Standing Committee amendments, AM2578)

1 1. Strike section 15 and insert the following new
 2 section:
 3 Sec. 15. Section 46-602, Reissue Revised Statutes
 4 of Nebraska, as amended by section 2, Legislative Bill 508,
 5 Ninety-ninth Legislature, Second Session, 2006, is amended to read:
 6 46-602 (1) Each water well completed in this state on
 7 or after July 1, 2001, excluding test holes and dewatering wells
 8 to be used for less than ninety days, shall be registered with
 9 the Department of Natural Resources as provided in this section
 10 within sixty days after completion of construction of the water
 11 well. The water well contractor as defined in section 46-1213
 12 constructing the water well, or the owner of the water well if
 13 the owner constructed the water well, shall file the registration
 14 on a form made available by the department and shall also file
 15 with the department the information from the well log required
 16 pursuant to section 46-1241. The department shall, by January 1,
 17 2002, provide water well contractors with the option of filing such
 18 registration forms electronically. No signature shall be required
 19 on forms filed electronically. The fee required by subsection (3)
 20 of section 46-1224 shall be the source of funds for any required
 21 fee to a contractor which provides the on-line services for such
 22 registration. Any discount in the amount paid the state by a credit
 1 card, charge card, or debit card company or a third-party merchant
 2 bank for such registration fees shall be deducted from the portion
 3 of the registration fee collected pursuant to section 46-1224.
 4 (2)(a) If the newly constructed water well is a
 5 replacement water well, the registration form shall include
 6 (i) the registration number of the water well being replaced,
 7 if applicable, and (ii) the date the original water well was
 8 decommissioned or a certification that the water well will be
 9 decommissioned within one hundred eighty days or a certification
 10 that the original water well will be modified and equipped to
 11 pump fifty gallons per minute or less and will be used only for
 12 livestock, monitoring, observation, or any other nonconsumptive use
 13 or de minimus use approved by the applicable natural resources
 14 district.
 15 (b) For purposes of this section, replacement water well

16 means a water well which is constructed to provide water for
17 the same purpose as the original water well and is operating in
18 accordance with any applicable permit from the department and any
19 applicable rules and regulations of the natural resources district
20 and, if the purpose is for irrigation, the replacement water well
21 delivers water to the same tract of land served by the original
22 water well and (i) replaces an abandoned water well within three
23 years after the last operation of the abandoned water well and
24 the original water well is decommissioned either before or within
25 one hundred eighty days after such construction, (ii) replaces a
26 water well that has not been abandoned but will not be used after
27 construction of the new water well and the original water well
1 will be decommissioned within one hundred eighty days after such
2 construction, except that in the case of a municipal water well,
3 the original municipal water well may be used after construction
4 of the new water well but shall be decommissioned within one year
5 after completion of the replacement water well, or (iii) will
6 continue to be used but will be modified and equipped within one
7 hundred eighty days after such construction of the replacement
8 water well to pump fifty gallons per minute or less and will
9 be used only for livestock, monitoring, observation, or any other
10 nonconsumptive or de minimus use and approved by the applicable
11 natural resources district.

12 (c) No water well shall be registered as a replacement
13 water well until the Department of Natural Resources has received
14 a properly completed notice of decommissioning for the water well
15 being replaced on a form made available by the department, or
16 properly completed notice, prepared in accordance with subsection
17 (7) of this section, of the modification and equipping of the
18 original water well to pump fifty gallons per minute or less
19 for use only for livestock, monitoring, observation, or any other
20 nonconsumptive or de minimus use approved by the applicable natural
21 resources district. Such notices, as required, shall be completed
22 by (i) the water well contractor as defined in section 46-1213
23 who decommissions the water well or modifies and equips the water
24 well, (ii) the pump installation contractor as defined in section
25 46-1209 who decommissions the water well or modifies and equips the
26 water well, or (iii) the owner if the owner decommissions a driven
27 sandpoint well which is on land owned by him or her for farming,
1 ranching, or agricultural purposes or as his or her place of
2 abode. The Department of Health and Human Services Regulation and
3 Licensure shall, by rule and regulation, determine which contractor
4 or owner shall be responsible for such notice in situations in
5 which more than one contractor or owner may be required to provide
6 notice under this subsection.

7 (3) For a series of two or more water wells completed and
8 pumped into a common carrier as part of a single site plan for
9 irrigation purposes, a registration form and a detailed site plan
10 shall be filed for each water well. The registration form shall

11 include the registration numbers of other water wells included in
12 the series if such water wells are already registered.

13 (4) A series of water wells completed for purposes
14 of installation of a ground heat exchanger for a structure
15 for utilizing the geothermal properties of the ground shall be
16 considered as one water well. One registration form and a detailed
17 site plan shall be filed for each such series.

18 (5) One registration form shall be required along with
19 a detailed site plan which shows the location of each such water
20 well in the site and a log from each such water well for water
21 wells constructed as part of a single site plan for (a) monitoring
22 ground water, obtaining hydrogeologic information, or extracting
23 contaminants from the ground, (b) water wells constructed as part
24 of remedial action approved by the Department of Environmental
25 Quality pursuant to section 66-1525, 66-1529.02, or 81-15,124, and
26 (c) water well owners who have a permit issued pursuant to the
27 Industrial Ground Water Regulatory Act and also have an underground
1 injection control permit issued by the Department of Environmental
2 Quality.

3 (6) The Department of Natural Resources shall be notified
4 by the owner of any change in the ownership of a water well
5 required to be registered under this section. Notification shall be
6 in such form and include such evidence of ownership as the Director
7 of Natural Resources by rule and regulation directs. The department
8 shall use such notice to update the registration on file. The
9 department shall not collect a fee for the filing of the notice.

10 (7) The water well contractor or pump installation
11 contractor responsible therefor shall notify the department within
12 sixty days on a form provided by the department of any pump
13 installation or any modifications to the construction of the water
14 well or pump, after the initial registration of the well. For
15 a change of use resulting in modification and equipping of an
16 original water well which is being replaced in accordance with
17 subsection (2) of this section, the water well contractor or pump
18 installation contractor shall notify the department within sixty
19 days on a form provided by the department of the water well and
20 pump modifications and equipping of the original water well. A
21 water well owner shall notify the department within sixty days on
22 a form provided by the department of any other changes or any
23 inaccuracies in recorded water well information, including, but not
24 limited to, changes in use. The department shall not collect a fee
25 for the filing of the notice.

26 (8) Whenever a water well becomes an illegal water well
27 as defined in section 46-706, the owner of the water well shall
1 either correct the deficiency that causes the well to be an illegal
2 water well or shall cause the proper decommissioning of the water
3 well in accordance with rules and regulations adopted pursuant
4 to the Water Well Standards and Contractors' Licensing Act. The
5 water well contractor who decommissions the water well, the pump

6 installation contractor who decommissions the water well, or the
 7 owner if the owner decommissions a driven sandpoint well which is
 8 on land owned by him or her for farming, ranching, or agricultural
 9 purposes or as his or her place of abode, shall provide a properly
 10 completed notice of abandonment to the Department of Natural
 11 Resources within sixty days. The Department of Health and Human
 12 Services Regulation and Licensure shall, by rule and regulation,
 13 determine which contractor or owner shall be responsible for such
 14 notice in situations in which more than one contractor or owner may
 15 be required to provide notice under this subsection. The Department
 16 of Natural Resources shall not collect a fee for the filing of the
 17 notice.

18 (9) Except for water wells which are used solely for
 19 domestic purposes and were constructed before September 9, 1993,
 20 and for test holes and dewatering wells used for less than ninety
 21 days, each water well which was completed in this state before
 22 July 1, 2001, and which is not registered on that date shall be an
 23 illegal water well until it is registered with the Department of
 24 Natural Resources. Such registration shall be completed by a water
 25 well contractor or by the current owner of the water well, shall
 26 be on forms provided by the department, and shall provide as much
 27 of the information required by subsections (1) through (5) of this
 1 section for registration of a new water well as is possible at the
 2 time of registration.

3 (10) Water wells which are or were used solely for
 4 injecting any fluid other than water into the underground water
 5 reservoir, which were constructed before July 16, 2004, and which
 6 have not been properly decommissioned on or before July 16, 2004,
 7 shall be registered on or before July 1, 2005.

8 2. On page 92, line 19, strike "46-602,"; in line 22
 9 strike the first "and"; and in line 23 after the last comma
 10 insert "and section 46-602, Reissue Revised Statutes of Nebraska,
 11 as amended by section 2, Legislative Bill 508, Ninety-ninth
 12 Legislature, Second Session, 2006,".

Senators Landis and Cunningham filed the following amendment to LB 845:
 AM3028

(Amendments to E & R amendments, AM7214)

1 1. On page 2, line 22, after "whether" insert ", as
 2 evidenced by substantive, corroborative documentation,".

Senator Bourne filed the following amendment to LB 1024:
 AM3005

(Amendments to Standing Committee amendments, AM2687)

1 1. Strike section 19 and insert the following new
 2 section:

3 Sec. 19. In addition to all other authority vested in
 4 learning community coordinating councils, each learning community
 5 coordinating council shall assure that every school building in

6 every school district in the learning community, excluding school
7 buildings whose enrollment is made up exclusively of special
8 education students or students enrolled in specific remedial
9 alternative education programs which are otherwise open to students
10 regardless of race or socioeconomic status, has a racially
11 and socioeconomically diverse student population. Any individual
12 resident of a member school district of a learning community and
13 any member school district of a learning community may institute
14 legal action to enforce the integrative requirements of this
15 section. For purposes of remedial court action to achieve the
16 integrative requirements of this section, the learning community
17 shall be considered one school district.

UNANIMOUS CONSENT - Add Cointroducers

Senator Smith asked unanimous consent to add his name as cointroducer to LB 965. No objections. So ordered.

Senator Mines asked unanimous consent to add his name as cointroducer to LB 1113. No objections. So ordered.

VISITORS

Visitors to the Chamber were Senator Smith's grandmother, Birdeen Zier, and Alice Johnson from Gering; 45 fourth-grade students and teachers from St. Mary's and St. Matthew Schools, Bellevue; 45 fourth-grade students and teachers from Avery Elementary School, Bellevue; 18 twelfth-grade students and teacher from Harvard; and 60 fourth-grade students and teachers from St. Patrick's School, Elkhorn.

RECESS

At 12:02 p.m., on a motion by Senator Byars, the Legislature recessed until 1:30 p.m.

AFTER RECESS

The Legislature reconvened at 1:30 p.m., Senator Cudaback presiding.

ROLL CALL

The roll was called and all members were present except Senators Engel, Dw. Pedersen, and Smith who were excused; and Senators Brown, Combs, Cornett, Cunningham, McDonald, Mines, D. Pederson, Preister, Price, and Redfield who were excused until they arrive.

PRESENTED TO THE GOVERNOR

Presented to the Governor on April 3, 2006, at 12:02 p.m. were the following: LBs 968e, 968Ae, 188, 287e, 562, 876e, 915, 1069, and 1069A.

(Signed) Jamie Kruse
Clerk of the Legislature's Office

PRESENTED TO THE SECRETARY OF STATE

Presented to the Secretary of State on April 3, 2006, at 1:33 p.m. was the following: LB 75.

(Signed) Jamie Kruse
Clerk of the Legislature's Office

SELECT COMMITTEE REPORT
Enrollment and Review

Correctly Engrossed

The following bill was correctly engrossed: LB 990A.

(Signed) Michael Flood, Chairperson

SELECT FILE

LEGISLATIVE BILL 808. Senator Raikes renewed the Raikes-Landis pending amendment, AM3003, on file and referred to in this day's Journal.

The Raikes-Landis amendment was adopted with 25 ayes, 0 nays, 11 present and not voting, and 13 excused and not voting.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 965. Senator Jensen offered the following amendment:

AM3019

- 1 1. Strike original section 3 and insert the following new
- 2 sections:
- 3 Sec. 3. (1) The Nebraska long-term care savings plan
- 4 is created. The State Treasurer shall select the administrator
- 5 of the plan. If the State Treasurer is unable to select an
- 6 administrator due to lack of proposals, the State Treasurer may
- 7 enter into agreements with state-chartered or federally chartered
- 8 banks, savings banks, building and loan associations, savings and
- 9 loan associations, or credit unions, or a subsidiary of any such
- 10 entity, to receive contributions under a participation agreement.
- 11 (2) Participants shall enter into participation

12 agreements with the State Treasurer. A lifetime maximum of one
13 hundred sixty-five thousand dollars may be contributed by a
14 participant under a participation agreement. This dollar limit
15 shall be adjusted for inflation by the method provided in section
16 151 of the Internal Revenue Code of 1986, as amended.

17 (3) Each participation agreement shall provide that the
18 agreement may be canceled or transferred to a spouse upon the terms
19 and conditions set by the State Treasurer. If the participation
20 agreement is canceled or the Nebraska long-term care savings plan
21 program is terminated, a participant is entitled to receive the
22 principal amount of all contributions made by the participant or
23 on behalf of the participant under the participation agreement
1 plus the actual investment earnings on the contributions, less any
2 losses incurred on the investment. A participant shall not receive
3 a refund or distribution that is more than the fair market value of
4 his or her account on the applicable liquidation date.

5 (4) A participant retains ownership of all deposits made
6 under a participation agreement up to the date of utilization.

7 (5) State income tax treatment of contributions and
8 investment earnings under a participation agreement shall be as
9 provided in section 77-2716.

10 Sec. 4. The Nebraska long-term care savings plan trust
11 is created. The State Treasurer is the trustee of the trust and
12 as such is responsible for the administration, operation, and
13 maintenance of the program and has all powers necessary to carry
14 out and effectuate the purposes, objectives, and provisions of the
15 Long-Term Care Savings Plan Act pertaining to the administration,
16 operation, and maintenance of the trust, except that the state
17 investment officer shall have fiduciary responsibility to make all
18 decisions regarding the investment of the money in the trust,
19 including the selection of all investment options and the approval
20 of all fees and other costs charged to trust assets except
21 costs for administration, operation, and maintenance of the trust,
22 pursuant to the directions, guidelines, and policies established
23 by the Nebraska Investment Council. The State Treasurer may adopt
24 and promulgate rules and regulations to provide for the efficient
25 administration, operation, and maintenance of the trust. The State
26 Treasurer shall not adopt and promulgate rules and regulations
27 that in any way interfere with the fiduciary responsibility of
1 the state investment officer to make all decisions regarding the
2 investment of money in the trust. The Nebraska Investment Council
3 may adopt and promulgate rules and regulations to provide for the
4 prudent investment of the assets of the trust. The council or its
5 designee also has the authority to select and enter into agreements
6 with individuals and entities to provide investment advice and
7 management of the assets held by the trust, establish investment
8 guidelines, objectives, and performance standards with respect to
9 the assets held by the trust, and approve any fees, commissions,
10 and expenses which directly or indirectly affect the return on

11 assets.

12 2. On page 2, line 1, strike "4" and insert "5".

13 3. On page 11, line 3, after "than" insert "transfer of

14 funds to a spouse.".

15 4. In the Standing Committee amendments, AM2587, on page

16 2, line 7, after "than" insert "transfer of funds to a spouse.";

17 and in line 10 strike "Department of Revenue" and insert "State

18 Treasurer".

19 5. Renumber the remaining sections accordingly.

The Jensen amendment was adopted with 31 ayes, 0 nays, 11 present and not voting, and 7 excused and not voting.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 965A. Advanced to E & R for engrossment.

LEGISLATIVE RESOLUTION 259CA. Senators Chambers, Beutler, and Schrock offered the following amendment:

AM3045

1 1. Strike the original sections and insert the following

2 new sections:

3 Section 1. At the general election in November 2006 the
4 following proposed amendment to the Constitution of Nebraska shall
5 be submitted to the electors of the State of Nebraska for approval
6 or rejection:

7 To amend Article III, section 24:

8 III-24 (1) Except as provided in this section, the
9 Legislature shall not authorize any game of chance or any
10 lottery or gift enterprise when the consideration for a chance
11 to participate involves the payment of money for the purchase of
12 property, services, or a chance or admission ticket or requires an
13 expenditure of substantial effort or time.

14 (2) The Legislature may authorize and regulate a state
15 lottery pursuant to subsection (3) of this section and other
16 lotteries, raffles, and gift enterprises which are intended solely
17 as business promotions or the proceeds of which are to be used
18 solely for charitable or community betterment purposes without
19 profit to the promoter of such lotteries, raffles, or gift
20 enterprises.

21 (3)(a) The Legislature may establish a lottery to be
22 operated and regulated by the State of Nebraska. The proceeds of
23 the lottery shall be appropriated by the Legislature for the costs
1 of establishing and maintaining the lottery and for the following
2 purposes, as directed by the Legislature:

3 (i) The first ~~five hundred thousand~~ one million dollars
4 after the payment of prizes and operating expenses shall be
5 transferred to ~~the Compulsive Gamblers Assistance Fund~~ a separate
6 fund to be used for the purpose of assisting compulsive gamblers.

7 as directed by the Legislature;

8 (ii) Forty-four and one-half percent of the money
9 remaining after the payment of prizes and operating expenses and
10 the initial transfer to the ~~Compulsive Gamblers Assistance Fund~~
11 shall be transferred to the Nebraska Environmental Trust Fund
12 to be used as provided in the Nebraska Environmental Trust Act
13 fund authorized in subdivision (a)(i) of this subsection shall be
14 transferred to a fund to be used for the purpose of conserving,
15 enhancing, and restoring the natural physical and biological
16 environment of Nebraska and for related administrative costs. A
17 board shall be appointed as directed by the Legislature, which
18 board shall manage the fund authorized in this subdivision as
19 directed by the Legislature, except that at least ninety percent
20 of such fund, after the payment of administrative costs, shall
21 be distributed annually through competitive grants to public and
22 private entities as determined by the board;

23 (iii) Forty-four and one-half percent of the money
24 remaining after the payment of prizes and operating expenses
25 and the initial transfer to the ~~Compulsive Gamblers Assistance Fund~~
26 fund authorized in subdivision (a)(i) of this subsection shall be
27 used for education as the Legislature may direct;

1 (iv) Ten percent of the money remaining after the payment
2 of prizes and operating expenses and the initial transfer to the
3 ~~Compulsive Gamblers Assistance Fund~~ fund authorized in subdivision
4 (a)(i) of this subsection shall be transferred to the Nebraska
5 State Fair Board if the most populous city within the county in
6 which the fair is located provides matching funds equivalent to
7 ten percent of the funds available for transfer. Such matching
8 funds may be obtained from the city and any other private or
9 public entity, except that no portion of such matching funds
10 shall be provided by the state. If the Nebraska State Fair ceases
11 operations, ten percent of the money remaining after the payment
12 of prizes and operating expenses and the initial transfer to the
13 ~~Compulsive Gamblers Assistance Fund~~ fund authorized in subdivision
14 (a)(i) of this subsection shall be transferred to the General Fund;
15 and

16 (v) One percent of the money remaining after the payment
17 of prizes and operating expenses and the initial transfer to the
18 ~~Compulsive Gamblers Assistance Fund~~ fund authorized in subdivision
19 (a)(i) of this subsection shall be transferred to the ~~Compulsive~~
20 ~~Gamblers Assistance Fund~~ fund authorized in subdivision (a)(i) of
21 this subsection.

22 (b) No lottery game shall be conducted as part of the
23 lottery unless the type of game has been approved by a majority of
24 the members of the Legislature.

25 (4) Nothing in this section shall be construed to
26 prohibit (a) the enactment of laws providing for the licensing
27 and regulation of wagering on the results of horseraces, wherever
1 run, either within or outside of the state, by the parimutuel

2 method, when such wagering is conducted by licensees within a
 3 licensed racetrack enclosure or (b) the enactment of laws providing
 4 for the licensing and regulation of bingo games conducted by
 5 nonprofit associations which have been in existence for a period
 6 of five years immediately preceding the application for license,
 7 except that bingo games cannot be conducted by agents or lessees of
 8 such associations on a percentage basis.

9 Sec. 2. The proposed amendment shall be submitted to the
 10 electors in the manner prescribed by the Constitution of Nebraska,
 11 Article XVI, section 1, with the following ballot language:

12 A constitutional amendment to increase the amount of
 13 state lottery proceeds to be distributed to assist
 14 compulsive gamblers and change provisions relating to
 15 the use of state lottery proceeds to be distributed for
 16 the purpose of conserving, enhancing, and restoring the
 17 environment of Nebraska, and for administrative costs.

18 For
 19 Against.

Senator Chambers moved for a call of the house. The motion prevailed with
 25 ayes, 0 nays, and 24 not voting.

Senator Chambers requested a roll call vote on the Chambers et al.
 amendment.

Voting in the affirmative, 23:

Aguilar	Cudaback	Kruse	Pahls	Stuhr
Beutler	Howard	Landis	Preister	Stuthman
Chambers	Jensen	Louden	Price	Thompson
Connealy	Kopplin	McDonald	Schimek	
Cornett	Kremer	Mines	Schrock	

Voting in the negative, 11:

Bourne	Erdman	Hudkins	Redfield
Burling	Fischer	Langemeier	Wehrbein
Cunningham	Flood	Raikes	

Present and not voting, 10:

Baker	Brown	Foley	Janssen	Pederson, D.
Brashear	Byars	Heidemann	Johnson	Synowiecki

Excused and not voting, 5:

Combs	Engel	Friend	Pedersen, Dw.	Smith
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The Chambers et al. amendment lost with 23 ayes, 11 nays, 10 present and

not voting, and 5 excused and not voting.

The Chair declared the call raised.

Advanced to E & R for engrossment.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 1113A. Introduced by Bourne, 8.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 1113, Ninety-ninth Legislature, Second Session, 2006.

LEGISLATIVE BILL 275A. Introduced by Baker, 44.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 275, Ninety-ninth Legislature, Second Session, 2006.

STANDING COMMITTEE REPORTS

Education

The Education Committee desires to report favorably upon the appointment(s) listed below. The Committee suggests the appointment(s) be confirmed by the Legislature and suggests a record vote.

Dennis W. Miller Jr. - Nebraska Educational Telecommunications Commission

VOTE: Aye: Senators Bourne, Byars, Howard, Kopplin, McDonald, Raikes, and Stuhr. Nay: None. Absent: Senator Schrock.

The Education Committee desires to report favorably upon the appointment(s) listed below. The Committee suggests the appointment(s) be confirmed by the Legislature and suggests a record vote.

Charles Ward - Board of Educational Lands and Funds

VOTE: Aye: Senators Bourne, Byars, Howard, Kopplin, McDonald, Raikes, and Stuhr. Nay: None. Absent: Senator Schrock.

(Signed) Ron Raikes, Chairperson

RESOLUTION

LEGISLATIVE RESOLUTION 442. Introduced by Government, Military and Veterans Affairs Committee: Schimek, 27, Chairperson; Brown, 6; Burling, 33; Fischer, 43; Langemeier, 23; Mines, 18; Pahls, 31; Wehrbein, 2.

PURPOSE: The purpose of this study is to examine the legislative confirmation process of gubernatorial appointees.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NINETY-NINTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Government, Military and Veterans Affairs Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

Referred to the Executive Board.

AMENDMENTS - Print in Journal

Senator Aguilar filed the following amendment to LB 1113:
AM3046

(Amendments to Standing Committee amendments, AM2785)

- 1 1. Insert the following new section:
- 2 Sec. 20. Section 23-1824, Revised Statutes Cumulative
- 3 Supplement, 2004, is amended to read:
- 4 23-1824 (1) The county coroner or coroner's physician
- 5 shall perform, at county expense, an autopsy on any person less
- 6 than nineteen years of age who dies a sudden death, except that
- 7 no autopsy needs to be performed if (a) the death was caused
- 8 by a readily recognizable disease or the death occurred due to
- 9 trauma resulting from an accident and (b) the death did not occur
- 10 under suspicious circumstances. The Attorney General shall create,
- 11 by July 1, 2007, guidelines for county coroners or coroner's
- 12 physicians regarding autopsies on persons less than nineteen years
- 13 of age.
- 14 (2) The county coroner or coroner's physician shall
- 15 attempt to establish, by a reasonable degree of medical certainty,
- 16 the cause or causes of the death, and shall thereafter certify
- 17 the cause or causes of death to the county attorney. No cause of
- 18 death shall be certified as sudden infant death syndrome unless an
- 19 autopsy, a death scene investigation, and a review of the child's
- 20 medical history reveal no other possible cause.
- 21 (3) A county may request reimbursement of up to fifty
- 22 percent of the cost of an autopsy from the Attorney General.
- 1 Reimbursement requests may include, but not be limited to, costs
- 2 for expert witnesses and complete autopsies, including toxicology

- 3 screens and tissue sample tests. The Attorney General shall place
 4 an emphasis on autopsies of children five years of age and younger.
 5 2. On page 63, line 14, after "20-504," insert
 6 "23-1824,".
 7 3. Renumber the original sections and correct internal
 8 references accordingly.

Senators Wehrbein and Cunningham filed the following amendment to LB 489:
 (Amendment, AM2981, is printed separately and available in the Bill Room, Room 1104.)

SELECT FILE

LEGISLATIVE BILL 1189. E & R amendment, AM7199, found on page 1223, was adopted.

Senator Synowiecki asked unanimous consent to withdraw his pending amendment, AM2426, found on page 1118, and replace it with his substitute amendment, AM2999. No objections. So ordered.
 AM2999

(Amendments to E & R amendments, AM7199)

- 1 1. Insert the following new section:
 2 Sec. 10. Since an emergency exists, this act takes effect
 3 when passed and approved according to law.
 4 2. On page 7, line 18, strike "October" and insert
 5 "July".

The Synowiecki amendment was adopted with 33 ayes, 0 nays, 10 present and not voting, and 6 excused and not voting.

Senator Baker renewed his pending amendment, AM2928, found on page 1352.

Senator Baker withdrew his amendment.

Senator Byars offered the following amendment:
 AM3000

(Amendments to E & R amendments, AM7199)

- 1 1. On page 4, line 9, strike "providing" and insert
 2 "certified by the Department of Health and Human Services to
 3 provide".

The Byars amendment was adopted with 26 ayes, 0 nays, 17 present and not voting, and 6 excused and not voting.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 1189A. Advanced to E & R for engrossment.

LEGISLATIVE BILL 956. E & R amendment, AM7198, printed separately and referred to on page 1227, was adopted.

Advanced to E & R for engrossment.

LEGISLATIVE BILL 956A. Advanced to E & R for engrossment.

LEGISLATIVE BILL 1222. E & R amendment, AM7200, found on page 1311, was adopted.

Senator Mines withdrew his pending amendment, AM2986, found on page 1352.

Senator Mines offered the following amendment:
AM3050

(Amendments to E & R amendments, AM7200)

- 1 1. Insert the following new sections:
- 2 Section 1. Section 86-420, Revised Statutes Supplement,
- 3 2005, is amended to read:
- 4 86-420 Sections 86-420 to 86-441.01 and section 2 of this
- 5 act shall be known and may be cited as the Emergency Telephone
- 6 Communications Systems Act.
- 7 Sec. 2. Each county shall implement enhanced-911 service
- 8 by July 1, 2010.
- 9 2. On page 8, line 26, after the last comma insert "and
- 10 section 86-420, Revised Statutes Supplement, 2005,".
- 11 3. Renumber the remaining sections and correct internal
- 12 references accordingly.

The Mines amendment was adopted with 26 ayes, 0 nays, 18 present and not voting, and 5 excused and not voting.

Advanced to E & R for engrossment.

GENERAL FILE

LEGISLATIVE BILL 1113. Title read. Considered.

The Standing Committee amendment, AM2785, printed separately and referred to on page 1215, was considered.

Senator Mines offered the following amendment to the Standing Committee amendment:
AM3025

(Amendments to Standing Committee amendments, AM2785)

- 1 1. On page 9, line 10, strike "public" and insert
- 2 "recreation or park".

Senator Mines withdrew his amendment.

The Standing Committee amendment was adopted with 31 ayes, 0 nays, 12 present and not voting, and 6 excused and not voting.

Advanced to E & R for review with 31 ayes, 0 nays, 12 present and not voting, and 6 excused and not voting.

LEGISLATIVE BILL 1248. Title read. Considered.

The Standing Committee amendment, AM2831, printed separately and referred to on page 1139, was considered.

Senator Beutler offered the following amendment to the Standing Committee amendment:

FA662

Amendment to AM2831

On page 13, line 13 change "shall" to "may"

SENATOR BAKER PRESIDING

SENATOR CUDABACK PRESIDING

Senator Beutler moved for a call of the house. The motion prevailed with 17 ayes, 0 nays, and 32 not voting.

The Beutler amendment was adopted with 25 ayes, 3 nays, 16 present and not voting, and 5 excused and not voting.

The Chair declared the call raised.

Pending.

AMENDMENTS - Print in Journal

Senator Schimek filed the following amendment to LB 940:

AM3036

(Amendments to Standing Committee amendments, AM2411)

- 1 1. On page 5, line 3, after "Security" insert "who
- 2 shall serve at the pleasure of the Governor"; in line 21 strike
- 3 "semiannually" and insert "by March 1 of each year"; strike
- 4 beginning with "regarding" in line 22 through "identify" in line
- 5 25 and insert "identifying"; and in line 26 strike "indicate" and
- 6 insert "indicating".

Senator Thompson filed the following amendment to LB 994A:

AM3057

- 1 1. Insert the following new section:
 2 Sec. 8. There is hereby appropriated (1) \$45,000 from the
 3 General Fund for FY2006-07 and (2) \$31,000 from the General Fund
 4 for FY2007-08 to the Department of Health and Human Services, for
 5 Program 33, to aid in carrying out the provisions of Legislative
 6 Bill 994, relating to education and prevention efforts on shaken
 7 baby syndrome and sudden infant death syndrome, Ninety-ninth
 8 Legislature, Second Session, 2006.
 9 No expenditures for permanent and temporary salaries and
 10 per diems for state employees shall be made from funds appropriated
 11 in this section.
- 12 2. In AM2896:
 13 a. On page 1, line 4, strike "\$118,000" and insert
 14 "\$140,163"; and
 15 b. Strike section 6.
- 16 3. Renumber the remaining section accordingly.

Senator Raikes filed the following amendment to LB 1024:
 AM3027

(Amendments to Standing Committee amendments, AM2687)

- 1 1. On page 16, line 1, strike "in an amount"; in line 2
 2 before "aggregate" insert "ratio of"; and in line 7 after "year"
 3 insert "divided by each one hundred dollars of taxable property
 4 subject to the levy".
- 5 2. On page 23, line 17, strike "Each" and insert "For
 6 school year 2008-09 and each school year thereafter, each".
- 7 3. On page 24, line 2, strike "of each year" and insert
 8 ", 2008, and March 1 of each year thereafter"; in line 9 strike
 9 "of each year" and insert ", 2008, and March 15 of each year
 10 thereafter"; and in line 14 strike "of each year" and insert ",
 11 2008, and April 1 of each year thereafter".
- 12 4. On page 70, line 12, strike "a member of a learning
 13 community" and insert "subject to subsection (2) of this section";
 14 and in line 24 after "community" insert "subject to the enrollment
 15 provisions of section 19 of this act for the current school year".
- 16 5. On page 146, line 20, before the period insert "and
 17 the proceeds of any school district special building fund levy
 18 pursuant to subdivision (2)(b) of section 77-3442".
- 19 6. On page 150, line 9, strike "September 1" and insert
 20 "July 5".

Senator Flood filed the following amendment to LB 1024:
 AM3055

(Amendments to Standing Committee amendments, AM2687)

- 1 1. On page 119, line 24, strike "eighty-five", show as
 2 stricken, and insert "ninety-five".

**SELECT COMMITTEE REPORT
Enrollment and Review**

LEGISLATIVE BILL 1256A. Placed on Select File as amended.

E & R amendment to LB 1256A:

AM7215

- 1 1. On page 2, lines 2, 3, 11, and 12, after "Education"
- 2 insert "Endowment".

(Signed) Michael Flood, Chairperson

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 1024A. Introduced by Raikes, 25.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 1024, Ninety-ninth Legislature, Second Session, 2006.

LEGISLATIVE BILL 489A. Introduced by Cunningham, 40; Landis, 46.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 489, Ninety-ninth Legislature, Second Session, 2006.

MESSAGES FROM THE GOVERNOR

April 3, 2006

Patrick J. O'Donnell
Clerk of the Legislature
State Capitol, Room 2018
Lincoln, NE 68509

Dear Mr. O'Donnell:

Engrossed Legislative Bills 1061e, 1126e, and 1131e were received in my office on March 28, 2006.

I signed these bills and delivered them to the Secretary of State on April 3, 2006.

Sincerely,
(Signed) Dave Heineman
Governor

April 3, 2006

Mr. President, Mr. Speaker,
and Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President, Mr. Speaker, and Members of the Legislature:

With this letter, I am returning LB 1060 with my signature and with line-item reductions. My vetoes for FY 2005-06 and FY 2006-07 in LB 1060 total \$22,795,327. A list of the individual vetoes is attached to this letter.

I have vetoed \$7,022 General Funds in FY 2005-06 and \$7,210 General Funds in FY 2006-07 intended for increased employer retirement contributions for Department of Education staff that participate in the teacher retirement program. The Department is capable of accommodating these additional costs within existing resources.

I also vetoed the increase of \$318,563 General Funds in FY 2006-07 for four staff positions in the Department of Education. I have not vetoed the \$196,665 Salary Limit increase needed for these positions, thereby providing the Department the opportunity to review priorities and redirect its current federal and state resources to address these staffing decisions.

I have vetoed \$198,515 Revolving Funds in FY 2006-07 from the Secretary of State for relocation of records storage space. The impetus of this request was the possibility that the current storage space was going to become unavailable for continued use. The probability that the current space at the K Street Complex will become unavailable now appears remote. I encourage the agency to continue efficiency measures that allow storage of necessary records within currently available space.

I have vetoed \$30,000 Salary Limit in FY 2005-06 and \$65,000 Salary Limit in FY 2006-07 for increased Records Management staff support in the Office of Secretary of State. Existing staff have provided the necessary support of the State Records Board for the last several years and I encourage that support to continue. In addition, efficiencies produced through the enactment of LB 921 earlier this session should be used to support the work of the Records Board.

I have vetoed the \$100,000 increased General Funds in FY 2006-07 for the Department of Health and Human Services Finance and Support earmarked as pass-through funding to the Munroe Meyer Institute of Genetics and Rehabilitation at the University of Nebraska Medical Center. The \$100,000

General Fund increase in LB 1060 represents a 285% increase in FY 2006-07 funding for this program.

I have vetoed \$2,755,616 General Funds in FY 2006-07 from the Department of Health and Human Services Finance and Support for the Children's Health Insurance Program (CHIP). The line-item reduction is based on analysis that indicates the total FY 2006-07 General Fund appropriation contained in LB 1060 is not necessary. The veto creates room in the budget and therefore allows me not to veto the \$1,800,000 General Funds in FY 2006-07 added in LB 1060 for public health aid, the \$100,000 General Funds added for public health administration in the Department of Health and Human Services Regulation and Licensure, and the \$855,616 added in LB 1060 for rate increases for behavioral health services created through continued behavioral health reform efforts.

I have vetoed \$643,436 General Funds for FY 2005-06 from the Department of Health and Human Services Finance and Support for annual pay rate equity increases in the Developmental Disabilities Aid program. Granting a retroactive pay increase as anticipated by this item would prove difficult to implement and may well cause inequities for employees of providers. One such potential issue involves employees on a provider's payroll at the beginning of the year, but have since separated from employment. To be fair to former employees, the provider, as employer, would presumably be responsible for locating and compensating each former employee for the increased rate of pay and hours worked, including hours worked in a previous tax year. My veto applies only to the increases in LB 1060 that apply retroactively. The compounded and annualized pay rate equity amounts contained in LB 1060 for FY 2006-07 are not reduced by my veto and will be available for provider employees on July 1, 2006.

I have vetoed \$1,675,145 General Funds in FY 2005-06 from the Department of Health and Human Services Finance and Support for the Developmentally Disabled Aid program. It is estimated that these funds, at the current and projected rate of expenditure in the program, will remain unobligated at the end of FY2005-06. My veto only reduces this estimated year-end unobligated balance and the reduction will have no adverse impact on the status of the waiting list. This veto creates room in the budget and therefore allows me not to veto the \$1,675,145 General Funds added in FY 2006-07 in LB 1060 for rate equity payments.

I have vetoed \$437,500 General Funds in FY 2005-06 and \$218,750 General Funds in FY 2006-07 from the Department of Health and Human Services Finance and Support for the Qualified Community Health Centers. After my veto, the five centers will continue to have available to them \$437,500 General Funds in FY 2005-06 and \$656,250 General Funds in FY 2006-07

that was the result of the biennial budget process in 2005 and the first years of General Fund support for the centers.

I have not vetoed additional appropriations provided to the Department of Health and Human Services, Nebraska Educational Telecommunications Commission, Nebraska State College System and the University of Nebraska for utility deficits in FY 2005-06. I have vetoed such amounts for FY 2006-07. Utility costs and appropriation deficits for FY 2006-07 are not known at this time. Currently no emergency exists requiring a funding increase for FY 2006-07.

I have vetoed General Funds in FY 2006-07 added for potential increased utility costs at the twenty-four hour care facilities operated by the Department of Health and Human Services. These General Fund reductions are \$118,971 at the youth rehabilitation and treatment centers, \$104,314 at the veterans' homes, \$427,703 at the behavioral health regional centers, and \$97,561 at the Beatrice State Developmental Center.

I have also vetoed \$56,650 in increased General Funds provided to the Nebraska Educational Telecommunications Commission, \$215,400 in increased General Funds provided to the Nebraska State College Board of Trustees, and \$4,000,000 in increased General Funds provided to the Board of Regents of the University of Nebraska for potential increases in utility costs in FY 2006-07.

I have reduced the funding increases to the Department of Administrative Services, Division of the State Capitol Commission, for utility cost increases, to reflect the most recent projections of additional appropriations needed to cover higher utility costs this biennium over prior years. Earlier estimates placed utility needs at a 50% higher level than FY 2004-05. Current year-to-date expenditures for the Capitol are running at 12%. My reductions equate to vetoes of \$240,757 of General Funds in both FY 2005-06 and FY 2006-07. After my vetoes, the Commission still has sufficient appropriations to cover higher utility costs for the Capitol building.

I have reduced the funding increases to the Department of Administrative Services, Building Division program for utility cost payments, to reflect the most recent projections of additional appropriations needed to cover possible higher utility cost payments this biennium over prior years. Earlier estimates placed utility needs at a 50% higher level than FY 2004-05. Current year-to-date expenditures are running at 25% - 30% and federal Department of Energy estimates suggest a figure in this range should be adequate. My reductions equate to vetoes of \$234,092 of Revolving Funds in both FY 2005-06 and FY 2006-07. After my vetoes, the Agency still has

sufficient appropriations to cover higher utility cost payments for state buildings.

In summary, if my reductions of energy and utility funding are sustained, \$5,261,356 of additional General Fund appropriations will be reduced from FY 2006-07, while \$5,137,973 in additional General Fund appropriations remain for increased energy and utility costs in FY 2005-06. Some indications are that not all of the \$5.1 million increase in General Funds will be necessary in FY 2005-06. Excess appropriations existing on June 30, 2006 should be carried forward by agencies into FY 2006-07 and used to address utility costs for FY 2006-07. Any energy and utility funding changes for FY 2006-07 can be reasonably addressed when actual experience for all of FY 2005-06 and early FY 2006-07 is known.

I have vetoed \$23,343 General Funds in FY 2005-06 and \$49,640 General Funds in FY 2006-07 from the Department of Natural Resources for increased health insurance premiums in the Soil and Water Conservation program. The agency has the ability to accommodate these costs within the Cash Fund appropriation to that program.

I have also vetoed \$325,000 in General Funds for FY 2006-07 intended for expanding the Library Commission's NebraskAccess online database system. This would represent an increase of over 81 percent for NebraskAccess from its current \$400,000 General Fund appropriation. The Commission is encouraged to prioritize its existing appropriations to meet the needs of young learners.

I have vetoed the increased funding of \$1.2 million General Funds in FY 2006-07 for the Nebraska Scholarship Program. After my reduction, FY 2006-07 state support (General Fund and Lottery Fund) for Nebraska Scholarship Program funding will increase 11.2% over FY 2005-06 and 35.6% or \$2,750,000 over FY 2004-05. This veto is identical to last year's veto of this spending proposal.

I have vetoed one-half of the additional funding provided for Community College Aid in FY 2006-07. This equates to a total General Fund reduction of \$748,848 allocated to two programs: \$564,384 is reduced from Program 151 and \$184,464 is reduced from Program 152. After my reduction, FY 2006-07 State General Fund Aid to the Community Colleges increases 5.0% or \$3,254,261 over FY 2005-06.

I have reduced \$23,707 of increased Cash Fund appropriation and \$18,521 of new Salary Limit at the Commission on Public Advocacy in FY 2006-07 for additional attorney salary increases that would exceed the pay increases that will be granted to most other state employees on July 1, 2006.

I have reduced a portion of the increase of \$4,372,000 State Building Funds to the State Capitol Commission Capitol Masonry Project for FY 2006-07. The Legislative increase reflects an acceleration of the timing and funding for the Masonry Project. My reduction equates to a veto of \$2,672,000 of State Building Funds for FY 2006-07. This veto still leaves a total appropriation of \$3,000,000 for the Capitol Masonry Project for FY 2006-07, which is sufficient to accommodate the revised funding level for that fiscal year established in 2005, LB 424, plus an additional \$1,700,000 of funding to accommodate priority repairs to the Legislative chamber and associated West parapet area.

I have reduced \$59,986 of increased General Fund appropriation for mileage reimbursements for court operations in FY 2006-07. This relatively small reduction can be accommodated by the state court system. After my line-item reduction, Program 52 (Court Operations) and Program 420 (State Specialized Courts) will still receive total new appropriation increases in LB 1060 of \$484,628 in FY 2005-06 and \$2,487,510 in FY 2006-07.

I have reduced \$68,749 of increased General Fund appropriation for travel costs for probation operations in FY 2006-07. This minor budget reduction can be accommodated by the state probation system. After my line-item reduction, Program 67 (Probation Administration) and Program 435 (Probation Community Corrections) will still receive total new appropriation increases in LB 1060 of \$1,453,675 in FY 2005-06 and \$5,237,168 in FY 2006-07.

I have also made a technical adjustment in FY 2006-07 for Probation Administration that reduces the Salary Limit earmark by \$251,378. The regular and intensive probation budget cannot sustain the spending of this excess Salary Limit amount without creating an operating budget deficit in FY 2006-07 and an on-going structural budget shortfall in the 2007-09 biennium. This Salary Limit change will not force any layoffs or cause any reduction to existing or new positions that are budgeted in FY 2005-06. It will provide for the 3.25% employee salary increase in FY 2006-07 and does not reduce the current program operating budget. This adjustment will eliminate the possibility of an unintended General Fund budget deficit in FY 2006-07.

I have vetoed the \$75,000 increased Cash Fund appropriation and the \$57,000 increased Salary Limit earmark in the Attorney General's Office in FY 2005-06 for enforcement of the state's obligations under the tobacco master settlement agreement. Twelve full months of salary costs for a new Assistant Attorney General in FY 2005-06 is not necessary when there is less than three months remaining in this fiscal year. As such, I have vetoed

this funding increase in FY 2005-06. I have not ignored the merits and necessity of properly funding the enforcement of the state's tobacco master settlement agreement. Both the Governor's and Legislature's budget recommendations this session include an additional appropriation of \$100,000 from the Health Care Cash Fund to expand enforcement of the tobacco settlement agreements in FY 2006-07 from \$150,000 to \$250,000 annually beginning on July 1, 2006. I have not vetoed this additional funding.

I have reduced the Cash Fund appropriation and earmark of \$1,500,000 in FY 2005-06 for increased mass transit aid. I oppose funding a retroactive aid increase. In addition, it does not appear that the current reduced level of Department of Roads tax revenues can support this new FY 2005-06 spending increase without negatively impacting our current state road construction efforts. I have not vetoed the \$1,500,000 additional appropriation for mass transit aid in FY 2006-07.

I have reduced \$217,000 General Funds in FY 2005-06 to the Department of Correctional Services. A one-time General Fund savings of \$217,000 has been made available this fiscal year by utilizing a one-time federal reimbursement to support current inmate per diem costs.

The Legislature has recommended a total of \$5,750,000 of new General Funds to the Community Corrections Council Office in FY 2006-07 to expand community corrections services. I have reduced the General Fund appropriation and earmarks to the Community Corrections Council Office by \$1,375,000 in FY 2006-07, thereby leaving a total General Fund increase of \$4,375,000 during this legislative session to implement the following new initiatives: \$2,000,000 General Funds for statewide drug courts; \$1,250,000 General Funds for probation day and evening reporting centers; \$1,080,000 General Funds for expansion of substance abuse treatment for offenders; and \$45,000 General Funds for completion of a recidivism reduction treatment center study.

The \$1,375,000 General fund line-item reduction can easily be replaced from the current \$6.0 million surplus balance existing in the Probation and Parole Program cash funds, as the pass-through Cash Fund appropriation to Probation Administration was not reduced.

After my vetoes, the budget still leaves in the full \$6,850,000 of Cash Fund appropriation increases for FY 2006-07 that are provided in LB 1060 to the Supreme Court and Probation Administration to fund new and expanded community corrections services. The appropriation provided to Program 435 (Probation Community Corrections) will support a maximum of \$5,977,902 in offender substance abuse treatment for FY 2006-07. The

Probation and Parole Program cash funds have been assessed against and paid by probationers and parolees. These cash funds should primarily benefit the "direct" treatment costs of these probationers and parolees.

My veto reduces the funding increases to the Commission for the Blind and Visually Impaired by one-half in both FY 2005-06 and FY 2006-07. After my veto, General Fund support for the Commission will be 26.8 percent higher in FY 2005-06 and 44.1 percent higher in FY 2006-07 relative to the FY 2004-05 funding level. The harsh reality is that the state's resources are not adequate to fully replace every federal program that has been cut or continue every federal grant that provided short-term funding.

I have vetoed the FY 2006-07 \$2 million General Fund transfer to the Cultural Preservation Endowment Fund. While I support the arts, other critical needs facing the State of Nebraska must take priority over our desire to increase funding for this endowment.

I appreciate the Legislature's work and urge you to sustain these reductions to LB 1060.

Sincerely,
(Signed) Dave Heineman
Governor

Attachment

GENERAL FILE

LEGISLATIVE BILL 1248. Senator Beutler offered the following amendment to the Standing Committee amendment:
FA663

Amendment to AM2831

Restore all the stricken language in section 12 on lines 24 through 27, on page 12 and lines 1 through 7 and on page 13.

Senator Beutler withdrew his amendment.

Senator Beutler offered the following amendment to the Standing Committee amendment:
AM3035

(Amendments to Standing Committee amendments, AM2831)

- 1 1. On page 6, line 21, after the period insert "No rules
- 2 and regulations proposed under this section shall be finally
- 3 adopted or implemented prior to the conclusion of the next
- 4 complete legislative session following submission of the final
- 5 report identified in this section.".

Senator Brashear asked unanimous consent to bracket LB 1248 until Wednesday, April 5, 2006. No objections. So ordered.

LEGISLATIVE BILL 79. Title read. Considered.

The Standing Committee amendment, AM0186, found on page 417, First Session, 2005, was considered.

SENATOR SCHIMEK PRESIDING

Senator Baker moved for a call of the house. The motion prevailed with 27 ayes, 0 nays, and 22 not voting.

The Standing Committee amendment was adopted with 26 ayes, 2 nays, 17 present and not voting, and 4 excused and not voting.

The Chair declared the call raised.

Advanced to E & R for review with 27 ayes, 5 nays, 13 present and not voting, and 4 excused and not voting.

LEGISLATIVE RESOLUTION 274CA. Read. Considered.

SENATOR CUDABACK PRESIDING

Advanced to E & R for review with 32 ayes, 0 nays, 13 present and not voting, and 4 excused and not voting.

LEGISLATIVE BILL 924. Title read. Considered.

The Standing Committee amendment, AM2521, found on page 858, was considered.

Senator Synowiecki renewed his pending amendment, AM2929, found on page 1331, to the Standing Committee amendment.

The Synowiecki amendment was adopted with 35 ayes, 0 nays, 10 present and not voting, and 4 excused and not voting.

Senator Bourne renewed his pending amendment, AM2898, found on page 1332, to the Standing Committee amendment.

The Bourne amendment was adopted with 29 ayes, 0 nays, 16 present and not voting, and 4 excused and not voting.

The Standing Committee amendment, as amended, was adopted with 34 ayes, 0 nays, 11 present and not voting, and 4 excused and not voting.

Advanced to E & R for review with 31 ayes, 0 nays, 14 present and not

voting, and 4 excused and not voting.

AMENDMENT - Print in Journal

Senator Schrock filed the following amendment to LB 1226A:
AM3060

1 1. Strike the original sections and insert the following
2 new sections:
3 Section 1. There is hereby appropriated (1) \$2,500,000
4 from the General Fund for FY2006-07 and (2) \$2,500,000 from
5 the General Fund for FY2007-08 to the Department of Natural
6 Resources, for Program 311, to aid in carrying out the provisions
7 of Legislative Bill 1226, Ninety-ninth Legislature, Second Session,
8 2006.

9 Total expenditures for permanent and temporary salaries
10 and per diems from funds appropriated in this section shall not
11 exceed \$38,115 for FY2006-07 or \$38,115 for FY2007-08.

12 There is included in the appropriation to this program
13 for FY2006-07 \$2,412,854 General Funds for state aid, which
14 shall only be used for such purpose. There is included in the
15 appropriation to this program for FY2007-08 \$2,412,854 General
16 Funds for state aid, which shall only be used for such purpose.

17 Sec. 2. There is hereby appropriated (1) \$2,500,000 from
18 the General Fund for FY2006-07 and (2) \$2,500,000 from the General
19 Fund for FY2007-08 to the Department of Environmental Quality, for
20 Program 513, to aid in carrying out the provisions of Legislative
21 Bill 1226, Ninety-ninth Legislature, Second Session, 2006.

22 Total expenditures for permanent and temporary salaries
23 and per diems from funds appropriated in this section shall not
1 exceed \$38,115 for FY2006-07 or \$38,115 for FY2007-08.

2 There is included in the appropriation to this program
3 for FY2006-07 \$2,412,854 General Funds for state aid, which
4 shall only be used for such purpose. There is included in the
5 appropriation to this program for FY2007-08 \$2,412,854 General
6 Funds for state aid, which shall only be used for such purpose.

VISITORS

Visitors to the Chamber were Jim and Robin Engel from Beatrice and Blake, Lisa, Bailey, and Freeman Brown from Milan, Tennessee.

The Doctor of the Day was Dr. Alan Williamson from Bellevue.

ADJOURNMENT

At 8:01 p.m., on a motion by Senator Fischer, the Legislature adjourned until 9:00 a.m., Tuesday, April 4, 2006.

Patrick J. O'Donnell
Clerk of the Legislature