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Floor Debate
February 07, 2008

[LB131 LB140 LB157 LB196 LB279 LB465 LB480 LB534 LB586 LB609 LB609A LB619
LB620 LB621 LB632 LB633 LB668 LB715 LB766 LB790 LB819 LB823 LB830 LB854
LB880 LB896 LB898 LB1056 LR237]

SPEAKER FLOOD PRESIDING

SPEAKER FLOOD: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-first day of the One Hundredth Legislature, Second Session. Our chaplain today is Pastor Harold Bickford, Peru Community Church, Peru, Nebraska, in Senator Heidemann's district. Please rise.

PASTOR BICKFORD: (Prayer offered.)

SPEAKER FLOOD: Thank you. I call to order the twenty-first day of the One Hundredth Legislature, Second Session. Senators, please record your presence. Mr. Clerk, please record.

ASSISTANT CLERK: There is a quorum present, Mr. President.

SPEAKER FLOOD: Thank you, Mr. Clerk. Are there any corrections for the Journal?

ASSISTANT CLERK: I have no corrections this morning.

SPEAKER FLOOD: Are there any messages, reports, or announcements?

ASSISTANT CLERK: Your Committee on Banking reports LB854 to General File with amendments. I have a report of registered lobbyists for the current week. And we have received various reports that will be on file in the office. (Legislative Journal pages 537-538.) [LB854]

SPEAKER FLOOD: Thank you, Mr. Clerk. Members, please find your seats as we prepare for Final Reading. We are now on Final Reading. Mr. Clerk, LB157. [LB157]

ASSISTANT CLERK: (Read LB157 on Final Reading.) [LB157]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB157 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB157]

ASSISTANT CLERK: (Record vote read, Legislative Journal 539.) Vote is 41 ayes, 1 nay, 7 excused and not voting, Mr. President. [LB157]

SPEAKER FLOOD: Thank you, Mr. Clerk. LB157 passes. We now proceed to LB196.

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[LB157 LB196]

ASSISTANT CLERK: (Read LB196 on Final Reading.) [LB196]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB196 pass? All those in favor vote yea; all those opposed vote nay. Have all those voted who care to? Mr. Clerk, please record. [LB196]

ASSISTANT CLERK: (Record vote read, Legislative Journal pages 539-540.) Vote is 43 ayes, 0 nays, 1 present and not voting, 5 excused and not voting, Mr. President. [LB196]

SPEAKER FLOOD: LB196 passes. Mr. Clerk, LB465. [LB196 LB465]

ASSISTANT CLERK: (Read LB465 on Final Reading.) [LB465]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB465 pass? All those in favor vote yea; all those opposed vote nay. Have all those voted who care to? Mr. Clerk, please record. [LB465]

ASSISTANT CLERK: (Record vote read, Legislative Journal pages 540-541.) Vote is 31 ayes, 10 nays, 3 present and not voting, 5 excused and not voting, Mr. President. [LB465]

SPEAKER FLOOD: LB465 passes. The next bill is LB480E. [LB465 LB480]

ASSISTANT CLERK: (Read LB480 on Final Reading.) [LB480]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB480E pass with the emergency clause attached? All those in favor vote yea; all those opposed vote nay. Have all those voted who care to? Mr. Clerk, please record. [LB480]

ASSISTANT CLERK: (Record vote read, Legislative Journal page 541.) Vote is 43 ayes, 0 nays, 1 present and not voting, 5 excused and not voting, Mr. President. [LB480]

SPEAKER FLOOD: LB480E passes with the emergency clause attached. Mr. Clerk, the next bill is LB621. [LB480 LB621]

ASSISTANT CLERK: (Read LB621 on Final Reading.) [LB621]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied

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with, the question is, shall LB621 pass? All those in favor vote yea; all those opposed vote nay. Have all those voted who care to? Mr. Clerk, please record. [LB621]

ASSISTANT CLERK: (Record vote read, Legislative Journal page 542.) Vote is 41 ayes, 3 nays, 5 excused and not voting. [LB621]

SPEAKER FLOOD: LB621 passes. (Doctor of the day introduced.) Moving to our final bill on Final Reading, LB632. Mr. Clerk. [LB621 LB632]

ASSISTANT CLERK: (Read LB632 on Final Reading.) [LB632]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB632 pass? All those in favor vote yea; all those opposed vote nay. Mr. Clerk, please record. [LB632]

ASSISTANT CLERK: (Record vote read, Legislative Journal pages 542-543.) Vote is 45 ayes, 0 nays, 4 excused and not voting. [LB632]

SPEAKER FLOOD: LB632 passes. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB157, LB196, LB465, LB480E, LB621, and LB632. Any messages, reports, or announcements, Mr. Clerk? [LB632 LB157 LB196 LB465 LB480 LB621 LB632]

ASSISTANT CLERK: Not at this time, Mr. President.

SPEAKER FLOOD: Moving forward on our agenda to General File, Mr. Clerk, LB609. [LB609]

ASSISTANT CLERK: Mr. President, LB609 was introduced by Senator Carlson and others. (Read title.) The bill was read for the first time on January 17 of last year, referred to the Business and Labor Committee. That committee reports the bill to General File. There are no committee amendments. [LB609]

SPEAKER FLOOD: Senator Carlson, you're recognized to open on LB609. [LB609]

SENATOR CARLSON: Thank you, Mr. President, members of the Legislature. It's a privilege for me to introduce LB609, which was advanced last year by the Business and Labor Committee with no dissenting votes. I thank the committee for advancing this bill. You have four pieces of printed material available to you. Two of them have to do with letters of support for this bill, one of them is a reprint of an editorial from the Omaha World-Herald, and the other is a financial implication sheet. I strongly believe that the only meaningful long-term tax relief for citizens of Nebraska is possible by expanding the tax base--multiplying the number of taxpayers. Nebraska is a sparsely populated

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state. We could double our population and still be sparsely populated; however, significantly increasing populations in our urban communities brings about the need to expand our infrastructure. This is not the case in most rural Nebraska communities. When a family moves into the state from outside of the state, it provides us a win-win situation. The new family will improve its quality of life and we've broadened our tax base by adding a new taxpayer. Urban and rural communities both benefit from this move. This bill is a result of my campaign promise to expand our state's tax base by recruiting new citizens to our rural communities, these communities of under 10,000 residents, and focusing on the populations who bring their jobs with them or those who don't need a job to move here. I believe there are three populations of people that can accomplish that: first of all, those that because of technology, work and generate income from their own homes; a second population would be retired military people; and a third would be those that are retired or near retired. Many of the people from these populations want to move to Nebraska; they just don't know it yet. By bringing the jobs with them to rural Nebraska, the state does not have the expense of building factories or providing additional infrastructure. Rural Nebraska is positioned to absorb additional population with its current infrastructure. This possibility involves an active change of attitude toward recruiting families, instead of businesses, to Nebraska. However, we should and will continue to recruit business and industry. To use an example that I think is understandable to most of us, Tom Osborne was a successful football coach at Nebraska for years and years, not by standing around and waiting to see who showed up and wanted to play. He found out who the best players were and he invited them to come to Nebraska. Some of them he offered scholarships to. But another successful portion of that program had to do with walk-ons--people that were invited to come and be a part of the program but weren't given any financial incentives. They simply were told about what they could experience by becoming a part of Nebraska's program, and it proved to be very, very successful. This effort could be our rural Nebraska "walk-on program" for inviting families to join us, because we have something to market in rural Nebraska, and that's our quality of life. We have safe communities. We have a great place to raise a family. We have good schools. We have good churches. We have good medical care or access to good medical care. We have great recreational facilities, recreational activities, recreational opportunities. We have good, caring neighbors. We have a high quality of living at an economical price. This is a great bargain. LB609 establishes the Nebraska Recruitment Promotion Act through the Department of Economic Development. This act would give grants to communities that have not experienced significant positive population growth in the ten years prior to their application. Each grant in the first year would be \$10,000, and no more than ten grants would be awarded in this fiscal year. The grant money would enable the community to develop a quality Web site and other tools to promote the community and implement a recruiting program. You were given an example of possible financial implications for a family of four who might move to rural Nebraska, bringing their job with them, and I'd like you to refer to that sheet, if you would, right now. I benefit most by examples that I believe are understandable and realistic. And if a family of four came to rural Nebraska,

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brought their job with them, and from their home, generated \$80,000 of income, which is a very possible situation, would probably generate the following tax revenues. They would purchase a home and probably pay about \$2,500 in property tax; they would probably pay about \$3,000 in sales tax; they would probably pay something in the area of \$3,000 in state income tax, for a total of \$8,500. One family, one family in a community coming in from outside the state under these circumstances would add about \$25,000 in tax revenue over a three-year period. Two families would add about \$50,000 in tax revenue over a three-year period. Three families would add about \$75,000 in tax revenue over a three-year period. And once ten families have been added to our rural communities, about \$85,000 per year in tax revenue, state and local, would be the result from the original investment. In addition, this family would buy groceries, pay utilities, purchase fuel for their vehicles, pay medical bills, and participate in the community in various ways. In closing, I repeat, I think there are at least three populations that want to move to Nebraska but just don't know it yet. I want to help them with the passage of LB609. I ask for your support. I'll be happy to answer questions that you may have. Thank you. [LB609]

SENATOR LANGEMEIER PRESIDING [LB609]

SENATOR LANGEMEIER: Thank you, Senator Carlson. You have heard the opening on LB609. The floor is now open for discussion. Wishing to speak, we have Harms, Chambers, and Wightman. Senator Harms, you're recognized. [LB609]

SENATOR HARMS: Thank you, Mr. President, colleagues. This bill, LB609, that Senator Carlson has brought before this body is extremely important for rural America. I've had the fortunate opportunity over the last 30 years to work with a lot of the small communities in western Nebraska, and I'm here to tell you that they have great fear that they're losing population. The movement from rural to urban America is continuing, and they want to save their communities but they don't know how to do it. In my discussions with many of the leaders, they're saying, you know what, we don't know how to market our community, we don't know what our assets are in our community, and more importantly, we don't even know how to put a Web page together that would attract people to our community. And most importantly, they feel like government has walked away from them; that we're...that government is willing to let the decline in the population base in rural America to continue. And I believe that this is an opportunity for us to step up, to say to these rural communities, you know what, government does care about you; we do want to give you the opportunity to grow; we will help you. We will help you identify your assets; we will help you identify how to put together a Web page; bring people in to give you some assistance to see if we can't grow your community. I don't think we can tolerate, nor do I think we can continue, to let rural America fail in this process. There are a lot of folks who are looking to relocate, whether it's out of Colorado or other places where the population is too high, crime rate is too high. They want to move into a community that cares. They want to move into a small community that has

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a good school system, that has some of the basic services they need. Rural America is a great place for this to happen. We just have to help them identify what Senator Carlson has brought forward; help them identify that this community is here, this community has the kinds of things that they want that would help their family grow and give them the opportunity. So I just would ask, Mr. President, that we support this legislation because I think it will be helpful for rural America. Thank you, Mr. President. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Harms. Senator Chambers, you're recognized. [LB609]

SENATOR CHAMBERS: Mr. President, members of the Legislature, a problem with people being new is that they're not aware of things that have been done for and toward the rural community before, and I have led the way on a lot of those efforts. That would not be acknowledged by people on this floor now and probably people in the rural community, but they acknowledged it at the time I was doing this work. This bill is one that I probably will support because there is not much money involved. However, there are things that need to be looked at in this bill, just like we would look at them with reference to any other bill. We cannot become so paternalistic and so condescending that we allow legislation which is not really clear to move forward. So there are some issues that I will raise and maybe ask some questions of Senator Carlson, but I'm not going to spend my first time to speak asking questions. I will turn on my light. On page 2, in line 11, where it says, "The department shall establish requirements," I would want to know if that includes criteria for the grants. It's not enough to just say that grants are going to be awarded. There should be some criteria. I don't understand, in line 17, the meaning or necessity of the word "positive." It says, "significant positive population growth." Do they mean by "positive" that they're people who are desirable as opposed to undesirables? If that's not it, then it's redundant. Because if we struck the word "positive" we would have "significant population growth." So if they're talking about that, then they don't need the word "positive." But if the word "positive" means something special, I want to know what it means. In addition to that, I can see a difficulty arising on the basis of the term "community" involving several political subdivisions, but before an application can be submitted by such a conglomeration, "the governing board of each political subdivision shall, by majority vote, approve the submission of the application." This means, to me, that if one of those governing boards does not vote by a majority to support this application, no application can be offered. There's nothing in here about expelling such a subdivision, none of that. This bill is written as though it is an ideal world, everything is going to go along smoothly as clockwork and so forth. I have no idea what "marketing materials" mean. I don't know what "marketing activities" are within the context of this bill. If everything is so great in these communities, the thing that militates against that is the fact that in the last ten years they haven't had any population growth. So if everything is great, it would seem that they wouldn't be losing population. It almost says that those who know the community best don't want to stay

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there, so they have to reach out and get people who don't know and can be lured through a slick Web site, putting propaganda out. On the third page, the fact that no more than \$10,000 can be given in any grant makes it unlikely that anybody is going to get rich through misuse of the money. But still, money is money, and criteria and other requirements that we usually establish should be at least considered. Beginning in line 11 through line 17 is language that I am... [LB609]

SENATOR LANGEMEIER: One minute. [LB609]

SENATOR CHAMBERS: ...going to attempt to strike. This language says it is the intent of the Legislature to appropriate various amounts of money. We cannot appropriate money in a bill in this fashion. That's why it's expressed as an intent. I think it is misleading, if this bill becomes law, to put these amounts in the law and then the Legislature decide not to appropriate that money. It is unnecessary that that language accompany the bill. An A bill is necessary for appropriating the amount of money it would take to fund the bill. So as of now, I don't have any major amendments that I would offer, but I think there should be some consideration given to these points. And having made these general observations, I may have a question or two for Senator Carlson the next time I'm recognized. Thank you, Mr. President. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Chambers. Wishing to speak we have Senator Wightman, Dubas, Chambers, Kopplin, Fulton, and Carlson. Senator Wightman, you're recognized. [LB609]

SENATOR WIGHTMAN: Thank you, Mr. President. Members of the Legislature, I rise in support of this legislative bill. I want to thank Senator Carlson for bringing the bill. I think it is a good tool for outstate Nebraska, for greater Nebraska, and many communities that are striving to stay alive and to fight population loss, just as Senator Harms has stated. There are many in my district that...and our districts lying close to Highway 30 and Interstate 80, doesn't have near the problems as far as maintaining population that many of the areas of western Nebraska do. But I think it is a good bill. I think that it will let rural communities, hopefully, start a program for economic development and maybe be able to tap into some of the other programs, including the Nebraska Advantage Act. So I think it will start some communities at least working toward their population...curing their population drain. I also had circled one of the things that Senator Chambers brought up, and I would ask Senator Carlson if he would yield to a question. [LB609]

SENATOR LANGEMEIER: Senator Carlson, would you yield? [LB609]

SENATOR CARLSON: Yes, I will. [LB609]

SENATOR WIGHTMAN: I didn't have a problem with "significant positive population growth" other than that the entire question of what would be significant population

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growth or significant positive population growth. Do you have a feeling or do you think that needs to be defined? [LB609]

SENATOR CARLSON: I, Senator Wightman, I would agree that the word "positive" doesn't really add anything and I would not be against omitting that word. "Significant population growth," I don't think it's necessary to tightly define that. Department of Economic Development could have some leeway in terms of looking at a community and deciding whether or not there is significant growth, and maybe that community doesn't need this kind of help. I wouldn't want to eliminate the possibility of a community that's had some growth being afforded some help to gain more, because it probably means they're doing something and this could just further help them. But those communities that have actually lost population, if a nucleus of people get together and say let's do something about it, we'd like to have this available to help them. [LB609]

SENATOR WIGHTMAN: And I'm not sure I would disagree with that. I think maybe it's one of those things where maybe we can't define it but we'll know it when we see it. [LB609]

SENATOR CARLSON: I think I would agree with you. [LB609]

SENATOR WIGHTMAN: And perhaps that ought to be left within the discretion of the Department of Economic Development in determining that. That could obviously be a factor as...in looking in a competitive ranking as to who might receive the grant. So I don't know that I have a problem with it. At the same time, some of these things may be better if they are more clearly defined. Thank you, Senator Carlson. Thank you, Mr. President. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Wallman (sic). Senator Dubas, you're recognized. [LB609]

SENATOR DUBAS: Thank you, Mr. President, colleagues. I, too, rise in support of this bill and thank Senator Carlson for bringing it forward. As with any bill, there's always things we can do to make it better and more workable, and I'm sure that will continue to unfold as we debate this. But we're always talking about investing in Nebraska and investing in businesses and how important it is to us, and I'm not going to disagree with that. But, you know, we do focus a lot of attention on investing in large businesses and bringing companies that will employ a lot of people. And while that may serve the urban parts of the state very well, it doesn't serve the more rural parts of the state. And I have often told people--you know, I'm from a town of a population of about 1,500 people--if I could fill two empty businesses on the main street in Fullerton, which would probably only employ, you know, 2-5 people at the max, that's huge economic development in my community. If we bring two or three families into the community, that's a huge addition to our community. And so I think oftentimes we think of investment and we think big. We

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think big buildings, we think lots of people, and that's just not...that's just not what works in rural Nebraska. And why we're losing population in rural Nebraska is because we just haven't stepped up to the plate and said, hey, you know, these are the types of things that we need in small communities, in smaller counties across the state of Nebraska. We need to make sure that there's opportunities, and I think through the use of technology and the other things like that, that we can bring those two or three or four families into the community. But we just need to, as rural representatives and as rural citizens in the state, we have to be bold enough to ask for it. Big business doesn't have any problem saying, hey, this is what I need to bring employees to the state, this is what I need to contribute to the economy. And in rural Nebraska, I think we've been all too often satisfied for what's left over. We haven't stood up and said, hey, you know, my small business will contribute just as much in my area as your big business will in your more urban area. Again, we just haven't had the confidence or the courage to step up and to ask for those things and to promote ourselves and to explain this is what we have to offer in our small communities. If you're looking for a great place to raise your family and good schools to educate your kids, we've got it. I think we've just got to kind of step out of our shell and again have that...follow the example of what big business does, and say, you know, I think we can work this in a partnership type of approach. So again, I do appreciate Senator Carlson's efforts in this manner. I think that this will go a long way in helping rural communities understand what they have to do to promote themselves, to ask for what they need. I, you know, I see the volunteer commitment in small communities. I mean, it's that way across the state, not just small communities. But I know people in communities across the state of Nebraska are willing to do what it takes to promote and support their communities. Sometimes they just don't always have the tools or maybe they're not quite sure of the direction they need to go, but I've seen what happens when you point people in that right direction. And you give them a little support and encouragement, they're going to take that ball and run with it. And I think that's what this bill does. It gives them the ball, it gives them the direction, it gives them the support that they need. And I think once those things are in place, they will run with it and they will make this a very successful program. Thank you. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Dubas. Senator Chambers, you're recognized. [LB609]

SENATOR CHAMBERS: Mr. President, members of the Legislature and Senator Carlson, I would like to ask a question or two of Senator Carlson, and as he comes to his mike... [LB609]

SENATOR LANGEMEIER: Senator Carlson, would you yield? [LB609]

SENATOR CARLSON: Yes, I will. [LB609]

SENATOR CHAMBERS: Senator Carlson, further along in the discussion I have some

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suggestions I would make, but I'm not going to insist on them because you all in the rural community know what you think is the best remedy for what ails you. When we...would you turn to page 2 so that, of your bill, you'll see exactly what I'm referring to? In line 18, I had read this language before, it's where a community can involve...the term "community" for the purposes of this bill can involve more than one political subdivision, but the application cannot even be submitted if the governing board of each political subdivision does not agree with it. That would mean that the governing board of one political subdivision would have veto power as far as submission of this application, if I read this correctly. Is that the way you read it? [LB609]

SENATOR CARLSON: I can see how you interpret that. That's not the intent. Would you like me to say what I believe... [LB609]

SENATOR CHAMBERS: Yes. Yes. [LB609]

SENATOR CARLSON: ...the intent is? [LB609]

SENATOR CHAMBERS: Uh-huh. [LB609]

SENATOR CARLSON: I thought initially of this possibly being a county effort. And so I'm from Phelps County. Holdrege is the largest town in Phelps County, and it might be a Holdrege effort or it might be a countywide effort which would take in the other towns in our county. It could be either way. And it... [LB609]

SENATOR CHAMBERS: Well, could I stop you there for a second... [LB609]

SENATOR CARLSON: Yes. [LB609]

SENATOR CHAMBERS: ...so I won't get lost? Maybe you should say that the governing board of each of the subdivisions must agree to be a part of the community, rather than saying that they all have to agree on submitting the application. Here's what I'm getting at. The community comes into being only if each of the political subdivisions which is to be a part of it would agree to be a part; none will be drafted. Once it has started, then a majority vote of those participating would be sufficient to submit the application, rather than saying each one has to agree, because there could be some disputes that would develop, and one could say do it my way or I'll stop the whole program. And we don't have to do that right this minute, but I think it might help if that were clarified. [LB609]

SENATOR CARLSON: Okay. I'd like to--I appreciate that--I'd like to make a statement here, because let's suppose that there are four political subdivisions in this community, and three of them are interested in it and the fourth one isn't at all. The intent would be, if the community involves more than one interested political subdivision, the interested ones ought to agree before an application is made. And if one of them decides we're not

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interested, go ahead and drop out, and the two remaining could then, if they're interested in this. So the intent isn't to have one be able to have jurisdiction over the other two or three that are in the community. [LB609]

SENATOR CHAMBERS: Well, since it's your bill, I'm not going to offer an amendment. [LB609]

SENATOR CARLSON: Okay. [LB609]

SENATOR CHAMBERS: But I do see where...I don't see anything in here that talks about the mere disagreement with a particular application automatically eliminates the one that disagrees. And maybe it shouldn't, because the application may not be well drafted; there could be various reasons where there could be a legitimate disagreement. However, if the majority want to submit the application, they should be allowed to do so, because the submission does not guarantee acceptance. [LB609]

SENATOR LANGEMEIER: One minute. [LB609]

SENATOR CHAMBERS: That's all I will...because my time is running out. But I want to ask you about this language on page 3. I have put an amendment up there which would strike the language in lines 11 through 17 that relate to the intent of the Legislature to appropriate specific amounts of money, not only presently but in years to come. And maybe you will have opposition to that, but the amendment is on the desk and at that time we can discuss it, but I want to alert you to it while you're standing at this point. But I'm not going to ask you a question on that right now because my time is up. Thank you, Mr. President. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Chambers. Senator Kopplin, you're recognized. One moment. Mr. Clerk, for a motion. Sorry. [LB609]

ASSISTANT CLERK: Mr. President, I do have an amendment. Senator Chambers would offer FA173. (Legislative Journal page 543.) [LB609]

SENATOR LANGEMEIER: Senator Chambers, you're recognized to open on your floor amendment. [LB609]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, there are two parts to this. One would strike the word "positive" on page 2, in line 17, so we simply say "significant population growth," instead of "significant positive population growth." If loss of population is...well, I don't even have to go through all that. I think it's clear what I mean. The substantive part of the amendment would strike this language in lines 11-17. If there are any questions, I will answer them. But I will say again, this language does not appropriate anything. This language does not bind the Legislature to

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appropriate anything. If, however, the bill should be enacted into law, the statutes should be for the purpose, among other things, of notifying people the direction the Legislature intends to go. We should not create an impression which is false that the Legislature is obliged to appropriate these amounts of money. That's why I'm doing that. But in my opinion, and once again Senator Carlson and his colleagues are the ones who can best make the judgment, I don't think enough money is being asked for. First of all, when you look at page 2, in Section 5, starting in line 21, "A community which receives a grant," which cannot be more than \$10,000, may not be as much as \$10,000, "shall use the grant funding to create marketing materials"--I don't know how much money that would cost--"and programs which promote the community and to employ a person to create a web site and conduct marketing activities that promote growth in the community." I don't know how much you'd have to pay a person to do these things, but I don't think \$10,000 is very much money to do everything that is envisioned in lines 21-25. A person could say, well, we're talking about a small community. True. But if you're talking about quality work, the smallness or largeness of the community is not going to have bearing, or it shouldn't have, on the caliber of the person you hire to do this. If you hire somebody who can't do it well because you don't have enough money to really get anybody who can do this, well, I think this is self-defeating. You do want to put the best foot forward. Some people will look at the quality of an advertisement to get a notion of what it is that is being advertised. So if you have something that looks homemade, then the person looking at it is going to believe that what is being offered is homemade also. Generally, a person will use hyperbole or overstate the good qualities of something. If you present something that doesn't have high quality, a person will presume that what is offered has lesser quality than the advertisement. But again, the amount of money will be determined by my rural colleagues. In the past, I have attempted to get more money into these types of programs. I've been unsuccessful because the rural senators opposed it. Once again, since this area has been looked at and reviewed by the rural senators and those they represent, and they think this that I think is a piddling amount of money is sufficient, then you give them what they ask for. Senator Carlson, I've often stated that when people pray, if they get what they ask for it may turn out to be not what they wanted. So if prayers are to be granted, they should have thought through very carefully what they're asking for so that if they get exactly what they ask for, it's what they want. You and everybody else has heard somebody pray, Lord, I want you to be my mother, my father, my sister, my brother. And then if all those people are riding in a car and they're in an accident and all of them are killed, then they ask God, why did you do this? And God said, well, you asked it. The only way I can be your mother, father, sister and brother is if I take them away. So people many times don't think through what it is they're asking for. I would like to see this program work, but I think in order for it to work we should give considerable and serious consideration to whether the amount of money being asked is sufficient, if the grants should be capped at \$10,000. I know we don't want anybody to raid the treasury, but, Senator Carlson, if somebody ran away with this entire sack they're not really getting that much money. I do not think we're going to run into that kind of problem. Maybe we will, but I wouldn't want

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to see the program start with a limp when we want it not only to walk upright, we would like it to take off running through troops and leaping over walls. Senator Carlson is familiar with that kind of language. But so that you can focus on the only amendment that I have up there, it would strike that word "positive" when we're talking about the population growth, and then it would eliminate that intent language as to what the Legislature would appropriate now and in the future. That's all I have, but I'll answer any questions you might have. Thank you, Mr. President. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Chambers. (Visitors introduced.) You have heard the opening on FA173 to LB609. The floor is now open for discussion. Those wishing to speak, we have Kopplin, Fulton, Carlson, and Loudon. Senator Kopplin, you're recognized. [LB609]

SENATOR KOPPLIN: Thank you, Mr. President, colleagues. I'm offering my support to Senator Carlson in LB609. I don't deal with the kind of problems that those in rural Nebraska do. I come from an area where it's rapid growth. We don't look around and say there's a new house going up; we look and say there's a new development going up. But I recognize the problems that rural America faces. I hear their problems, the struggles of their school systems to try to stay afloat, the problems of communities thinking if they lose their school system they lose their communities. I see those communities where the grocery store disappears and deals a hard blow. We need to do what we can to improve the conditions in rural communities. They're great places to live, to grow up, as I did, and to raise families. We can do that if we all get behind a bill such as Senator Carlson's. I do believe there's some language that needs to perhaps be corrected. I'm going to look carefully at Senator Chambers' amendment. I haven't really looked how it fits in, but I'm sure he's working to improve the bill. I also would agree with him that perhaps we should look at the amount of money that we're willing to spend on projects like this and increase it to a doable amount. Thank you. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Kopplin. Senator Fulton, you're recognized. [LB609]

SENATOR FULTON: Thank you, Mr. President. I would ask Senator Chambers a question, if he were here, but... [LB609]

SENATOR LANGEMEIER: Senator Chambers, would you yield? [LB609]

SENATOR CHAMBERS: Reluctantly. I was in the presence of a very beautiful young woman, but, you know, trying to do what I'm supposed to do on this floor, I will yield. [LB609]

SENATOR FULTON: I extend my apologies and I promise to make this brief. Your floor amendment, would this be...would the floor amendment have any effect on the A bill

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that will come...that we will hear after this (inaudible)? [LB609]

SENATOR CHAMBERS: No, this language will have no effect on the A bill. If we put more in the A bill or less, it will not have any...in other words, we are not limiting the amount that can be in the A bill by this language. We do not increase the amount by removing the language. But it could create a difficult situation for the reasons I gave, by misleading the public as to what this language means. [LB609]

SENATOR FULTON: Okay. Okay. I didn't get that clearly. I have it clearly now. So I thank you, Senator Chambers. [LB609]

SENATOR CHAMBERS: Okay. [LB609]

SENATOR FULTON: Would Senator Carlson yield to a question then? [LB609]

SENATOR LANGEMEIER: Senator Carlson, would you yield? [LB609]

SENATOR CARLSON: Yes, I will. [LB609]

SENATOR FULTON: Senator, I'm...I like this bill. As John Mellencamp said, I was born in a small town. And this is an important part of Nebraska, and I think it's important to point out that this is also important to Lincoln and Omaha. The small towns are part of our economy. The farming sector of our economy is an important element in our overall scheme of things. When the Forecasting Board meets and we come to find out where we are, I will just...I will make a prediction and say that the small towns are probably going to be what ends up saving our budget this year, if indeed we can keep our budget as is. So that being said, I do have some questions. On page 2 of the green copy, line 23, and I'll read until we get to that point in line 23: "A community which receives a grant shall use the grant funding to create marketing materials and programs which promote the community and to employ a person to create a web site." A question I have there is, is it necessary for the community not to have a Web site in order to receive this grant? [LB609]

SENATOR CARLSON: Repeat that last question part. [LB609]

SENATOR FULTON: Okay. In line 23, the conjunctive word is "and,"--"which promote the community and to employ a person to create a web site." If the community already has a Web site, could they still apply for this grant? [LB609]

SENATOR CARLSON: They could still apply for it because they could improve their existing Web site, and, in fact, it wouldn't surprise me but in a number of situations that may be the way it's done. If they've taken enough initiative to do something already, this could just be of help to them in improving it. And I think the wording, certainly, there

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could be better than it is. But, yes, it could be used to improve an existing Web site. [LB609]

SENATOR FULTON: Okay. Would you be open to possibly making the word "and" into the word "or"? And you can think about that. You don't have to answer it now. But I think it would accomplish the same intention that you have in mind. My concern is when you use the word "and," that becomes inclusive to the clause by which we move this grant forward, and the word "and" says that "and employ a person to create a web site." If they already have a Web site created, it could be construed that this would disqualify that community. [LB609]

SENATOR LANGEMEIER: One minute. [LB609]

SENATOR FULTON: Well, I'll...if you'd like, I'll yield the rest of my time to Senator Carlson. [LB609]

SENATOR CARLSON: Okay. Thank you, Senator Fulton. If we look at the lines that you have referred to, the idea would be to promote the community and/or employ a person to create a Web site. They may want to employ a person to create a Web site; they may not need to. They may have somebody in their community that would donate time that is an expert in developing a Web site. That would be okay. And the insinuation there is that they not only would employ a person to create a Web site, and this person would also conduct marketing activities, and that's not the intent either. The community, the committee, the cluster of people that become enthusiastic over this would probably be those that would give of their time to conduct marketing activities. So it's not the best wording... [LB609]

SENATOR LANGEMEIER: Time. [LB609]

SENATOR CARLSON: Thank you. [LB609]

SENATOR LANGEMEIER: Senator Carlson, you have the next light. I'll recognize you to continue. [LB609]

SENATOR CARLSON: Thank you. So I think that that...I don't disagree that that wording could be improved and certainly I'm open to that. I would hope that we could pass this to Select File, and between now and then I'd like to work with Senator Chambers and you and others that could help with this wording so we do come out with a bill that really states the intent in the best way possible. I would like to share a couple of things that have taken place just in the last few days that relate to LB609, and they weren't planned that way. Yesterday we had a lot of people visiting the Capitol that are home-schooling families, were here for a good reason. A number of those families came to my office, and I think that at one time I had about five different families in my office.

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And they asked me to just share a little bit for them and for their children what goes on in the Legislature, and so I talked about my bill, LB609. It turned out that three or four of those families had moved into Red Cloud, Nebraska, from outside of the state because they wanted to find a small, safe community to raise their family. And this is happening in rural Nebraska by itself, so I think it brings up the realization that if we had a plan and we implemented a plan to identify these people that want the characteristics that rural Nebraska offers, we could have better results than we even envision. In the city of Alma, which is in my district, there's an article in Tuesday, February 5 edition of the Holdrege Daily Citizen: The city of Alma wants you to tell a friend about it. And so they're in an active program of having their residents and their citizens talk to people outside of the state of Nebraska and tell them about Alma. Well, this is the kind of community that this bill could really help, and we have a lot of communities like that, that are starting to realize we better do something, we can't stand still. And this bill, I believe, would give a boost to those communities that want to be active, that don't want to go backward, want to go forward, and we have a lot to sell. Thank you. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Carlson. (Visitors introduced.) Mr. Clerk, for a motion. [LB609]

ASSISTANT CLERK: Mr. President, Senator Chambers would offer FA174 to FA173. (Legislative Journal page 543.) [LB609]

SENATOR LANGEMEIER: Thank you. Senator Chambers, you are recognized to open on FA174. [LB609]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, Senator "Wonder Woman" may also be known as "Madam Hawkeye." The amendment, as I drafted it, would eliminate more language than is necessary. The only language I want to eliminate is that intent language. So in my amendment, instead of saying strike all of the language through line 17, it should say strike the language through line 14. Since a fund is being created, the language from line 14 onward refers to the investing of any money that may be left in the fund, and that is language which can...it goes along with any creation of any fund. So that's what this amendment will do. It will bring mine into the form I want it to be in, that I intended it to be in, but in my haste I made waste. Now I want to touch on, since I have time again, the issue or question of whether we're putting enough money into this program to make it viable. I don't know how much you would have to pay a person to carry out all of these duties, but it might cost as much...let me try to give an analogy, if I can, and I know it doesn't fit perfectly. But if we've got a very large city, and in that large city is a very large manufacturing plant, and in that plant chemicals are used, the chemicals contain carcinogens and people contract cancer. In that city is a very large, effective, technologically, scientifically, medically advanced institution which can deal with cancers. A person in a small town comes down with the same type of cancer, although under different circumstances. Will it cost less to

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retain the services of the physician to treat the person's ailment because the person is from a small town, from the amount it would if the person were from the large city? This is the point I'm trying to get at. In some instances there are some economies of scale; in others we can't even talk about that. I think if you're going to get a quality programmer, Web site building may not be that difficult. But this person is going to create marketing programs, marketing materials, conduct marketing activities. That, the way I read it, is not something a person would sit down and do maybe in a week and that person is no longer employed. That is an ongoing activity. So the person may want to know that he or she is going to be employed for at least a year, and even beyond that year you may have to continue this work. I think there is not enough money in this program. I think the grants should not be capped at \$10,000. But again, maybe Dr. Carlson, Dr. Wightman and all the other rural doctors can get more bang for the medical buck than I, who am a city slicker, am aware of, so I'm not going to interfere or mess with that. But from where I stand, having been here going on 38 years, I have developed some time ago the conviction that if we create a program we should not create it and not give it what it's going to take to be successful. All the money does not have to be spent. We're providing that anything left in the fund will be available for investment. We're setting a maximum amount of a grant, not saying that every application will receive that amount, but we would not want to put such a piddling amount of money into the program that if we receive a number of very good grants...first of all, the bill limits it to ten grants, not ten to one applicant, but ten grants overall. So you're going to have these small towns we say we're trying to help, twenty of them--I'm sure there might be twenty small towns in Nebraska; there are not many metropolises like Omaha. So you're going to take a handful of dimes, like Rockefeller was wont to do, and when you drive among the unwashed masses you throw the dimes out there and watch them scramble in the dust and hurt each other to try to get a dime. We're going to take a segment of the society whom we say we're trying to help, we're creating a program, and instead of really helping we're going to set them in competition against each other, snapping, snarling, biting, backbiting for piddling amounts of money anyway. I would rather see a substantial amount of money put into the fund. If we don't have as many applications as I think we might, the money is not going anywhere. We won't have to reappropriate that same amount of money the following fiscal year. The money is there; it's not going away. I'd rather that we have a cupboard with more, Senator Carlson, than the hungry people are going to eat, than to go to the cupboard...Old Mother Hubbard went to the cupboard to get the poor dog a bone, and when she got there the cupboard was there (sic) and the poor little doggy had none. If we in our nursery rhymes are teaching children about compassion by speaking of dogs and bones, then we who are adults and are wise should make sure that we put enough money into the program to achieve the end that we have in mind. If I were not so willing to be collegial and be led by my rural colleagues, I would be offering an amendment to increase the amount of money and to raise the cap on those grants. I think we can do some research and find out how much you would have to pay a person to carry out these promotional, marketing, and other activities. I don't think that because you are in a small town you should have to travel

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third class or no class. You are entitled, if a government program is created, to have the same quality as similar programs on a bigger scale that are created for the bigger cities. You show, in my opinion, respect for those you say you're trying to help by not making them be grateful for a crust of bread and tell them, well, a crust of bread is better than no bread at all. Respect is something that means a tremendous amount in the world that I inhabit. Sometimes it is the only thing you might have, so you withstand privations, you make sacrifices so that you can maintain that feeling of respect for yourself. We're not in that business in the Legislature. Back to my amendment: All that it will do is make sure that it eliminates from the bill only the language on page 3 that relates to the intent of the Legislature to appropriate specific amounts of money. When you get to line 14, after the period, you'd have the language, "Any money in the fund available for investment," and so forth. All of that language would be retained. That's all I have. Thank you, Mr. President, and I'll answer any questions. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Chambers. You have heard the opening on FA174. The floor is now open for discussion. Wishing to speak we have Senators Louden, Lautenbaugh, Carlson, and Pankonin. Senator Louden, you are recognized. [LB609]

SENATOR LOUDEN: Thank you, Mr. President and members of the body. As I read this bill and I've seen what Senator Chambers has talked about and what he's done, I think it probably improves the bill. I think the bill that Senator Carlson had brought forward is probably a very good item for these small rural towns in Nebraska, because they are struggling to do something and to get people to come there, and they also have things that need to be done and what they can to sell their town. A lot of this will go hand-in-hand with your tourism also. One thing that I do wonder about is Section 6 up there. And I'm like Senator Chambers; I wonder, when you say no more than \$10,000 can be spent, that I question if that's enough money. As I've been here for the last few years, I've noticed a lot of times these things come forwards to try and do some rural economic development of some sort and there's never enough money to put into something like that. Ten thousand dollars isn't a lot of money if you want to promote something, the time...and especially when you put in there that...what all they can do. If you want to develop Web sites, if you want to work on any kind of promotion anywhere, just ask any of these people that promote the tourism and see how far \$10,000 will go for them. You have to have more money in it than that. And I think by Senator Chambers' amendment, where we take out the intent, was probably a step forwards. And I think also when Senator Fulton brought up to put in and/or in there whether or not they have to employ someone to do a Web site, if you're going to employ someone to do a Web site it won't take long for your money to be gone. And I think my question is, I would like to ask Senator Carlson a question if he isn't too busy, if he may, please. [LB609]

SENATOR CARLSON: Yes, I would yield. [LB609]

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SENATOR LOUDEN: Okay. Senator Carlson, on your Section 6 there, that they have the grant at no more than \$10,000 and no more than ten grants, I don't have a problem with no more than...putting a cap on the number of grants, but do you feel that the \$10,000 is enough money? Do you feel that we should be a little bit more open-ended on that so that if they are going to start one of these programs and it's approved by...I suppose Economic Development is the one that approves these grants, that there will be enough money available so they can go ahead and do the job and do it right?
[LB609]

SENATOR CARLSON: Okay. I appreciate that question, Senator Louden. I had thought, after appearing before the committee, that there was going to be a committee amendment come out--and I'm a little bit hesitant to mention it now but I just as well--that this become a matching grant, which would mean that before a community could be granted money, they've got to put some of their own money up. And I'm not opposed to that because that means serious intent. And so if we're talking about...
[LB609]

SENATOR LOUDEN: Well, could I...could I reiterate on that just a little bit? I agree that the local people need to put up some stuff, but there's a lot of these communities that don't have that much. Should they put it up matching or should it be...I mean the federal government and the State of Nebraska Department of Roads, be an 80/20 match or something like that? They have to put up some seed money, but do they have to match it dollar for dollar? Because I know there are some towns around that don't have that big of bucks that would like to do something, and there's some right in the county I live that could use some promotion like that. But if they were wanting to get a \$10,000 or \$15,000 grant or more, I don't know if they can come up with that much cash to do it.
[LB609]

SENATOR CARLSON: And there could be some circumstances where that is a problem. I think this is a springboard for an ongoing... [LB609]

SENATOR LANGEMEIER: One minute. [LB609]

SENATOR CARLSON: ...successful program, and to get started and to see some success in communities, there may be some that simply can't afford it right now. But I'm open to...I'm open to increasing the grant, I'm open to a different kind of matching formula, whatever would make it work. You bring up a good point. [LB609]

SENATOR LOUDEN: Okay. Thank you, Senator Carlson. I certainly would support LB609 and with some of the amendments that Senator Chambers has put on, some of the stuff that Senator Fulton has mentioned I think is great, and also I would like to see something done with Section 6. Now I don't intend to make any amendments or

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anything because I'm sure the sponsor of the bill is willing to work that out. But part of it, I would question whether we want a cap on how much money can be spent at a time. [LB609]

SENATOR LANGEMEIER: Time. [LB609]

SENATOR LOUDEN: Thank you. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Louden. (Visitors introduced.) Returning to discussion on FA173, wishing to speak we have Lautenbaugh, Carlson, Pankonin, Synowiecki, and Stuthman. Senator Lautenbaugh, you're recognized. [LB609]

SENATOR LAUTENBAUGH: Thank you, Mr. President, members of the body. I also rise in support of Senator Carlson's bill. I think it's a great idea and a great start. I hope it will be very effective. I was wondering if Senator Carlson would yield to a question or two. [LB609]

SENATOR CARLSON: Yes, I will. [LB609]

SENATOR LAUTENBAUGH: Senator, in the bill you referenced the community hiring a person to do these various things. Did you mean an actual person, or could they hire a consulting firm or whatever they chose to do the things specified under this bill? [LB609]

SENATOR CARLSON: Senator, I think there are three possibilities here. One possibility may be that nobody is hired because there's already an expert in the community that would donate the time to get this Web site developed. Second possibility is a person is hired and paid simply for developing the professional Web site. Third possibility would be an entity, a business, a firm could be hired to do that. So I think all three are possibilities and this isn't meant to limit or specifically instruct a certain way. [LB609]

SENATOR LAUTENBAUGH: Thank you, Senator. And I heard Senator Fulton's comments about the Web site and the concern that if they already had a Web site they couldn't apply. I also am not going to offer a specific amendment because I know you're going to be doing some things, but I would suggest that maybe if the language said "create or maintain a web site," that would be consistent with your goals. [LB609]

SENATOR CARLSON: And I think maybe the word "create or improve an existing." [LB609]

SENATOR LAUTENBAUGH: Exactly, maintain or improve, either way. [LB609]

SENATOR CARLSON: Okay. [LB609]

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SENATOR LAUTENBAUGH: I know what you're trying to do, I think, and I applaud the effort again. And with that encouragement and those few thoughts I will yield the rest of my time. [LB609]

SENATOR CARLSON: Thank you. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Lautenbaugh. Senator Carlson, you're recognized. [LB609]

SENATOR CARLSON: I want to respond to Senator Chambers' amendment here. And we've got some discussion taking place, and I'm not sure, as I stand here, exactly where we're going to go. I appreciate Senator Chambers' thoughts that we've got an idea here that has merit and we don't have enough money to fund it. And I think that, as I've stated a little earlier, this is the start of something that could become very beneficial and very good, and it's not going to be something that we do one year or we do two years with good results and then stop. We're going to continue to do this if it shows that we have a positive return for the state, which would be bringing in families to rural Nebraska, adding to our taxpayer rolls, and having a positive impact on the economy of the entire state. And I think there's been enough said that people from Lincoln and Omaha recognize and realize the taxpayer that comes in and moves into Holdrege is as valuable to the state as one that comes in and moves to Lincoln or Omaha. And so I'm not upset with the language of intent on page 3, starting in line 14. However, if that language were struck and the A bill were changed to ask for more money up front, I'm willing to do that. And I'm talking to some members of the Appropriations Committee to see what kind of a possibility exists for that, and it may answer Senator Chambers' question and it may give us more money to work with and move forward on this project. Thank you. [LB609]

SENATOR LANGEMEIER: Thank you, Senator Carlson. Senator Pankonin, you're recognized. [LB609]

SENATOR PANKONIN: Thank you, Mr. President. I think it's obvious today that this bill has a good consensus for the idea and obviously there's some particulars, some details, to be worked out, but haven't heard anyone speak against the concept. So, likewise, appreciate Senator Carlson for starting the discussion. I personally would like to see the dollar amounts at where they are in the original bill. There may be 20 communities that apply for this money and we have enough to do 10, but I think that competitive nature will bring out the best in the proposals and the ideas of how we can...I think everyone is after the same goal. We're trying to help communities grow and bring people either back to Nebraska or into Nebraska. The details are important here. But I like the original dollar amounts to see if this concept is going to work, and I think that will bring the best ideas out. And so as the discussion goes forward, that's going to be my point of view. I'm for the bill with the original amounts. Thank you, Mr. President. [LB609]

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SENATOR LANGEMEIER: Thank you, Senator Pankonin. Senator Synowiecki, you're recognized. [LB609]

SENATOR SYNOWIECKI: Thank you, Senator Langemeier, members of the Legislature. If...Senator Carlson, would you yield to a question? [LB609]

SENATOR LANGEMEIER: Senator Carlson, would you yield to a question from Senator Synowiecki? [LB609]

SENATOR CARLSON: Yes, I will. [LB609]

SENATOR SYNOWIECKI: Senator Carlson, first of all, thank you for bringing this important piece of legislation. I appreciate it very much. My question is on the efficient...how we can optimize the most efficient infrastructure or administrative infrastructure for the disbursement of these funds. And as I'm looking through the Department of Economic Development, the various programs that we already have established that seem to have the same mission and purpose that you have stated in your bill, which is the purpose of these funds, Senator Carlson, under the green copy, is "for purposes of promoting economic development in communities." Now under the Department of Economic Development Program 603 we have the Microenterprise Program and we have the Building Entrepreneurial Communities Program where there's an administrative infrastructure already in place, there's employees at the Department of Economic Development that are well versed in these programs and their mission and where these funds can go, and they already have a grant process in place and in process. What would...instead of creating a new program, again, in looking at being...myself, being sympathetic to efficiencies in government, being sympathetic to efficiencies in government, instead of creating a new program, which has almost...you could almost interface the mission of what these funds are going to be doing with the Microenterprise and the Building Entrepreneurial Communities, given that you're seeking...the motivation is to provide for, again quoting from the bill--"purposes of promoting economic development in communities,"--is there any consideration to using the existing programs for this program? [LB609]

SENATOR CARLSON: I appreciate the question, Senator Synowiecki, and I think there is a good reason for keeping it separate. All the other things that you've mentioned and that I can look at as a part of the current program in economic development really have to do with businesses, have to do with entrepreneurs, have to do with new industry, have to do with new endeavors in the realm of business. This has to do with recruiting families to move into our communities. And I think it needs a separate emphasis in order to garner the support and the enthusiasm that small communities could have in looking at a project, and they could say, you know, for us this is doable. And let's go back to my example of the walk-on program. If you don't focus on the walk-on program,

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pretty soon you don't have one, and we've seen that happen and now the emphasis is getting back to the importance of the walk-on program, and that's what I see this as and I'd like to keep it separate as an emphasis. It's something that I want to throw my energies into and believe I can get my hands around, and I want it separate because I think this is going to be important for communities that become involved. And I don't think it really affects the cost, but it does affect the emphasis. [LB609]

SENATOR SYNOWIECKI: I can appreciate that, Senator Carlson. As Senator Dubas indicated, some of these communities, two, three, four jobs, microenterprise-type of jobs can make a dramatic and pointed impact on some of these communities. And my concern is we're trying to anchor families or bring families to rural communities in the state, but if the jobs aren't there I don't know how successful a recruiting tool...I think part of the population decrease in rural America is because there's been fewer jobs. And if there's...if we don't have jobs to anchor or to motivate... [LB609]

SENATOR FRIEND PRESIDING [LB609]

SENATOR FRIEND: One minute. [LB609]

SENATOR SYNOWIECKI: ...or to motivate the transformation, bringing people to rural America, if the jobs aren't there I don't know how successful this program will be. The creation of jobs I think is the number one motivation to move, and the job and employment availability. And I'll give the rest of my time to Senator Carlson. [LB609]

SENATOR CARLSON: Okay, Senator Synowiecki, thank you. Let's go back to this is the very thing that this bill is necessary for. This is a focus on bringing people who have jobs to bring with them. It's not a focus on bringing people into a community and then we've got to find a job for them. This addresses that population of people that bring their jobs with them. There are a lot of them and it's...I just believe it's worth a separate emphasis. It's just different. [LB609]

SENATOR FRIEND: Time. [LB609]

SENATOR CARLSON: Thank you. [LB609]

SENATOR FRIEND: Thank you, Senator Carlson and Senator Synowiecki. Senator Stuthman, you're recognized. [LB609]

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. I truly support the efforts of Senator Carlson. I think this is a very good idea. But I think we need to work out some of the details of it. I think if we could accomplish this, I think for smaller communities having some type of a program that would be funded by the state Economic Development, I think that it will stimulate some interest for someone to have a

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part-time job to try to encourage people to come back to these communities. I know my community of Columbus, they have a program and they call it the Drive for Five, and what this is, is it is the intent to try to get 500 families relocated into Columbus by the year 2010. And that seems like a real large amount of people to get there, but we are so short of people in the Columbus area, you know, for the employers that we have there. One thing that I will tell you what has happened since that program has been initiated, and this program is funded by Workforce Development, by interested employers, businesses that need people to come to Columbus to work. And I think this can also be utilized in these smaller communities. There has to be a place, you know, for them to work in order for them to relocate for those communities. In Columbus, according to the record that I have, 315 families, 315 families have moved to Columbus between May 1 of '07 and December 31 of '07. So in a little bit over a half a year we have attracted 315 families to our community. Those 300-and-some families, you know, are living in apartments, living in homes, buying homes, which really adds to our community. But we have a very successful community. But I'm also very concerned about these smaller outlying communities, you know, so they don't shrink and come just to be a very small community. I think we have to also encourage, you know, some types of jobs that they can have in these communities so they can move to the community or they have to be close enough to a community like Columbus where they can work, and I think that's very important. But I'm really excited about this program. It shows that we in the legislative body have an interest in continuing to make sure that we do keep the people in these rural communities. So with that, I'll give the balance of my time to Senator Carlson. [LB609]

SENATOR FRIEND: Senator Carlson, 2 minutes. [LB609]

SENATOR CARLSON: Thank you, Senator Stuthman. I appreciate all this discussion and I feel like that most of you are in support of the concept, and I keep wanting to go back to the fact that the thing that's different about LB609 is that we are targeting a population or two or three populations of people that can move to rural Nebraska and we don't need a job for them. That's really important, because we can recruit all kinds of people or we can try to recruit all kinds of people into our communities, but if they need a job and we don't have one, they're not going to stay very long. But if we identify those populations of people that bring their jobs with them, it is a win-win situation. I've been with the Principal Financial Group in Des Moines for 30 years and, through the advancement of technology, Principal is now hiring underwriters and they can live... [LB609]

SENATOR FRIEND: One minute. [LB609]

SENATOR CARLSON: ...in remote positions, so they can choose wherever they want to live. Those are the kinds of people that we want to target, and they can move to rural Nebraska and they will generate a healthy income and they'll add to the economic

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viability of rural Nebraska, and in doing so they're going to help everyone. So I don't want to get hung up on the need for jobs. As we recruit families into our communities who either don't need a job or they bring their jobs with them, they create other jobs, and that would be a healthy situation. So I ask for your support of this bill. [LB609]

SENATOR FRIEND: Thank you, Senator Carlson. Senator Pirsch, you are recognized. [LB609]

SENATOR PIRSCH: Thank you, Mr. President, members of the body. I just wanted to stand and indicate that I also support the concept that underlies Senator Carlson's bill. I think the overall goal here is great. I think we really need to look at how we can support our rural communities. We're all in the same boat. The entire state is just a chain and we're only as strong as our weakest link. And this is certainly, as we've seen over the past few decades, this is certainly an area that needs to continuously be addressed as time goes on. So it's an important state issue if the entire state of Nebraska is to be successful. I do appreciate the lines of questions and comments brought by other senators: Senator Chambers' with respect to whether the goals underlying the concepts in this bill can be fulfilled given the current funding envisioned in the bill; Senator Pankonin's line of questioning especially with respect to the cost-benefit that's brought about with this bill; and Senator Synowiecki, who I think had a very good line of questioning with regard to whether...and why the existing economic development programs that are brought...that currently exist, why those would be inadequate at addressing the particular concerns that this bill addresses. And so I really do appreciate the dialogue that's going on now and I look forward to it continuing. I would just ask Senator Carlson, if he did have a minute or two, if he would just address a question. [LB609]

SENATOR FRIEND: Senator Carlson, will you yield to a question? [LB609]

SENATOR CARLSON: Yes. [LB609]

SENATOR PIRSCH: Thank you, Senator Carlson. I was just wondering if you could continue to expound upon the...I guess the line of questioning or about how this bill would add to the existing programs that currently exist with Economic Development, and why it's necessary that it's addressing a concern that isn't currently adequately addressed by existing economic development programs. [LB609]

SENATOR CARLSON: Okay. Thank you, Senator Pirsch. And I'll continue to say that this is a necessary effort because it's focusing on bringing people to the state that don't require a job, and that is because they either bring their job with them or they are retired or near retirement. But those people, when they come to the state, buy houses, pay property tax, pay sales tax, pay income tax, and create other jobs and other opportunities in the community, and I don't see anything presently in the entire

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Department of Economic Development that has this focus. And so I think it's a very, very healthy effort and want to see it through. Thank you. [LB609]

SENATOR PIRSCH: Very good. And anticipate that this may be used in...largely, in terms of marketing, helping to draw individuals who live perhaps in eastern Colorado, in the Denver suburbs maybe, to consider living in Nebraska. Is that one particular perhaps use of the marketing money? [LB609]

SENATOR CARLSON: It is, Senator Pirsch, and what you're mentioning, from eastern Colorado and from the Denver area moving out to Nebraska, that's already happening... [LB609]

SENATOR FRIEND: One minute. [LB609]

SENATOR CARLSON: ...almost by accident. Now if we had a plan to target that, we're going to help it along faster. [LB609]

SENATOR PIRSCH: Thank you very much. [LB609]

SENATOR FRIEND: Thank you, Senator Carlson and Senator Pirsch. Senator Harms, you're recognized. [LB609]

SENATOR HARMS: Thank you, Mr. President and colleagues. I would urge us to move this to Select File and give Senator Carlson a chance to work out some of the concerns that we had. This is still a good piece of legislation. I do agree with Senator Chambers. He brought up some very good points and some things that we probably need to look at. But I just want to recap a couple things. What Senator Carlson has said is absolutely correct. When you truly live in rural America, you will find that rural America wants to help itself, and that people are willing to relocate because technology has now started to level the playing field for rural America. The problem is, in some of the smaller communities, we simply don't have the expertise to identify, which I said previously, we don't have the expertise to identify the marketing, to identify what our assets are and how to sell ourselves. There are families that will relocate in rural America. They're not coming because they have jobs, because technology will allow them to work in Denver, Fort Collins, Lincoln. It gives them the opportunity to be in a small community where their children can grow and be in an environment that's really important. We just have to have the ability to sell that. And I do agree with Senator Chambers, I think there's some adjustments that need to be made. But I'd urge us to move this forward. I think it will be good legislation and I think Senator Carlson will work those points out. Thank you, Mr. President. I will also give the rest of my time to Senator Carlson, if he needs it. [LB609]

SENATOR FRIEND: Senator Carlson, 3 minutes and 30 seconds. [LB609]

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SENATOR CARLSON: Okay. I appreciate Senator Harms giving me the balance of this time. I just had a little conversation with Senator Chambers and will work together with him, and so I'll yield the balance of this time and let's see where the other discussion goes. Thank you. [LB609]

SENATOR FRIEND: You will yield it...you... [LB609]

SENATOR CARLSON: Well, I'll yield it to Senator Chambers, if he would like. [LB609]

SENATOR FRIEND: Senator Chambers, would you like three minutes? [LB609]

SENATOR CHAMBERS: Mr. President, members of the Legislature, it won't take me three minutes to do what I'm going to do. Because of what we're trying to get to as far as a destination on this bill, I'm withdrawing the amendment that I have and the amendment to my amendment. [LB609]

SENATOR FRIEND: FA174 and FA173 are withdrawn. Is that correct? [LB609]

SENATOR CHAMBERS: That's correct. [LB609]

SENATOR FRIEND: Thank you, Senator Chambers. Back to discussion on LB609. Senator Wallman, you are recognized. [LB609]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. Thank you, Senator Carlson. I think...I live in rural America, we got to help. It shouldn't be that way but the way the economy is going, people moving. And a underlying problem of some of this, when I talk to people in Kansas or Missouri, and we're going to have to address this some time in a session next couple years if we can, is the dreaded word "property tax." And that encourages...discourages feedlots, things like this what hire people. And...but we got to start somewhere and maybe we can chip away at this thing, give enough incentives to keep them here. And retired military personnel, we have to deal with this issue also. And so I would urge you support this bill. Thank you. [LB609]

SENATOR FRIEND: Thank you, Senator Wallman. Senator Adams, you are recognized. [LB609]

SENATOR ADAMS: Thank you, Mr. President. I'm not going to take up very much time. I think that we've already spent a great deal of time on this bill. I have communicated this with Senator Carlson and he's put me at ease a bit. My communication with him was that oftentimes we have so many different grant programs that part of the problem is the money is spread so thin it really doesn't do any good, and then you've got to go out and hire people just to figure out where the grants are. And I oftentimes wonder if the money wasn't in one or two buckets, there wouldn't be more money there and then

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there would be a greater awareness of what the programs are. And Senator Carlson pointed out to me, and I think he's done that on the mike, that the intention is with this bill is to really focus on drawing people into a community that already have employment. And as I was thinking about who those people would be, I would throw one more thing out and then I'm going to stop. I heard an economist speak this summer from Washington, D.C., and he was talking about a couple of major corporations that were having a hard time finding employees, and they've found a solution: baby boomers--the people who have already retired or on the edge of retirement, they already have the skills. And he said that in order to get those people into the work force what they had to do primarily, and it wasn't always offer salary, sometimes it was health insurance benefits, but to offer them flexibility--flexibility to take time off when they wanted to take time off and flexibility to live wherever they wanted to live. And my sense of it is, that might be the very population of people that Senator Carlson is trying to attract with this program. Thank you, Mr. President. [LB609]

SENATOR FRIEND: Thank you, Senator Adams. Senator Chambers, you are recognized. Senator Chambers waives his opportunity to speak. Senator Burling, you are recognized. [LB609]

SENATOR BURLING: Thank you, Senator Friend and members. I have a couple questions for Senator Carlson, if he would respond. [LB609]

SENATOR FRIEND: Senator Carlson, will you yield to questions? [LB609]

SENATOR CARLSON: Yes, I will. [LB609]

SENATOR BURLING: Senator Carlson, do I read in the bill that all the governmental subdivisions have a community need to agree to apply for this grant? [LB609]

SENATOR CARLSON: Yes, Senator Burling, and that's not very good wording and that will be one of the things that we work on before Select File, and Senator Chambers has agreed to help with that, and so it needs clarification because we don't want to omit a group within a community that by themselves could put forth a good effort in this direction. And so we'll work on that language. [LB609]

SENATOR BURLING: Okay. Thank you. I was out of the room for awhile. That may have been discussed earlier. If it was, I apologize for that. Now some communities are already doing this, and so is your intent to get more communities to do it or are the communities that are already doing it could apply for a grant to give them some financial assistance, and they're already doing it through their chambers of commerce or whoever? [LB609]

SENATOR CARLSON: Senator Burling, if a community is already doing this to some

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degree, I would hope that this program would be a great help to them, and they've shown that they have the impetus within the community and the enthusiasm to move forward on something like this, and this is going to help them. There could be other communities that haven't even started anything yet and they're going to need some tutoring and some help, and I would hope that several of us could be of that type...kind of help. But it could be starting from scratch; it could be improving an existing program. [LB609]

SENATOR BURLING: Thank you. The Department of Economic Development is then charged with distributing these grants. Is that true? [LB609]

SENATOR CARLSON: Yes. [LB609]

SENATOR BURLING: Okay. Now you get 100 applications and they have to bring this down to 10. They decide on what 10 will get the \$10,000 apiece. Are they willing to do that with no increase in resources? Do they have the staff? There's no fiscal note for any additional resources for DED? [LB609]

SENATOR CARLSON: Yes, Senator Burling, I think to start with there will not be enough of an extra load that it would require any staffing. I hope, as time goes along, it becomes a big issue because then we're all going to benefit. But to start with, I don't think it requires any extra staff. [LB609]

SENATOR BURLING: Thank you, Senator Carlson. That's all the questions I have. You know, I'm like the rest of you. We have a...this is a good concept and we have a lot of good concepts out there and we have to measure them all and decide which ones are the best. And I kind of agree with what Senator Synowiecki said awhile ago. We have programs out there already for rural Nebraska. It might be a good idea to combine this with them. And Senator Carlson didn't go along with that idea, but we do already have a lot of programs out there. And that is to...I think efficiency would dictate that maybe we ought to put this in with one of those, but I'll just kind of watch and listen to the discussion. And thank you very much. [LB609]

SENATOR FRIEND: Thank you, Senator Burling. Senator Carlson, there are no other senators wishing to speak. You are recognized to close on LB609. [LB609]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. This has been a good discussion. I think it's been very fruitful. I believe that generally you are in support of this idea in helping it move forward, and I know that there are some things that need to be ironed out between now and Select File, and certainly that effort will be made. And so I would appreciate your vote to move LB609 to Select File. Thank you. [LB609]

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SENATOR FRIEND: Thank you, Senator Carlson. Members, you have heard the closing on LB609. The question is, shall LB609 advance to E&R Initial? All those in favor please signify by voting aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB609]

ASSISTANT CLERK: 32 ayes, 0 nays, on the motion to advance the bill, Mr. President. [LB609]

SENATOR FRIEND: LB609 advances. Next item. [LB609]

ASSISTANT CLERK: Mr. President, LB609A, introduced by Senator Carlson. (Read title.) [LB609A]

SENATOR FRIEND: Senator Carlson, you are recognized to open on LB609A. [LB609A]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. LB609A would appropriate funding to the Department of Economic Development to carry out the Nebraska Recruitment Promotion Act. Funding provided in the A bill would total \$100,000 General Funds for the first year, \$150,000 General Funds in the second year. This is in keeping with the intent stated in LB609. All of the funding appropriated in this bill would be used to provide assistance to communities and it will not be used for additional salary or administrative costs. And depending on what occurs between now and Select File, there may be a change in the A bill at that time, but at this time I would request your support of the A bill as presented. Thank you. [LB609A LB609]

SENATOR FRIEND: Thank you, Senator Carlson. Senator Carlson, there are no senators wishing to speak. You are recognized to close on LB609A. Senator Carlson waives closing. Members of the Legislature, the question is, shall LB609A advance to E&R Initial? All those in favor please vote aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB609A]

ASSISTANT CLERK: 30 ayes, 0 nays, on the motion to advance the bill, Mr. President. [LB609A]

SENATOR FRIEND: LB609A advances to E&R Initial. Mr. Clerk, items? [LB609A]

ASSISTANT CLERK: Mr. President, I do. The bills that were read on Final Reading this morning have been presented to the Governor. (Re LB157, LB196, LB465, LB480, LB621, LB632) LB586, LB619, and LB620 are reported as correctly engrossed. New resolution, LR237, by Senator Heidemann; that will be laid over. Committee on Business and Labor reports LB819 to General File with amendments. The Committee on Agriculture reports LB131 and LB633 as indefinitely postponed. Natural Resources

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reports on a gubernatorial appointment. Senator Schimek, an amendment to be printed to LB823. An explanation of vote offered by Senator Dubas. (Re LB157, LB196, LB465, LB480, LB621. Legislative Journal pages 544-557.) [LB157 LB196 LB465 LB480 LB621 LB632 LB586 LB619 LB620 LR237 LB819 LB131 LB633 LB823]

SENATOR FRIEND: Back to General File. Mr. Clerk, next item.

ASSISTANT CLERK: Mr. President, LB668, introduced by Senator Hudkins. (Read title.) Bill was read on January 17 of last year, referred to the Judiciary Committee. That committee reports the bill to General File without committee amendments. [LB668]

SENATOR FRIEND: Senator Hudkins, sponsor of LB668, you are recognized to open. [LB668]

SENATOR HUDKINS: Thank you, Mr. President and members of the body. LB668, if it is enacted, would say that gift cards and gift certificates that do not have expiration dates and do not charge fees if they're not used within a certain time would be exempt from becoming unclaimed property. Currently, the gift cards and gift certificates under \$100 are exempt if they do not have these fees. This bill would also include those cards over \$100. I would urge your support on this because there is practically no fiscal impact to the state because nearly all gift certificates of \$100 or more are used within 180 days. It makes Nebraska law uniform and easily understood by both consumers and businesses, so...and I've been carrying around in my pocket for days, thinking this bill was going to come up, and of course today it does and I don't have the card with me, but it was a gift card that would revert back to the state, and it probably already has because I have had it at home for a long time. And what it said on the back was that if you didn't use this within a year, and then for every month after that \$2 would be subtracted from the value of this gift card. So I've had this long enough...and it was my own fault. It was to a restaurant that we don't normally go to and so if there is any value left I would be glad to give this to someone who goes to one of those restaurants. See me after class. But this particular bill would enable Nebraska to become a gift card-friendly state. Now this could, and we're not promising, but it could result in businesses outside of Nebraska putting their gift card business in Nebraska and employing Nebraskans to administer it. And if you look at what is done now, anything under \$100 never goes back to the state without having the fees and dates. You can get around that now. If you want to give someone a \$150 gift certificate, for example, all you have to do is get two \$75 gift certificates. So you must really treat these gift cards as though they were cash because there's no name on them, as far as your name. It has the company's name on them. And this just would make it so much simpler for the retailers. Right now, they have to keep these records for, I think it's like, three years. And just think about it. Senator Rogert goes into a store and buys a \$150 gift certificate for whatever. It's just a gift certificate. And then he gives it to Senator Wallman because they're such good friends--and they're both saying, okay, let's get this underway

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here--but if Senator Wallman leaves it in a drawer somewhere or puts it in his billfold, he's not going to get the use of that certificate. Now, after three years, if you still have done that, this store is going to try to have to find the purchaser of that certificate. Maybe he can find Senator Rogert's name. Senator Rogert has no idea who he gave this to. So it is just a bookkeeping nightmare. So what we're asking you to do is to approve this, that gift certificates over \$100, if there are no fees and no expiration date, that they would not be presumed to be abandoned. Thank you, Mr. President. [LB668]

SENATOR FRIEND: Thank you, Senator Hudkins. Members of the Legislature, you've heard the opening on LB668. There are senators wishing to speak. Senator Pahls, you are recognized. [LB668]

SENATOR PAHLS: Thank you, Mr. President, members of the body. I just...I think we ought to have a little dialogue because we are talking about people's dollars. Whether it be \$50, \$100, we are still talking about people who are contributing money to the business world. I am...I was very interested to knowing that we may have additional businesses moving to the state of Nebraska if we change some of our rules, and that encourages me. As I can recall, a couple years ago there was a senator who stood on the floor and made a big deal about the \$100, and so I just have a question to ask the good senator, Senator Hudkins, if she would yield for that question. [LB668]

SENATOR FRIEND: Senator Hudkins, will you yield to a question? [LB668]

SENATOR HUDKINS: Yes. [LB668]

SENATOR PAHLS: Can you remember, what was...I think it was Senator Landis, what was his major concern? [LB668]

SENATOR HUDKINS: Senator who? [LB668]

SENATOR PAHLS: Wasn't it Senator Landis who was very concerned about this? Because otherwise, why was the \$100 established? [LB668]

SENATOR HUDKINS: I don't recall exactly. I think it was just the idea that, before this, any cards that were presumed to be abandoned--they're stuck in somebody drawer somewhere--that money would then go to the state, and that money would be used for governmental purposes. We have changed the law that says anything under \$100 now no longer would, and we're just asking you to change it so anything over \$100, same rules apply. [LB668]

SENATOR PAHLS: Yeah, and I understand that. But I do think that money at one time went to the permanent school fund, which in a small way would reduce property tax. That's one of the things I hear...I've heard people discuss. So that money would go into

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the permanent school fund. That would be a factor. [LB668]

SENATOR HUDKINS: But, Senator Pahls, if I may, if you remember, I also said that hardly any of these larger gift certificates go unused. [LB668]

SENATOR PAHLS: Yes. Yes, and I thank you for that. I just wanted to discuss just a few more things, even though it may not relate to the issue that you're discussing. And the reason why I'm saying this, because I do think we ought to talk about fees, even though it may not deal with this part of the amendment or the part of the bill that she's...the senator is trying to change. But I did call the Oak View gift...Oak View Mall to discuss their gift card policy. Now, although I know this is not under this part of the bill, but I do think, because it talks about cards dealing...that are expiring. But I'm just going to show you how this could be really sort of scary, some of the fees. Now they have cards available for \$20 to \$500. For you to purchase a card, you must pay \$2. There are no charges for 12 months, but after 12 months that's when it kicks in, which you had talked about earlier, \$2 a month. So let's say that you had a \$100 gift certificate or card with an expiration date on it. If you would spend \$50 of it the first year and did not for the next two years, you lost that, totally lost it. So that's one of the reasons why I'm talking about just some of the fees that are being charged. It is amazing. And over the weekend I was talking to my daughter and several of her friends, and they were pulling out all the gift cards that they had. And I said, you realize a lot of these you've lost your money because they have expired. I know this is a different part of the bill but I just wanted to bring this phenomena up, I think. It is amazing some of the fees. So in...there's a possible total loss of \$48 in fees. If you had a \$50 card, you didn't spend it in three years, it's lost. [LB668]

SENATOR FRIEND: One minute. [LB668]

SENATOR PAHLS: If you have a \$20 gift card, it's lost very soon if you don't spend it. So I'm just concerned that we don't overlook some of these things. I know we cannot do anything with the fees, but I just think this is an issue that needs to be talked and discussed a little bit more. Thank you. [LB668]

SENATOR FRIEND: Thank you, Senator Pahls. Senator Stuthman, you are recognized. [LB668]

SENATOR STUTHMAN: Thank you, Mr. President and members of the body. I have great interest in this bill. And I had thought, you know, we had discussed it several...I believe two years ago, maybe two years ago, and we passed it with that \$100 and gift certificates under \$100, that they would not have to be...if they were not claimed, that amount of money would not have to be turned over to the state for unclaimed property. The real concern that I have is the fact that people buy a lot of gift certificates from restaurants for Christmas presents, and I'll use the example of a restaurant in my

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community. They will issue like a \$25 gift certificate to be used at that establishment, and they'll have the expiration date on it, like six months from now. The situation that has happened many, many, many times is in my area. And I've talked to a lot of people, they say, you know, I was going through my drawer, and, by golly, I had got a \$25 gift certificate to this restaurant from the kids five years ago, and it had an expiration date on it. So what do they do with that card? They throw it away and don't tell their kids. They throw the card away. The restaurant has just gained \$25 and never had one penny of expense because it had that expiration date on it. People don't realize that you could go there, even with an expiration date on, and they would accept it. But it is perceived that that is gone, it's expired. That \$25 bill is no more, which they have given to that restaurant. And we have established now, a couple years ago, that if it is under \$100, it don't have to be sent by that restaurant to the state of Nebraska as unclaimed property. But I had understood at that time, if there was no expiration date on there and it was under \$100, then it was good forever. But they still put those expiration dates on there and people still throw them away. I think we've got to identify something that regulates the ones that give the gift card, that they don't put an expiration date on them or just state we would appreciate if this could be redeemed within a year or so. But when it has an expiration date on, a lot of people just throw them away. They do. It's a fact. And that's like throwing money away. I think we've got to come up with a simple, clear method on how we establish, when that gift card does expire, when it expires the one that has issued that can identify the person. If they did not receive the benefit from that gift card, then that dollar should be turned over to the state for unclaimed property. But we thought we had settled that a couple years ago with those smaller amounts, but we didn't settle the fact that they cannot put an expiration date on them. That is a concern that I have. It's very misleading, to me, when we try to establish something that is meaningful to the one that's giving the gift card and to the one that's receiving the gift card. I think that has to work together. [LB668]

SENATOR FRIEND: One minute. [LB668]

SENATOR STUTHMAN: And there shouldn't be anything on that gift card that states that there is a date of expiration, and that one that is issuing it is not responsible for those \$25 or \$50 that should be sent to the state as unclaimed property. And your name on that list, that big list of unclaimed property that should be there--Tom Hansen, North Platte, \$25 to the restaurant--that would be unclaimed property. But that's never listed because they have no method of knowing how or who they had issued that certificate to. I want to hear the debate here this morning, but I am trying to establish something so that we don't have these \$20 and \$50 bills getting thrown away into the waste can by the one that it was given to. Thank you, Mr. President. [LB668]

SENATOR FRIEND: Thank you, Senator Stuthman. Senator Hudkins, you are recognized. [LB668]

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SENATOR HUDKINS: Thank you, Mr. President and members. In response to some of your comments, Senator Stuthman, I would like to expand on some of those. You said that there should be a clear, simple method. Well, actually, this bill would make it a clear simple method. All of the...the retailers or whoever handles these cards have two choices. They can either have cards with no fees and no expiration dates, in which they are good forever. They can also sell cards that do have expiration dates and fees. After a certain time, those would go to the state. But if you are a discerning customer, shall we say, are you going to buy a card that says, as of two years from now this card is no longer good? No, probably not. You're going to buy a card that is going to be good forever. And these cards, if there's no dates on them, no fees, they are always good. If the card is presumed abandoned, it goes to the state and then the customer comes in and says, I found this card in my drawer; is it still good? And they say, well, yes, it is, but we have turned it over to the state, so now we're going to have to go to the state and get that money to pay you back. And that's what they do. It's a business decision whether businesses will accept an expired card. I know there are restaurants here in Lincoln that, even though this card that you have or this coupon or whatever you've been given, says expires December 31, '07, you take that in and they're going to give it to you. It's a lot easier for them to give you \$5, or whatever is left, off your bill than to have you say, well, there's six of us; I guess we'll go somewhere else to eat. So what we're doing is trying to make this quite easy. Anything...any card, no matter what the value, that has no expiration dates printed on the back and no fees printed on the back--and, granted, some times you have to read this with magnifying glasses--those cards are good forever. And as I said, we did this a few years back for cards under \$100. We're asking you now to also include the cards over \$100. The State Treasurer does not have a problem with this bill, so that tells me that there are not a lot of funds coming in from this...for this purpose. I think I have covered everything. One more time: You buy a gift card, you give it to someone else; your name is the one that's listed on the retailer's records for three years, not the person you gave it to. So the person you gave it to, if they're foolish enough to throw it away, they're not going to get the value anyway. So even if you do currently have a card with an expiration date, what does it hurt to take it in and ask? All they can do is say no. Thank you, Mr. President. [LB668]

SENATOR FRIEND: Thank you, Senator Hudkins. Senator Wallman, you are recognized. [LB668]

SENATOR WALLMAN: Thank you, Mr. President. Thank you, Senator Hudkins. And would Senator Kopplin yield to a question? [LB668]

SENATOR FRIEND: Senator Kopplin, will you yield to a question from Senator Wallman? [LB668]

SENATOR KOPPLIN: Yes, I will. [LB668]

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SENATOR WALLMAN: Senator, when you get a check from the government, is there an expiration date on there? [LB668]

SENATOR KOPPLIN: I believe often there is. [LB668]

SENATOR WALLMAN: Okay. And I think we're going here with the cards, some people throw it away, some people keep them, that's our nature--throwaway society. So if we can have...we give out gift cards for Christmas, more than \$100 bucks, so I think, you know, if this is needed by the retailers and the Treasurer isn't opposed to it, then I won't be opposed to it. Thank you, Senator Hudkins. [LB668]

SENATOR FRIEND: Thank you, Senator Wallman. Senator Pankonin, you are recognized. [LB668]

SENATOR PANKONIN: Thank you, Mr. President. I just wanted to weigh in on this issue a little bit. There's a couple angles to think about here. One is the merchant. They collect the cash. They put it on their books as a liability. Obviously, they have the use of the money and maybe they have to eventually send that to the state or it just sits there. But there's another issue here that I think we need to think about, that I had a constituent that is in a business that uses gift cards brought up to us last year. When you buy a gift card, you do not pay the sales tax on that transaction at that time. And we looked into it a little bit with the Department of Revenue, because, you know, that's a good point. You know, the state, when this money disappears into la-la land, we're not getting our sales tax on that transaction, and it would be too difficult to assess it then from the standpoint of point of sale machines and like how that would work accountingwise. But in our discussion today we need to remember, if this money just disappears and is not being used, not being spent, the state doesn't get their sales tax on the resulting transactions. So I think from even a state policy standpoint, we need to look at encouraging people to use these gift cards, put that money into circulation, both from an economic sense and from a tax sense. So I'm listening to the discussion. But that's a concern I have, if this money just sits there and it doesn't do anything besides helping the merchant initially, and have it float. But we need to think about even the tax consequences. If cards get spent, there's sales tax on the final transaction. Thank you, Mr. President. [LB668]

SENATOR FRIEND: Thank you, Senator Pankonin. Members, we are discussing LB668. Senators wishing to speak: Senator Pahls, Howard, McDonald. Senator Pahls. [LB668]

SENATOR PAHLS: Mr. President, members of the body, this is exactly what I want. I want us to discuss this just a little bit more. I understand we're talking about two different issues--those cards that expired and those that do not have an expiration date on it. And you're concerned about the \$100 with the card that does not have an

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expiration date. I'm just trying to bring to light some of the fees that we are paying for a card, and right now I'm talking about those cards that do expire. And I get this information from the Oak View Mall so this is their policy. Number one, they do charge you \$2 up front, and it is a possibility, if you do not spend this card within three years, you lose \$48 because of fees. So basically, a \$100 gift card that you do not spend, you...I mean, automatically, \$50 is gone in that expiration period. That's the part that I know we can't do too much about, but I want to raise the issue because lots of people are giving gift cards. In fact, as I can recall, over the Christmas holidays they were talking about this number has jumped to unbelievable heights. I would think that this is an issue that we need to be talking about because there are some dollar values here. We're talking about the tax dollars. We're also talking about that money that does not go--now I'm referring to the one that the senator is concerned about--that money does not go to the permanent school fund, which indirectly is given out as property tax relief. So there are some ramifications on the tax issue. And I don't know if I would say the Treasury Department does not care about this. That's not the perception that was left with me. Thank you. [LB668]

SENATOR FRIEND: Thank you, Senator Pahls. Senator Howard, you are recognized. [LB668]

SENATOR HOWARD: Thank you, Mr. President and members of the body. I rise in support of Senator Hudkins' bill and I'll tell you my personal interest in this. I see this as consumer-friendly legislation. I think we have an obligation to protect those that purchase these cards with the idea that this is going to benefit the person they give the card to. For Christmas, I purchased a number of gift cards for my younger daughter who's in law school so that she'd kind of have these as a backup, so those days when she needs something that she can go to the Walgreens store, for example, and she's going to have this in her pocket. She hasn't spent this money. It's going to be there for her. If she needs cough syrup, she's going to be able to go into the store, and she's going to have the gift card and she'll be able to purchase that. It's kind of a little emergency fund, and I think, especially for students who have a tendency to spend all their money for something like lunch, that when the need arises they would have this. And to think that there would be a decreasing value in the gift card really is counterproductive to my trying to prepare her properly. I think we do a disserve for people if we don't look at this issue seriously. I don't want these gift cards to be misrepresented as retaining value indefinitely, if in fact that's not the case. I don't want to purchase a gift card with the idea that this will be held in reserve for a time when it's needed, only to find out that the gift card has lost value over the course of time when it's being held. So I hope this information is helpful, and I thank the body. [LB668]

SENATOR FRIEND: Thank you, Senator Howard. Senator McDonald, you are recognized. [LB668]

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SENATOR McDONALD: Mr. President, members of the body, I'm one of those that likes to keep onto those gift cards just for a rainy day when you think you need something, also like Senator Howard talked about, and unfortunately I forget that I have them. When my late husband and I married, we got a gift certificate for the Lied Center and for two tickets to a theater, and because of all of the issues with his cancer we just never felt like going. I still have those and I feel bad; that I should go in there and see if they would still honor those. And now I will, because obviously maybe I can now go to a show and thank the friends for a wedding present many years ago. And the same situation happened to me. I was going through some wedding cards from also Rick and my marriage, and thinking, well, you know, I'll look at these one more time--I hadn't thrown them away. And lo and behold was another gift card that I had missed. So, yes, I'm taking advantage of that. And I truly will support this bill, because I think we all have those gift cards that are tucked away, and as we clean our billfolds and we clean our purses we find those. And they were paid for with money, money as a gift or money that we purchased for ourselves for a rainy day. And because that money is spent at that business, they should still be honored. Thank you. [LB668]

SENATOR FRIEND: Thank you, Senator McDonald. Senator Stuthman, you are recognized. [LB668]

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. I would like to engage in a little more conversation with Senator Hudkins. [LB668]

SENATOR FRIEND: Senator Hudkins, will you yield? [LB668]

SENATOR HUDKINS: Yes. [LB668]

SENATOR STUTHMAN: Senator Hudkins, the real intent of this bill is to make sure that if the gift card or gift certificate has an expiration date on, then the issuer of that card is responsible, because of the expiration date, to send the money to the state as unclaimed property,... [LB668]

SENATOR HUDKINS: Yes, but... [LB668]

SENATOR STUTHMAN: ...if it has an expiration date on it. [LB668]

SENATOR HUDKINS: But that...this bill does not have anything to do with the cards that have the dates. This one says that, if you look in the bill, page 2, line 7, a gift certificate or gift card which has a face value...it's not quite what I wanted to say. But anyway, yes, that's right. We're saying that if a card doesn't have the fees and the expiration date, then they're always good. If they do have the fees and the expiration date, then there's different rules apply. And so... [LB668]

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SENATOR STUTHMAN: So, in other words, a \$50 gift certificate to a business, to an establishment from a friend, that has an expiration date on, if it has an expiration date on, right now that company is supposed to send, after a period of time, after that expiration date, they're supposed to send that amount of dollars into the state as unclaimed property. Is that... [LB668]

SENATOR HUDKINS: That's the way I understand it. Yes, Senator. [LB668]

SENATOR STUTHMAN: That is what we currently have. And what you're trying to establish in this bill is that if there is no expiration date on it and it's under \$100... [LB668]

SENATOR HUDKINS: We already have that. We want to extend that to over \$100. [LB668]

SENATOR STUTHMAN: Okay, to over \$100. Then it is...and with no expiration date, it's good forever and the company don't have to send the \$100 in after a period of time to the state for unclaimed property. [LB668]

SENATOR HUDKINS: Yes. [LB668]

SENATOR STUTHMAN: That's what we're trying to establish with this bill, so that if it has...if it doesn't have an expiration date on it, it's good, but if it has an expiration date on, which we're trying to get rid of those expiration dates on them, then the company is to send the money in to the state as unclaimed property. [LB668]

SENATOR HUDKINS: Yes, because if consumers read the backs of those cards and they say, oh, well, this has an expiration date and it also has fees, I don't think I want this, there's going to be more and more of those card dealerships saying let's get rid of the expiration dates because we're losing money or we're losing business. [LB668]

SENATOR STUTHMAN: Okay. When...and we've received quite a number of the cards, swipe cards. Has anybody ever put them to the test? Is there an expiration date on them in the swipe numbers? [LB668]

SENATOR HUDKINS: I don't... [LB668]

SENATOR STUTHMAN: Or if it's \$50, it's \$50 and it stays \$50? [LB668]

SENATOR HUDKINS: I don't know and I can't read lips across the room from my staff. (Laugh) [LB668]

SENATOR STUTHMAN: (Laugh) No, I'm just...and, you know, we used to always get

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the certificate, the paper certificate that was \$50 to an establishment for a night out to eat, okay, and that had an expiration date on. Now a lot of the establishments give you the electronic...the swipe card. You go there and they swipe it and maybe your meal was over \$50, it says \$50 on it and then you have to pay a little extra. Well, if you only use \$40 of it, there's still \$10 left. But is there anything on that card that states, when it's over six months old, that it's zero? [LB668]

SENATOR FRIEND: One minute. [LB668]

SENATOR HUDKINS: It has to say on the card that there is an expiration date and that there are fees. If it doesn't, then you're home free. [LB668]

SENATOR STUTHMAN: Okay. Okay. Thank you. [LB668]

SENATOR FRIEND: Thank you, Senator Stuthman. Senator Hudkins, there are no other senators wishing to speak. You are recognized to close on LB668. [LB668]

SENATOR HUDKINS: Thank you, Mr. President and members. We have had quite a bit of discussion on this and I think there has been some confusion. Hopefully now we have alleviated some of that. And as Senator McDonald said, that she gives gift certificates, we do too, because sometimes if you're buying for teenagers, you have no idea what they want but if you give them a gift certificate to their favorite store, that is so much more, in your opinion, cooler than cash. Because cash, they can use it to put gas in their car, which maybe they do need more than a new pair of jeans at the Brass Buckle, for example, but it is just seen as I want you to have something from your favorite store but I want you to pick it out. So that's what we're saying, is that this gift card that I'm giving you, even though it is over \$100, since it does not have an expiration date nor does it have fees on it, this card will be good forever, so for crying out loud don't lose it. You must assume that a gift certificate is just like cash. If you drop it on the sidewalk and someone else picks it up, they just received--it will say it's a \$25 gift certificate--they just received \$25. So I would urge your support for this. Like I said, the Treasurer's Office did testify in a neutral position. The committee put this out 7-0. And I think if all the questions have been answered, we're ready to vote and I would ask your pushing the green lights. Thank you. [LB668]

SENATOR FRIEND: Thank you, Senator Hudkins. Members of the Legislature, you have heard the closing on LB668. The question is, shall LB668 advance to E&R Initial? All those in favor please vote aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB668]

ASSISTANT CLERK: 32 ayes, 0 nays, on the motion to advance the bill, Mr. President. [LB668]

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SENATOR FRIEND: LB668 does advance. Next item. [LB668]

ASSISTANT CLERK: Mr. President, LB715, introduced by Senator Pahls. (Read title.) The bill was read for the first time on January 9 of this year, referred to the Committee on Banking, Commerce and Insurance. They report the bill to General File with no committee amendments. [LB715]

SENATOR FRIEND: Thank you, Mr. Clerk. Senator Pahls, the sponsor of LB715, you are recognized to open. [LB715]

SENATOR PAHLS: Thank you, Mr. President, members of the body. LB715 would amend the Nebraska Real Estate License Act to provide that a nonresident real estate broker or sales person cannot be issued a resident broker's or salesperson's license upon becoming a Nebraska resident, or cannot be issued a nonresident broker's or salesperson's license without first providing the Real Estate Commission with proof of completion of a three-hour class approved by the commission regarding the Nebraska Real Estate License Act. This clarification would put all reciprocal licenses on par with Nebraska resident licensees. The commission does not administer the class. The commission approves classes that are offered by outside vendors. Thank you. [LB715]

SENATOR FRIEND: Thank you, Senator Pahls. Members of the Legislature, you've heard the opening on LB715. Senator Pahls, there are no senators wishing to discuss LB715. You are recognized to close. Senator Pahls waives closing. Members, the question is, shall LB715 advance to E&R Initial? All those in favor please vote aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB715]

ASSISTANT CLERK: 28 ayes, 0 nays, on the motion to advance the bill, Mr. President. [LB715]

SENATOR FRIEND: LB715 does advance. Next item. [LB715]

ASSISTANT CLERK: Next bill, Mr. President, is LB279, introduced by Senator Stuthman. (Read title.) Bill was read for the first time January 10 of last year, referred to the Transportation and Telecommunications Committee. That committee reports the bill to General File with no committee amendments. [LB279]

SENATOR FRIEND: Senator Stuthman, as sponsor of LB279, you are recognized to open. [LB279]

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. LB279 strikes the term "commercial driver" and inserts "driver" in Section 60-4,173. And I'm going to tell you a little bit about what this bill is about. LB279 would even the playing field for all

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individuals offering driver training instructions and aimed at adult driver training. LB279 does not change any provisions relating to provisional operator's permits, the POP. Anything there, this does not change anything. LB279 would allow the department to develop new rules to cover driver training schools. Many schools offer different training techniques for adult drivers, and I want to emphasize adult drivers. That are the people that are 18 and over. Some schools do not require classroom instructions. LB279 would bring in all schools offering adult driver training under the same umbrella. What we're trying to do is, presently in the statute it has commercial driver training schools, and it is the perception in the community that this is a CDL driver training school only, but we're trying to take the word "commercial" out of the driver training school and put in the adult driver training school. There still will be CDL training and schools for that, but this will allow the department to develop new rules that would pertain to the adult driver training schools. And I would like to also mention that it did come out of committee unanimously with only one absent. So I would ask your support for this bill. [LB279]

SENATOR FRIEND: Thank you, Senator Stuthman. Members of the Legislature, you've heard the opening on LB279. The floor is open for discussion. Senator Stuthman, I see no senators wishing to speak. You are recognized to close on LB279. Senator Stuthman waives closing. The question before the body is, shall LB279 advance to E&R Initial? All those in favor please signify by voting aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB279]

ASSISTANT CLERK: 31 ayes, 0 nays, on the motion to advance the bill, Mr. President. [LB279]

SENATOR FRIEND: LB279 does advance. Next item. [LB279]

ASSISTANT CLERK: Next bill, Mr. President, is LB896, introduced by Senator Janssen. (Read title.) Bill was read on January 11 of this year, referred to the Revenue Committee, who reports the bill to General File with no committee amendments. [LB896]

SENATOR FRIEND: Senator Janssen, as sponsor of LB896, you are recognized to open. [LB896]

SENATOR JANSSEN: Thank you, Senator Friend, members of the Legislature. LB896 is the annual bill that is needed to update the statutory references to the Internal Revenue Code that are outside the income tax statutes. The bill would amend Sections 49-801.01 to the state that...references to the Internal Revenue Code, which means the code as it exists on the effective date of LB896 instead of February 15 of 2008. Again, it is simply a date change. And I would answer any questions anyone has about a date change. Thank you. [LB896]

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SENATOR FRIEND: Thank you, Senator Janssen. Members of the Legislature, you have heard the opening on LB896. Floor is open for discussion. Senator Janssen, there are no senators wishing to speak. You are recognized to close on LB896. Senator Janssen waives closing. Question is, shall LB896 advance to E&R Initial? All those in favor please signify by voting aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB896]

ASSISTANT CLERK: 32 ayes, 0 nays, on the motion to advance LB896, Mr. President. [LB896]

SENATOR FRIEND: LB896 does advance. Next item. [LB896]

ASSISTANT CLERK: LB898, introduced by Senator Janssen. (Read title.) Bill was read January 11 of this year, referred to the Revenue Committee, placed on General File with no committee amendments. [LB898]

SENATOR FRIEND: Senator Janssen, as sponsor of LB898, you are recognized to open. [LB898]

SENATOR JANSSEN: Thank you, Senator Friend, members of the Legislature. LB898, another bill that we brought by the request of the Tax Commissioner, and it is called the Unfair Cigarette Sales Tax (sic). It keeps larger businesses from damaging small businesses by underpricing cigarettes and using them as loss leaders. The bill makes changes to the act which make the law easier to enforce by eliminating discount language. It creates a more uniform pricing system and a level playing field for all businesses selling cigarettes. Has no fiscal impact, as outlined in the fiscal note. It would be an easier way for the marketing of these products, and it would be fairer to all merchants. With that, I would ask...or answer any question anyone has. Thank you. [LB898]

SENATOR FRIEND: Thank you, Senator Janssen. Members, you have heard the opening on LB898. The floor is open for discussion. Senator Janssen, I see no senators wishing to speak. You are recognized to close. Senator Janssen waives closing. Question before the body is, shall LB898 advance to E&R Initial? All those in favor please vote aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB898]

ASSISTANT CLERK: 31 ayes, 0 nays, on the motion to advance the bill to E&R Initial. [LB898]

SENATOR FRIEND: LB898 does advance. Next item. [LB898]

ASSISTANT CLERK: LB790, introduced by Senator Erdman. (Read title.) Bill was read

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for the first time on January 9 of this year, referred to the Committee on Agriculture. That committee reports the bill to General File with no committee amendments. [LB790]

SENATOR FRIEND: Senator Erdman, as sponsor of LB790, you're recognized to open. [LB790]

SENATOR ERDMAN: Thank you, Mr. President, members of the Legislature. LB790 is a result of an effort between...from the Department of Agriculture, excuse me, and our office to try to update and to provide an opportunity to update the maximum allowable reimbursement rate under the buffer strip program that is currently authorized in state statute. The committee, the Agriculture Committee heard the bill on January 22. The bill was advanced 7-0; one member was absent. There was no opposition testimony. LB790 amends the Buffer Strip Act by increasing the maximum dollar amount from \$150 to \$250 which may be paid for enrollment in the buffer strip program. This is a statutory maximum, and the actual rates are determined by rules and regulation based on the land that is being enrolled into the program, and so the amount is the maximum that one may be able to receive, not the minimum or the requirement that all applicants receive under this program. The rationale behind this is that this program is designed to complement other federal programs, and at times may stand to provide some additional flexibility for producers to enroll their land in a buffer strip program in cooperation with other programs, such as CRP, conservation reserve enhancement programs, watershed improvement districts, or other similar programs. Again, this buffer strip program enhances the appeal and flexibility of such programs to better tailor it to local conditions. The other attractive part of the strong point about this is that the national programs are generally based on a national index. As we have seen here in Nebraska and will continue to see, hopefully, into the future, the high demand for land as well as the production capabilities, there needs to be an adjustment in this rate to make it attractive for landowners to continue to employ these practices. There were no committee amendments. Again, the bill was advanced 7-0; one member was absent. And I would encourage the advancement of LB790. Thank you, Mr. President. [LB790]

SENATOR FRIEND: Thank you, Senator Erdman. Members of the Legislature, you've heard the opening on LB790. Floor is open for discussion. Senator Hudkins, you are recognized. [LB790]

SENATOR HUDKINS: Thank you, Mr. President and members. I would like to ask Senator Erdman a question. [LB790]

SENATOR FRIEND: Senator Erdman, will you yield? [LB790]

SENATOR ERDMAN: I will. [LB790]

SENATOR HUDKINS: Senator Erdman, right now the maximum is \$150, and you the

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landowner have a contract with what, the FSA? [LB790]

SENATOR ERDMAN: The Department of Agriculture, as I understand it. [LB790]

SENATOR HUDKINS: Department of Agriculture. All right. And so if you have an agreement that will be expiring in the next year or so, and you reapply, then will there be...will it be their decision whether to give you more, or may you give reasons why you think you should get more? [LB790]

SENATOR ERDMAN: It's a good question, Senator Hudkins, and we did discuss this in committee a little bit. The process now is that the maximum is \$150 an acre, and then the department sets, by rule and regulation, the actual rates that you may receive as a landowner to enroll in this program. It will be the same process, under \$250, but in theory they will raise the existing amounts up. You can make whatever claim you'd like to, but as I understand the process, they have analyzed what they believe is a financially viable opportunity, and raising this allows it to compete with the existing rental rates. If you do have a contract in place, it's also my understanding that you would not get the increase until your contract came up and you had to renew. [LB790]

SENATOR HUDKINS: Thank you. [LB790]

SENATOR FRIEND: Thank you, Senator Hudkins and Senator Erdman. Senator Wallman, you are recognized. [LB790]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. Thank you, Senator Erdman. I think this is a good piece of legislation. As the corn price is higher, rental rates are higher, \$150 is not going to keep most people reenlisting in the program. So we have to have more incentives if we want to have our streams clean, next to the river beds, major tributaries, and that's our filter system. And so again I thank Senator Erdman, and if he wants some more time I would yield. [LB790]

SENATOR FRIEND: Senator Erdman, there's 4 minutes and 25 seconds, if you'd like to use it. [LB790]

SENATOR ERDMAN: Thank you, Senator Wallman. I'll pass at this time. [LB790]

SENATOR FRIEND: Thank you, Senator Wallman and Senator Erdman. Senator Kopplin, you are recognized. [LB790]

SENATOR KOPPLIN: Thank you, Mr. President. Members of the Legislature, I simply rise to urge support of this bill. The present program does great things for keeping our streams clear of residue and chemical residue and so on, but I can certainly see that with prices where they are, that the farmers may wish to not take part in the program.

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They deserve to have adequate payment for their acres and we need to give it to them. Thank you. [LB790]

SENATOR FRIEND: Thank you, Senator Kopplin. Senator Stuthman, you are recognized. [LB790]

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. I'd like to engage in a little conversation with Senator Erdman. [LB790]

SENATOR FRIEND: Senator Erdman, will you engage in conversation with Senator Stuthman? [LB790]

SENATOR ERDMAN: I will yield to questions, Mr. President. [LB790]

SENATOR STUTHMAN: Thank you. Senator Erdman, this additional money, where is that coming from? [LB790]

SENATOR ERDMAN: It's coming from the same place that the current money is coming from, Senator Stuthman. Thirty dollars is earmarked from the pesticide product registration fee currently collected in the state of Nebraska. The logic behind raising the amount without increasing the appropriation or the fee is that we're seeing a decrease in the number of acres enrolled, and so it's an opportunity to maximize on those that may be enrolled and to provide an incentive. But it is cash funded through the pesticide fee. [LB790]

SENATOR STUTHMAN: Thank you, Senator Erdman. Yes, I'm truly in support of this. I think if we don't continue this and escalate the prices a little bit to increase that, I do know when that expires they will be...they'll be turned under and planted back to a crop again. Because with the price of the commodities, it does make a lot of difference. So I do support this. Thank you, Mr. President. [LB790]

SENATOR FRIEND: Thank you, Senator Stuthman. Senator Erdman, there are no other senators wishing to speak. You are recognized to close on LB790. [LB790]

SENATOR ERDMAN: Thank you, Mr. President. This program compensates landowners for contractually committing to managed land adjacent to streams and surface water in drainage areas and fields, and to provide appropriate permanent vegetative cover. Again, the program is funded by a earmark in the pesticide product registration fee in Nebraska, which is currently \$30. And again, this program is designed to work in concert with other federal programs as well. I would encourage the advancement of LB790. [LB790]

SENATOR FRIEND: Thank you, Senator Erdman. Members of the Legislature, you've

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heard the closing on LB790. The question before the body is, shall LB790 advance to E&R Initial? All those in favor please vote aye; all those opposed vote nay. Have you all voted who wish to? Record please, Mr. Clerk. [LB790]

ASSISTANT CLERK: 34 ayes, 0 nays, on the motion to advance the bill, Mr. President. [LB790]

SENATOR FRIEND: LB790 does advance. Items, Mr. Clerk? [LB790]

ASSISTANT CLERK: Mr. President, priority bill designation: LB766 by Senator Cornett. Amendment to be printed to LB140 from Senator Flood. Name adds: Senator Harms to LB534; Senator Gay to LB830; Senator Cornett to LB880; Senator Harms to LB1056. (Legislative Journal page 558.) [LB766 LB140 LB534 LB830 LB880 LB1056]

Mr. President, I do have a priority motion. Senator Rogert would move to adjourn until Monday, February 11, 2008, at 10:00 a.m.

SENATOR FRIEND: Members of the Legislature, the motion is to adjourn until Monday, February 11, 2008, at 10:00 a.m. There is a request for a board vote. Members of the Legislature, the question is, shall the Legislature adjourn until Monday, February 11, 2008, at 10:00 a.m.? All those in favor please vote aye; all those opposed vote nay. Record please, Mr. Clerk.

ASSISTANT CLERK: 22 ayes, 6 nays, on the motion to adjourn, Mr. President.

SENATOR FRIEND: The motion is successful. We are adjourned. (Gavel)