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Floor Debate
April 03, 2008

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PRESIDENT SHEEHY PRESIDING

PRESIDENT SHEEHY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the fifty-third day of the One Hundredth Legislature, Second Session. Our chaplain for today is Senator Dubas. Would you all please rise.

SENATOR DUBAS: (Prayer offered.)

PRESIDENT SHEEHY: Thank you, Senator Dubas. I call to order the fifty-third day of the One Hundredth Legislature, Second Session. Senators, please record your presence by roll call. Please record, Mr. Clerk.

CLERK: I have a quorum present, Mr. President.

PRESIDENT SHEEHY: Are there corrections for the Journal?

CLERK: I have no corrections.

PRESIDENT SHEEHY: Messages, reports, or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review reports LB916 as correctly engrossed, LB965, LB1058, LB1068, all correctly engrossed. Enrollment and Review also reports LB1165 to Select File, with Enrollment and Review amendments attached. A report of registered lobbyists this week, and a series of reports received in the Clerk's Office will be acknowledged and available for member review. That's all that I had, Mr. President. (Legislative Journal pages 1291-1296.) [LB916 LB965 LB1058 LB1068 LB1165]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We will move to first item under General File appropriations bills.

CLERK: Mr. President, LB830A is a bill by Senator Lathrop. (Read title.) [LB830A]

PRESIDENT SHEEHY: Senator Lathrop, you're recognized to open on LB830A. [LB830A]

SENATOR LATHROP: Thank you, Mr. President and colleagues. I'm here today to

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open up on LB830A, obviously, and probably can't do it without reminding you what LB830 is. LB830 is the bill that is a cost-saving measure for Medicaid. LB830, that we took up late one night, and there was a little bit of confusion towards the end, those matters I believe I can represent have been resolved, and that matter is ready for Select File, and we'll take that up at some point soon. But LB830A is the money that we need to implement that program. And recall, colleagues, that LB830 does two things: It sets up and puts the...overall, it does one thing and employs two tools. It allows and, in fact, mandates that Medicaid start following and using programs used by health insurance companies to save money on prescription medication. The state of Nebraska spends over \$130 million a year on prescription drug medication, so a savings brought about by this LB830 will realize significant savings, not only to the state of Nebraska, but also to the federal government in the administration of the Medicaid program, and specifically the drugs. It does that--the two tools, you'll recall, are establishing a preferred drug list and basically, with a preferred drug list we say...we figure out what the best medications are to treat the various ailments that touch Medicaid recipients, and we make those people who have the best drugs compete for the right to be "the drug," and that competition results in savings. To the extent there are drugs not on the preferred drug list, we require in this bill that the state negotiate a lower price. Typically that's done in most states by joining in a multi-state pool. The state of Nebraska expects to realize upwards of \$2 million annually, along with the federal government realizing \$2 million annually in savings from this program. There are, however, start-up costs. The start-up costs are the subject of LB830A. You'll see that in the first year, for fiscal year '08-09, the state of Nebraska needs to spend \$682,000, and in the second year, \$1.2 million dollars to get this program going. Those are the costs of hiring the specialists to come in and work with the Department of Health and Human Services to set up the program, to enter into the contracts. It also requires that we hire pharmacists to advise the department on implementation of this cost-saving measure. We will realize net savings of upwards of \$2 million a year over costs, once the program is in place. There is a little bit of a lag time, and that's why we're going to make an investment and not realize the savings in the very first year. I believe I can represent that this program is supported by the administration, who is...generally, the executive branch and the department are pleased to see a cost-saving measure and recognize there must be an investment up front to implement that program. That is set out in the fiscal note. That is the subject matter of the bill, and I would appreciate your support on LB830A. Thank you. [LB830A LB830]

PRESIDENT SHEEHY: Thank you, Senator Lathrop. You have heard the opening of LB830A. (Doctor of the day and visitors introduced.) Continuing now with floor discussion on LB830A, are there members requesting to speak? Seeing none, Senator Lathrop, you're recognized to close. [LB830A]

SENATOR LATHROP: Thank you. Just briefly, we didn't generate any discussion. I hope that means that everybody is on board. Just want to use the occasion to express

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my appreciation to Senator Gay, whom I've worked with closely on this bill, as well as the members of the Health and Human Services Committee and the department. They've been very good to work with and very interested in this program and the savings that will be realized by the state of Nebraska, and I would encourage you to support LB830A. Thank you. [LB830A]

PRESIDENT SHEEHY: Thank you, Senator Lathrop. You have heard the closing. The question before the body is on the advancement of LB830A. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB830A]

CLERK: 34 ayes, 0 nays, Mr. President, on the advancement of LB830A. [LB830A]

PRESIDENT SHEEHY: LB830A advances. Next item under General File. [LB830]

CLERK: LB1147A by Senator Synowiecki. (Read title.) [LB1147A]

PRESIDENT SHEEHY: Senator Synowiecki, you're recognized to open on LB1147A. [LB1147A]

SENATOR SYNOWIECKI: Thank you, Mr. Lieutenant Governor. Good morning, members. LB1147A appropriates the funds for the provisions of LB1147, which we had on the floor just yesterday or the day before. The bill appropriates \$16,800 from the Judges' Expense Fund for programming costs related to the judges' early retirement option. It appropriates \$11,200 from the School Expense Fund for programming related to the Omaha school employees' service annuity. It appropriates \$136,869 from the General Fund to replace lost benefits for recipients of the Omaha school employees' service annuity. Finally, it appropriates \$100,000 from the State Investment Council Cash Fund to complete the review of the structure of the Nebraska Investment Council. Thank you, members. [LB1147A LB1147]

PRESIDENT SHEEHY: Thank you, Senator Synowiecki. You have heard the opening to LB1147A. Are there members requesting to speak? Seeing none, Senator Synowiecki, you're recognized to close. Senator Synowiecki waives closing. The question before the body is on the advancement of LB1147A. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1147A]

CLERK: 33 ayes, 0 nays, Mr. President, on the advancement of LB1147A. [LB1147A]

PRESIDENT SHEEHY: LB1147A advances. We will now proceed to items under General File 2008 committee priority bills. [LB1147A]

CLERK: Mr. President, LB1116, a bill originally introduced by Senator Erdman. (Read title.) Introduced on January 23 of this year, at that time referred to the Agriculture

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Committee for public hearing. The bill was advanced to General File. There are Agriculture Committee amendments pending. (AM2629, Legislative Journal page 1210.) [LB1116]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Erdman, you're recognized to open on LB1116. [LB1116]

SENATOR ERDMAN: Mr. President and members of the Legislature, first of all let me thank you for your patience. I recognize that this process that has been undertaken by the Agriculture Committee has required a lot of individuals, but the primary issue that I think you have contributed to this point is your patience, and I recognize that you will be contributing your questions, your input, and your insight as we debate this, this morning. I can tell you that two years ago when I asked for your vote to be Chair of the Agriculture Committee, I didn't fathom that not only would we have to deal with the issue of Initiative 300, which was a major issue for agriculture that hasn't been discussed for at least 26 years; I had no idea in my mind that we'd be debating the location of the State Fair, which hasn't been discussed for 107 years. And I'm grateful for your confidence, and I hope at the end of this process that you are appreciative of my efforts, of the efforts of our committee, of our staff, and ultimately, that you're proud of the product that we have created. The Nebraska State Fair actually began one year after the state of Nebraska became a state, and one year prior to the University of Nebraska becoming organized; 1868 to 1901, the State Fair was relocated throughout the state through a process, if you will, of bidding. Communities would bid for the fair, and it would be located in different locations, whether it was Omaha or Lincoln, Nebraska City. That all continued on until 1901. In 1901 the state of Nebraska had land donated to them which became the location of State Fair Park, and the State Fair has been at that location since that date. I'm not going to take you on a day-by-day progression, obviously. We're going to skip about 100 years there, but approximately the year 2000 the State Fair Board came to the Legislature to discuss some possible partnerships with the state on some financing of improvements at State Fair Park. The Appropriations Committee at that time said, we would really appreciate it if before we do that you do a master plan, and so in the year 2000, Sinclair Hille, a firm here in Lincoln, partnered with the State Fair Board to come up with a master plan for State Fair Board at State Fair Park, which was going to be the basis of any improvements that would be made at State Fair Park. Shortly after that the community of Lincoln also created their own committee in partnership with interested parties about the State Fair, which became known as the partnering plan or the mayor's plan. That was a group that was established in 2004. They engaged members within the Lincoln community about possible solutions and opportunities to assist the fair in developing its site. Out of that conversation came a number of proposals, but the most obvious one was Amendment 4. Amendment 4 was a legislative resolution that was introduced by Senator Dave Landis that would direct 10 percent of the state's lottery funds to the State Fair. It would have placed in the constitution the percentages that the environmental component of

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the lottery would receive. It would also place in the constitution the percentages that the education component of the lottery funds would receive. There were three components in that amendment. The people of the state of Nebraska in 2004 voted, and I believe you've all seen the number--it's approximately 403,000 people voted for that amendment, approximately 56 percent of those voting. At that point the fair was given the nod by the citizens of the state of Nebraska that we want to have a State Fair. That was interpreted by a lot of folks to be that way, but the impetus behind LB209CA and ultimately Amendment 4, was the opportunity to have the state answer that question, and they did so quite overwhelmingly. After that point, approximately 2006, a group of citizens in Lincoln, interested parties, gathered together to determine if the second part of that partnering plan, which could be considered to be the collocation idea, should again be pursued. And at that time it was called the Vision 2015 group. They presented their proposal to the Fair Board in 2006, and from that point forward, we have been engaged in this conversation. Last year Senator Raikes introduced LB131 and LB435. LB131 would have directed the University of Nebraska-Lincoln to do a comprehensive plan for the development of State Fair Park for a research and development corridor. LB435 would have prohibited the State Fair Board from making any improvements at that site during that time and allow for a study to be done on their side of the aisle, as well. Neither one of those bills advanced in the form that they were introduced, and instead LB435 was amended to create a study that was agreed to by the Fair Board and by the interested parties within the community of Lincoln; specifically the Vision group that had Senator Raikes's...that was supporting Senator Raikes's legislation. LB435 then became the process that the Agriculture Committee engaged in, in the interim, and as a note of history, for all current committee chairs and potential future committee chairs, please do not do that to another committee ever again. The fact that we had to work...the fact that we were given the opportunity to work with a consultant was, I think, immensely beneficial. I think the practicalities and the proposals that the Speaker is presenting to us, as members of the Legislature under his leadership, that the committees have that responsibility is a valid one, but as you can imagine, my committee and I as the Chair found ourselves in some pretty unique situations, trying to ensure that we were both administering a process, as well as providing information. And I asked my committee to do things that maybe they didn't understand at the time, but I hope in hindsight the idea that we as a committee were administering a process and ensuring that the draft products that were to be submitted to the public needed to be reviewed by the committee, which was the client before they became public and that was the rationale for those private meetings, those things all caused a lot of heartache for a lot of people. Ultimately, I think they were the right decisions. But recognize that this process has been unique under LB435, and now that we have the bills that have been introduced this legislative session, it continues to remain a unique process. LB861 was introduced, partially out of an agreement or a request that all parties agreed to at our December 14 hearing, and that was, we should take the location of the State Fair out of statute and leave it up to the Fair Board. That was LB861 that was introduced by the Agriculture Committee. LB1044 was introduced by Senator Raikes. LB1044 would

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have created the future State Fair Commission. It would have appointed individuals to a task force. It would have created the parameters in which a site would be selected for the fair, but it would have presumed the answer to the question, and that is that the State Fair should move first, and we should find the money and the location later. LB1114, LB1115, and LB1116 were bills that I introduced. LB1114 would prohibit bonding for an agricultural society without a vote of the people, LB1115 would change the makeup of the State Fair Board, and LB1116, obviously is the bill before you. In the green copy, LB1116 would have taken location of the State Fair out of statute, and it would have also required that the University of Nebraska-Lincoln contribute \$30 million to the state of Nebraska, in the event that the State Fair Board provided notice to the Department of Administrative Services that they were no longer going to be utilizing State Fair Park. Ironically, LB1116 in its green copy is not that far apart from where we find ourselves today. At the hearing...excuse me, let me step back. After the bill introductions and after the committee's hearing--and I can go through any of these questions you would like; the time lines, the process, what happened, who was involved in the conversations. I want to make sure that before I explain what has happened this legislative session, that you're aware that this is an open book. This is a series of questions that you may have, and I have a series of answers that I hope answer those questions, but I want to make sure that if you do have questions that you get them answered. After the committee met on December 15 and heard proposals from a number of communities that were interested in the State Fair, as well as the State Fair Board's interest in the opportunity to stay where they were, the Agriculture Committee had a decision to make. We could direct the parties or potentially the Legislature to a solution, or we could direct the parties to find a solution. And the committee unanimously decided that the latter was the more appropriate, because what we heard at the hearing on December 14 from all parties was that there was an interest in pursuing this conversation,... [LB1116 LB131 LB435 LB861 LB1044 LB1114 LB1115]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...and that conversation could be fruitful. And so from that standpoint, from that date forward, December 14 until February 26, we allowed those parties--and I directed those parties--to have direct conversations with one another, in attempting to come up with a resolution. And I will share you what that resolution is when the committee amendments are before us. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. You have heard the opening to LB1116. (Visitors introduced.) As noted, we do have an Agricultural Committee amendment. Senator Erdman, you're recognized to open on AM2629. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President, members. After the bill introduction and prior to the committee hearing, I had numerous meetings with what I believe to be the three most logical solutions to the question at hand, and that is: What is the

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appropriate location for the Nebraska State Fair? It was clear to me at least, after the committee's hearings in December, that there were only three that had presented themselves as viable solutions, and that the groups that had presented those three ideas had actually done their homework, they had worked hard, and they were providing viable solutions for the committee to consider. The first location was obvious, I think, to everybody was that the fair could stay at its current location at State Fair Park. The second option in no particular order was the location at 84th and Havelock, which is the current site of the Lancaster County Fair and the home of the Lancaster County Ag Society. Another option is the location of Fonner Park in Grand Island. And so representatives from those three organizations, as well as University of Nebraska-Lincoln were engaged in direct conversations with one another, they were engaged in conversations with me, and at times we were all in the same room talking about the same issues, trying to find a solution. We didn't arrive at a solution before the committee hearing, and under the committee hearing process we were fortunate that Nebraska Educational Television was gracious to be able to broadcast the hearing, and we know that individuals not only in Nebraska but nationwide observed that hearing. I believe that the committee should be commended for their interest and their effort in that process of sitting through that. After that hearing we took no immediate action, and I continued to engage in conversations and direct negotiations with the parties, to ensure that they were focusing on a negotiated solution. As I had said all along, in the event that a negotiated solution was unacceptable, I would propose one to the members of the Legislature and to the Agriculture Committee. The committee amendment to LB1116 is a negotiated solution. It's not my solution, it's not Grand Island's solution, it's not the Fair Board's solution, it's not the university's solution. It's a solution of the parties, and let me briefly go through what that entails. The first section of the committee amendment would change the location of the State Fair from the current location at State Fair Park to Grand Island no later than the year 2010. The second part of the committee amendment is LB1115, as advanced by the committee unanimously, which changes the makeup of the Nebraska State Fair Board. In the year 2002 we changed the State Fair Board to provide for additional representation. It was previously a group of about 29 Nebraskans, and some of them included state senators that served on the State Agricultural Board that oversaw the State Fair. As we sit today, the fair consists of seven individuals that are elected from county ag societies throughout the state, by region; four individuals that are selected and appointed by the Governor and confirmed by the Legislature, two of which represent the business community of Lincoln, one represents the business community at large in the state of Nebraska, and one represents the business community of Omaha. Two additional members were added on the floor...with a floor amendment from then Senator Beutler, to add the chancellor of the University of Nebraska and the executive director of the Arts Council. Those two individuals, the chancellor of the University of Nebraska-Lincoln and the executive director of the Arts Council would be removed under the committee amendment and would in turn be replaced by the coordinator of the 4-H program for the university or his/her designee, and the executive director of the Nebraska FFA Association, or his/her

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designee, and both shall be nonvoting members and ex officio members, ex officio meaning that because of their title, they are serving on the Fair Board. The other changes in the amendment are simply technical. Right now you technically have three individuals representing each congressional district in the state of Nebraska, even though they're specified differently, and you have an individual representing the host community. Under the bill that stays the same, but it is worded a little bit differently, to allow that in the event that you agree with the committee amendment to LB1116 and the fair is relocated to another site, specifically Grand Island, that Grand Island receives a seat on the Nebraska State Fair Board. A Star Fair Relocation Cash Fund is created. That is the fund that the state of Nebraska would put the \$5 million from the Cash Reserve Fund in to assist in this transfer, and the parties that have been involved in this conversation agree to contribute financially to the solution. The University of Nebraska-Lincoln will contribute \$21.5 million of private sources, including foundation and potentially the sale of assets to contribute. There will be no General Fund appropriations that will be asked for by the university, nor will there be an increase in tuition to fund this. They are private funds on behalf of the University of Nebraska-Lincoln. The city of Grand Island or the community of Grand Island is willing and has committed to contributing \$8.5 million to this solution. The State Fair Board has committed to \$7 million to be a part of this solution. They arrive at that money the same way that they arrive at the proposed improvements that they would make at their existing site. And at the committee hearing on February 26, the question was asked and it was answered by the State Fair Board, that they are willing to commit to another site, up to the same amount of money that they are willing to commit to their current site for improvements. Based on their cash on hand, as well as their cash flow projections, that number is \$7 million. The final portion of this is \$5 million that comes from the state of Nebraska. I know there are amendments filed to talk about this, and I won't belabor this point, because I believe we'll have a great opportunity to discuss that. But I do want to point one bit of history out to you. The state of Nebraska has contributed over the last 30 years a total of \$3.7 million to improvements at the Nebraska State Fair Park. Over 30 years the state of Nebraska has contributed \$3.7 million, total, to the Nebraska State Fair Park for improvements. My intent all along, as a part of any solution that I would propose to the Legislature, was that the state needed to be a part of this solution, and if that meant the fair stayed where it was, this money would have been available; if the State Fair would have moved to another site, regardless of what that site was, the state needed to be a part of the solution. The people of the state of Nebraska were a part of the solution with Amendment 4. The state Legislature needs to be a part of this solution under LB1116 for this to work. The \$42 million that was arrived at is the number that it costs to build the improvements, to make the necessary adjustments in facilities in Grand Island, to provide the best opportunity for Grand Island to be successful with these improvements, for the State Fair Board to be successful at that site, and for the state of Nebraska to have a state fair that is successful and is a collection of the best that Nebraska has to offer in our state. You've all received copies of the handouts that were distributed to the committee, that outlined the governance structure, but let me

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briefly go over that. Grand Island or Fonner Park, which is also known as the Hall County Improvement Association, would own the improvements, they would also own the improvements that are currently there, so they would own Fonner Park. Heartland Event Center is under their management, and they would also own these new improvement. By agreeing to own those facilities, they've also agreed to the maintenance costs, they've agreed to the management costs, and they've agreed again to the ownership of those facilities, year round, long term, and ensuring that they are maintained and taken care of for their interests, as well as, most importantly, to the Fair Board's interests, the ability to provide a state fair at that site. The State Fair Board will enter into a long-term lease with the Hall County Improvement Association at the tune of one dollar a year. For one dollar a year that will buy them the rights to use the Fonner Park facilities for the entirety of the fair. They will receive all income from the fair,... [LB1116 LB1115]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...and they will be responsible for the expenses that are incurred during the time in which the fair is being held and located at Fonner Park. You also have a preliminary sketch that has been provided to you by the committee and ultimately by the Fair Board and the community of Grand Island. I will tell you up front that this is a preliminary sketch. It's not preliminary in the improvements; it's preliminary in the location of those improvements, the layout. But generally, when you look at the sketch, this is what you will find when all of the improvements are built, if LB1116 passes, and the State Fair is located in the community of Grand Island. I welcome your questions, your comments, and I and others stand ready to try to answer them to the best of our ability, to ensure that you have the best information to help you make what you believe is the best decision to resolve this issue. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. You have heard the opening of AM2629 to LB1116. Mr. Clerk, you have an item for the record. [LB1116]

CLERK: Mr. President, an announcement. Appropriations Committee will meet now in Room 2022--the Appropriations Committee in Room 2022. [LB1116]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We'll move to the first amendment to committee amendment. [LB1116]

CLERK: Mr. President, Senator Kopplin would move to amend the committee amendments, AM2645. (Legislative Journal page 1288.) [LB1116]

PRESIDENT SHEEHY: Senator Kopplin, you're recognized to open on your amendment to committee amendment, AM2645. [LB1116]

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SENATOR KOPPLIN: Thank you, Mr. Lieutenant Governor, members of the body. I first want to express my appreciation to the Agriculture Committee and to Senator Erdman for the hard work and diligent efforts they have made. When the speaking is done and the discussions are done, I intend to vote for the move to Grand Island, although I do question whether they have the population base to make this an ongoing thing. We may simply be voting today to kill the State Fair. But I'll vote to go to Grand Island, because Lincoln doesn't want it. I think the citizens do. I've heard from enough of them. They're saying, why are we doing this? From elderly people who see it as a part of their tradition, part of their culture. They don't want to see it leave Lincoln, but the university does. The university wants the area for some kind of industrial park, research park, that they will define for us later. The businesspersons in Lincoln do not want the fair. They see the dollar signs that maybe, maybe a research park or whatever it is, is going to produce. I've heard estimates of a thousand new jobs. Senators, I heard and read, say oh, this is a win/win for Nebraska. The Governor touts the bill as, this is a great move. The World-Herald writes editorials. It's almost like, how does anyone dare to think differently? Well, I dare. The intent of the amendment that I've put up is to delete the section that calls for the state of Nebraska to take \$5 million out of reserve. This is why I'm putting it up. That hurts. I don't think it hurts financially, but it hurts me. We spent rigorous hours trying to balance the budget on the backs of the kids in the schools, and we heard over and over, we cannot touch that reserve to do it. We must have that reserve for future. But if the business leaders want it and the university wants it, and other leaders in the state want it, well, lay it on the backs of the kids. We're going to use the reserve for a different purpose altogether, and that hurts. The first amendment I have up just simply says, no, we're not going to do that as a state. We are not going to transfer money from the Cash Reserve. Over the months preceding this we read article after article about oh, we will have private contributors that donate to this. The university can raise \$30 million or whatever. Well, where are those people now? Get back on board, people. You want the fair to move, I'll going to vote for your move, but I'm not going to vote that we pick up the tab for you. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kopplin. You have heard the opening of the amendment to committee amendment AM2645. The floor is open for discussion. Members requesting to speak: Senator Avery, followed by Senator Preister, Senator Nantkes, Senator White, and others. Senator Avery. [LB1116]

SENATOR AVERY: Thank you, Mr. President, distinguished colleagues. I am going to oppose this amendment to the committee amendment and strongly support the committee amendment. And I do so because of a key question that I want to answer, and that is, why a research park and why now? Let me explain first the "why now." The University of Nebraska has experienced tremendous strides in attracting research money over the past decade, largely due to the efforts of Vice Chancellor Prim Paul and the recruitment of a lot of top-rank, first magnitude scholars to the university. We are at a...we...I have to quit doing that. They are at a takeoff point, poised for great

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achievements. That's why now, because this is the time. But why a research park? This research park focuses on what is the core function of a university, particularly a university that is considered a major public research institution. It focuses on the generation of new knowledge. New knowledge comes from research. Research springs from the minds of people who imagine doing what may seem impossible. The university is full of people who do that. Also, research and the knowledge that research creates is the driving force in economic development. According to the Association of University Research Parks, the AURP, every job in a university research park will create, on average, 2.57 jobs in the host economy. Think about the potential for Lincoln and the state of Nebraska. Research parks recruit research and development companies, high technology companies to locate near a university in order to build a cluster of innovative activities. These activities spur homegrown business startups, the expansion of commerce and talent retention. Research parks around the country have established a record that demonstrates the ability to attract talent to these parks, to retain that talent, which in turn creates a critical mass that yields high economic opportunities and high returns. The innovation park that we're talking about will be a strategically planned, mixed-use campus that will create an environment that fosters collaboration and innovation. It will promote development and the commercialization of new ideas and new technology. It will translate discovery into application. That's crucial. A major contribution will be the creation of an intellectual infrastructure that supports a knowledge-based economy for this state. Let me say that again: A major contribution of the research park will be the creation of an intellectual infrastructure that supports a knowledge-based economy for this state. Now why is this important for Nebraska? Our state currently ranks 33rd on an index of new economy indicators. These indicators measure knowledge-based jobs, technology and related economic activity. I would refer you to their Web site, www.neweconomyindex.org. You can find it there. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR AVERY: Colorado ranked fourth, and Kansas is higher than we are. What is really disturbing is that we rank 40th in the number of scientists and engineers as a percentage of the work force. Equally disturbing is our ranking of 41st in the number of patents issued to companies and individuals per thousand workers. When it comes to investment in research and development as a percentage of our gross state product, we rank 42nd. We can and we must do better. It's in our long-term interests, and I believe that making it possible for the university to develop innovation park will go a long way toward helping us grow our state. We will see more jobs, better-paying jobs, exciting research and development, stimulating new ideas and knowledge. And I have to tell you that our nation is moving away from the hands-on, labor intensive jobs and toward jobs that require the ability to master concepts and ideas, and this is what this park will help us do. Nebraska must not be left behind... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

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SENATOR AVERY: ...in the transition to a new economy. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Avery. (Visitors introduced.) Senator Preister. [LB1116]

SENATOR PREISTER: Thank you, Honorable President. Good morning, colleagues, friends all. On our monthly check stubs that we got this week it lists the hourly rate, breaking down our \$1,000 a month salary. It's about \$5.75 an hour that we get. On the Ag Committee members' statement, it was about half that. On Senator Erdman's statement it amounted to about five cents an hour. If you do the math, you can tell how much time he's put into this--trying to add a little levity to the issue. This is good work by a committee that worked well together, put in a lot of hours over a couple of years before bringing an issue to the floor. I say that to compliment Senator Erdman for his leadership and also to use that as an example of how committees can and should work, when they work at their optimum. I stand...I guess I'll start with the amendment. The amendment that Senator Kopplin puts up I think is well-intended. He's trying to make a point. He is concerned about education, he's concerned about all of education, he's concerned about children. I respect and I appreciate that, and I'm glad that he is continuing to be that voice. What the amendment actually does, besides striking the \$5 million, it strikes all of Section 7 in the bill, as I read it. Section 7 actually includes our State Treasury Cash Fund, so we would be eliminating our cash fund entirely. For that reason, I certainly can't support the amendment to the Agriculture Committee amendment. I do, however, support the Agriculture Committee amendment. I support it partly because of the reasons that Senator Erdman said: This was a resolution that was done by all of the parties that were interested in the well-being of the fair, the well-being of the university, ultimately the well-being of the state, from the western border to the eastern border, the north to the south. I think it is a good, not just a compromise, but it's a good coming together to look at a resolution to the situation. It replaces the bill, that's why the focus, I think, needs to be on the committee amendment. Senator Erdman, in his usual thorough explanation, went over what the bill does, what the committee amendment does, and some of the background with the State Fair. Senator Avery talked about the value and the importance of innovation park and what it will do. I want to continue a little bit in that vein and tell you that the university intends to maintain the Bob Devaney Sports Complex on the existing State Fair Park. I think that's important, because that building was paid for by tax dollars, and it's still in good shape. They also intend to maintain the 4-H Building and the Industrial Arts Building--some history there, and that will remain and be a part of what will take place. The historical arsenal will either be renovated and stay in its existing location or be moved to another location, but will be preserved. The ice hockey facility will also be renovated and maintained. There is some respect there for existing facilities and for the history and the heritage of State Fair Park. What I also like about the plan for the innovation park is that they are going to incorporate low-impact development. We were talking earlier in this session, and the

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cities around the state are talking about mediating... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR PREISTER: ...water runoff and storm water runoff. Where the existing horse track is and along the creek area, there's going to be waterways, grassy areas. Low-impact development is a part of this plan. The university appreciates the low-impact development concept and will incorporate it. They also are working with energy as a part of the concept and energy incubators. As a part of that they're going to be looking at green buildings, making the buildings energy efficient. I hope they have these buildings all to the very highest standard that is attainable, and I think should be a leader in this regard on a university campus and should be one that can be used as a model across the state and for other states, as well. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Preister. Senator Nantkes. [LB1116]

SENATOR NANTKES: Thank you, Mr. President. Good morning, colleagues. What an exciting day? An issue that has drawn a lot of attention is one that we're frequently asked about in coffee shops and when we're traveling within our districts has finally made it to the floor of the Legislature for full debate, and those concepts are contained within LB1116. And this morning we're going to hear a lot of questions, we're going to have a lot of dialogue about the concepts and the public policy implications, in terms of the State Fair and its venerable traditions in honoring our past, in honoring our agricultural traditions and showcases and how we move forward--what a State Fair should look like in 2008 and beyond--and then also an innovative concept that has been brought to our state over the course of a lot of hard work by a lot of interested parties, to figure out how we can help strengthen our university system, strengthen our partnerships with private industry, and address many pressing issues in terms of what we're looking at in Nebraska for the long term, what we're looking at for Nebraska as to the future. Senator Erdman did a great job in laying out some of that time line and how we got to where we are today, and friends, let me tell you--this is the first step in a long journey. This legislation represents the start of advancing these concepts. If LB1116 is adopted, and I'm hopeful that we will make positive progress this morning and this session, this will not be the last time you hear about the State Fair in Nebraska. This will not be the last time that you hear about the university and its plans and its needs as it helps our state grow. This is going to be an ongoing dialogue, and as Senator Erdman pointed out in his opening, these dialogues have been with us since the inception of statehood, when we first became our great state. And we're going to continue to have those, because they are important issues, they're important institutions, and they deserve our time and our careful attention. Senator Kopplin has made some passionate points in terms of the costs and the dollars and cents that play here, and I think it's good that we have a dialogue about those costs, because that is real money and we are under tight times economically, and we have to be careful stewards of those taxpayer

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dollars. But folks, I think we also have to look at the benefits, the benefits in stopping the brain drain in Nebraska. This is one concept that can truly help us to keep young people in Nebraska and provide new technology, new industry, jobs for not only a multitude of graduate students who would have the opportunity to work in the research park, but then move on into the private sector and keep their families here as they work and pay taxes and enjoy our strong quality of life that is Nebraska. I think that we also have to look at the benefits to the State Fair in being provided a new start, a new beginning in new facilities that properly represent and respect our traditions as to what a State Fair should be in a proud agricultural state. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR NANTKES: I think as we talk today, we're going to hear a lot about, well, this is good for Lincoln, this is good for Grand Island, this may bring certain people on politically or otherwise, and that's why deals were cut. Well, this has not been any sort of back room deals. This has been a painstaking process over the course of many years, many months, to get where we are today. And keep in mind as we move forward: This is about what's doing right...what's right for Nebraska. Think beyond your district and do what's right for Nebraska today and into the future. The concepts contained in LB1116 provide us a pathway to a new Nebraska and a new tomorrow, and I am excited and thrilled to listen to this dialogue this morning, because it's about today, but more importantly, it's about tomorrow, in terms of the State Fair and in terms of the university, and in terms of what we want to be in Nebraska. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Nantkes. Senator White, followed by Senator Aguilar, Senator Raikes, Senator Dubas, Senator Harms, and all. Senator White. [LB1116]

SENATOR WHITE: Thank you, Mr. President. Innovation parks have been an enormous success in large parts of the country. Probably the flagship is in North Carolina. I think that such a park could indeed be incredibly valuable to the state. I also though, however, share Senator Kopplin's deep concern: At what cost? I will listen to this debate with great interest. I support the idea of doing what we can to bring new generation technologies and jobs to the state. I also was deeply impressed on a recent trip to Grand Island with the facilities there and recognize that they will do a wonderful job with the State Fair, if they are given an opportunity to keep it. There's a question as to whether or not Lincoln remains committed to the State Fair as a city, if it remains in the current location. So there are a number of important issues to listen to. The opportunities for the state are immense. The opportunities to develop Grand Island, reinvigorate our agricultural roots with a new location for the State Fair could be profound, as well as develop our abilities to compete across the globe in new industrial areas. But if the cost of this coming out of the state, cost us the education of our children, cost us roads, cost us tax increases, then it becomes a concern because then

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we have to balance it, not in a vacuum, but against other important issues. And so as the debate progresses, I look forward to listening to Senator Nantkes and other proponents of moving the fair. I really look forward to listening to Senator Aguilar. But I would ask all of my colleagues to pay attention to what Senator Kopplin is discussing, which is, where is the money coming from and what priorities do we have? Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator White. Senator Aguilar. [LB1116]

SENATOR AGUILAR: Thank you, Mr. President and members. Good morning all. Before I get started on my prepared remarks, I'd like to say something to Senator Kopplin, if I could. Senator Kopplin, obviously you have not spent enough time in Grand Island. To make the statement that this move would be the death of the State Fair is somewhat appalling, as far as I'm concerned. Grand Island considers itself the "can do" city, not the "can't do." We can make this work, there's no question in anyone's mind. If you just take a look at the effort that was brought forth to get us to where we are today, you might fully understand that. You brought up the point that we don't have the population draw. I would point out to you that the Kansas State Fair is located in Hutchinson, Kansas. Hutchinson, Kansas, has a population of 40,000. Grand Island has a lot more than that, and I guarantee you Grand Island can do things as well, if not better, than Hutchinson, Kansas. LB1116 is a concept I can strongly support. I support the committee amendments, and I oppose AM2645. LB1116 is really more than just moving the State Fair. It's about the future vitality of two important entities in our state. The State Fair is an opportunity for this state to recognize accomplishments and celebrate agriculture. It is a chance for families to take a few minutes out of their busy lives and share time together in a safe, friendly atmosphere. It is an acknowledgment of our past and a glimpse into the future. The development of innovation and research park would be an outstanding addition to the university's ability to generate grant funds and establish itself even more strongly as a research university. Grand Island has worked hard to demonstrate to the Ag Committee, the State Fair Board, and really the entire Legislature the sincere interest we have in helping ensure the success of the State Fair. Our Fonner Park complex can accommodate the State Fair with significantly less investment than the other options. The existing infrastructure, including the \$35 million Heartland Event Center, will provide possibilities not realized in the existing location with the existing infrastructure. Senator Erdman has worked long and hard to craft an agreement between the interested parties, and as my esteemed colleague indicated Monday, perhaps brokering a deal in Iraq to end the war will be his next stop, the inference being that it was a very difficult issue, with history, tradition, emotion, and passion for all parties. To have reached an agreement that is fiscally responsible, practical, and possible is quite commendable. In Grand Island we have a retail draw of approximately 320,000 people within a three-hour drive. Grand Island has regional shopping, trade, and entertainment, as well as a medical center. We have a new \$65 million patient tower at St. Francis Hospital because the demand is already there.

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Husker Harvest Days in Grand Island--100,000 people over three days, every state in the Union, multiple countries, including Russia, South America, China--all over the world come to that event. I fully support this, a (inaudible) involvement and it's in the best interest of the State Fair to create programming to keep families there all day and keep coming back more than one day, as they do in Kansas and Iowa. This is an exciting time for us. It's an exciting time for Grand Island, and I'm proud to be part of this. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR AGUILAR: I ask the body's indulgence this morning to ask your questions, but at the same time listen intently in case your question is asked by somebody else, so we can move this process along. Again, my thanks to Senator Erdman, the Ag Committee, the Ag Committee staff for the long, tedious hours they put in on this project. They've done a fantastic job and they should be commended. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Aguilar. Senator Raikes. [LB1116]

SENATOR RAIKES: Thank you, Mr. President, members of the Legislature. Two critically important issues to the state of Nebraska are being dealt with in this measure, the innovation campus and the State Fair. I am absolutely convinced that the innovation campus is the appropriate direction. It's an opportunity that we must seize upon. Probably on the State Fair, at least heading into this, my favorite would have been 84th and Havelock as a new location. That didn't happen, and in that context, I guess I'd like to ask Senator Erdman a couple questions. [LB1116]

PRESIDENT SHEEHY: Can you say that again, Senator Raikes? [LB1116]

SENATOR RAIKES: Senator Erdman, please. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will. [LB1116]

SENATOR RAIKES: Senator, I think I remember you saying that I was in part responsible for saddling you with the obligation to deal with a consultant, for which I don't apologize, by the way. [LB1116]

SENATOR ERDMAN: That wasn't your fault. It was your bill, but it wasn't your fault. We agreed to it. (Laughter) [LB1116]

SENATOR RAIKES: So at any rate, my questions are these: In the...given that

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consultant's report, the move of the fair to Grand Island, which of the recommendations that you got from that consultant's report are satisfied by that particular move? Which are not satisfied? [LB1116]

SENATOR ERDMAN: One of the obvious ones that's answered is the fact that the State Fair could be successful. As you well know, Senator Raikes, the provisions that are in the committee's...or consultant's report are recommendations. They're not requirements. In fact, if they were requirements, we would never be able to meet them in any site in Nebraska, and that's what we found out. The first phase was ideal, the second phase was how the State Fair Park compares against that, but that was...the target was the ideal. Let me go through a couple of the ones, for example. The consultant stated that there needed to an arena of at least 6,000 seats at the location of the State Fair. Heartland Event Center has 6,000 fixed seats as well as 1,500 additional floor seats that are available, for 7,500 seats. That was one of the strong requirements that the consultant thought was important. That component was absent the location at 84th and Havelock. There was no arena component into that, and the logical answer to that is, is that the city of Lincoln is trying to build another arena to replace Pershing, but you also have Devaney. And so if you were to relocate it, you have to take into consideration not just what the consultant recommended but also what else was going on within that community. The consultant recommended 150,000 square feet of exhibition space. Under the plan at Grand Island, there would be 191,000 square feet of exhibition space. They recommended 200,000 square feet of livestock barns. Under the proposal there's 200,000 and possibly more--up to 240,000 square feet of livestock space. They recommended 500 stalls for horses. At Fonner Park now and under the proposed improvements, there would be 1,500. The consultant recommended 450 acres for a site. Fonner Park now is approximately the same size as State Fair Park, but it has an additional 110 acres of land adjacent to that, that is available or possibly able to be developed. The location in Lincoln obviously has 251 at State Fair Park. The location at 84th and Havelock only had 204 additional acres, and even if you add the 204 additional acres that was proposed, as well as the existing land that the Ag Society has and consider that to be the State Fair, you're still not at that. You're at 350 acres of land, of which as you know, some of that is under the flood plain, and so is State Fair Park. So there are a lot of things that are actually be exceeded. One of the most logical ones that people will want to point to is the attendance factor. The consultant recommended--it wasn't an requirement--the consultant recommended that the fair be located within 30 miles... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...of 300,000 people, and that was a recommendation. So there are some trade-offs, but we'll talk about how you get there, and I don't want to use all of your time. [LB1116]

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SENATOR RAIKES: Okay. Well, thank you for that answer, Senator. Let me ask you one other question. I understood from your remarks in the opening that the Hall County Ag Society owns the facility where the fair would be located. [LB1116]

SENATOR ERDMAN: That's correct. [LB1116]

SENATOR RAIKES: They are going to care...to take care of all of new construction and maintenance, in exchange for a rental fee of one dollar per year. [LB1116]

SENATOR ERDMAN: When you add up the money that's available from all sources--the university, Grand Island, the Fair Board, and the state--that \$42 million on top of what they already have will be 100 percent responsible...will be handled and managed and maintained by Fonner Park, which is the Hall County Improvement. They have that ultimate responsibility. [LB1116]

SENATOR RAIKES: So it would be fair to assume, in answer to the question, well, what is the state going to be expected to put up in future years for buildings and so on, it would at least, as we look forward now, the answer would be nothing. [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR RAIKES: Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Raikes. Thank you, Senator Erdman. Senator Dubas. [LB1116]

SENATOR DUBAS: Thank you, Mr. Lieutenant Governor, members of the body. As Senator Nantkes said, this is an exciting day. This has been a long day coming, and I think especially for the members of the Ag Committee. I would have never guessed to be in this kind of a position, either, as a member of the Ag Committee. But it has been an exciting process and procedure, and as members of the Ag Committee, as Senator Erdman said, we were asked to do some things that a lot of times on committees we don't do, you know. But it was to preserve the integrity of this whole process, and we all felt very strongly that we didn't want any entity coming in to us feeling like we were sitting there with our minds already made up. And not that that's the way other committees operate, but it was especially important in this process, because it is an issue that people have such strong feelings to and such strong connections to. And so that was why every time anybody asked me, well, what's going on with the State Fair, my answer was I don't know, can't really talk about it right now. And I know that created a lot of frustration on the parts of a lot of people. And I do want to publicly commend Senator Erdman for his leadership and the time and energy that he put in to getting us where we are today. I also do take exception to the statement that Senator Kopplin made about this basically being the death knell for the State Fair, should it move to

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Grand Island. I just...I can't disagree with that more. I know the people who are involved with this situation and this issue, who are just greatly committed to the success of the State Fair now and in the future. And I don't think it's the death knell. I think it's the opening of a very exciting door with a lot of exciting opportunities. This discussion has been going on for quite a few years. Back in 2000 there was a study that was done that basically stated that major improvements needs to be made to the State Fair in its current location. There were many infrastructure and facility needs that were in a great need of repair. A portion of Amendment 4 dealt with dedicating some of the lottery dollars to the State Fair, but unfortunately, it just wasn't enough to really address the serious needs that were in place at the State Fair. And in no way am I standing here pointing my finger at anybody or condemning anybody or saying that people did things wrong. You know, sometimes that's just the way situations happen, and I know everybody put their best foot forward in trying to make things work. But as Senator Erdman also stated, since 1974 this state has only invested a little over \$30 million in the State Fair, and I truly do believe, if we had committed ourselves as a Legislature in the past with some financial resources for the State Fair, I don't think we'd be having this discussion today. But we are because of the great needs of the current location. I still feel very strongly that the State Fair should continue to be a celebration of agriculture. The fair is our opportunity to promote and to educate all of the citizens of Nebraska, especially our urban cousins, about the importance of agriculture in our state. We've done that in the existing location and we've done that very well. But we have a new opportunity to build on that tradition. We're not destroying a tradition, we're building on a tradition, and I...this is my personal invitation to all of my city cousins to come out and visit us in our home environment. I promise you, you won't be disappointed. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR DUBAS: And I think you'll enjoy the drive every bit as much as I enjoy my drive every time I come to visit you in your community. Will the State Fair be the same? No, it won't. Is that bad? Not at all. It's good. Change brings fear and anxiety. I lay awake in bed last night thinking about the impact of this decision. But change also brings energy, vitality, and a renewed commitment for success. The community of Grand Island and all of the surrounding communities, my home community included, are very committed to making the State Fair a strong, exciting, fun, and educational place for all citizens of Nebraska. Again, my invitation to you stands: Come out and visit us where we live. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Dubas. We have Senator Harms, followed by Senator Rogert, Senator Chambers, Senator McGill, Senator Karpisek, and all. Senator Harms. [LB1116]

SENATOR HARMS: Thank you, Mr. President, colleagues. I rise in support of LB1116

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and its agricultural amendment. For the last two years I have said openly on this floor that the University of Nebraska is the key to the future, that the University of Nebraska is the only organization that we have that can move us into a new world global economy. This project, this program absolutely does that. This program gives us a plan, gives us the opportunity to be competitive in this new world global economy. Everything around us is changing. Everything around this country and this state have changed, and we're unable to make the kind of changes that are needed. Without this research center, without this innovative campus, Nebraska cannot be competitive in what I call this new world global economy. The beauty about all of this is that we're going to use our strengths that we have today, we're going to use what we already are doing well to do better, to make us more competitive. They're going to continue to develop the agricultural biotechnology in this research center or this park. They're looking at food science and food safety, energy science, robotics, computer technology, laser science, and transportation and safety. All of these are our strengths today to make it better for the future. All of these will give us the opportunity to be competitive. I've had the fortunate opportunity to visit other research parks, and I can tell you, colleagues, that they make a difference. I can tell you that when this park becomes a reality, you will find and I will guarantee, you will find many other companies...it's like a sponge, it's like a magnet that will join this center. The other thing I want you to understand, that in the concept of a center such as this, not everything has to be located in Lincoln, Nebraska. It can be located in Norfolk, a company can be. It can be located in North Platte, it can be located in Scottsbluff, Nebraska, or McCook. If you have the work force that can support this company, you can do it, because the research park will have the capabilities of dealing with satellite experiences and satellite companies, so that they can move forward. The one thing that hurts Nebraska is, right now we're unable to make the changes, we're unable to adjust our work force, we're unable to take what research we have and key it up to be successful. This is what this center does. This center will benefit the entire state of Nebraska, and the beautiful thing about this is, it will be interdisciplinary. This university is a great university, I want you to understand that. This university has a lot of bright, intelligent researchers, and by using this innovative campus we will be able to take the interdisciplinary approach and bring them together. Today the problem that we have is they're split up. Today there are different parts of the university. We'll have the opportunity to bring them together and to work together and to use their expertise and their knowledge to move the state forward, to take on the issues that we need to take on to improve our condition for economic development, to improve where we have to be with work force development, to improve the fact that we will be competitive in this country. And the University of Nebraska will step forward. We can do the same thing in this park that we're doing at the University of Nebraska Medical Center. They are now a leader nationally in the area of research. They have bright young researchers there. That's exactly what this is going to do on the other side, and that's where we have to be. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

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SENATOR HARMS: That's what is important for us. I would urge you to support this. I would urge you not to worry about the \$5 million. The investment that you'll make from the \$5 million, you'll get back ten times. And I also want you to understand, this is not tomorrow--this is 10-year and 20-year project. I can tell you that who ever is here 20 years and look back, and if they read the record, they'll be happy to see that we made the right decision to move this state forward now, during difficult times. This is not the time to withdraw. During tough times you make tough decisions, and you move forward. And when this economy opens up, this state will be prepared to address that issue, this state will be competitive, this state will say, we are going to be a leader now. And I would urge you to support this, because I think it's a wonderful opportunity for us to be a part of something great. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Harms. Senator Rogert. [LB1116]

SENATOR ROBERT: Thank you, Mr. President, colleagues. I have been fairly uninvolved in the State Fair discussions throughout the past year or so, simply because it wasn't my committee. I have never been a big State Fair attender. But over the...you know, I've been trying to monitor what was going on, and I had the same knee-jerk reaction I think that a lot of people across the state and in this room had when they first heard, Grand Island. Why would we send the fair to Grand Island? And I questioned that. Then I heard the proposals from committee members that Grand Island and the area made during the interim hearings and during the hearings of this bill earlier this year, and I was impressed by what I heard and what the committee told me about it. And then shortly...a few weeks ago Senator Aguilar was gracious enough to take a better part of a weekend day and host myself and a few others and give us a tour of Fonner Park and the facilities and tell us what the town and the tri-city area and that whole Hall County/Adams County area has done for progressive movement and for the possibilities of bringing the State Fair to Grand Island. You know, I was really impressed, and I was convinced that this was a very good possibility. And then I saw the proposal that UNL brought forth, talking about this innovative research campus, and again, I was impressed and I thought to myself, this is coming along very nicely, we're creating some possibilities, and we're creating a joint effort here from lots of different angles. Then I saw the latest dollar figures, the agreement proposal formed by various groups, the 2015 Vision group, the city of Lincoln, Grand Island, the university, and from what the state had proposed, and basically what LB1116 had said, and the amendment. And I thought, hey, this is something we can do. This is something that will be great for everybody in the state. You know, it's not just a university thing, it's not just a Grand Island thing, it's not just a State Fair thing. It's that whole effort of all these different proposals to grow and help the state of Nebraska in a lot of different ways. And I say that the State Fair is a valuable educational experience for all those involved, and \$5 million to invest in the education of agriculture and to bring it to a showcase, is nothing. It's very, very tiny. The research portion of this is probably the greatest possibility that

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we have in the state. I looked at the Web site where the North Carolina research park lists a lot of the different companies that hold offices there and do research and do things in this park. And I haven't heard of really hardly any of these companies, but I can tell what they do, just by looking at the names of them. I just wanted to talk about a couple of them. Advanced Energy Corporation, Behren (phonetic) Advanced Meteorological Systems. They have a middle school there, Centennial Campus Middle School. Infrastructure companies, pharmaceutical companies, The Governor's Institute on Alcohol and Substance Abuse, the National Weather Service, Wildlife Resource Commission, the Forest Service, the USDA, communications companies. And I thought, these are the types of jobs that folks my age, college graduates, graduate students, research companies, this is the type of thing that folks that I want to keep in the state of Nebraska want to do when they get their careers. And I'm very much in support of anything we can do to create more of those positions. For every million dollars... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ROBERT: ...we spend on research, at least 30 new jobs are created. The Beadle Center, which is a great research facility in this town on our campus, cost \$30 million to build and has generated \$100 million in funding over the past 15 years. I'll let...Senator Nantkes can have the last few seconds of my time. [LB1116]

PRESIDENT SHEEHY: Senator Nantkes, 30 seconds. [LB1116]

SENATOR NANTKES: Thank you, Mr. President. Thank you, Senator Rogert. I ran out of time earlier, so just quickly, people say, why this piece of land, why now? Folks, it's the first rule of real estate--location, location, location. And the proximity of this site in relation to the university is what makes this concept work. The adjacency of the current State Fair Park site with the university campus follows the successful models that have been laid out in other states, in other universities,... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR NANTKES: ...and that really helped to move these partnerships forward. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Nantkes. Thank you, Senator Rogert. Senator Chambers. [LB1116]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I'm for the move from Lincoln to Grand Island. I was for that when Grand Island presented its first offer to the Ag Committee. Senator Raikes was asking Senator Erdman whether the state was going to have to come up with any additional money once this deal is ratified

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by the Legislature. Senator Fulton, Senator Raikes, and others, especially those who have had a Jesuit education as I've had--I don't say that boastfully; I say it regretfully, but I was young in those days and didn't know any better--but they like to deal with Aristotle's methodology of logic. The syllogism--if the major premise is true, the minor premise is true, the conclusion is inescapable. The major premise as laid out by Senator Raikes would be, if sufficient money were put into this deal at the beginning, would the state have to come up with any additional money? The minor premise is, sufficient money indeed will be put into this deal. The conclusion is that the state will not have to come up with any additional money for those items that Senator Erdman laid out. And I am the person described by Senator Aguilar as his esteemed colleague, and I did point out, after observing how difficult it was to bring these parties together, the work that Senator Erdman and others--but he was the driving, guiding force; he's the Chairman of the committee of which I'm a member--which shows that very old people, those of us who are described as superannuated, are not too proud, too arrogant, to take guidance from younger people. He's about one-third my age, if he's that old! He's still wet behind the ears. I can call him Sonny or Junior, and he won't take the least offense. But I had said that in bringing the parties together that he did to reach this agreement, would suggest to me that he could go to Washington and tell them to send him to Iraq, and he could bring an agreement among the Sunnis, the Shiites, and the Kurds. And for you all's information, I got an inquiry the other day. That's a joke. There was a movie called "A Man for All Seasons," about Thomas More. It was based on a play written by a man named Robert Bolt. The one who played Thomas More was a man named Paul Scofield, who died recently at the age of 86 years old. He was different from other types of actors. When he'd finish his work on a movie, he's hurry home to his wife and to his children. When they wanted to knight him, he said no, he wanted no titles, but if a person needed a title, wouldn't the word "Mister" be sufficient? There was scintillating dialogue between him and Cardinal Woolsey, who is being played by Orson Welles. I won't go into that, because I'd be distracted too long. A point I want to make: When Orson Welles, as Woolsey was dying and the Duke of Norfolk came to get that big old gold thing with the big old medal on it to give it somebody else, Orson Welles said, in his inimitable way, which I will not try to imitate, had I served God half as well as I served my king, I would not be left to die here alone in this manner. And Norfolk looked at him. He said, you're lucky that you're dying here in this manner, because the king would have you in the tower. Why did I say that? I would have the fair abolished. I wanted to do away with the State Fair. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR CHAMBERS: I thought each county could have its own fair, and if there were counties unable to do it on their own, they could come together, coalesce and have a joint county fair. I could not get it abolished, so the next best thing is to move it where it will be more relevant to the population base, to the so-called traditions that the fair is supposed to be about. And I am very strongly in favor of the move, and I resisted

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something a few years ago that would have given \$2 million from the lottery fund to the State Fair. That was put in the constitution. I think that was a mistake. That's water under the bridge. This now can remedy to some extent the problems that exist by virtue of that anachronistic fair being in Lincoln, Nebraska. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Chambers. Mr. Clerk, do you have any announcements, items for the record? [LB1116]

CLERK: I have items, Mr. President, thank you. Senator Preister would offer LR376. That will be laid over. Your Committee on Enrollment and Review reports LB736, LB736A, LB1001, LB1001A, LB1154, and LB1154A as correctly engrossed. Mr. President, I have a report from the Appropriations Committee regarding a motion on LB959 and subsequent to that report, I have a motion offered by Senator Heidemann, as Chair of the committee. And amendments to be printed: Senator Cornett, to LB1055; Senator Johnson, to LB928. That's all that I had, Mr. President. (Legislative Journal pages 1296-1306.) [LB1116 LR376 LB736 LB736A LB1001 LB1001A LB1154 LB1154A LB959 LB1055 LB928]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator McGill. [LB1116]

SENATOR MCGILL: Mr. President, members of the body, I want to go on the record saying that I want the State Fair to stay here in Lincoln. I think there's a perception amongst Lincolniters and some of our fellow colleagues, like Senator Kopplin, that the senators from Lincoln are just letting the fair go. I absolutely would like the fair to stay here in Lincoln at the 84th and Havelock location. I believe the fair would be stronger here. I believe moving the fair to Grand Island will undoubtedly be a loss to the folks here in Lincoln. But I also believe the opportunity for the innovation park gives...the opportunities that it provides for us are too good to pass up. While I want the fair in Lincoln, I respect the process Senator Erdman and the Ag Committee went through, and I understand that animosity between some of the groups in play helped lead to this decision to move to Grand Island and made it unworkable to move the fair to 84th and Havelock. I will ultimately support LB1116, but I do want to voice my concerns and the concerns of my constituents. I have no doubt that the fair will benefit the Grand Island community and that they will put on an excellent show. I do share some of the worries about the population base. I know that the fair will draw in new people who don't currently come out to Lincoln, but right now the vast majority of people that attend the fair are from right here in Lancaster County and, from the sounds of it, I don't think many of those people are going to be willing to make the drive an hour and a half to Grand Island. Some of them won't be able to. I received an e-mail today from a constituent who talked about how there are many retirement homes where they bus folks down to the fair and back just for a couple hours. People go after work for a few hours or on the weekends, and those people won't be making that trip out to Grand Island. I think there are those who won't go out to Grand Island out of spite of losing the fair, whether that's

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fair or not. UNL students, who are just then coming back to school at that time, are in Lincoln. They can easily go to the fair on the fairgrounds where they are. And even if it was still in Lincoln, it would still be accessible for them to go to out on 84th and Havelock. Over that same...over one of those weekends that the fair is in town, it's the first weekend of the football season and the volleyball season, so people are already coming into Lincoln from outstate Nebraska to attend those activities. They're here in Lincoln and they often would go to the fair as well. On a related note, I would love, when during Senator Aguilar's next comments, if he could address some of the motel/hotel issues. I know that that's been brought up by some of my constituents. Is Grand Island able to handle the capacity of bringing more people in for an event like this if they are, indeed, coming into Grand Island? Another loss I feel will happen by not having the fair in Lincoln is the cultural exchange that takes place at the fair. It's a chance for those of us who are from the city to be exposed to agricultural issues. I know some of those issues stay out in Grand Island at Husker Harvest Days now, but it was still exposure for some of us to some of the issues related to the farming and agricultural industry, and it was a chance for those families from rural areas to come and bring their kids into the capital city maybe for the first time and introduce them to Lincoln, and introduce them to the University of Nebraska where they may one day go to school. Again, I ultimately think the innovation park is too great of an opportunity to pass up for Lincoln and for the state, so I will be supporting LB1116 and the move of the fair. We have to be thinking to the future of this state, but I also wanted to make it clear that those of us from Lincoln do want the fair to stay here but we just see that the innovation park is taking, for us, priority over the location of the fair. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator McGill. We have Senator Karpisek, followed by Senator Erdman, Senator McDonald, Senator Kruse, and Senator Fulton. Senator Karpisek. [LB1116]

SENATOR KARPISEK: Thank you, Mr. Lieutenant Governor. Members of the body, first of all, I'd like to thank Senator Erdman for his excellent leadership in this whole...I think I'm going to have to call it a fiasco. It's been a long and winding road. I'm not calling it a fiasco because of the end, Ray. It's just the roller coaster we've been on. We've been to Scottsbluff, Norfolk, Lincoln. We've had numerous meetings. Senator Erdman and the committee have done yeoman's work to get this thing to where it is. I am very happy that the whole thing is on the floor. I told Senator Erdman from the beginning, I want this on the floor. Even if it doesn't go the way I want it to, it needs to be on the floor. It needs to be decided. The university needs to know where they're going, Lincoln needs to know, Grand Island needs to know, everyone needs to know. We've been treading water too long; we need to swim. I will say my only "no" vote out of committee to advance LB1116 was because of quite a few concerns I have. The number one concern is constituent voices. Many of my constituents, I would say 90 to 95 percent of my mail, my e-mail, phone calls have been not to move the fair. History plays a lot in that. I've always been known as someone who doesn't like a lot of change. I'll have to admit that.

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Does the fair need some help? It absolutely does. It needs a lot of help. And I feel that the lottery funds, that we voted on to give it, haven't been able...given a chance. I think it's been about 18 or 19 months. The State Fair Board hasn't been able to use those funds because they don't know what's going to happen. Are they going to be there next year or are they not going to be? Why fix something up if we're going to move, if it's going to be torn down? I feel we need to give it more of a chance at where it's at. I said from the beginning my vote would be to keep the fair at its current location. If it can't stay at its current location, I would vote for it to go to Grand Island. I want to say now why I...the reason was not why I voted to not advance the bill. What I'm trying to say is this is not the reason why I didn't advance the bill, is Grand Island. I think Grand Island can do a spectacular job. Cindy Johnson, Jay Vavricek and Don Dunn have come in to all of our Ag meetings and done a first-class, bang-up job, and if Senator Erdman does go to Iraq, I think he should take those three with him. (Laughter) They have done an excellent job. And I want them to come back, too, but maybe not Senator Erdman. (Laughter) Just teasing, Senator Erdman. They have done a great job. I am so impressed. I have not seen this sort of presentation, I never have. Now I'm not saying that the university didn't do a good job, 84th Street; they've all done an excellent job, but I do have to take my hat off to those people from Grand Island. I am beyond words impressed. Back to why I am concerned, the \$5 million from the Legislature, from the state, that does concern me greatly. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR KARPISEK: Thank you, Mr. President. And I will be voting for this amendment. I agree with Senator Kopplin, we've had a budget crisis, a shortfall. We've put it on the backs of students, high school students and schools across this state. I was not in favor of that. I voted no on all of those things. I don't know that we can spend this \$5 million to move it. Innovation park is a wonderful idea, too, and I will have my light on again, but it's a great, wonderful idea. I can't say enough good things about that either, but I do not know that it needs to go where the State Fair is. I think there are other places it could go. Is that the perfect location? Possibly. But does that mean it can't work somewhere else here in town? I don't think so. I'm not ready to give up \$5 million because it's the perfect location and nowhere else can work. [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR KARPISEK: Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Karpisek. Senator Erdman. Senator Erdman. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. I had to give Senator Karpisek a friendly motion that I'm going to file to his bills later. Actually, I wish I could file it that

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easily, Russ, but I don't think I can. Let me finish the question that Senator Raikes asked me, talk about one other one that I've heard, and then try to get to some other items here. What's the future cost to the state for improvements of the fair, and what's the future cost to the state for improvements at the innovation campus? I have made a copy of a handout that I believe you have now received from the university. The line that is starred, talks about operation and maintenance of university buildings--and I want you to hear this, I want the record to reflect this--the operation and maintenance of university buildings is a university obligation, period. If you continue to read on, it talks about how the Legislature has willingly funded some additional projects, but that's not an obligation of this agreement and that's not an obligation of any other thing than the benevolence of the Nebraska Legislature. There is no agreement between the parties that they will come back and ask for money in the future. There's no agreement between the parties that they couldn't come back and ask. So there's nothing on that other than the expectation is that they would have to do what they're doing now. If they want money from you, as members of Legislature, in the future, they have to come ask for it, but they're not going to get anything in stone or as an agreement through these conversations. The chancellor and the president of the university testified in front of the Ag Committee on February 26 that they believe the cost potentially to the state would be between 15 and 20 percent of the total cost of the public buildings, and at that time the numbers that they gave us was approximately \$300 million, and if you take 15 to 20 percent of that, you're in the \$45 million to \$60 million total over the lifetime of those improvements. Again, that is a university obligation. And in the event that the Legislature feels benevolent and wants to assist them in that in the future, that will be a decision that is made by the Legislature in the future. There is nothing in this agreement, there is nothing in this bill, and there's nothing contemplated at this point that guarantees them any additional assistance from the state for their project. The conversation about the \$5 million that's before us I think is a good one. For this to work, the number is \$42 million. That includes a substantial amount of private financing. The per capita amount of money that's raised by Grand Island exceeds the per capita amount of fund-raising that was on the table from the private group in Lincoln. The money that's available to the Fair Board is in excess of what would be available to them at their current site. So you go through this process and you say, how do you get to \$42 million? You look at what it would cost to make the fair whole, you look at what the state's interests are with State Fair Park, and you try to make sure that that money is in place before you make any decisions. Because once you make the decision, the state has no leverage in this concept, in this process. That's why LB1044 was the wrong vehicle, because it presumed an eviction. It said we will move the fair and then find the money. That's not happening; it's not going to happen; that's not the way it should have happened. But the population question of Grand Island is another topic. Senator Aguilar has briefly touched upon this and I will tell you that, if you go back and look at the consultant's report, you will see good guidelines for the state to determine what's a realistic expectation of attendance at a fair. [LB1116 LB1044]

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PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: In Kansas, they get 350,000 people to a fair that is more secluded and more remote than Grand Island would be, and further away from population centers than Grand Island is. But even if you use their numbers, as Senator Aguilar has, you very easily can get to 300,000 people. If you use the consultant's numbers, and I have these for you, and you say that we're assuming that a certain percentage of people should come to the fair within 30 miles, a certain percentage should come within 60 miles, 90 miles, the rest of the state, if you use their target rates you can get to 320,000. That's more than currently come to the fair in Lincoln. But recognize that the success of the fair isn't simply based on how many people come through the gate. That's a component to financing, that's a component of ensuring the outreach, and the Fair Board has met with me and we have walked through some of those considerations and they want the fair... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR ERDMAN: ...to be successful. They want people to attend it. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Senator McDonald. [LB1116]

SENATOR McDONALD: Mr. President and members of the body, turned my light on a long time ago so there are a lot of people that are wishing to speak on this issue. I serve on the Education (sic) Committee and I had a chance to view Grand Island's proposal from the very beginning, and I was very impressed. Having gone to Hall County's fair and being at Fonner Park various times, I knew that the infrastructure as there, but I hadn't looked at the whole surrounding and to even envision that the State Fair could possibly be there. They brought that to my attention and to the other members of the Ag Committee and enlightened us that that possibility could be there, and if this bill passes the possibility is going to be there. And Grand Island is a wonderful community. They work very, very hard at making sure that their successes happen, and I know that they will do a wonderful job with this one. Yes, there will be challenges: population base, we think we have that covered; the future of the State Fair in general. At its current location it wasn't surviving. We were going to have to invest money in those buildings that were already there. Several years ago we had a debate about whether we should invest in the State Fair at all. And we like to compare our State Fair to other state fairs around us, but little did we realize, or at least I didn't realize, that many of those state fairs were supported by General Funds. We never supported our State Fair ever with General Funds, and I truly believe that that's why our State Fair is in the situation that it is today, possibly wouldn't have to look at moving the State Fair or even to try to find funds to fix the buildings that are there. So that \$5 million is part of that puzzle. Each piece of that puzzle has been negotiated. It has been put together by Senator Erdman, with all of his

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negotiations with various entities, and to remove one piece of that puzzle, the puzzle is not going to work. So as we look at who needs to pay for what, those pieces need to stay intact or we destroy the whole process of funding the State Fair. I look at this as an opportunity for central and western Nebraska to be able to show what they can offer, and I think our State Fair is going to prosper because of it. I have a few minutes left and so I'm going to offer that to Senator Aguilar. I think he only wants 30 seconds, but I know he can talk longer than that. Senator Aguilar. [LB1116]

PRESIDENT SHEEHY: Senator Aguilar, you're yielded 2 minutes. [LB1116]

SENATOR AGUILAR: Thank you, Mr. President. Thank you, Senator McDonald, for your gracious allowance of time. I just need a short bit, specifically to address Senator McGill's question. We want to make sure everybody gets their questions answered this morning. Senator McGill, Senator McGill, Senator McGill, yes, we've done our homework. The consultant's recommendation for the State Fair in the area of hotel rooms is 1,500. We have 1,500 in place right now and we can build hotels if there's a need rather quickly. That's all I have. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator McDonald. Thank you, Senator Aguilar. Senator Kruse. Senator Kruse. [LB1116]

SENATOR KRUSE: Thank you, Mr. President and colleagues. Many good words have been said and I'm not going to repeat them. Two items: One, and I do support the bill, I have longed for this to be the time when we could make a future projection of what the fair ought to be. That's awkwardly worded. I'd like to know what we think the fair should look like ten years from now. There have been comments about that, but not really if the study that was done was about buildings and so on. What would a proper State Fair look like? We are now saying that a proper State Fair has a strong emphasis. I don't resist that. I just wish that we would declare that openly, clearly, and that that's what we're saying at the present time. I have to presume that's what we're saying, but I wish we had discussed that. And second, in terms of attendance and the population attendance, it's a sentimental note but I'm glad to see the fair moving to the suburb of Boelus, a mighty town from which I came. When I was a child, I never could go to the State Fair because it was so far away. If it had been at Grand Island all this time, I could have gone to the State Fair. The reverse flip of that, of course, is that there will be far more intense attendance from those who are closer. Senator Dubas has already spoken to that and others. I do affirm what the suburbs of Boelus can do for the State Fair. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kruse. Senator Fulton. [LB1116]

SENATOR FULTON: Thank you, Mr. President. I pushed the button, I don't know, four hours ago. It's what it seems like. (Laugh) So a lot has been said, but there's a point

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that I want to make and make clearly. Senator McGill brought up some points on behalf of Lincoln and I want to continue doing that. The best way I'll go about doing this is the way that I think that we should be going about doing this, and that's logically. We have a State Fair at present. We further want a State Fair. I know Senator Chambers may disagree, but we have a State Fair, we want a State Fair. The State Fair exists, in its present form, on a tract of land that's adjacent to the university. I have been contacted by concerned Lincolnites, and constituents specifically, who don't understand why we can't leave things as they are. And generally, just by way of disposition, that's generally the way I like to operate. If it ain't broke, don't fix it. What people need to understand is that to leave the status quo in place will necessarily take energy and money. The consultant report, the first consultant report, indicated that there are 29 buildings that need to be removed or...removed or renovated, 33 refurbished. That's a lot of money, and so to leave the State Fair as it is will cost money. That is the informing element behind this move, in my opinion. What was proposed, and I will say publicly what was proposed and looks most rational to me, is to move the State Fair to 84th and Havelock, collocate with the Lancaster County Event Center. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR FULTON: That's what seems reasonable to me. That seems the most rational. So that's the question I have--what's wrong with 84th and Havelock? Senator McGill touched on some points. I'll touch on some also. There is a population base to draw from here in Lincoln. Eighty-fourth and Havelock is situated between our two largest cities. We have a certain amount of synergy with Husker football games. We can work together. The State Fair and Husker football are able to work synergistically. That's an advantage. Our proximity to Interstate 80, it's advantageous. So I'm going to talk some more. I want to say that I am in favor of opening up land to bring private industry into Nebraska. I think it's going to be well worth it in 20 to 30 years. I will have questions about costs, of course, but I want to ask the question, what's wrong with 84th and Havelock? Citizens in Lincoln would like to know. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Fulton. Members wishing to speak on AM2645 are Senator Hansen, followed by Senator Langemeier, Senator Stuthman, and Senator Loudon. Senator Hansen. [LB1116]

SENATOR HANSEN: Thank you, Mr. President, members of the Legislature. I think what we're seeing today is a train and it's coming down the track pretty fast. And I talked to a lot of the other senators and I think I know where the vote is probably going to end up on this. But there is a little bit I would like to say. Senator Erdman started out this morning and his comments started out, when the State Fair was started and that was well over 100 years ago, too. But what I...the points I want to make is we've all made mistakes. We've made mistakes in our businesses, we've made mistakes on a personal level, and we've made marketing mistakes in whatever business we're in. And I think

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the University of Nebraska has also made some mistakes. Sixty years ago when we have the cattle, we have the corn, we needed a feedlot or a feeding industry in the state of Nebraska and our ranch was one of the cooperating herds for feedlot development in the state of Nebraska. We would wean calves and we'd take them to the extension farm, the state farm at North Platte, south of North Platte, and they'd do research on them and as part of the development of the feedlot industry. Prior to that, Nebraska took their calves...sold their calves to feeders in Iowa and Illinois. University put...the university had some input on where we put these feedlots. This was 60 years ago, and they said put those feedlots on a side hill, then when it rains all that manure, all that effluent is going to run down the hill, run into a creek, and you're not going to have to worry about it. Well, we have a big problem with that now with the Department of Environmental Quality and the EPA. Forty years ago we found out, we discovered, that we have a state with cattle, corn, and an unlimited amount of water in the Ogallala Aquifer. In order to grow Nebraska and to add value to Nebraska products, we needed to develop an underground irrigation industry. Now we're in a big problem with neighboring states and the U.S. government and the Endangered Species Act. This is the same university that struggles to find funding for existing research facilities. Their existing research facilities are not fully funded or fully staffed. We have positions left open in ag research, and they've been open for quite awhile. We have facility budgets that have not increased. I asked the director of the extension research in North Platte how long it's been since the facility's budget has been increased, and he said it hasn't been increased since he had been there, which what that means is no maintenance to the buildings. This is the same University of Nebraska that just a year ago paid bonuses to a coach and an athletic director and then, six months later, fired them. But that's not the point. The point is we're facing a decision today on a historic land grab for the university research and it brings up a whole other set of questions: How do we fund what we have now as a university? How do we maintain the facilities that the university has now, and how do we expect to maintain more? We need to think about the sustainability of state aid to Nebraska. We need to also think about the sustainability of a University of Nebraska. We were passed out a sheet from the Ag Committee, Senator Erdman's Ag Committee, where the university is going to put in \$21.5 million, Grand Island is going to put in over \$8 million, the Fair Board over \$7 million, state of Nebraska is just asked to put in \$5 million. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR HANSEN: This is not going to be a \$5 million appropriation. This is going to be multi, multimillion dollars of appropriations over the next several years. I don't understand why the State Fair needs to move at this particular time. I think that it should stay in Lincoln at the present location and the university, we can continue to do ag research where we're at. I have a great fear that in times of downturns, we're going to reach out to the facilities that are further in western Nebraska and we're going to...they're going to be cut even more than they have now. I know that I think everyone's

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mind is pretty well made up. I think Grand Island would be a good place to move the State Fair, too, if it needs to be moved, but I do not think it needs to be moved and I will vote against the bill. I think Senator Kopplin's amendment is good. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Hansen. Members, the cinnamon rolls being passed out to yourselves and staff this morning are in honor of Senator Pedersen's and his wife's 38th wedding anniversary. Congratulations, Senator. Senator Langemeier. [LB1116]

SENATOR LANGEMEIER: Question. [LB1116]

PRESIDENT SHEEHY: The question has been called. Do I see five hands? I do. The question is, shall debate cease on the amendment to committee amendment, AM2645? All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 26 ayes, 2 nays, Mr. President, to cease debate. [LB1116]

PRESIDENT SHEEHY: Debate does cease. Senator Kopplin, you're recognized to close on amendment to committee amendment, AM2645. [LB1116]

SENATOR KOPPLIN: Thank you, Mr. Lieutenant Governor, members of the body. I'm going to close the way I started. I will vote to move the fair to Grand Island. If you took my question about the population base as something personal and derogatory to Grand Island, you're wrong. It's simply a question that I raised in the total picture. I don't mind the fair returning to its agriculture roots and being an agricultural fair. I've attended the fair for every year for 40 years or better. I remember when it was an agriculture fair. I had a great time. I am simply saying do we need to move money out of the cash reserve when we were so firm about saying we could not take that money away before? That's all this amendment is. A question arose, we're taking more out because it says delete Section 7? No, just delete Section 7 out of this bill; nothing else changes. So vote however you feel. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kopplin. You have heard the closing. The question before the body is on the adoption of the amendment to committee amendment, AM2645 to AM2629. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 8 ayes, 25 nays, Mr. President, on Senator Kopplin's amendment to the committee amendments. [LB1116]

PRESIDENT SHEEHY: Amendment to committee amendment, AM2645, is not adopted. Next amendment, Mr. Clerk. [LB1116]

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CLERK: Mr. President, Senator Kopplin would move to amend the committee amendments with AM2647. (Legislative Journal page 1289.) [LB1116]

PRESIDENT SHEEHY: Senator Kopplin, you're recognized to open on amendment to committee amendment, AM2647. [LB1116]

SENATOR KOPPLIN: Thank you, Mr. Lieutenant Governor, members of the body. I heard much discussion during the first amendment about economic development and the potential that this is for our state. I haven't disagreed with that even because there is potential. It is economic development. We need everything we can get in this state. What this amendment does is simply say, instead of taking \$5 million out of the cash reserve, we take \$5 million out of the job training fund. That is economic development. Currently, there's a little over \$20 million in the fund. About \$9.5 million of that is obligated to current contracts. DED would argue that \$1,600,000 is on contract pending status, and \$6,600,000 is preliminary commitments. Well, what preliminary commitments means is that they've talked to a company somewhere and said, yeah, there's job training funds that are available. There's no firm commitment on those funds. I'm just saying they have \$10 million sitting there. This is the biggest economic development package we've had in a long time. So instead of saying, okay, let's see what we can do to attract a company from somewhere to come here, why don't we use the funds on what we already have? Use the \$5 million from economic development. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kopplin. You have heard the opening of the amendment to committee amendment, AM2647. Members wishing to discuss from the floor are Senator Stuthman, followed by Senator Loudon, Senator Schimek, Senator Carlson, and others. Senator Stuthman. [LB1116]

SENATOR STUTHMAN: Thank you, Lieutenant Governor and members of the body. I think we're at a time right now where there is going to be a change, there definitely is going to be a change, and I think if we're willing to accept the change, and that is the characteristics of good leadership, the ability to change and work with change and things like this. I think one of the things that is going to change, that if we move the State Fair to Grand Island, there is some real positive elements of that. But I think we've got to accept the fact that the attendance at the State Fair, which normally is now in that 90,000-a-day area, I think we're going to have to be able to accept the change that, in fact, it will only be maybe 35,000 or 40,000 attendance at a day's event. And maybe that's not all bad. But I think one of the better parts of it, if it is moved to Grand Island, is the fact that it's more of a central location for the people that show their projects off, the FFA people, the 4-H people, some of the open class people. It's more in a central location. I think that's very good. Several years ago we discussed the fact of maybe dropping the State Fair. I think that was in about the first year that I came to the

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Legislature. I was opposed to that. We have saved that part of it. As many of you know, we have county fairs, people that exhibit at county fairs, and they get a ribbon and that ribbon, they're a qualification for State Fair, and I think that's very important, and they take their entries to the State Fair and get graded on them there. I think that brings a lot of people together, a lot of people that are possibly in the same industry, a lot of youths, a lot of families. I think one of the main benefits of the State Fair is the fact that children have projects. They enter their project at the State Fair. It's a family togetherness. They come to the State Fair. But I think there's another component of the State Fair that maybe we're not thinking a lot about. There's an open class portion of it where a lot of the people from the metropolitan areas come. There's a lot of baking, a lot of sewing. A lot of elderly people, you know, do things, bring it to the State Fair. I really think that when it is moved to Grand Island a lot of these entries will not be entered into the State Fair. I hope it doesn't happen that way, but I fear that very much so. So I'm going to continue to listen to the debate. I think there's great opportunities for moving it to Grand Island, but I think if we're willing to accept the fact that the attendance will surely go down, possibly by about half. Another thing that I've been thinking about is we do have a lot of livestock expositions in that area of Grand Island. Quite a few of them go to Kearney. When we have a new State Fair area where there's going to be new buildings, will Grand Island attract those expositions of these livestock industries? Will that attract them to Grand Island? And very much so it may be, at the expense of Kearney and the communities around. I think that is one thing that we also got to consider. But I think we're at a time right now where we're going to have to accept the change, hopefully to the better, but I think there's a real opportunity, you know, for the state to look at another place and hope we'll develop a real good environment for leadership... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR STUTHMAN: ...of our children, where they can show their examples of what they have done throughout the year and their projects that they have been experienced with. Thank you, Lieutenant Governor. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Stuthman. Senator Louden. [LB1116]

SENATOR LOUDEN: Thank you, Lieutenant Governor and members of the body. I, of course, support moving the State Fair to Grand Island. Ever since I've been down here in the Legislature, I've supported moving it out of Lincoln because we were having discussion back then about funding the State Fair and I felt that what the State Fair was some 53 or 54 years ago, when I first came to a State Fair, and what it was in the last few years, it was probably a dying process anyway. Over the years, they've lost most of the business support from the communities. Years ago, there was a lot of the businesses that had booths and demonstrations at the fair, and the last time I was there about a year ago I saw very few of those. As I always say the biggest agricultural exhibit there was Japanese "quarter horses," and that's what you would call Honda

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four-wheelers. And with that, and that was probably the biggest part of any new equipment there. What new equipment was demonstrated there was you could put it all on one city block and, in fact, the antique tractor division had a larger area than that. So I have no problem with moving the fair to Grand Island and getting it...getting a new, I guess, vitality to it, because there are a lot of things that can be done. The question is, do we want a State Fair to have concerts with or do we want to have something that would showcase our agricultural products? There are a lot of things that could be done with the State Fair when it goes to Grand Island. We could probably promote quarter horse racing. There is nice race tracks there. While we were rebuilding, in the process of rebuilding this thing, I would ask that the study be made to see if a quarter horse track could be also built right along with the facility. With that, there's over 20,000 registered quarter horses in Nebraska and there's no reason why we couldn't promote an industry like that. You move that thing farther west, some quarter horse racing gets started in Nebraska, we have a large population to the west of us on the front range there that we could be bringing population and tourism type attractions into Nebraska by having events like this. It's something that could be used year-round. I've wondered about the value and I question whether we take \$5 million out of the Cash Reserve Fund. I was asking for about \$7 million out of the Cash Reserve Fund to build about \$70 million worth of highways in the expressway system this year and they couldn't find any way to fund that, but we're talking about \$5 million bucks to move the State Fair. Now there are other ways that probably that could be made up. I question if we got 200 or 250 acres of land and, as being a rancher and had to purchase land over the years and find ways to make it pay, I question is that the value that we should be receiving for that land. That's less than \$100,000 an acre. And at the present time, this hole that they're digging out east of Lincoln here, they're selling lots at over \$100,000 per lot around that lake in various areas. So when you take the footage on that 250-some acres or 200-and-some acres in downtown Lincoln, I'm wondering if...with the university getting it at the wholesale price of, what is it, \$21.5 million or whatever it is, I would hope there's something in the agreement that they don't decide to sell a portion of it and get all our money back and still have the land left over. Because in land dealings over the years, I've seen that happen many times. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR LOUDEN: So I hope that something like that doesn't go on. But I really do think that there's other places probably to find the \$5 million rather than cash reserve, and one of them would be that the price of land. If we have to, give the university half of it and develop the other half, put that up to developers and actually find out what that land is valued at. Has anybody took a complete appraisal on that land? That would be the question I'd have. But as far as moving it to Grand Island, I certainly support that. This isn't any obstacle that can't be resolved or studied. We just have to be careful what we're doing. Thank you, Mr. President. [LB1116]

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SENATOR LANGEMEIER PRESIDING [LB1116]

SENATOR LANGEMEIER: Thank you, Senator Louden. Those wishing to speak, we have Senator Schimek, Carlson, Wightman, Pirsch, Rogert, and others. Senator Schimek, you're recognized. [LB1116]

SENATOR SCHIMEK: Yes, thank you, Mr. President and members of the body. First of all, I am opposed to the Kopplin amendment and to the last one. And, Senator Karpisek, I would just say carpe diem--seize the day. That's sometimes what we have to do even when it's not convenient. And I reference, again, the building of the State Capitol when our forefathers decided they needed to do it despite the economic times. I would like to thank the committee, which I think they deserve credit and thanks for all the work that they've done, and they've done it well. My biggest concern is I feel kind of like we're in a time box here and that we have only a short time to consider this, and I want to make certain, as best we can in this short time, that we are doing the right thing. I think that it's important to understand the capability of G.I. to host the fair, and I certainly don't want to sabotage the committee's work or their proposal, but I don't want somebody coming back 20 years from now or 30 years from now and say, you know, what were these people thinking; why didn't they ask the right questions? So all I'm really wanting to do is get some answers today. And, you know, I've already gotten answers to some of my questions as I've listened to the rest of you ask your questions. So I guess, Senator Aguilar, are you here? I'll start with Senator Erdman then, if I could. [LB1116]

SENATOR LANGEMEIER: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will. [LB1116]

SENATOR SCHIMEK: Senator Erdman, I probably should have picked up on this but I haven't. I don't know the answer. [LB1116]

SENATOR ERDMAN: Well, hopefully I do. [LB1116]

SENATOR SCHIMEK: Hopefully you do. The lottery funds will continue to go to the State Fair. Is...that's correct and that would be my assumption. [LB1116]

SENATOR ERDMAN: That is correct and Grand Island will be responsible for the 10 percent match, just as the city of Lincoln is responsible for it now. [LB1116]

SENATOR SCHIMEK: And that was my next question. So quit reading my mind. That is scary. (Laugh) [LB1116]

SENATOR ERDMAN: (Laugh) I don't know who that scares more. [LB1116]

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SENATOR SCHIMEK: Okay. And maybe you can answer the question I was going to ask Senator Aguilar. I had several about Grand Island, but one of them that remains with me is the...their capability as far as safety issues are concerned. Are there...is there, I should say, an adequate police force, even maybe in this case an adequate fire department, to handle safety concerns that would be connected with large amounts and numbers of people that could be visiting Grand Island for the State Fair? [LB1116]

SENATOR ERDMAN: Yeah, that...these...and again, Senator Schimek, appreciate the question. To other members, if you have questions, I've got volumes of information here. I want to make sure you have the answers. My...and this...I have the picture. I'll go back and look at it. I believe that there is an actual fire department on the grounds near Fonner Park, to first answer your question. They actually have a facility next to the oasis which is just on the west side of the boundary of Fonner Park, or possibly it's just somehow cooperative. That's there. One of the things you also have to realize, and I think you may know this, the State Fair Board has to provide additional security during the fair in addition to the security that's provided by the State Patrol or the city of Lincoln or whoever. So even in Lincoln, that obligation is there for additional security. When the fair goes, if the fair goes under this, that same obligation would still be there. Part of the cost that the Fair Board would have would be to ensure security, and that's either from the sources within Grand Island or to provide their own security in which Fonner Park themselves has their own security service that they use. So they would still have to have... [LB1116]

SENATOR LANGEMEIER: One minute. [LB1116]

SENATOR ERDMAN: ...the safety, those requirements available, and they are committed to doing that. [LB1116]

SENATOR SCHIMEK: Okay. Okay, I appreciate that. I do know that it takes a lot of cops, if you will, during State Fair time to manage the traffic and to manage the numbers of people, and I'm not going to belabor that point. I just appreciate your answer. I would like to say in closing, and I don't have much time left, I guess, is that Lincoln does want the State Fair, Senator Kopplin. We want it, but we probably want the research facility even more. So probably the train is on the tracks and probably that's what's going to happen, is the State Fair will probably move to Grand Island. And I have nothing against doing that. In fact, I have said all along, when asked about it, that Grand Island has a lot of things going for it, and I didn't see the presentations or hear them. [LB1116]

SENATOR LANGEMEIER: Time. [LB1116]

SENATOR SCHIMEK: But Lincoln really would like to keep the State Fair. Thank you. [LB1116]

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SENATOR LANGEMEIER: Thank you, Senator Schimek. Senator Carlson, you're recognized. [LB1116]

SENATOR CARLSON: Mr. President and members of the Legislature, I rise in support of LB1116. I support the innovation campus. I support the Grand Island location. My vote was cemented early this week. And whenever I think somebody maybe steps out of bounds a little bit I'm willing to call them on it, and so I'm going to do that in my testimony here in support of this bill. There's a news talk radio station in Lincoln. Every morning I leave our condo at 6:30 and tune in this station. There's a lot of good programming on this station. Sometimes I think that Senator Fulton and Senator Avery are part-owners of the station because they're on there so often, but I enjoy listening to the engineer and the professor speak. This station has a gentleman on regularly. I don't know him. I wouldn't know if I saw him. I'm guessing, by his voice, that he probably, if he has hair, it's mostly gray. But he's got a down-home, common-sense approach to many current issues and he always concludes his opinions by the statement "and that's the way I see it." Early this week, the station content took a turn for the worse. Lincoln is a wonderful city and the great majority of the residents are good, honorable people. Now make no mistake, I believe the members of this Legislature are good people, here for the right reasons, and they don't display the attitude that I heard on this local radio station. But there are a few people from Lincoln and east, and I say few, that have this pervasive arrogance about outstate and western Nebraska. I think their arrogance causes them not to even know where outstate and western Nebraska is. They played an ad that they had prepared about the State Fair in Grand Island, and this family took off in their car from Lincoln, drove west to go to the State Fair. First of all, they had trouble finding Grand Island and they said, we haven't even come to the Arch yet. (Laughter) Then they finally found Grand Island and the State Fair and noticed there weren't too many cars there. Where are all the cars? Do we have the date wrong? But then a gentleman came up and told them, no, they're just on time. And then one of them said, well, what are these weeds blowing across here, tumbleweeds? And the gentleman told them that they should get out of their car, and there were some cows that they could look at, at the State Fair. Now these people that think this is humor, and there are a few of them, I don't think they know their highways west of Lincoln. Their broadcast power runs out of juice about Milford, and so I guess anything west of Milford is western Nebraska. But I got on the map and found out if I start at Omaha and go all the way to the west end of the Panhandle and find the midpoint that Senator Wightman still lives in eastern Nebraska. [LB1116]

PRESIDENT SHEEHY PRESIDING [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR CARLSON: Phelps County is still in eastern Nebraska. Senator Johnson is

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in eastern Nebraska. Senator Aguilar, you're not even close enough to western Nebraska to see it. And yesterday this statement made fun of how many people would move to Grand Island because the State Fair is going to be there and how many from eastern Nebraska won't go because it's too far. Now I take exception and I don't appreciate that kind of humor. So I thank them for cementing my vote. It's time for a change. It's time for new ideas. It's time for new energy. It's time to refocus on agriculture. Grand Island will do this. I'm Senator Carlson and that's the way I see it. (Laughter) [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Carlson. (Visitors introduced.) Senator Wightman. [LB1116]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the body. Senator Carlson will be a hard act to follow. I do favor LB1116. I favor it for two reasons. Number one is I think the innovation park represents the future of Nebraska. I think it needs to be near the university. Ideally, it should be located, as it will in this location, between the two campuses. I don't know where else it can be located and be in that location, since Nebraska already has an interest in the land that would represent that innovation park. It's hard, I think, to move from the past to the future, and it's hard to determine when that move should be made. I know there have been some here. Senator Karpisek says he resists change or change doesn't come easily to him. Perhaps I'm too much on the other side. I'm always willing to listen to whether change is advisable. I suppose all of us have some resistance to change. I think the question is striking a balance between change for the sake of change or to move into the future. That's the question we have on whether we should support change. But here, I think this is an ideal location for innovation park. We have an opportunity, I think, and I heard these words used, to seize upon the opportunity. I happened to go to the Council of State Governments' meeting last fall in Oklahoma City. I saw an instance there of what change can do for a community and for a university and also for the moving forward of an entire state in a particular area. The city of Moore, Oklahoma, had just had a tornado, and this was early, I think, in the Clinton administration. I'm not sure exactly what year that was. They knew that President Clinton was coming to town. Somehow they prevailed upon him to announce that they would look upon the Norman, Oklahoma, area and University of Oklahoma as a weather command center because of its central location. They seized upon that opportunity. The President, when he was there, did state that they were going to explore the possibility of a weather command center in Oklahoma. They had, as Nebraska would in many instances, a lot going for them in that they had a strong meteorology department in Oklahoma. They went forward with that and today they showed us, and they showed us on the day we were there, all of the private partnerships that they were able to bring to the Norman, Oklahoma, area to capitalize on this command center. And literally, there were thousands of jobs that are weather connected because they seized upon the opportunity. I think we, likewise, have that opportunity to move forward, and I do not see this a change for the sake of change, but

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an opportunity to seize the moment. Now moving to a second reason I support LB1116 is that I do believe that the fair can get... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR WIGHTMAN: ...a new start in Grand Island. As Senator Carlson said, I'm one of you easterners. If my calculations are correct, and I believe they are, somewhere between probably Gothenburg and Cozad represents the division line between the east and west as far as the area. I think most people forget that. I think most people in this state think that Lincoln and Omaha represents the major part of Nebraska, and certainly it does as far as population. But I just looked and if I look at about eight counties, seven or eight counties right along the interstate or along the Platte River that goes from Dawson County to York County, I come up with about 195,000 people just along Interstate 80 in those counties, so I think the population base is there. One of the things I do believe is that there aren't 250,000 people, different people,... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR WIGHTMAN: ...that attend that fair. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Wightman. Senator Pirsch. [LB1116]

SENATOR PIRSCH: Thank you, Mr. Lieutenant Governor and members of the body. I do, in general, like the bill, especially the potential for a win-win result here. In general, I believe in the economic development capacity or capabilities of research parks. We are entering into a new type of economy, an economy where there are synergies involving university research and private enterprise. I think a side effect of this, these type of research parks, may be to raise the visibility of the state to a level that we can begin to attract venture capital to new technologies, and so...and that is an area sorely needed by this state. I can tell you in my district we do have budding entrepreneurs who have just incredible ideas involving technology. We have, just as one specific example, an entrepreneur...a group of entrepreneurs who have a concept of using little minirobots to perform noninvasive surgeries. And so you swallow the robot and it actually does the operation from the inside. So the problem with these type of small, albeit great ideas behind them, ventures is when based in technology they are capital intensive and we sorely lack that type of investment capability within the state. So I think if we can raise our visibility within that area, it's a good thing for the state and we absolutely need to in the economy of tomorrow. In general, I like the idea also of keeping a strong link between the State Fair in an agriculturally strong area of the state, around Grand Island. I've been to Grand Island quite a bit and I agree that they are, Senator Aguilar as you say, a can-do city, and so I do appreciate those comments. So I think there is a potential for a win-win outcome here. I do have some questions that I would like to address, some from the financing aspect. I wonder if Senator Erdman might yield to a

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question or two? [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will. You can ask more than two questions, Senator Pirsch. [LB1116]

SENATOR PIRSCH: Thank you very much, Senator, and I appreciate that. Currently, the University Technology Park is located on interstate...off on Interstate 80 just north of the city. Is that correct? [LB1116]

SENATOR ERDMAN: Yeah. The specific location I believe is off of Superior Street near I-180. [LB1116]

SENATOR PIRSCH: Okay. And can you...how many acres is the Technology Park up there right now, just approximately if you know? [LB1116]

SENATOR ERDMAN: Approximately there are...as I...and this is just off of the university's...or the Tech Park web page. I believe there are 80 acres that are undeveloped and there are 35 that are developed, so that would be just south of 120 total acres. [LB1116]

SENATOR PIRSCH: Okay. Do you know the future plans, should the Legislature pass this bill, the future plans for that, the current Technology Park, which is not located close to the campus? [LB1116]

SENATOR ERDMAN: This has been a topic of conversation between myself and the university. They have not committed to the sale of this property, but they have also not committed to the development of this property. As I understand, their rationale there was twofold. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: One, when this land became available, it was a result of some other financial proceedings that Commonwealth or others were a part of, and so the foundation, I believe, acquired this land at that point, and that would have been in the eighties or nineties. My point has been to them that it's a good idea and a good faith effort to show the people of the state of Nebraska that if you're going to develop State Fair Park and make an irrevocable commitment to that, that you should limit your other options within the community. I know they're considering that but they haven't made any formal decisions on that at this point. [LB1116]

SENATOR PIRSCH: Well, I appreciate your answer to the question that was put, and

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this plan would call for \$5 million from the Cash Reserve Fund and so that is a question that I did have. I do think the proximity argument is a good one, that there is, when you look at the research parks around the nation, those that are located close to campus, that there is a greater amount of collaboration and a greater visibility that, as I mentioned, as these side effects. And so I do... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR PIRSCH: ...I do appreciate it. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Thank you, Senator Pirsch. Members continuing discussion: Senator Rogert, followed by Senator Engel, Senator McGill, and Senator Karpisek, and others. Senator Rogert. [LB1116]

SENATOR ROGERT: Thank you, Mr. President. I yield my time to Senator Nantkes. [LB1116]

PRESIDENT SHEEHY: Senator Nantkes, you're yielded five minutes. [LB1116]

SENATOR NANTKES: Thank you, Senator Rogert. Thank you, Mr. President. I just wanted a moment to talk a little bit. Most of you know me and I represent north Lincoln. I represent, in my district, the...both the university and the current site of the State Fair. Both of you...all of you know me as well as a strong supporter of the university system as a whole. I have always been very focused in my passionate advocacy in regards to their efforts and their contributions to our great state. But what you may not know about me is I grew up a 4-H kid out in rural Seward County and the lessons that I learned in 4-H in showing livestock and taking projects to the county and the State Fair are some of the lessons that help to guide my public service in this capacity. In 4-H, we're focused on our head, our heart, our hands, and our health, and I think that some of those same concepts, not to be too hokey or too parochial in this debate, but they guide us. This issue is about improving our communities, both in Lincoln, both in Grand Island and across the greater state, as my colleague Senator Harms talked about, the impact that that innovation campus will have in other communities across the state. It's also about working together and finding common ground. And so as a Lincoln senator, I want to applaud the efforts of the city of Lincoln and the 2015 Vision Group, the Lincoln Chamber of Commerce and all of the other folks who have worked so diligently to continue to tell your strong story about why Lincoln is a good place to host or to re-site the fair, but while also recognizing all of the hard work of greater and broader partners have brought us to where we are today and the concepts envisioned under LB1116. And that includes, instead of just trying to kind of poke holes or put questions out there about Grand Island's capacity or otherwise, I see this as an opportunity to reach a hand out to our friends in Grand Island. This is about partnership, about true partnership for our communities, for Lincoln, which is proud of the many amenities that we have, for

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Grand Island that is proud of the many amenities that they have and bring to the table. And this is truly a partnership where we work hand in hand, community to community to move Nebraska forward. And I am so proud to work with my friend, Senator Dubas and Senator Aguilar on these issues as a Lincoln senator, recognizing the hard work Mayor Chris Beutler, the interested folks in Lincoln have done to make our case about keeping the fair here, but by also realizing that partnership and reaching out a hand is how we move our state forward. I applaud and I admire their leadership and that should be a lesson to us all as we move forward with this debate. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Nantkes. Senator Engel. [LB1116]

SENATOR ENGEL: Mr. President, members of the body, I'm not trying to scuttle the bill or the intent of it or anything like that, but I do have a couple comments I'd like to make. I know we do have this Technology Park--and perhaps Senator Pirsch said something about that, I was busy talking about something--else out here that has been there several years, and I know it's not full. I think there are about 80 acres of land available there, but it isn't right adjacent to the university. But by transportationwise, you can get there about as fast as you can to the...where the Fair Park is right now. And as far as with technology the way it is, and I discussed this with Prem Paul and others at the university, but technology, the way it is, you know, if something is wrong with your telephone and computer, you call this number and somebody in India solves your problem for you. So with technology I think you can communicate across town as easy as you can across the oceans. But then another thing I've got...another question I have in my mind, I know as far as the university portion of this, they said they have the money, most of it is through the University Foundation, as far as their portion of the cost of the move. But what I'm concerned about is the future, the cost of tearing down all those old buildings which will have to be torn down, and the infrastructure costs--roads, utilities, etcetera. I think that's going to wind up to be a lot more than their original portion, the \$22.5 million or whatever it is, and that's a big point...a big cost and an ongoing cost. So I think this has to be all taken into consideration. And then, when that time comes up where they need more money, I certainly hope they're not relying on tuition increases because we do still have to keep education affordable for our kids, our young people here in the state of Nebraska, and if we don't, they won't be being educated here. So I'd like to see something and, like I say, I'm not trying to scuttle this in any way, and I think as far as moving to Grand Island, I don't have any heartburn over that at all, but as far as I think we have to look at the future costs versus the future benefits and I'd like to see some kind of a sheet with those projections. But with that, I would turn some time over here to Senator Schimek, if she'd like it. [LB1116]

PRESIDENT SHEEHY: Senator Schimek, you're yielded 2 minutes, 40 seconds. [LB1116]

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SENATOR SCHIMEK: Thank you, Mr. President and members. I'll be brief. I just wanted to say to Senator Carlson that maybe your first mistake is listening to some of that talk radio. I did tell you that off the mike a bit ago, but I do concur that the gentleman that you referenced as "that's the way I see it," he's a very fine gentleman and he does a good job in looking at issues from a common-sense point of view. I do want to apologize, though, for any slights that were given. I don't believe that those in this body, in fact most of the people in Lincoln, have that kind of an attitude. In fact, if the truth be known, most of us came from other parts of Nebraska. My husband came from North Platte, which I believe is about the center of the state, incidentally, and I came from Alma, which if I still lived there I'd be one of your constituents. So I just wanted to make that for the record. Senator Engel, I would like...or, Mr. President, I would like to turn my time back to Senator Engel. [LB1116]

PRESIDENT SHEEHY: Senator Engel, 1 minute, 30 seconds. [LB1116]

SENATOR ENGEL: Thank you, Senator Schimek. And we'll be talking about those costs later on, but at this point in time, I'd like to turn the rest of my time over to Senator Erdman. Thank you. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, 1 minute, 25 seconds. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. Thank you, Senator Engel. Let me follow up on Senator Engel's comments about the costs. The costs of this proposal come out of private funds from the university, whether it's the Foundation or their fund-raising. It is not coming out of General Funds. In other words, we're not...they're not going to contribute \$21.5 million and then come back next year and ask for an increase of \$21.5 million from the Legislature... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...to make up the difference. That's not what we're talking about. They're going to go out and get \$21.5 million from somewhere and just so that's clear. The other part of this is, and it's on the record, it's in paper, I was going to ask for it in writing at the hearing, but they graciously agreed to, they admitted that the maintenance and operational costs of university facilities are the responsibility of the university. So in the event that the university comes back for that site and say we need help doing X, Y or Z, and it costs the state to do that, we won't be obligated to do that. We would be doing it out of the graciousness of our hearts. And Senator Engel, as a member of the Appropriations Committee, you probably have the biggest of all. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Engel. Thank you, Senator Erdman. Senator McGill. [LB1116]

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SENATOR MCGILL: Mr. President, members of the body, once again I'd like to reiterate that, while I support LB1116, I would indeed like to see the fair stay in Lincoln. And before I yield my time to Senator Fulton to discuss that issue further, I do want to address one small issue quickly that was brought to my attention by constituents who were concerned about what's going to happen to some of the historic buildings that are currently on the State Fairgrounds. I was very pleased to see that as part of the innovation campus plan they do plan to keep some of those buildings. These two, the 4-H Building and Industrial Arts Building, are two of those. In their own literature it says these two buildings are signature buildings that reflect the legacy of the State Fair. UNL will make every effort to retain these structures and utilize them within the concept of the innovation campus. The current 4-H Building would be renovated as an education center to provide a common learning center for occupants of the innovation campus. It could also continue in association with 4-H to provide a means for young people to engage with the scientists and companies housed at the innovation campus. They also plan on keeping or moving the historic arsenal, and I just wanted to put that out there to ease any concerns that the university plans to totally get rid of all of the history that's currently at State Fair Park. And with that, I yield the remainder of my time to Senator Fulton. [LB1116]

PRESIDENT SHEEHY: Senator Fulton, you're yielded 3 minutes, 40 seconds. [LB1116]

SENATOR FULTON: Thank you, Senator McGill. Thank you, Mr. President. Didn't get to finish on what I was saying before. I want the record to indicate that there has been some deliberation on the differing sites that have been brought forward as potential for the State Fair. The way we work in the Legislature, as you well know but let the record show, we have committee structures and that committee structure is a microcosm of the broader Legislature, and so a lot of what has been discussed in the Agriculture Committee may not be known to citizens out in the state. And so part of my intention here is to make that known. Of course, I will be advocating from the aspect of 84th and Havelock, keeping this in Lincoln. Something I wanted to touch on earlier was money. All along I, personally, have been opposed to utilizing state monies to effectuate this move. Now we do have different circumstances and I am listening to debate and I remain open-minded to the possibility, but I want to point out that at one time there was a proposal to move State Fair Park to 84th and Havelock without spending any taxpayer dollars. Again, I get back to this point of rationality. It seems that that's the most rational decision. So I understand it's not my decision necessarily to make, but I want to advocate for what seems to be the rational decision. The plan would have created a brand new, \$120 million fair at 84th and Havelock, collocating with existing infrastructure. The new site would have been about 100 acres larger than the present site, have a mile-long horse racetrack, and 3,000-seat animal arena. And there was more. That was, in my opinion, an attractive proposal, probably the most attractive proposal...or the most attractive part of that proposal was the "no new tax dollars" or "no

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state funds" would have been used. Perhaps there will be others that will address how that proposal actually has moved forward in the process, but at one time that proposal was before us. There's a matrix that can be drawn on this decision-making process. I kind of...I explicated that a little bit earlier, but one can draw a mental picture of this decision-making matrix. At the top of the matrix we have a State Fair. There will be those who don't want a State Fair; there are those who do want a State Fair. The majority wants a State Fair and reality shows us... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR FULTON: ...that there is a State Fair at its existing location. From there, there are two decision points to be gleaned: number one, should it move or should it stay? On the decision point to stay, we understand that we'll be spending at least, if not upwards of, \$30 million. So where I choose on that decision-making matrix, should it move or should it stay, I think we have an opportunity that we can recognize by moving it and we don't have to necessarily spend this \$30 million. If we're going to spend the money, let's move it to satisfy all interested parties, so we decide to move the State Fair. Where shall we move it to, Grand Island or 84th Street? We know that ideally the State Fair that has 300,000 people within a 30-mile radius is ideal. It seems to me we can move as close to the ideal as possible by leaving it at 84th and Havelock. [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR FULTON: Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Fulton. Thank you, Senator McGill. Senator Karpisek, followed by Senator Erdman, Senator Adams, Senator Chambers, and Senator Fulton. Senator Karpisek. [LB1116]

SENATOR KARPISEK: Thank you, Mr. Lieutenant Governor, members of the body. I want to say again that I am not opposed to Grand Island at all. In fact, we've talked about western Nebraska. I live a whole 40 miles away and I feel like I'm in western Nebraska, Senator Carlson, so I agree. When we were out in Scottsbluff this summer, a couple of the people out there said, oh, you guys from the east don't know there's anything past Ogallala. And I said, well, again, I'm 40 miles away and I feel exactly how you do, so I understand what you're saying. In fact, my mom and step-dad live in Grand Island and I even went to school there for awhile. And you're welcome, Senator Aguilar, that I did not stay. I have strong feelings for Grand Island and, again, I know they will do a fine job. My concerns are mainly money. Again, the \$5 million that we just voted on, how much is the university going to need. I know Senator Erdman said between \$45 million and \$60 million over the life. I don't know. That was one of my concerns in committee. The university did not come up with a plan the same way the State Fair had to. They have some plans, and I realize they can't have concrete plans until they know

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that they get the land. But I don't feel like my question on that was answered well enough, and I know Senator Erdman, I'm going to hopefully give him some time that he can answer that, but I was in the same meeting as him and I don't feel like the university gave any of us firm enough numbers for me to feel comfortable. I'm not saying they didn't give us numbers. I'm just not quite comfortable with it yet. Another concern, and that's all I have are concerns about Grand Island, are Husker Harvest Days. They do a wonderful job on Husker Harvest Days. I wonder, can they do two different ag-based celebrations? What I understood was that they do not plan to do them together. Will one cannibalize the other? Maybe that's not my worry. Maybe that's their concern. I would like to not see one of them go away, though, because Husker Harvest Days is very good, great for the community and the state. But let's be honest, that was the beginning of the end for the State Fair. It took a lot of the agriculture away. I'm not faulting Grand Island Husker Harvest Days for that. That's just a fact. The other thing I thought about is how many people go for more than one day? We talk about the population, all those things Senator Erdman has some great concentric rings on population, but I was thinking how many people in Lincoln may just go for a little while on a day to, I don't know, see a concert, see this or that, run in, see the hogs one day? I think they go more than one day. People that are going to drive farther may not go for more than one day. I don't know. Again, just a concern. Another issue has been that the private money would be better in Grand Island. This may be; it may not be. I think if we said we're going to keep the fair where it's at, I think private money would roll in there a lot better because there has just been so much doubt. No one knows what's going to go on, so a lot of people don't want to put money in when... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR KARPISEK: ...thank you, Mr. President...when they don't know. I will give Senator Erdman the remainder of my time. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, you have 50 seconds and then your time will follow. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. Thank you, Senator Karpisek. And let me be clear, colleagues, as I shared with you in an e-mail twice after the bill was advanced, if you have questions ask them. We haven't had a time, a lot of you and I, to sit down and talk about what those questions are, but Senator Karpisek is right, there are questions that you likely have that need answered. And don't assume that just because there appears to be a solution here that somehow there's not room for that type of conversation. There absolutely has to be. This is a proposal that's been brought to you by the effort of myself, the interested parties, and the Ag Committee for your consideration. Ultimately, it is our decision as a Legislature to make, but the ability to make the right decision is greatly enhanced by knowing that these groups have sat down... [LB1116]

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PRESIDENT SHEEHY: Senator Erdman, you're now on your time. [LB1116]

SENATOR ERDMAN: ...and have worked together to find a solution. Let me go through a couple things that I've heard from some of you and then I need to go through some items that I think need to be answered. Regardless of what questions you may have, I think these are important to be answered. Senator Hansen mentioned that there will be multimillion dollars in the future to develop one facility, two facilities, one site, another site. That's your decision to make at a later date. Nothing here obligates you to do that. Second of all, if you want to leave the fair where it is, I would invite you to look at the second e-mail that I have sent you. I've sent you two PowerPoint presentations. One deals with Grand Island and one deals with State Fair Park. It's not that the money is better spent in Grand Island. The private funds, right now there are no private funds on the table to leave the fair where it is. Senator Karpisek, however, is absolutely right. If the decision were made to keep it there, you could pursue those. But then again, you still have to go through the logic of how the fair is operated now. If you go to Grand Island with the private funds, the Fair Board is not the landlord and they're not responsible for maintenance. If you leave the fair where it is, not only do they only have \$7 million to make \$30 million worth of improvements, so they have to come up with that additional \$23 million; they also are still the landlord so they have additional costs at that site. So you have to go through the logic and I assure you, for those of you that have just recently been elected to the Legislature, appointed, or those that have been here awhile, I can assure you that I didn't arrive at my position to support this just by going, hey, that's a great idea, let's do it. I've got four pages worth of questions that I had to have answered over a period of time. I have three-ring binders worth of information that helps me understand the circumstance. And I appreciate what I believe is here and that is, well, the people that worked on this the hardest agree to this. That's great, but that doesn't mean we've answered your questions. There are answers to your questions, but you have to think through them logically. The other thing that I did, the first e-mail that you received was a handout regarding Grand Island, the pros and cons, the costs. There's also some scenarios about attendance. Right now, right now we know that 44 percent of the people who actually go to the fair in Lincoln--now these aren't penetration rates, these aren't estimates, these are based on zip code--those people who are already going to the fair, 44 percent of them already live within 90 miles of Grand Island. That doesn't include any of the people west of Lexington or north of Columbus. That's simply the people within that immediate 90-mile radius--over 44 percent of the people that are currently going to the fair within 90 miles of the new site. If you go to the next slide, you apply the rates that the consultant came up with for an ideal fair. They are, for the immediate population, more conservative than what Kansas receives for their site. They're assuming that in rural Nebraska, which we know, that people will have the same transportation habits or wishes that people in urban Nebraska have. Have you ever tried to drive across Lincoln recently? Depending upon where you're starting and where you're going, it can take you just as long to drive

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across Lincoln as it would if you left Lincoln to drive to Grand Island. It's a little over an hour. And if you get into the wonderful rush hour traffic and try to figure out which corridor you're trying to get through and which four-lane expressway is supposed to be in place, the time is still the same. That information is available to you. Senator Stuthman says that 90,000 people go to the fair... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...every day now. Well, I'm not a math major, I didn't teach economics, but 90,000 times ten days is 900,000 people; 289,000 people went to the fair in 2006. Are there days where the population is more than that? Yeah, I think the number is like 50,000-60,000 on some weekends. But if you want to deal with the facts, I stand here with the facts to present to you. If you want to argue something else, feel free. There's a motion that can be argued, there's history that can be argued, but if you want the details of how we arrived at this solution, again, ask and I will do my best to get you the answer in a way that you can understand, and if I can't, I'll get you the information directly. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Senator Adams. [LB1116]

SENATOR ADAMS: Thank you, Mr. Lieutenant Governor, members of the body. I think probably I'm one of the few people in here that's yet to make up my mind, and I'm listening very carefully and, as a result, I have some questions for Senator Erdman. Before I yield, my intention in making this decision follows this kind of logic. Number one, I'm willing to give the State Fair a good healthy run to make it work. Now in light of that, I think it needs to be done in a way that makes it most economically viable. And I've told myself from day one on this issue that I was going to wait until I had all the answers so I was sure. I want the university to have a shot at that ground as well. Now in light of that, that takes me, from what I'm hearing, to making a decision between the site in Grand Island and what I thought was going to be an opportunity here in Lincoln. My question, Senator Erdman, is this. We have seemingly a lot of information on Grand Island, and I appreciate that and I appreciate the people from Grand Island putting that together so that I can make an objective decision on this. Can you tell me what has been the role of Lincoln and what have they proposed and if we have anything specific in writing from them that we can weigh up against what has been offered by Grand Island? And I'll yield the rest of my time to Senator Erdman. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield, 3 minutes, 20 seconds? [LB1116]

SENATOR ERDMAN: I will. Great questions, Senator Adams. We have a number of documents that are available for your review. One is the actual presentations that were provided to us by the Friends of Innovation Campus, and just so that you're aware,

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Friends of Innovation Campus includes the county board in Lincoln, the mayor's office in Lincoln, the chambers of commerce, the Independent Business Association, the hotel/motel, the convention bureau. Pretty much every organization in Lincoln that has an organization is in that group, and that includes elected officials and organizations. It also includes the University of Nebraska or, excuse me, the chancellor, because he is a member of Vision 2015, and Vision 2015 is a member of that group. But here's generally what they proposed, and they've been active, and not only have they been active but the mayor himself has been active and I have given him, when he asked, I gave him the opportunity to go away from that group because I had said there are three options, we need to be narrowing instead of broadening, and he said, I think there may be some other possible solutions, and I said let's pursue them but be realistic; show me the money and show me the site, show me how you'll do it, don't just throw out concepts; we're beyond concepts. So here's the proposal that was brought to the committee by the Friends of Innovation Campus: the collocation of the fair with the Ag Society at 84th and Havelock, and the fair would be located on the 204 acres north of Havelock Avenue. The Ag Society would stay on the 167 acres that they have south of Havelock Avenue, both are east of 84th Street, and the fair would develop their site; the Ag Society would continue to develop their site through their tax dollars that they receive from the county. Horse racing was a conversation. The Ag Society doesn't want horse racing on their site and so the decision was made by that group that if the fair would move there that horse racing would be the responsibility of the State Fair, which it currently is. The way that you finance that is that you have \$40 million of current improvements at 84th and Havelock. In order to get to most of the consultant's report that would be required, it would cost another \$62.2 million, and the money follows this way. The university, as an entity, would come up with \$10.5 million. The Foundation of the university would come up with \$15.8 million. The Vision Group, the Vision 2015 Group,... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...would have come up with \$6 million, so that's just around \$32 million. The Fair Board then would have had to come up with \$30 million of bonding to pay to move themselves to 84th and Havelock. That was their proposal in a nutshell. The ability to make the fair's cost lower was based on more optimistic projections on income or on more optimistic attempts to raise more money privately to lower their cost. But every proposal, including the mayor's proposal, including the Vision group's proposal which ultimately became the Friends of Innovation Campus, required significant and substantial bonding by the State Fair for them to be able to move to a new site. And that component was pointed out to them repeatedly by myself, and saying, take that out and offer this and see what the response is. And we have a resolution from the Fair Board saying, if money was available they would consider relocation of any site. Because of the fact that they were going to be asked to contribute about the same amount to those sites as if they would have just stayed where they

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were... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR ERDMAN: ...that was one of the biggest stumbling blocks for them for that proposal. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Thank you, Senator Adams. (Visitors introduced.) Continuing floor discussion on the amendment to committee amendment, AM2647 to AM2629, we have Senator Chambers, followed by Senator Fulton, Senator Pedersen, and Senator Langemeier and others. Senator Chambers. [LB1116]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, my mantra is that of the king cobra. The cobra wastes no venom on dead or fleeing things. This issue, in effect, is dead. The fair, I believe, will move to Grand Island. Others have been giving detailed, specific, factual information as to why the decision was taken by the Ag Committee to send the bill out here and support it. So I'm going to go in a different direction and make the best use of my time. I'm glad the Chair called our attention to the fact that we have third-graders here, so I'm going to clean up something that Shakespeare said through the mouth of one of his characters. The law is a donkey. And some practitioners are also. The one most noteworthy is the Nebraska Attorney General, Jon Bruning. He engages in idiotic conduct. He practices idiocy as an ideology. His job is to see that the rights of all persons under the laws and constitution of this state are upheld. Persons. The word "person" is broader than the word "citizen." The U.S. Supreme Court has said that there are provisions in the U.S. Constitution that specify citizens having certain prerogatives and privileges, and those are limited to citizens of the United States. There are other provisions that apply to persons. No person shall be deprived of life, liberty, or property without due process of law. Due process of law, equal protection of the law, are principles designating that all human beings, citizen or not, are protected and shielded in those rights by the U.S. Constitution. The Attorney General, the practitioner of idiocy, declared that the Equal Opportunity Commission should be abolished because they are trying to carry out the charge given to them by the Legislature that they should see to the application of equal justice, equal rights to all persons, not just citizens. The constitution when it deals to the right to enjoy, own, or possess property, said originally there shall be no discrimination between citizens of Nebraska in these rights. Former Attorney General Clarence Meyer, the best Attorney General who ever held that job during my lifetime, that means beyond the time when I was in the Legislature, obtained my assistance to add some language that said the right of aliens to enjoy these prerogatives will be regulated by law. So when we get to the term "law," we mean those enactments by the Legislature. The Legislature enacted a fair housing law. It described what an aggrieved person is, and it used the term "person," which includes citizens and noncitizens alike, and that is the

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regulation that the Legislature made when it's talking about the right of people to enjoy the use of property. So when somebody is discriminated against in an unlawful manner, the Attorney General is the last one... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR CHAMBERS: ...who ought to say that the constitution and the law of this state ought to be set aside because he is such an idiot, such a bigot, and one who's willing to submerge the dignity and majesty of the law to his narrow-minded, bigoted agenda of being against those who are of a different complexion or who speak a different language or derive from a different country, which everybody on the floor of this Legislature did. I am the only whose ancestors came over here as forced immigrants, owned like a cow, pig, or chicken, and yet I have more compassion for these people who came here, as yours did, than a lot of you, and certainly the Attorney General. I had to say that or I would have burst, Mr. President, and some wished I hadn't said it so that would have happened. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Chambers. Senator Fulton. [LB1116]

SENATOR FULTON: Thank you, Mr. President. If...well, I do want to say this, the amendment we're on, AM2647, I'm not going to be able to support that amendment. It's money from the Department of Economic Development that would be used to relocate the State Fair outside of Lincoln. I don't know, if my precedent, we've ever used that money to cause economic development to move from place to another. Usually we're trying to attract it into the state rather than relocate it in the state, so I won't support the amendment. The questions that I posed earlier about 84th and Havelock being a place of location, a site of location. I posed them. I posed them somewhat rhetorically. I think Senator Erdman can go along way to answer some of the questions, and so I would like to yield the remainder of my time to him. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, you are yielded four minutes. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. Thank you, Senator Fulton. The State Fair has been at its existing site for 107 years. Lincoln, of all places, not only had a fair shot, but they had an advantage in this conversation. They had an advantage twofold. They had more money available to them from the university foundation and from the university as an institution than any other proposal, initially. And, in fact, they had more money from the university and the foundation than is in this final proposal. They also had the advantage of four and a half years of conversation within the community of Lincoln about the possibility of collocating the site at that location. So the public was aware of that option. They were used to that types of conversation. How we arrived at this scenario or how they arrived at that scenario is a topic of conversation that I don't think needs to be brought into this debate, but I will tell you unequivocally Lincoln not

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only got a fair chance, they had an advantage. Not only did the interested parties within the community of Lincoln have more money to work with, but they also had their mayor be given the opportunity by the Chairman of the Ag Committee to try to find other viable solutions that may be a part of this conversation. Because what happened after the hearing on December 14, the committee recognized and pretty much agreed, in theory--we didn't vote on this or anything--but we just recognized that there were three possible solutions: that the fair would stay where it is, that it could move to 84th and Havelock, or that it would go to Grand Island. And to allow people to continue to provide completely different ideas potentially could have been somewhat problematic. But not only was Lincoln able to offer the one site, they were able to offer eight other sites, as well as three other different ways of financing that. I can go through this. Ultimately the decision was made that the best solution for all of the parties is the solution before you. If you go back to the handout that I gave you about where we were at the committee level, we looked at two resolutions, but mainly I focused on one, and this is what I held the fair's feet to the fire with. They said if the money is available we will consider relocation. That doesn't mean that just because the money is available, that they have to move. That was never the case. Because just because the money was there, there may be other reasons why they couldn't go to another site. Once the money was available for the possibility of Grand Island, there was a whole nother round of conversations between the Grand Island community, between Fonner Park, between the Fair Board about how this might work, what the obligations might be. Because just because you can build a site, just because you can put the improvements there, doesn't mean that ongoing it works, and doesn't mean that the relationship... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...between the entities are right. So the money was available to move to Grand Island. Then that next series of conversations happened on governance, on those types of issues that had to be resolved that we knew were resolved before a decision could be presented to the Legislature to ask you to consider accepting a solution similar to this one. Those things all happened. If you go to the mayor's solution in Lincoln that came out recently or if you go back to the Vision group solution, both of them required \$30 million of bonding. And again, that number could have been lower if there were other private sources, or lower if their projections for attendance would have been higher or the income from the fair could have been higher, but the reality is, is that was a significant cost. And if the fair was going to pay \$30 million of their own money, they can make the improvements at that existing site. They don't have the ability to do that, candidly, at any other site or their own at this point. [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. [LB1116]

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PRESIDENT SHEEHY: Thank you, Senator Erdman. Senator Pedersen. [LB1116]

SENATOR PEDERSEN: Thank you, Mr. Lieutenant Governor and members of the Legislature. My own... [LB1116]

PRESIDENT SHEEHY: Yes, Senator Pedersen. [LB1116]

SENATOR PEDERSEN: ...myself, my individual thoughts from the beginning were to leave State Fair Park where it's at, and that's mostly because I've worked out there at State Fair Park during their racing season for the last 18 years. There are some neat people out there who have worked their finger to the bone to try and save State Fair Park because their families won't be able to move to Grand Island. Am I saying we should change a whole bill for them few? No. But we need to recognize them: people who have given their hearts to State Fair Park and have worked for peanuts all their life. Them I want to recognize as I speak today. I want to know what is going to happen to the horse racing that has been going on at State Fair Park all these years? I'm going to ask Senator Erdman a couple questions when he gets back to his seat in response to that. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will. [LB1116]

SENATOR PEDERSEN: Senator Erdman, what has been the mention of the horse racing future if State Fair Park goes to Grand Island? [LB1116]

SENATOR ERDMAN: I'm glad you asked that, Senator Pedersen. I know your interest and I'm...because this hasn't been addressed yet. The fair has said all along, the Fair Board has said if they move to Grand Island, horse racing stays in Lincoln. They're not going to operate horse racing in Grand Island. Fonner Park already does that. But if the bill passes and the committee amendment is adopted, horse racing will stay at State Fair Park for a time. We don't know what that time is yet because there are a couple of factors that have to be figured out, (1) when does the university need that actual part of that land to be developed? That's probably going to be the driving force in determining the time frame, but in the event that time is three years, five years, whatever, that will stay at that site. The Fair Board, as I understand it, will continue to operate that, therein conversations with the university, with the horsemen, with the other groups in Lincoln about what that process looks like, so they're discussing that. But the solution at this point is that if this bill passes and the Fair Board holds the fair in Grand Island, that horse racing stays in Lincoln at its current site until another site can be selected, developed, and built, and then horse racing would transfer to that site and then the university would be able to develop that. So the intent all along has been horse racing will stay in Lincoln, and that horse racing will still operate in Lincoln, and that the

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solution to this discussion needs to ensure that horse racing can continue to be successful, which they currently are at State Fair Park. I believe their total receipts, their profit if you will, at that site, is over \$500,000 a year. [LB1116]

SENATOR PEDERSEN: Senator Erdman, this morning when I entered the Capitol I walked in with President Milliken, and I asked him basically the same question, and he stated to me that the university had agreed that they would help the horsing industry get moved and build another track. Are you aware of that condition? [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: I'm aware of this interest, and I'll put it this way: I don't know specifics are there. I've talked to the horsemen directly, I've talked to all these parties about this. Obviously, for the fair...excuse me, obviously, for the university to develop that part of the campus, horse racing has to have a new home. It's in the best interest of the university to facilitate that to ensure that they can develop the site as they see fit. So whether they're financially committing themselves, their foundation, whoever, to help raising the money to build a new site, I believe they're right. They want that land to be able to be developed as soon as possible, and there are time lines in this bill, but it's my understanding that the university is willing to work with the Fair Board, with the horsemen, and with the other interested parties in Lincoln that potentially will run horse racing after this move is completed to ensure that that happens and that the resources are available to make that happen. [LB1116]

SENATOR PEDERSEN: Thank you, Senator Erdman. I'll turn my light on again for more questions. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Pedersen. Thank you, Senator Erdman. We have Senator Langemeier, followed by Senator Wallman, Senator Dubas, Senator Flood, and Senator Nantkes. Senator Langemeier. [LB1116]

SENATOR LANGEMEIER: Mr. President and members of the body, I'd like to yield my time to Senator Erdman. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, you're yielded five minutes. [LB1116]

SENATOR ERDMAN: Thank you, Senator Langemeier. Just so I can continue, and then, Senator Pedersen, if you have follow-up questions, we'll do that on your time. Everyone has been focused, or at least a lot of people have simply been focused on the fair: What happens to the fair. As I've been in this conversation, you can joke that it's three-dimensional chess or whatever. This is...I don't know what the good analogy is. It's more like eight-dimensional chess. You've got so many different parties trying to figure out what the solution is, what they're contributing to. If you move the fair, you

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have the need to move...you need the money. You then also have the need for the university to be able to prove that they can develop the site responsibly and financially. You also have to make sure that horsemen who currently have a successful operation in Lincoln continue to have a successful operation in Lincoln, and that their interests are talked about and assured here, as well. The other thing that's been missing from this conversation, and we need to be sensitive to this, is that we can move the fair somewhere else, and it will affect what the university wants to do. It will affect how the fair potentially puts on the State Fair. It potentially affects who holds the license for horse racing. But there are at least 32 people that work for the fair full time. This decision potentially affects their very livelihood. The need for us to proceed with rational time lines and with ultimate flexibility is essential, not just to ensure that these parties that have agreed to this can ultimately make themselves whole at the end, but that the employees of these entities that will be affected know what the solution is, they know what the reasonable opportunities are, and, for example, that those employees that currently work for the fair under the horse racing component know that horse racing will still be an entity and that it will be in Lincoln, and that they potentially have the opportunity to continue to work in that environment and for that occupation, regardless of who the employer is. Because if we're going to have a horse racing facility in Lincoln and somebody is already doing it, generally the people who are doing the work already have the knowledge and the experience you would want, whether it's the managers, whether it's the people working at the facilities in whatever capacity. So there's obviously more to this than just simply saying we're going to move it from A to B and that's it. There are a series of those types of scenarios and questions that still have to be worked through--the details, if you will; the rules and regs of this process. This is the general policy of the state. We now need to create that process going forward. One of the conversations that I've had with some of you is, what happens if the university doesn't meet their obligations and funding? Or what happens if something comes up that was unexpected? Here's how the committee amendment works for the transfer of State Fair Park. There are three deadlines that have to be met, and they are done intentionally, and they are deadlines that ensure that before the next step is taken, that the money is in the bank. And so there are three definite time lines for the university to meet and for certification to be achieved before the next phase happens. So the university is responsible for \$21.5 million in three installments. Those installments will be completed July 1 of next year. If we get to that point, we will have just gone through a legislative session in which one of those deadlines, which is February 1, would have had to have been met and we will know whether or not the university has two-thirds of the money. And by the end of the legislative session on June 1, we will likely know whether or not the university has the last third of the money. Because the one question is, what are the contingency plans if this doesn't work out? [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: Everyone is operating in good faith. No one is forced into this

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solution. They realize the realities of the day. They're trying to make the best solution that they possibly can for all parties. But there are safeguards in place, and they say that if this date happens, you potentially impair your right to the land, so make sure you don't miss those deadlines. And if the end of those deadlines, even if the money is in the bank, you still have another six months to ensure that the property agreements between the university and horsemen and others would be worked out before the university would get claim to the property on January 1, 2010. Thank you, Mr. President. Thank you, Senator Langemeier. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Senator Wallman. [LB1116]

SENATOR WALLMAN: Question. [LB1116]

PRESIDENT SHEEHY: The question has been called. Do I see five hands? I do. The question is, shall debate cease on amendment to committee amendment, AM2647 to AM2629? All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

ASSISTANT CLERK: 26 ayes, 0 nays, to cease debate, Mr. President. [LB1116]

PRESIDENT SHEEHY: Debate does cease. Senator Kopplin, you are recognized to close on AM2647. Senator Kopplin waives closing. The question before the body is on the adoption of the amendment to committee amendment, AM2647 to AM2629. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

ASSISTANT CLERK: 2 ayes, 23 nays, on the adoption of Senator Kopplin's amendment. [LB1116]

PRESIDENT SHEEHY: Amendment to committee amendment, AM2647, is not adopted. Do you have items for the record, Mr. Clerk? [LB1116]

ASSISTANT CLERK: Mr. President, I do. Your Committee on Natural Resources would introduce LR377, calling for an interim study. Your Committee on Enrollment and Review reports LB151, LB724, LB726, LB726A, LB728, LB754, LB775, LB805, LB850, LB865, LB893, LB947, and LB1004, all as correctly engrossed. That's all that I have. (Legislative Journal pages 1307-1308.) [LR377 LB151 LB724 LB726 LB726A LB728 LB754 LB775 LB805 LB850 LB865 LB893 LB947 LB1004]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We will move to the next amendment. [LB1116]

ASSISTANT CLERK: Senator Kopplin would offer AM2646. (Legislative Journal page 1289.) [LB1116]

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PRESIDENT SHEEHY: Senator Kopplin, you are recognized to open on your amendment to committee amendment, AM2646. [LB1116]

SENATOR KOPPLIN: Thank you, Mr. Lieutenant Governor, members of the body. I need to respond, first of all, to my friend, Senator Schimek, who challenged me on whether Lincoln wanted this. I guess that's going to be a point we just have to disagree on, because I truly believe that Lincoln did not want the fair or could have come up with a decent proposal. The second thing I need to respond to is to Senator Nantkes. She gave a really good speech on the cooperation and the friendship and the hand-in-hand that's been going on between Grand Island and Lincoln, and for just one brief moment it took me back to my younger days, and I could see Joan Baez, going (singing) kumbaya, my love. (Laughter) Mr. Lieutenant Governor, we never really got around to discussing the last amendment, so I would just like to remove this present one. [LB1116]

PRESIDENT SHEEHY: AM2646 is withdrawn. The next amendment, Mr. Clerk. [LB1116]

ASSISTANT CLERK: Senator Kopplin offers AM2678. (Legislative Journal page 1308.) [LB1116]

PRESIDENT SHEEHY: Senator Kopplin, you are recognized to open on amendment to committee amendment, AM2678. [LB1116]

SENATOR KOPPLIN: What this...thank you, Mr. Lieutenant Governor and colleagues....what this amendment does is leaves the money coming out of the Cash Reserve, \$1 million this year, \$2 million next year, \$2 million the years after. Does that sound familiar? That's the amendment. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kopplin. You have heard the opening of the amendment to committee amendment, AM2678 to AM2629. Members wishing to discuss from the floor are Senator Dubas, followed by Senator Flood, Senator Schimek, Senator Pirsch, and Senator White. Senator Dubas. [LB1116]

SENATOR DUBAS: Thank you, Mr. Lieutenant Governor, members of the body. Again, I appreciate this amendment. I'm not quite sure that I'm going to support it, but I think it's important that we discuss the funding mechanism. These are very important components to this whole package and I don't think we should leave any stone unturned as far as how we can make this work. Senator Carlson, earlier, referred to listening to a radio program. I haven't listened to the radio programs, but I have been following the blogs in the newspaper and have been getting a few chuckles out of some of the comments that have been made. One in particular that I personally relate to are comments that refer to us in outstate Nebraska as hillbillies. And we refer to ourselves

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in western Nance County as hillbillies, and we refer to us in that manner with a great deal of pride. I quite often say I'm a hillbilly from western Nance County, and I say that not in a derogatory fashion. I say it in a fashion that I'm a hillbilly because I'm proud of where I come from, I'm proud of my roots, I'm proud of my traditions, I'm proud of the work that we do in rural Nebraska and rural America. So while those comments might be meant as derogatory and might be meant as us not having the ability to undertake such a momentous job as handling the State Fair, I'm going to choose to accept them as just a lack of understanding, and continue to wear my badge of a hillbilly with a great deal of pride. It was also referred to earlier as the synergies that are available here in Lincoln. Well, I think we have very similar synergies available to us in central and western Nebraska. We have a lot of events that attract people from all across this state as well as other states. Husker Harvest Days in Grand Island attracts well over 100,000 people. Grand Island has no problem handling that amount of people. They've learned a lot from that show, and I think that just gives them that much more experience in preparing to deal with the State Fair. We also have the crane watch that draws a lot of people between Grand Island and Kearney, and we seem to be handling that very well. Another great draw is Comstock. Just out in the middle of a pasture, we draw thousands and thousands of people, and while it's presented its challenges, it's also presented many opportunities, and people have stepped up to the plate and they've met those challenges. I think the population base outside of Lincoln and Omaha will now have the opportunity to come and visit the State Fair. I have a daughter-in-law who lives in Sidney, and she's never been to the State Fair. She's looking forward to it being a little bit closer and possibly making the trip to Grand Island to see the State Fair. We're all very well aware of banks and senior centers and retirement homes and travel agencies that put together day trips and overnight and extended trips that take people all over the place, within our state as well as outside of our state. So I think this is just one more venue that they can add to their itinerary of places to take people to. Oftentimes, as rural senators, we lament that we are overlooked. We are not given the opportunity to take advantage of attracting business or opportunities to our portion of the state. And I think with this issue of the State Fair, we have the opportunity to prove our worth and also demonstrate our very strong abilities to handle the State Fair. As I said, it is good to talk money, and I stated from the very beginning that my...the basis of my decision ultimately would be decided by the dollars and cents. And I think after weighing... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR DUBAS: ...all the options, this is the most bang for our buck and this is going to serve us well. I too also have concerns about using the Cash Reserve, especially in light of our reluctance to use it for a very obvious state responsibility with education. But if there are other viable sources to look at, I think it's important that we do that. There's been talk about the ability to address safety issues, and I visited with the contingency from the Grand Island community who are very well aware of these issues. In fact, I just

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visited with some of these people yesterday, and I said, not that I'm doubting your abilities or your word, but just for my own peace of mind please reassure me that you're thinking past just this moment and you understand what all the requirements are going to be,... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR DUBAS: ...and they have assured me they have taken those things into consideration. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Dubas. Senator Flood. [LB1116]

SPEAKER FLOOD: Mr. President, I would yield my time to Senator Wallman. [LB1116]

PRESIDENT SHEEHY: Senator Wallman. [LB1116]

SENATOR WALLMAN: Thank you, Senator Flood. Mr. President, members of the body, I grew up next to the State Fair here in Lincoln--4-H, FFA. So it's dear to my heart. But I, from day one, I think...when I saw the innovation state park plans, I was for moving the State Fair. But I thought it would be in Lincoln, so if it was up to me alone I would keep the State Fair in Lincoln. However, change is upon us, and I was impressed by the proposal Grand Island put forward, and this looks to be a suitable site for the fair, to me. The proposed Research Park offers Nebraska an opportunity to keep our best and brightest right here. So my office, we actually did a survey of the constituents in my district. Folks indicated they did not want to move the State Fair. However, their responses also noted, the concern about the future, about providing our young people with reasons to stay and opportunities for new jobs at home. So I appreciate the Ag Committee's work and Senator Erdman's on this issue, and will support the advancement of LB1116, and I also support Senator Kopplin's amendment. And also I appreciated the comment about Norman, Oklahoma. That's a pretty neat city, and if I'm not a Husker, I'm a Boomer Sooner. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Wallman. Thank you, Senator Flood. Senator Schimek. Senator Schimek waives. Senator Pirsch. [LB1116]

SENATOR PIRSCH: Thank you, Mr. Lieutenant Governor, members of the body. I appreciate the conversation that's going back and forth regarding various aspects of this bill. There is a lot to it, a very complex bill, and it affects, as I think as was pointed out by Senator Erdman or Senator Raikes, two very important issues for the state--the State Fair and also the technology park. Just kind of as a full disclosure, last time I spoke and as to my liking the idea of a State Fair located in an agriculturally strong area of the state, just kind of as a full disclosure I have received some e-mails since last speaking from other areas of the state. Senator, I think, Wallman, just touched upon that it is not a

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universally held belief. There are some e-mails I've received from ag areas just in terms of full disclosure that have indicated that they like the idea of the State Fair being in a more urban setting, like Lincoln, to educate urban residents to issues that they, living in rural areas of the state, were already aware of and involved in agriculture. So that being said, I do have some questions I guess with respect to financing arrangements under this bill, and I wonder if Senator Erdman might yield to a question or two? [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield to questions? [LB1116]

SENATOR ERDMAN: I will. [LB1116]

SENATOR PIRSCH: Thank you, Senator Erdman. And again, as far as financing, the overall package would be \$42 million? Is that correct? Or there... [LB1116]

SENATOR ERDMAN: That's correct. [LB1116]

SENATOR PIRSCH: Okay. And then the components of that overall package would include \$21.5 million that would be provided by the university? Or on behalf of the university, is that the way it's phrased? [LB1116]

SENATOR ERDMAN: That is correct. The language is written that way intentionally, and that allows the university the ultimate flexibility of determining the source of those funds. But again, they're not General Fund dollars that the state has given them, and they are not tuition dollars, nor are they going to be raising tuition dollars to offset something else. This is private funds, either raised privately for this purpose, raised through their foundation for this purpose, or through the sale of other assets that they may currently hold. [LB1116]

SENATOR PIRSCH: Okay. So they were not derived from General Funds that were allocated from the Legislature to the university at any point in time? [LB1116]

SENATOR ERDMAN: No. [LB1116]

SENATOR PIRSCH: Okay. Very good. I appreciate that. So there is a certain amount of money that is allocated from Grand Island, the city of Grand Island, is that correct? [LB1116]

SENATOR ERDMAN: Eight and a half million dollars. [LB1116]

SENATOR PIRSCH: Okay. And again, the state has no role in providing those funds, as well, correct? [LB1116]

SENATOR ERDMAN: We do not. [LB1116]

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SENATOR PIRSCH: Okay. And then from the State Fair Board there is a certain amount of monies allocated, is that correct? [LB1116]

SENATOR ERDMAN: There are seven...the number is \$7 million. That number is based on the projections that I asked the State Fair Board to come up with for capital construction projects and funding sources at their existing site. That number is the number that they have determined they could finance for their existing site. And at the hearing, as I mentioned earlier, they committed to that number at any site, including their own. [LB1116]

SENATOR PIRSCH: Okay, great. And that is not monies that are coming from General Fund allocations, correct? [LB1116]

SENATOR ERDMAN: No. And let me clarify something. They didn't commit to that number. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: They committed to whatever that number would be because these numbers came after the hearing. But those are funds that they derived from attendance, from horse racing, from lottery proceeds. Whatever they get, they are not tax dollars that are going to that match. [LB1116]

SENATOR PIRSCH: And the lottery proceeds, those were approved by the public via ballot, correct, not by the state Legislature? [LB1116]

SENATOR ERDMAN: Correct. The Legislature did put LR209CA on the ballot, but it was a constitutional amendment that was voted on and approved by the people to take that revenue source that's not General Funds for that purpose. [LB1116]

SENATOR PIRSCH: What year was that? [LB1116]

SENATOR ERDMAN: Two thousand and four. [LB1116]

SENATOR PIRSCH: Okay. And then finally, so this...the direct allocation from the state would come from the Cash Reserve, is that correct, as this bill envisions, and that would be in the amount of \$5 million, is that correct? [LB1116]

SENATOR ERDMAN: Correct. [LB1116]

SENATOR PIRSCH: Okay. Well, I do appreciate. I just wanted to make sure...are there any other allocations encompassed within that \$42 million? [LB1116]

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SENATOR ERDMAN: Those are the...that's the total amount and those are the total players at this point. [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR PIRSCH: Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Pirsch. Thank you, Senator Erdman. We have Senator White, followed by Senator Gay, Senator Pankonin, Senator Karpisek, and Senator Burling. Senator White. [LB1116]

SENATOR WHITE: Thank you, Mr. Lieutenant Governor. Senator Erdman, would you be kind enough to yield to some questions? [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will. [LB1116]

SENATOR WHITE: Thank you. I'm going to ask the body to look at this for a moment as though we were selling a very valuable asset, and I'm going to go through a series of questions that I think any attorney would ask a client involved in such a transaction to answer or at least have in mind, and Senator Erdman has been kind enough to agree to some of these questions. First, Senator Erdman, we are transferring property from one state entity, the State Fair, to another state entity, the university... [LB1116]

SENATOR ERDMAN: Senator White, let me interrupt you. The State Fair is a private entity. [LB1116]

SENATOR WHITE: So we will be transferring land that they're permitted to use to the university, is that correct? [LB1116]

SENATOR ERDMAN: Which is 100 percent owned by the state of Nebraska. [LB1116]

SENATOR WHITE: Correct. So we are moving literally state property to a different state entity, is that correct? [LB1116]

SENATOR ERDMAN: That is correct. [LB1116]

SENATOR WHITE: All right. Now, before you engage in any transfer, one of the first questions you want to know, is what is it that you are selling, what is the value? Have we had the property appraised? [LB1116]

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SENATOR ERDMAN: We don't have a appraisal of the property as it sits. We know what the insurable value is from the Department of Administrative Services, which means that what it would cost to replace all of the improvements to a new condition if that would be needed. But as you well know, what something is worth generally starts with what somebody is willing to pay. [LB1116]

SENATOR WHITE: All right. Then it is fair to say we don't know the value of that which we are transferring? [LB1116]

SENATOR ERDMAN: I think we know the value but it's probably not reflected in the actual cost of the transfer, assuming that the next step could be made that the \$21.5 million is the purchase price. [LB1116]

SENATOR WHITE: Well, it's a purchase price negotiated between related parties not on an open market. I mean, the property hasn't been put up for auction or anything so we could get a fair market valued assessment, is that accurate? [LB1116]

SENATOR ERDMAN: That is correct. LB1116 would have required that. [LB1116]

SENATOR WHITE: All right. Now, assume...I mean, do you not agree, Senator, it would be best if we at least had an appraisal of the underlying land to understand what it is we're transferring and the value of it? [LB1116]

SENATOR ERDMAN: Well, it would be best, Senator White, but I'm an appraiser, and I can appraise any land you want for any purpose, and the key point is, is that you're not only...I mean, an appraisal, as you're well aware, is simply not a fact. It's an opinion based on an intended use. And if an intended use is one thing, it's worth a certain amount, and if the intended use is something different, it's worth a completely different value, as well as some potential legal issues or other things. So an appraisal of the improvements, those types of scenarios, we could very well do that. In this scenario you would have to be very clear about what the intent of that appraisal would accomplish. [LB1116]

SENATOR WHITE: All right. In this case, we are looking at transforming the use from a State Fairgrounds to a high-level, an equivalent office industrial park, correct? [LB1116]

SENATOR ERDMAN: Public/private partnership, including public facilities as well as private facilities that potentially could be used for those uses, yes. [LB1116]

SENATOR WHITE: Now, one of the concerns I would have beyond the value of that which we are transferring is the indication that I had had in informal conversations with various proponents of this, that subsequent state funds will be necessary to make this work, and that they've always been vague in that amount. Do you know how much

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money over the next 10 years, 15 years, of state General Fund money will be requested by the university to make this project work? [LB1116]

SENATOR ERDMAN: I don't know how many they'll request, but there is absolutely none committed. [LB1116]

SENATOR WHITE: But do you understand them to intend to ask us for additional money from the General Fund to make this project work as time goes forward? [LB1116]

SENATOR ERDMAN: Senator White, you've been here for two years, I've been for eight. The university asks for money for everything, and so from the standpoint of whether they would ask for money, again I think they will likely ask the state or someone to provide funding. The expectations that they have and the understanding that we have... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...on this solution does not commit the state to anything in the future. And in fact, the university has stated in black and white that those ongoing expenses are their obligations, not the obligations of the state. [LB1116]

SENATOR WHITE: Well, and then that brings us to the next level of questioning. Once the asset, the land is transferred, I understand they intend to have private parties taking either leases or owning lots. What will be done with the proceeds of that money? How will it be accounted? Will it go into separate accounts? Will it defray the cost of developing the rest of the project? Who will manage that? Will it be a separate board? Will it be inside of the university? The management of the asset, once transferred, and how those lots are sold and what they're sold for can have a major impact on what we are going to be asked to contribute in the way of General Funds subsequently, isn't that correct? [LB1116]

SENATOR ERDMAN: Well, you are presuming they are going to sell the lots, and if you have a chance to review the packet that they've given you, they will not be selling the lots. They would be ground leases similar to what you would have, say, at a shopping center or something where you have a right to utilization of someone else's... [LB1116]

PRESIDENT SHEEHY: Time, Senator. Thank you, Senator White. Thank you, Senator Erdman. Senator Gay. [LB1116]

SENATOR GAY: Thank you, Mr. President. I just wanted to say, very quickly, we're late in the session and I just wanted to, on the record, thank Senator Erdman and the committee for providing information along the way. I thought it has been very helpful,

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we're having a good debate today, and I would yield the rest of my time to Senator Erdman. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, you are yielded 4 minutes 40 seconds. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. Thank you, Senator Gay. Let me provide a complete answer to Senator White's question. If you look at the handout, and this was dated March 2008. It came in the white booklet or the white folder that the university distributed. It goes through, generally, how these issues are going to be handled. A private sector facilities...and I'm quoting from the section entitled "Building Financing Plan," ...private sector facilities will be paid for by the private sector; university facilities will be paid for through traditional means. So it is my understanding and the intent of the university is that for those facilities that are built for private use or by private entities, that their cost, their leases will cover the cost of those improvements. They will also cover the costs of whatever that facility is. Obviously, we know of scenarios at the university where an entity will donate money to build a building, but the ongoing maintenance costs still falls to the university. Then the university has, in the past, and potentially could in the future, still come back to the Legislature and ask for the Legislature to assist in that cost. But again, those are all askings; they're not commitments. It's my understanding that the intent of that property is to be managed underneath the University of Nebraska-Lincoln campus, that the chancellor and ultimately the Board of Regents would have that responsibility, and that they would have an entity set up to be able to administer that process and to make sure that the leases are being complied with, that the money is available, that the improvements are being made for those improvements which will be private. They're not intended to be sold. They are intended to be leased. And if you look at the language in the bill, the purpose of the transfer is for the proposed innovation campus and for university uses. The lease, as I would read that statutory language, does not permit them to resell that for another reason. It's for their use, for the campus as we see it, and likely would be the subject of conversations about the wording of the deed or the transfer at the appropriate time, assuming those benchmarks have been met. Let me point out a different issue but more of a philosophy. We've had a great deal of conversation today about how this is great for the university and how this is great for innovation campus. This is not a scenario in which the Fair Board said, this isn't good for us. It's quite the opposite. They have arrived that this a solution that works for them. They're not being evicted. They're being provided substantial private resources and a site that has substantial improvements with the possibility and the opportunity of great success. Were those things not in place--and a lot of people that want to get up and talk about how great this is for the university, that's fine--the focus of the Agriculture Committee and my jurisdiction as the Chair of that committee is over the fair. It's over the sections of law that deal with the fair. And we're not here because this only benefits one party. This was a solution that was arrived at by all of those parties, and I think that has to be important. One of the other options

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that comes up or one of the concerns that I've heard both in e-mail, directly, and these are kind of tied together, Amendment 4, when it was voted on by the Legislature to put on the ballot and ultimately advanced and passed by the people, was passed to keep the State Fair where it is. Had that been the case, we would have written in this constitutional amendment that the 10 percent match comes from the city of Lincoln. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: You cannot pass special laws when general laws will work. In a case where you have a special circumstance such as naming the Beatrice location for that home or naming a facility for our veterans home where you need special legislation, you're permitted to do that. And if it would have been the intent of the Legislature and if we could interpret that intent to go to the public, and they would have said, by voting yes, even though there were three separate issues in that one amendment, even if you could assume that they were all voting just for the fair, because of the language you can't logically say they intended to keep it there. Absolutely, some of the people who voted for that amendment intended the fair to stay where it is. But you also have to realize during the same time there was a healthy conversation going on within the community of Lincoln about the possible relocation of the fair regardless of the outcome of that amendment. Thank you, Mr. President. Thank you, Senator Gay. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Gay. Thank you, Senator Erdman. Senator Pankonin. [LB1116]

SENATOR PANKONIN: Thank you, Mr. President and members of the body. I'm going to speak one time on this issue, LB1116, today, and this is going to be my time. It's...first of all, I want to mention it's hard for me and my constituents who have lifelong memories of the State Fair in Lincoln at the present location, to see this go. Senator Wallman, I know, would agree with that. It's been close enough to my legislative district that people have, for generations, where they brought their livestock or their 4-H project, or could easily spend a couple days down at the fair, or the marching bands that come in from local high schools. That's going to change, and obviously that's never easy for people. But also we know that times do change. The future goes on, and the idea of the innovation park or campus is probably a good idea, notwithstanding some of the good questions Senator White has just asked about how the process worked. And I want to bring up a couple other questions. I think Senator Kruse had a good point on what is the focus for the fair. We've heard that they want to return to their agricultural roots and that sort of thing, yet, as Senator Karpisek has brought up, we already have an event in the Grand Island area called Husker Harvest Days that is one of the three or four top farm machinery shows in the United States. And I'm going to speak about the equipment part of that equation of what might make this thing work or not work in a minute, but I want to ask Senator Erdman a question if he'll yield. [LB1116]

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PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will. [LB1116]

SENATOR PANKONIN: Senator Erdman, how will such things as the...if the fair moves to Grand Island, the future date of the fair and the coordination with the Husker Harvest machinery show? Do you have any idea how those things may be coordinated or worked out? [LB1116]

SENATOR ERDMAN: Absolutely. The fair has had conversations, not just within this conversation, but in general, about how they're able to better attract people to their site, regardless of what site that is, whether that's through additional exhibits. Machinery, which you're aware of, is an issue with folks in going to Husker Harvest Days. But when school starts, when sports start, when that may need to be changed, how long the fair may need to be in order to maximize attendance--you know, seven days instead of ten--all of those things are being discussed by the Fair Board as a part of this conversation. We're simply not taking the fair...in my conversation with the Fair Board, we're not simply taking the fair out of Lincoln and moving it to Grand Island and doing the same things. They're looking at maximizing cooperation. They're looking at maximizing attendance. They're looking at making a facility and an event that people want to go to, that people that will travel to in Nebraska. And to be honest with you, as has been pointed out, the hardest people to get to the fair in Grand Island won't be the people in rural Nebraska; it will be the people in Lincoln and Omaha. But they're looking at the ways that they can partner with folks, whether it's the time of year, the length of the fair, the types of events, the types of facilities that they would need to maximize that, and they're having those conversations now and would be ready and prepared to be able to work with Grand Island or whichever other parties that may be interested in making sure that those ideas become reality that contribute to the success of the fair. [LB1116]

SENATOR PANKONIN: Thank you, Senator Erdman, for answering that perspective. I do think it's important to note that we already have, in Husker Harvest, one of the most successful shows that draws people from South Dakota and Kansas. And, to me, if we don't coordinate that with the State Fair in some way, whether it's together or enough time in between. I'm just talking from the standpoint of machinery companies and dealers. If you have the State Fair and then two or three weeks later you have Husker Harvest and you have to try to get all this machinery delivered and drawn together and set up and displayed, they won't. They'll make a choice and I think the choice will be Husker Harvest because they're in the field. And something else has changed over the years, and I think Senator Wallman and some of the people that are actively involved in production agriculture would agree, is that our seasons have moved forward. We used to think about starting planting in May, and now that's early April or mid-April, and the

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same with harvest. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR PANKONIN: We used to think of that being in October, and now that starts for many people Labor Day weekend or right after. So these events...we need to take that into account. If we're going to have an agricultural themed-fair or to try to draw agriculture, and we also have this very successful machinery show in Husker Harvest, I just think it's important that those issues be worked out. Secondly, I want to mention or the last thing I want to mention is, has been brought up here today: subsequent asking for funds. If we do approve this program, and it looks like it's got a lot of headwind to do so, I know I'm going to be very reluctant in the future to have the university come and say, you know, we need...we only have half the money we need to do this, and whatever, and the same way with the State Fair. If they're making this move and it's in Grand Island, all for it and going to support it, I'm going to be very, very reluctant to ever vote for additional funding for either one of these groups after they've made this decision, because it is a big change... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR PANKONIN: ...and they're committing the money to it. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Pankonin. Senator Karpisek. [LB1116]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. I'm going to try to head off a couple questions that I've had over the e-mail or I've heard on the radio. One is, why did we do the study? It doesn't seem like they're using the study because the study said that there aren't enough people in Grand Island. Well, there were many parts to that study. Yes, Grand Island is maybe a little short on the population, and I am concerned about that. But there were parts of all of the different sites that had better things, worse things. The current site is lacking in parking. We know that. It's been there a long time and parking is not a good thing there. The 84th and Holdrege (sic-Havelock) site, there was some questions as to flood plain. So all of the sites had good points and bad points. So I know we're going to hear more about that and I'm trying to kind of get away from that debate. Another thing, I've had a lot on my computer is, put it to a vote of the people. I'm going to throw this over to Senator White here in a second, but if a vote of the people, as I understand it, would be in the constitution, then any time we wanted to change anything, like the dates, anything that is of major significance at the fair would have to go back and be a vote of the people again to change the constitution. So although that sounds like a good idea, and I would probably get my way, it's just not doable. With that, I would like to yield my time to Senator White. [LB1116]

PRESIDENT SHEEHY: Senator White, you are yielded just over three minutes.

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[LB1116]

SENATOR WHITE: Thank you for your courtesy, Senator Karpisek. Senator Erdman, I will ask you to yield to a series of questions after a statement, if you would be so inclined. A couple of points, ladies and gentlemen. I do support this, however I don't want us to make decisions in a way that is not responsible and businesslike. I think one of the things the voters of the state of Nebraska, especially those who pay taxes, insist on is that we make rational, careful, calculated business decisions with their money. We have a concern, at least I have a concern that we don't know exactly...we don't even know approximately what the value of the asset is that we're transferring. We'll deal with that. But also I have read, Senator Erdman, very carefully, the white packet on information, and while they do talk about it's intended that leases shall occur, there is nothing that I am aware of that would prohibit the university from selling all or part of this land should it desire to do so, so that is something I'd like to talk about. But the university also talks about, in the white sheet, that they would hope that leases from the property would pay for additional infrastructure changes, and they also said that they would intend to finance their own buildings in the same traditional way which, I understand from a brief conversation with Senator Avery, would normally involve federal money, foundation money, and then about 20 percent contribution from the General Fund in the ordinary course. Now, if given a piece of land of this value, and Senator Nantkes indicates they are actually buying it, but the land being transferred in order for us to evaluate whether or not they've done a good job of managing it and whether or not additional funds should be committed to the projects as we move forward, we would have to know what the value is so we can determine whether the rents being extracted from the private entities who want to participate in this are fair and reasonable. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR WHITE: Unless we have certain baseline numbers involved, for example, what's the value of the land, how much money will it actually cost to prepare the infrastructure, we can't judge whether rents charged are fair and reasonable and whether or not we should put additional money in the project. And my questions, Senator Erdman, I forgive the complexity of it...please forgive the complexity of it, is are those fundamental numbers there, are there actual plans, are there actual laws in place to control what is done with this asset once it is transferred. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I would. And the specific answer is obviously that it would be the responsibility of the university as an entity to oversee that to ensure that they had the resources necessary to do that to the extent that it goes beyond that. As you well know, there are restrictive covenants and things that could be put in place that would potentially address those issues. Again, it depends on how you want to do it. It's in the

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university's best interest for their own benefit regardless of what it costs them or whether they're going to get it for free, to ensure that those leases are the best value that they can possibly can, because that minimizes their actual cost to that facility, because they actually own... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR ERDMAN: ...the property as an entity. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Thank you, Senator White. Senator Burling. [LB1116]

SENATOR BURLING: Thank you, Mr. Chair and members of the body. Back in January I was asked the question by the news media, what was the most important decision that the Legislature would need to make this year, and I said I thought the location of the State Fair was probably the most important. Now that might come as a kind of surprise to some people, but the reason I said that was because what we decide to do with the fair today will be there. We can't change it. The university deserves to know where they're going. We often come down here and we make decisions about various things, and next year or the next year or five years from now we'll change it. This discussion has been very good this morning. It was very necessary, because we're not going to change what we decide today or this week or either this year about the State Fair. Once you start down that road, we have to go with that, so that makes the discussion important. I decided to support LB1116 when I decided that the process of Senator Erdman and the Ag Committee has been very deliberate and very thorough, and that satisfies me. And I believe that if LB1116 passes, the State Fair will be in good hands, and I think it will bring next excitement and the state of Nebraska of respond to it. I'd like to give the rest of my time to Senator Erdman. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, you are yield 3 minutes 20 seconds. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President, and thank you, Senator Burling. Senator Karpisek brought up a good question that I get a lot, and I don't know if this is a trend in more eastern Nebraska because of some of the other things that happened maybe specifically within the community of Lincoln or not, but the idea keeps coming back of let's put this to a vote of the people. And those of you following politics in Lincoln know that there are ideas that go before the city council, and the city council can put it on the ballot. We can't do that. We have no right, under law, no legal remedy, to ask the voters of the state of Nebraska to vote on this law. There is no way to do it. So we, as elected officials, and again Professor Avery is not here and he could be of assistance as a political science professor, not as an economist, but can explain to you the type of government structure that we have. We are a representative republic. People elected the 49 of us to vote on their behalf. There are some issues that the state of Nebraska,

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as an entity, has to address in the constitution. Then the voters get that opportunity. But ultimately the voters of the state of Nebraska have already voted on this issue. They voted to send us here to use our best judgment and make the best decision. Is this the decision that everyone is going to support? No. But can I tell you it's the decision that the parties involved support? Yes, it absolutely is. So as Senator Karpisek said, if you want to put it in the constitution, go for it, but the reason why we adopted Amendment 4 was because that was the only possible way we could ask the voters to reconsider their previous vote. And the previous vote that they got was that lottery funding should go for education and environment. That's what it was sold under the proposal that went before the voters to create the lottery. The rationale behind putting that to a vote of the people wasn't, do we want a State Fair, necessarily, although that very easily is the answer, but it was, can we take the money that the public previously intended to go to these two sources, and reallocate it? [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: I can make a very strong case that the Nebraska State Fair and the opportunities it provides is both educational and environmentally beneficial. It's educational from the standpoint of the opportunities people have to learn about agriculture. It has environmental benefits because of the displays and the things that are currently there, whether it's put on by Game and Parks, private entities, those will continue to be there. We could have simply taken 10 percent of the lottery funds and done that, and said we're still keeping faith with the public. But the proposal was, let's make sure. This solution cannot go to a vote of the people unless they put it on the ballot or unless you want it in the constitution. That's it. We have no referendum authority as the Legislature. That is the right that is first and foremost reserved for the citizens of the state of Nebraska. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Thank you, Senator Burling. Speaker Flood, you are recognized for an announcement. [LB1116]

SPEAKER FLOOD: Thank you, Mr. President and members. I do appreciate the good discussion on LB1116 today. In light of the discussion, we are going to adjourn following the resolution of this bill today. It is my hope that if it's possible, we can move this today, and on Monday at 1:30 we will be taking up a motion to override a Governor's veto associated with the budget. So again, it is my intention to adjourn for the day at the resolution of LB1116 on General File. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Speaker Flood. Continuing with floor discussion on the amendment to committee amendment, AM2678 to AM2629. We have Senator Chambers, followed by Senator Erdman, Senator Fulton, Senator Christensen, Senator Pedersen, and others. Senator Chambers. Senator Erdman. [LB1116]

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SENATOR ERDMAN: You could yield me his time. I'd take that too. (Laugh) He's not here. Thank you, Mr. President. There are a few more issues that I'll go through. It's been said before, but moving the State Fair to Grand Island doesn't make it a big county fair. That's not the purpose of this conversation and that's not the vision of the State Fair Board. That's not the vision of the community of Grand Island. That's not the vision of the Ag Committee. That's not what we're doing here. We're providing a site that is going to be successful in the eyes of all that have looked at this and said this will work. And it will work, not because of any one item, but because of the collective solution. The lease agreement between Fonner Park is an advantage to the Fair Board. The facilities are an advantage to Grand Island. The land adjacent to the university's campus is an advantage for the university. And for the state to be able to facilitate both of those scenarios, as well as the benefit of having this located in the community of Grand Island, is a benefit to the state. So this isn't going to be just some big county fair. That's not the intent, and if you think that's what you think we're doing, I'll give you volumes of information to prove you otherwise. One of the other issues that keeps coming up, and this goes back to the community of Lincoln is, is that the reason why 84th Street wasn't selected was because of hard feelings between the Ag Society and the Fair Board. I don't think that's true. In fact, I would say otherwise. I have letters from both parties. I've had conversations with both. They are in very much support of each other at this point. They want a resolution. If one...and, in fact, the Ag Society at Lancaster County has said, if they want to come out here we'd welcome them. The Fair Board has said, if we didn't have to pay \$30 million of our own money, we could possibly consider that site. So it's not a matter of personalities. It's not a matter of conflict. Those are not issues that are driving this solution. The solution is objectively achieved with all interested parties having their say. The best information I can give Senator White on what the land value is worth comes from the...I believe this is the Partnering Committee report from 2004, and this was a group that was put together by the mayor of Lincoln and the Governor of Nebraska, which at the time was Governor Johanns who was also a former mayor of Lincoln, so you had the former mayor and the current mayor working on this. DAS insures the property at State Fair Park at just over \$57 million. That's insurable value. Again, that's 100 percent replacement cost for the improvements as they are. Regardless of what condition they're in, you and I both know that if I have an insurance policy on a property, what it is insured at may be more than what it's worth because it may cost more to recreate that, but generally those are pretty good ideas. You know that on State Fair Park we have the Bob Devaney Sports Center. That is owned by the state with a lease to the university for utilization, but the grounds around it are maintained by the Fair Board. That's part of the fair's responsibility. In that same report, and I believe this is on page 46 of that report, they estimated the fair market value of State Fair Park to be \$16.4 million. That's not what it's worth. That's what the estimated value was for the improvements as is, no demolition costs, nothing; that's what they thought it was worth. That was six, seven...excuse me, four or five years ago. So you can go through the scenario. Here's what's not happening here. The university is not buying State Fair Park. You can make that case that the university is buying State Fair

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Park for \$21.5 million, and actually that's as good a rationale as any to get your hands around it. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: But what we're actually doing is no different than what we would have to do on an insurance policy for that property. If we were going to replace that building, what would it be insured for? X amount. If we were going to replace all of those buildings, if we had to start from scratch and replace them, if they all burned down, a tornado came through, it would cost us probably around \$60 million. What we're asking the university to do is essentially to provide the insurable value of those buildings and allow us to replace them at a new site. For their willingness to do that, we are willing to transfer that land to them for their use. They're not buying State Fair Park for \$21.5 million. They're making the state whole by providing us resources to move the fair to another suitable location that the fair has selected, and by doing that and accommodating us, they receive the right to that property. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Senator Fulton. [LB1116]

SENATOR FULTON: Question. [LB1116]

PRESIDENT SHEEHY: The question has been called. Do I see five hands? I do. The question is, shall debate cease on the amendment to committee amendment, AM2678 to AM2629? All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 25 ayes, 0 nays, Mr. President, to cease debate. [LB1116]

PRESIDENT SHEEHY: Debate does cease. Senator Kopplin, you are recognized to close on your amendment to committee amendment AM2678. [LB1116]

SENATOR KOPPLIN: Thank you, Mr. Lieutenant Governor, colleagues. We never really got to talk about this amendment, but I will tell you it's the very same thing we did with the fine arts the other night. So we've gone on using Cash Reserve from nothing for education, to yes for the arts but you only get a little bit each year, down to we'll give you \$5 million right now. This bill just simply makes the same language as we used the other night. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kopplin. You have heard the closing. The question before the body is on the adoption on the amendment to committee amendment, AM2678 to AM2629. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

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CLERK: 4 ayes, 18 nays, Mr. President, on the amendment. [LB1116]

PRESIDENT SHEEHY: AM2678 is not adopted. Next amendment, Mr. Clerk. [LB1116]

CLERK: Mr. President, Senator Kopplin would move to amend the committee amendments with AM2677. (Legislative Journal page 1308.) [LB1116]

PRESIDENT SHEEHY: Senator Kopplin, you are recognized to open on your amendment to committee amendment AM2677. [LB1116]

SENATOR KOPPLIN: Thank you, Mr. Lieutenant Governor and members of the body. I would ask you to consider this amendment very carefully. Talk about the fair as long as you want, but think about this amendment. Under the current proposal the fair transfers in the year 2010. This is April 2008. We've raised all kinds of issues of what would happen if this happened, what would happen if that happens. Well, what if we have some rainy weather and the fairgrounds don't get completed, the university still gets possession of the fairgrounds in 2010; that's not enough time. So all I did on this amendment was to extend the dates by three more years. It doesn't change anything. The fair would be sent to Grand Island, if they can finish it sooner than that I'm sure that everything could be changed. But if they cannot, the university would not get control of the lands until three years later than what this present bill says. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kopplin. You have heard the opening of the amendment to committee amendment, AM2677 to AM2629. Members wishing to speak are Senator Christensen, followed by Senator Pedersen, Senator Langemeier, Senator Nantkes, and others. Senator Christensen. [LB1116]

SENATOR CHRISTENSEN: Thank you, Mr. President. And I support the State Fair move and at this time I'd like to yield my time to Senator Erdman. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, you are yielded 4 minutes 50 seconds. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. You know, this...I have been in rooms with people that have strongly held opinions on what the solution should be. And I think it's essential to realize that the time lines that are set out in this bill are not arrived at arbitrarily. There are going to be people, ultimately, that won't like this answer, but that's not, at this point, our answer. It won't be until we vote on this and vote to do it, if we're going to, which I hope for the sake of the parties that have negotiated this, we will. This is their answer. For this to happen there are things in place that have to be done. If you want to move the fair to...if you want to move the date back to whatever date, realize that you still have two additional benchmarks that will have to be met before you

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adjourn, or one during next session and one just after you adjourn next session, that if you don't think it's going to happen, you still have that available to you. But one of the things that's missing, and again, Senator Kopplin is correct, that he's simply extending the date, but here's what he is omitting. The last part of his amendment, "(3) On page 8, strike beginning with the period in line 18 through Regents," you're telling the fair they can't move. You're telling Grand Island they can't come until 2013. You're telling the university that they can't have that property until then. This bill is set up to be a backstop on the date. No later than the fair that's going to be held in 2010 will the fair be in Grand Island. But if the fair in Grand Island and the university and others can come up with the money, they can get the improvements built, they can do it in 2009. Again, optimistic, pretty aggressive, but if you accept the Kopplin amendment, (3) says that they can't transfer the land even if they meet that obligation before. The last part of the ensure that in the event that the fair is ready to move sooner, that the improvements are in place, that the language reflects that if the deed is available to be transferred before July 1, 2009, the university is on the hook to ensure that all \$21.5 million is in the bank. Technical issues. They matter. We've been talking today at the 35,000-foot level about the fair as an entity, the university as an entity, the community of Grand Island and their ability to support the fair, both financially as well as with population. But recognize, as I'm sure you all do, that the words matter in this bill, the information I'm handing you matters, and the additional information that I have matters. And if you want to know what it is, ask me. But this amendment is problematic. I realize that there is a great deal of interest in maintaining the history and tradition of the State Fair at State Fair Park. I share that passion. As a senior in high school, as a freshman in college, these fine young people that are running around here in their blue corduroy jackets, I was honored to be their state president. And for ten days I camped out at the Lancaster Building on State Fair Park at the children's petting zoo, working and walking with all these little kids that come through, about livestock, what those animals were. I absolutely know the history and tradition of the fair. As a student in high school and in junior high, I displayed animals, I exhibited animals at the State Fair at the site that it is now. I have been there. I have experienced that. And guess what? It's 400 miles... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: ...for me to come to the State Fair--400 miles. And I came to the State Fair. I find it amazing that we have people so passionate about what the fair stands for, what its purpose is and what the opportunities are for it, that they're going to say, we go to the fair every year but we won't go to Grand Island. Then why are you going to the fair now? I drive 400 miles to go to the fair. Others do, as well. Sure, there's other things to do within the community. But at those times, it was for that purpose. People who are committed to the fair need to be committed to the future of the fair. The Fair Board believes this is their opportunity to achieve that. Thank you, Mr. President. [LB1116]

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PRESIDENT SHEEHY: Thank you, Senator Erdman. Senator Pedersen. [LB1116]

SENATOR PEDERSEN: Thank you, Mr. Lieutenant Governor and members of the Legislature. You've got to excuse me for looking at this deal with jaundiced eye, because I've been with the race tracks now for over 18 years, and this is the second time that the Nebraska University has taken over its racetrack grounds. You might know, when Ak-Sar-Ben went down, that was the university. However, I am convinced with the work that the Agriculture Committee has done and Senator Erdman, that I've been assured by the people who make the decisions for the organization that I work for, that they are going to be supportive of this bill, but I still wonder about the money. I think we are living in la-la land if we don't think is going to cost the taxpayers some money sometime somewhere. And when we are short so much money, one of the reasons I voted for Senator Kopplin's first amendment it was more of a symbolic vote than anything, because I agree with him, we can't pay the teachers or help the schools, but we can take money out of the rainy day fund for business. It's just a little scary. But there's been people who have more experience with dollar signs, and those people in the Agriculture Committee with the leadership of Senator Erdman, who have done their job and done it well, that I'm going to make that gesture of voting for this bill, and say my prayers that it comes out the way it's on paper, instead of the taxpayer in the future getting stuck with another one. With that, I would give the rest of my time to Senator Erdman. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, 2 minutes, 25 seconds. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. Thank you, Senator Pedersen. Let me go through, just briefly, what some of the issues are at the existing site. If you stay where you are, you have the opportunity of maintaining and promoting the history and tradition that the fair has come to establish for the last 107 years. We obviously have already addressed the issue of horse racing. It's going to stay at that site for a period that will have to be determined by the interested parties: the university, horsemen, the fair. Those interested parties are going to have to figure out that transition process. As we mentioned earlier, the state of Nebraska has contributed \$3.7 million over 30 years for improvements at State Fair Park. Had the Legislature and the communities that are affected and benefited by that have been more active, we probably wouldn't be having this conversation today. But if you stay where you are, if the fair stays where it is, there is no substantial private financing currently on the table. So you have \$30 million worth of improvements that need to be made, and you have \$7 million of cash or financing to do that. So you have a \$23 million shortfall, and it's pay as you go. But here's what's missing from that scenario. For it to be successful, it has to be an attraction, it has to be a destination. If the city of Lincoln continues to build or proposes... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

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SENATOR ERDMAN: ...and achieves its arena, there is direct competition within walking distance of the fair, and you know that every major entertainment venue and minor one will be forced to go to that site to make sure that it's viable. You have new competition that shows up within the community of Lincoln. You have expanding and continually growing competition on some aspects at 84th and Havelock. And to the extent that the fair could build their exhibition centers and those things that would complement those, it's still limited in the ability for it to achieve its goal and focus. Less than half the people that go to the fair now, come from Lincoln. Lincoln does want the fair to stay here, but Lincoln is serving two masters, and it has chosen that the university as a community, not the citizens but as a leadership community, that that is the one that they prefer in this scenario, as long as the fair gets a good home--and they've got a great one worked out with Grand Island under this scenario. [LB1116]

PRESIDENT SHEEHY: Time. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. Senator Langemeier. [LB1116]

SENATOR LANGEMEIER: Question. [LB1116]

PRESIDENT SHEEHY: The question has been called. Do I see five hands? I do. The question is, shall debate cease on the amendment to committee amendment, AM2677 to AM2629? All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 26 ayes, 2 nays, Mr. President, to cease debate. [LB1116]

PRESIDENT SHEEHY: Debate does cease. Senator Kopplin, you are recognized to close on your amendment. [LB1116]

SENATOR KOPPLIN: Thank you, Mr. Lieutenant Governor and members of the body. The amendment simply extends out the date to give more time. I think we have a very heavy load to complete this by 2010, and we do have another session that we can look at things with quite a different Legislature. I offer this amendment simply to say, don't be quite so ambitious. Take a good long look at the very quick time line you've set for yourself. And with that I'll close. I'm not going to remove this. We will vote on it. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Kopplin. You have heard the closing. The question before the body is on the adoption of the amendment to committee amendment, AM2677 to AM2629. All those in favor vote yea; opposed, nay. Please...Senator Kopplin. [LB1116]

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SENATOR KOPPLIN: A call of the house, please. [LB1116]

PRESIDENT SHEEHY: I do have a request for the call of the house. The question before the body is, shall the house be placed under call? All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 27 ayes, 6 nays, to place the house under call, Mr. President. [LB1116]

PRESIDENT SHEEHY: The house is placed under call. All unexcused senators please report to the Legislative Chamber. All unauthorized personnel please step from the floor. The house is under call. Senators, please record your presence. Senator Rogert, would you check in. Senator Gay, Senator Fulton, Senator Chambers, the house is under call. Senator Kopplin, you rise. [LB1116]

SENATOR KOPPLIN: We can proceed, and could we have a roll call vote, please? [LB1116]

PRESIDENT SHEEHY: Senator Kopplin has indicated we can proceed and has requested a roll call vote. Again, the question before the body is on the adoption of AM2677 to AM2629. Mr. Clerk. [LB1116]

ASSISTANT CLERK: (Roll call vote taken, Legislative Journal page 1309.) The vote is 14 ayes, 31 nays, Mr. President. [LB1116]

PRESIDENT SHEEHY: The amendment to committee amendment, AM2677, is not adopted. The call is raised. [LB1116]

ASSISTANT CLERK: Mr. President, I have nothing further to the bill. [LB1116]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We will now continue with the...we will now continue with discussion of the Agriculture Committee amendment, AM2629. Members requesting to speak: Senator Nantkes, followed by Senator Howard, Senator Rogert, Senator Schimek, Senator Nelson, and others. Senator Nantkes. Senator Nantkes waives. Senator Howard. [LB1116]

SENATOR HOWARD: Thank you, Mr. President and members of the body. I want to thank Senator Kopplin for diligently looking at funding options and time frames. This is a very, very concentrated effort on his part, and I appreciate that he took the time to do this. This is an important issue. And he is correct, the state budget has been balanced on the shoulders of Nebraska school children. Senator Kopplin and I serve on the Education Committee, and when the financial crunch was evident, Senator Raikes was faced with the task of calculating a fair funding formula based on a reduced amount of

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money. We had to compromise and we really had no choice. I think that what Senator Kopplin has been asking of this body is that we exercise prudent and cautious expenditure of our state funds and be realistic about the time frames that we're allotting for a move of the fair and for the educational system to take over that land. What Senator Raikes is...or Senator Kopplin, excuse me, has been asking for, quite simply put, is a compromise. And I'm going to offer the remainder of my time to Senator White. [LB1116]

PRESIDENT SHEEHY: Senator White, you're yielded 3 minutes, 45 seconds. [LB1116]

SENATOR WHITE: Thank you, Mr. Lieutenant Governor. Again, I was to publicly state, not just to the members here but to the state, I support the idea of Grand Island getting the fair. I support this bill. I support an innovation park for Lincoln. I have a series of concerns that we have not, and partially because of press of time, done the necessary homework that would be required of any business that was looking at any project, even one a fraction of the size of this one, simply, fundamental concepts like: What's the property involved worth? What will it cost to get it in a position and how long will it take to get it in a position where lots will be available for building, sale and/or lease, however we want to do that? How are we going to finance those improvements and how long will it take until they're there? What will be the cash flow return from the rents on those buildings? Will it go into a separate account? Can we judge whether this project was being well run and successful or will it be merged into the budget of the university so that we'll never know? Once it's there, there are fundamental questions that make this a different proposition than an ordinary business. For example, if I have a company involved in the testing of concrete and I want to participate there because of the access to the Department of Roads and the Engineering Departments, and I'm willing to pay market value for that, but space is beginning limited in this building and another gentleman has a laser research company, they don't have a lot of money, they can't pay nearly as much for the space but they want to be there because we do have one of the largest lasers in the world and we have an excellent Physics Department. Are they going to make those judgments based on academic research? Are they going to make them on the potential for creating future jobs? Or are they going to make them on who can pay the rent? Those are reasonable questions to understand. They're reasonable questions, not to kill this bill, not to criticize the idea. Senator Nantkes, I think, has said this is her concept. I think it's a wonderful concept and it needs to come into existence. But pushing it without some thought on the other side isn't the best way for it to succeed. It's maybe counterproductive. And that does not mean we should not take action and this bill shouldn't be passed this year, but what I am going to ask, and Senator Flood has been very helpful in, is that before the land is actually transferred... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

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SENATOR WHITE: ...the necessary thought and homework, so that we are true good stewards of the public's money, be done; nothing more than that but nothing less than that either. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator White. Senator Schimek. [LB1116]

SENATOR SCHIMEK: Yes, thank you, Mr. President, members. I don't intend to take all my time and if...I don't know, Senator White, did you have enough time to say what you needed to say? I would like to ask Senator Erdman a question, and here he comes. Senator Erdman. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR SCHIMEK: As you're walking towards the mike, I sort of had a little discussion with Senator Aguilar, who also talked with you about this, but I had a note from a constituent who asked a question that I thought I better know the answer to. He thinks there's a serious flaw in the bill because he thinks that the State Fair Board and the state will own no land and no facilities, and they will just have the privilege of funding the improvements to someone else's land and facilities for the right to use it for a few weeks, and that what we should do in the bill is to provide that the State Fair Board will receive a share of the profit derived from the use of improvements or facilities funded with state funds. And I would like for you to try to respond to that, and then I may have another follow-up question. [LB1116]

SENATOR ERDMAN: It's a fair point. It's obviously been a topic of our conversation between the parties, specifically between Grand Island and the fair. Who owns the property? I guess, by de facto, my position was representing the state, obviously, because I'm presenting a proposal that the state would be in. But here's the rest of the story, if you will. If you're going to do that, if you're going to say that the Fair Board and the state owns the improvements, then, Senator Schimek, you have an ongoing obligation to pay for maintenance and ongoing costs. Now we are going to be assured, through the lease that's going to be enacted between the Fair Board and Fonner Park, the Hall County Livestock Improvement Association, that they will maintain the facilities, that they will deal with management, that they will deal with maintenance, that they're going to pay that cost. And you know what it cost the State Fair Board to do that? One dollar. So there are different ideas but, again, look at the way that the State Fair Board is operating today. The state of Nebraska owns State Fair Park. The state of Nebraska owns all of the improvements. We have given them \$3.7 million to maintain them over 30 years. All of the other maintenance that's been done there has been done at the expense or because of the ability of the fair to figure out how to come up with the money to do it. And if they couldn't come up with the money, they haven't come back to ask. And when they did come back to ask, the Legislature said you better give us a plan. So we haven't contributed to that there. So I agree that there is that appearance. The reality

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is, is that we get the benefit, we participate in the solution, but the trade-off from the ownership is ensuring we have access to facilities that are well maintained, that are brand new, and for a reasonable cost and, to go beyond that, then the Fair Board gets the revenues during the fair. It would be one thing to say you pay \$1 a year but we keep all the revenues and you don't have to share in the expenses. They even get any revenues that they would get on top of what expenses they would have at the fair. And the reason that we're doing that is because that's the best model that allows the fair to be successful and takes them from a landlord to a truly Fair Board, to give them the ability to provide the best opportunity, the best programming that they can. [LB1116]

SENATOR SCHIMEK: Okay. Thank you for that explanation, and just a follow-up question then, if I might. At present time, the Fair Board does get revenue from the state...from the racetrack out at the State Fair Park,... [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR SCHIMEK: ...which we won't be getting in the future. Have we done a balance sheet on all this to make sure that it's all going to work out okay? [LB1116]

SENATOR ERDMAN: Senator Schimek, I appreciate the crystal ball looking that Senator White and you would like us to do. I would prefer to have that crystal ball as well. But we know that the best information today is going to inform us. Horse racing has a crossroads and they have obstacles that they're facing. Senator McDonald and the General Affairs Committee has introduced an interim study to look at the future of horse racing. Through the conversations that we're going to have, in the event that LB1116 passes, between these parties, they're also going to be looking at those scenarios to determine what makes sense. Short term, the fair keeps the revenue. Long term, if there is revenue, and again that's part of this crossroads--what's the future of horse racing--what does that look like, what events need to be there, what types of structure does that need to be, establish that to make success. And that's the same scenario that the Fair Board is asking themselves for the actual fair right now. [LB1116]

SENATOR LANGEMEIER PRESIDING [LB1116]

SENATOR LANGEMEIER: Time. [LB1116]

SENATOR SCHIMEK: Thank you. [LB1116]

SENATOR LANGEMEIER: Thank you, Senator Schimek. Senator Nelson, you're recognized, followed by Senator Pirsch. [LB1116]

SENATOR NELSON: Thank you, Mr. President, members of the body. I haven't spoken to this issue before. I'm only going to speak once. I, like Senator Greg Adams, have

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been undecided. And I was delighted to hear from Senator Nantkes that she was a 4-H member. I, too, was a 4-H member, Senator Nantkes, a few years before you were. I want you to know that I spent nine years coming to the State Fair with Angus club calves; got a few blue ribbons and not only on the calves but also on showmanship. And unlike Senator Erdman, I...who traveled 400 miles, and I know he was very prominent in FFA, I suspect maybe he might have been a 4-H'er as well, he traveled 400, I traveled 60. And I went to the State Fair, as I said, for nine years, through my freshman year here at the University of Nebraska, so the fair is a very special place to me, just as the University of Nebraska is. And I want to commend Senator White on his questions. I think we really need to delve a little further into the finances there and make sure that, from a stewardship platform, we are doing the right thing. If I had my druthers, I think I would like the fair to stay where it is and improve its facilities, and perhaps share space with the university in conjunction with the technology park, but apparently that's not going to be feasible. I'd like to ask Senator Erdman just one question perhaps, if he will yield. [LB1116]

SENATOR LANGEMEIER: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will. [LB1116]

SENATOR NELSON: We just recently talked, what I understood to be, about the viability of the Grand Island location. You know, I'm out of Omaha and I know that attendance has declined from Omaha, but I think you said less than half of the fair attendance is from Lincoln. Do you have any figures on Omaha's attendance in all of your hearings, if you recall? [LB1116]

SENATOR ERDMAN: I do, but not specific to Omaha, and I'll tell you how we arrived at the numbers that I gave you. The fair had done an extensive survey of attendees by zip code, to code zip codes in the state to get a sense of who was coming to the fair. I believe they did that at the 2006 fair. We have...the Fair Board has that information. I don't have it available to me where I can pull up a zip code and tell you, because it's in a database, but we have that information. I can just tell you based on geographical distances from a site what those numbers are. [LB1116]

SENATOR NELSON: All right. Thank you. These are round number figures but the attendance that generally has been between 250,000-300,000 at the State Fair, and if I understand we're talking about 150,000 at Grand Island? [LB1116]

SENATOR ERDMAN: No. [LB1116]

SENATOR NELSON: No? Wrong? [LB1116]

SENATOR ERDMAN: No. [LB1116]

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SENATOR NELSON: Would you correct me then? What are the projections are for Grand Island? [LB1116]

SENATOR ERDMAN: I will. The sheet or the e-mail that I sent out has two scenarios. One is the people who currently go to the fair in Lincoln, how far are they away from the new site in Grand Island, and we have a number of 127,000, of the 289,000 people that went to the fair in '06, actually are within 90 miles of the fair now. If you use a penetration rate, which is the number of people, divided by the number of those people who went to the fair, not separate people but total, how...what percent is that? If you use the consultant's numbers, the high, my guess is at this point, would be 320,000. If you use the same exact percentages that you get in Lincoln, 44 percent of those within 0 to 30 miles, 6 percent of those within 30 to 60 miles, if you use those numbers you still get 200,000 people to the fair. [LB1116]

PRESIDENT SHEEHY PRESIDING [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: Those are not...that last set of numbers is not the target for anybody, but the number isn't half of what's going to the fair now because less than half the people who go to the fair now are actually from that Lincoln or Omaha area. [LB1116]

SENATOR NELSON: Okay. Thank you very much, Senator. I'm going to rely on the work of the committee. I want to commend Senator Erdman and his committee for all the in-depth research and the meetings that they've had. I think at this point I'm going to support...and I know I'm going to support AM2677 and the underlying bill itself. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Nelson. Senator Pirsch. [LB1116]

SENATOR PIRSCH: Thank you, Mr. Lieutenant Governor, members of the body. Again, I'd just like to echo I like the underlying concepts with regard to these two important institutions, the technology park and the...I meant research park and the State Fair. I have a lot of great memories from my childhood of the State Fair. I went down with my sister, who was involved in 4-H and we'd bring ponies and horses down there. My pony was a little too ornery at the time to (laugh) compete, but I have a lot of great memories watching my sister compete in the state...bringing the horse down to the State Fair. I guess the...to me, the devil is in the details, and especially as we look at the financing aspect. I appreciate some of the comments others have raised with respect to that and especially as it relates to down the road, long-term developments. And I certainly understand, from Senator Erdman's comments, that we do not have any actual,

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contractual, future obligations for ongoing support for either the State Fair or the new technology park. But we're doing this, obviously, for a reason, our actions here today, and I just want to kind of put out on the table and make absolutely clear, you know, just exactly what our, if there are any, what...any tacit or inherent expectations, commitments or understandings would be for the state, that the state would be expected to make as far as down the line. You know, obviously, with regards to this research park, I wonder if Senator Erdman might yield for a quick question. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield to questions? [LB1116]

SENATOR PIRSCH: And, Senator Erdman, I obviously don't serve on the Agriculture Committee and didn't have... [LB1116]

SENATOR ERDMAN: That opportunity is coming your way soon. [LB1116]

SENATOR PIRSCH: (Laugh) Very good. Didn't have the privilege to maybe hear the discussion through that committee with regards to initial planned uses of the research park. Is there a phase one that's kind of been put forward as, you know, obviously this is a big piece of land, 200-and-some-odd acres. Was there kind of an initial phase one type of approach to it and, if so, could you describe that a little bit? [LB1116]

SENATOR ERDMAN: I can, Senator Pirsch, or I can direct you to the packet that you received from the university. Those time lines, phases are all outlined in a four-page document, and if you don't have that I can get that for you. But it goes through dates, what they're proposing to do, when they're proposing to do them: April '08, prior to 2010, early 2010, late 2010, early 2011, 2011, after 2011, and then it goes through all of those types of scenarios. And I can give you a copy...I can get you...give you a copy of mine or I can get you a new one I'm sure, but they did distribute that to your office and if you need another copy I'll be happy to get that for you. [LB1116]

SENATOR PIRSCH: Okay, great. No, I'd certainly appreciate that. Secondly, with respect to the State Fair, should it be transferred to Grand Island, the consultant had a range, correct, on...as far as State Fair attendance, 320,000 on the high side down to what was it on the low side? [LB1116]

SENATOR ERDMAN: No, the consultant's report was using the existing site. One of the things that we got into is that it only did two things. It created an ideal scenario, a hypothetical model of a fair, and then it only compared the existing site against that. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: One of the topics of conversation that we had during the study

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was whether or not the consultant was going to do all sites, but their numbers, their target percentages are what we're using, not their actual numbers, because it's a different site. [LB1116]

SENATOR PIRSCH: Okay. I'm just wondering is there a...should, you know, we always have to encompass or envision a worst case scenario. Should the numbers not be what we may expect them or what they've experienced in Lincoln, would that require...I mean are we...are we looking at possibly approaching the Legislature then realistically in a worst case scenario type of idea for additional appropriations? [LB1116]

SENATOR ERDMAN: Obviously, the fair, the university, anybody can approach the Legislature for money, but the way that this proposal is structured, it's designed to give the fair the most financial freedom that they possibly can to be able to weather any uncertainties so that they can be self-sufficient with the resources that they have. [LB1116]

SENATOR PIRSCH: Okay. It seems realistic to you then, the plan? [LB1116]

SENATOR ERDMAN: It does. [LB1116]

SENATOR PIRSCH: Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Pirsch. Thank you, Senator Erdman. Members requesting to speak are Senator White, followed by Senator Erdman, Senator Hansen, and Senator Karpisek, and others. Senator White. [LB1116]

SENATOR WHITE: Thank you, Mr. President. We've been working...trying to work with a number of people on this issue and, again, I would like to see this bill moved today. I'd like to see it move and be passed this year. One of the concepts that we discussed, thanks to Senator Synowiecki, is the idea that there be a business plan in place, but then we get, the Legislature, get a report on a regular basis, whether it's quarter, twice a year or once a year stating what the current business plan for this is, what the capital needs to be invested are, where the capital is coming from, what it's cost to date, what the income prospects are, what lots are being developed, how many lots, whether they've been leased, whether the owners are financing them, how it's being financed, just the kind of stuff a normal bank or a board of directors of the corporation would receive from a major project like this. And then with that kind of information much of my concerns could be alleviated. So I want the body to know I'm going to continue to work quietly with anybody who will work with us to get those kind of just fundamental business questions answered so that this project can move forward and move forward on a rational, fiscally sound basis in which there's accountability so that we know how the public's money is being used and, hopefully, God willing, we'll actually make a profit on it, which would be a wonderful thing. And if the profit comes only in the forms of

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additional money generated through jobs, if it comes through opportunities for our children that will be a wonderful reward as well. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator White. Senator Erdman. [LB1116]

SENATOR ERDMAN: Mr. President, members of the Legislature, I think it goes without saying but I'll say it anyways. If there are concerns, if there are issues, it would be appreciative if they were expressed to me. And I've heard what Senator White has said and I'm willing to work with Senator White, but I have yet to have a conversation with him directly about what his opportunities are, and I think that's appropriate, because here is the scenario that we've gone through so far. Everybody was talking at each other about each other or everybody was talking to me about each other, and that's how we stopped that process to say, no, talk with each other. There are obvious answers...there are obvious questions that still need to be answered, whether it's process, whether it's technical language, whatever. But the fact is I offered you two opportunities this week to meet with me directly. Senator Kopplin is the only one that took me up on that. Senator Pirsch is the only one that e-mailed me any questions. The university has been out here all week, the Fair Board has been out here all week, Grand Island has been available all week. They're wanting to know your concerns so that we can address them and make sure that we're reflecting the best public policy possible. Again, the name on the bill is mine. If you want to work on the bill you know where I live. I'm either here or I'm in Room 1022. I think that's just a common courtesy. Let me talk to you about an observation that may not have been pointed out. When there were stalemates in this process, and one of the things that I have said throughout this entire time and one of the things that I believe the Agriculture Committee was committed to during this session was a resolution, no matter what that was, and when the committee said to the groups in December, come up with your own solution or we will, I think they were serious. But in part, I had encouraged them in that path and I was dead serious. So when it was becoming somewhat unclear whether an alternative solution was going to happen, or a resolution was going to happen, I pursued some alternative ideas. I looked at other sites we could hold the fair. I looked at other designs in other states about how they maximize a location, where the state fair is an integral part of a research facility or a university campus. I looked at those models. I asked people on a national level, who deal with international affairs and expositions, for their input. I went to the mayor of Lincoln and I asked him about properties that the city of Lincoln owned that would be potential opportunities to facilitate a corridor that connected the arena with State Fair Park and left the State Fair where it was but provided an alternative site for an innovation campus. When I say that all options were considered, candidly, options were considered that most people didn't probably think were options. But the solution today wasn't simply the only options on the table; it was the best option available. Conversations about collocating the fair and the university on State Fair Park were held. Conversations about collocating the fair with 84th Street, obviously; moving the fair to Grand Island; having the fair stay where it is and moving innovation campus; utilizing

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the Tech Park as a possibility; utilizing East Campus as a possibility for some of the innovation campus ideas, all of those were considered from my perspective. And when I arrived at what the groups...when I examined what the groups had arrived at, it wasn't simply saying, well, that was really good work; let me know what I can do to help. It was an active participation in finding a solution. And because the committee and I, as the Chair, have done our homework, there was a great deal of comfort to ensure that we didn't leave that stone unturned. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: At my next opportunity to speak, I'm going to address the makeup of the Fair Board, as far as the membership, one more time. If you continue to have questions, I assure you that if we advance this bill today and adopt the committee amendments, there will be work done between General File and Select File to ensure that those issues are addressed, if they can be addressed, and more importantly, if they need to be addressed in statute. There are things that won't be in this bill that don't need to be in this bill because they have no place in statute. There are agreements and things that need to be in place that should never be placed in the law, and we're going to work through the process of making sure those things happen as well. Ultimately, none of this becomes final until after next legislative session. That's another safeguard that we've built into this process. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. (Visitors introduced.) Senator Hansen. [LB1116]

SENATOR HANSEN: Thank you, Mr. President. I have a question for Senator Erdman, if he would yield, please. [LB1116]

PRESIDENT SHEEHY: Senator Erdman, would you yield? [LB1116]

SENATOR ERDMAN: I will, Senator Hansen. [LB1116]

SENATOR HANSEN: Thank you, Senator Erdman. Sometimes the smallest detail derails the biggest projects, and my question would concern the Salt Creek tiger beetle and what funding source...my funding source would pay for the mitigation of habitat destroyed by innovation park? [LB1116]

SENATOR ERDMAN: I'm sorry, one more time, Senator Hansen, about the tiger beetle. [LB1116]

SENATOR HANSEN: The tiger beetle, the Salt Creek tiger beetle, what funding source would pay for the mitigation of habitat destroyed by innovation park? [LB1116]

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SENATOR ERDMAN: Great question. When I looked at those other sites that I just mentioned that innovation campus could be utilized, I've got documents here from the mayor of Lincoln showing how different floodplains work, how different habitat areas are dealt with, what restrictions are in certain places, and those issues are obvious that there are those types of considerations. Right now the state of Nebraska owns that property and, depending upon what development happens in the future, if the university is the owner, they potentially would have that obligation or would be able to work that out. Not all of those potential impacts are only a result of this development. You also have the Antelope Valley Project, you have other things that potentially impair or impact that, that may be also part of this. So there's a global reality to this, but all of those things are being talked about, about what happens. And ultimately, my sense is, where we stand today, that's going to be the responsibility of the university to deal with because they will become the owner of that property. [LB1116]

SENATOR HANSEN: As Salt Creek goes through the State Fair Park, as it is now, and then one of the architect's renderings they proposed a lake there toward the west side of the State Fair Park...or the innovation park, and I asked President Milliken about that and he said that that was to do for...they were going to use that for fill for the rest of the buildings that were to be constructed. So that would be very close to or adjacent to or part of the Salt Creek Watershed and that endangered species beetle, so I just thought that that would be an appropriate question for you. It didn't come from any of my constituents. It came from a person in Lincoln that I don't know who it is, but they raised the question and I thought I'd pass it along. [LB1116]

SENATOR ERDMAN: You weren't trying to derail this, were you? [LB1116]

SENATOR HANSEN: No, sir. [LB1116]

SENATOR ERDMAN: Okay. I do, if I may, Senator Hansen, I'll find the documents that I've received from the mayor's office that outlined those areas of development, what limitations there are. I do have them here somewhere in my massive binder of information, but I'll find those. Those considerations all have to be, obviously, taken into account whenever you're dealing with a new use or a change in use, and then obviously the potential impact on habitat and other federal or environmental laws that are in place. And so those things all have to be accounted for and, again, that would be the responsibility of the community and the university in the event that this goes forward. Right now in the event that that happens, the state would be a partner in that because we own the land. [LB1116]

SENATOR HANSEN: Correct. Thank you very much. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Hansen. We have Senator Karpisek,

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followed by Senator Langemeier, Senator Lautenbaugh, Senator Rogert, Senator Nantkes, and Senator Wightman. Senator Karpisek. The question has been called. Do I see five hands? I do. The question is, shall debate cease on the Agricultural Committee amendment, AM2629? All those in favor vote yea; opposed, nay. [LB1116]

SENATOR ERDMAN: I was going to ask for a call of the house. [LB1116]

PRESIDENT SHEEHY: Please record, Mr. Clerk. Please record, Mr. Clerk. [LB1116]

CLERK: Mr. President, 26 ayes, 0 nays to cease debate. [LB1116]

PRESIDENT SHEEHY: Debate does cease. Senator Erdman, you're recognized to close. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. You guys could have taken a little while longer. Then I could have had a call of the house before I close and then you would have all been here. But I think you've already heard what needs to be said. Let me explain to you specifically what the amendment does. Well, I'm hoping, Senator Lautenbaugh, that people have heard what's been said. First and foremost in the committee amendment, it states that the State Fair shall be held at Grand Island no later than the year 2010. The next provision of the amendment deals with the membership of the Nebraska State Fair Board. In 2002 we changed the Fair Board from a 29-member ag board, or agricultural board, to the State Fair Board and reduced the membership from 29 to 13. We maintain those same 13 individuals, or those same 13 positions. We changed two of them. Right now there are seven fair districts throughout the state that each of the county fairs are a part of. They select a representative from each of those seven districts to serve on the Fair Board. The Governor selects four individuals, one from the Omaha business community, two from the Lincoln business community, one from the business community of the state at large; and then, in ex officio capacity, the chancellor of the university; as well as the executive director of the Arts Council. Under the committee amendment, we would elect or, excuse me, the Governor would appoint a representative from the 1st District, 1st Congressional District, 2nd Congressional District, 3rd Congressional District, and the host city. And that's essentially what we already have; we just have a different title for each of those. And the Governor would determine which one of those individuals from the community of Lincoln is the host community representative and which one is the 1st District representative. We then remove the chancellor as the university's representative from the Fair Board and, in turn, we place the 4-H coordinator with the university as the university's representative because that's the most logical connection between the fair and the university. We also add the FFA executive director in their capacity as a member of the board, and both the 4-H person and the FFA person are ex officio members and they are nonvoting. We create a fund, the State Fair Relocation Cash Fund. And then finally, we ensure that the parties that are contributing do so and

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specifically state the time lines in which the university has to meet those benchmarks if the transfer of land is going to happen between the state and the university. I remind you that without this provision in the law, the university would get the land for free and, in turn, the university is getting the land for free except for their contributing \$21.5 million to generate a new site with the improvements we need for the fair, essentially making the state whole. Under the vacant land statutes and the surplus land statutes, any adjacent public entity to state land gets first right at it, and they get it essentially for free. So they're contributing more than they would have to otherwise if they were somehow able to evict the fair from their current site. The final provision of the committee amendment deals with the transfer of \$5 million in a one-time transfer from the cash reserve to the State Fair Cash Relocation Fund. I want to point out one thing about the State Fair membership. The assumption was made at the committee hearing--and I don't think it was an insinuation, I think it was an observation, I don't think it was intended to be underhanded or anything--but the comment was made that by simply putting the 4-H and FFA representatives Fair Board that you're somehow narrowing the focus or the vision of the fair. And the thought was that if your vision is to restrict the fair to only agriculture, then go ahead and put those people on the Fair Board. The 4-H organization, and, Senator Nelson, you're right, I showed livestock at the fair as a 4-H'er, not as an FFA member, but the State Fair Board needs their vision as much as they need the vision of those business communities individuals throughout the state. To insinuate that those representatives have no vision or their vision is simply limited to agriculture displays a lack of understanding of the two organizations themselves. There are a substantial...there's a substantial number of 4-H members who are in urban settings, and that's not just Lincoln and Omaha. That's within our urban areas of our state, the cities. They're involved in a number of projects and opportunities. The other thing that we heard at the hearing, and you tease me sometimes about my former affiliation, and this is the eightieth state convention of the Nebraska FFA going on right now. People say, well, the FFA stands for Future Farmers of America. The letters do not represent Future Farmers of America anymore. They represent the National FFA Organization. That decision was made in 1988. But one of the comments that was made at the hearing was the FFA doesn't stand for...those letters don't stand for anything anymore. That's a mischaracterization of reality. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR ERDMAN: The FFA still stands for all of the things that it's supposed to stand for and I can tell you, unequivocally, that when the National FFA president was from inner city Chicago, from Chicago Magnet, and I had the opportunity as a state officer to work with him directly, the vision of individuals in these organizations isn't simply focused to agriculture. It's tied to agriculture, but guess what? You all rely on agriculture three times a day, at a minimum. It affects us all, and the people involved in those organizations have vision beyond what they're getting credit for. And I wanted to make the clear that insinuations similar to that are not to be accepted nor tolerated. The

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Fair Board membership is appropriate. This bill is in appropriate form for the negotiation between the parties. I encourage your adoption of the committee amendments. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. You have heard the closing. The question before the body is on the adoption of the Agricultural Committee amendment, AM2629, to LB1116. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 44 ayes, 1 nay, Mr. President, on the adoption of the committee amendments. [LB1116]

PRESIDENT SHEEHY: Agricultural Committee amendment AM2629 is adopted. We will now move to floor discussion on the advancement of LB1116. Members wishing to speak are Senator Langemeier, followed by Senator Lautenbaugh, Senator Rogert, Senator Wightman, and Senator Chambers. Senator Langemeier. [LB1116]

SENATOR LANGEMEIER: Mr. President, members of the body, and, no, I'm not going to call the question, we've had the opportunity to move this along. When I first turned my light on the first time, I was the 27th light. So I appreciate everybody out there, too, everybody sharing their thoughts. I rise in support of the State Fair and, through the last couple of years, I've looked at the State Fair as becoming more and more of a place to go buy hot tubs, unfortunately, as the retail end of it has gotten to that. I think the State Fair Board and the citizens of the state of Nebraska want more from the State Fair. So how do we do that? Do we do that where it currently is, or do we do that in a new location? It needs to be more. It needs to be representative of Nebraska. One out of three jobs in Nebraska is related to agriculture, and so does it primarily get to be agriculture? Yes. Has Husker Harvest Days been a most successful...one of the most successful ag events in across the country? Yes. Do I think they need to go back together? No. I think we see a number of people from Omaha, Nebraska. And I have a number of friends that do a lot of horse showing. They go to the Iowa State Fair because their facilities for horse showing are second to none. They drive from Omaha, Nebraska, to the Iowa State Fair because of their facilities. They'll drive to Grand Island, Nebraska, for new facilities. So that gets us to the second component, is if we're going to renovate the State Fair where do we do that? Do we do that here in Lincoln, Nebraska, or do we do that in Grand Island or some other place across the state? I think Grand Island has shown a tradition with Husker Harvest Days as having the ability to make events successful. If you go out there on Husker Harvest Days, you go to every shop in town. And in the farm management business we have a booth and, number one, we go out...both reasons we go out to Husker Harvest Days. And no matter where you go in Grand Island there are signs up, says welcome, welcome to Husker Harvest Days. That same enthusiasm I am confident that Grand Island will share with the rest of the citizens of Nebraska. I think each person in Lincoln that says, I won't drive to Grand

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Island, they ought to try it once. I think they will see hospitality like they've never seen before, for any other function that we've seen in Lincoln and I think western Nebraska, if you want to call Grand Island, people in Omaha and, as Senator Carlson said, the radio station dies at Milford, if you want to call Grand Island western Nebraska, I'd call it middle of the state, I think there's a whole lot farther western portions of the state if you get out to check my cows. Grand Island will step up to the plate. Now what do you do with State Fair Park? I think the university has demonstrated a plan. They've demonstrated that with a lot of other facilities they have that they are going to look at this park and rent this facility out for the top dollar they can get. To think the university...there was some discussion out here before that we got to find out what it's worth, we got to make sure they're getting top rent. In my experience here, in my four years, the university has mastered trying to get money. They've come to us for money. They have mastered the ability to go out and get money. And to think they are not going to get top dollar for these rental spots is ridiculous. They thrive on dollars. They put dollars to good use. They match dollars. They go out and get grants. They go out and get funds. Just look at some of the makeup of their personnel. They have people just dedicated out there to get money, and so I'm confident they're going to use this park to the best of their ability. And I think they're going to contribute to the moving of the State Fair and we're going to make the State Fair at Grand Island the best it can be, and I think you're going to have dedicated people go to the new State Fair and I think it's a win-win for both. And with that, I'd encourage you to support LB1116. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Langemeier. We have Senator Lautenbaugh, followed by Senator Chambers, and Senator Rogert. Senator Lautenbaugh. [LB1116]

SENATOR LAUTENBAUGH: Thank you, Mr. Lieutenant Governor. Members of the body, I had initially pressed my light to call the question, which I'm not going to do either because we've moved on to the underlying bill, and then I realized I was the only person who hadn't spoken today so I thought I would. I do support this. I applaud the hard work of Senator Erdman and his committee, and I support moving the fair to Grand Island. Once again, I did not call the question, but I'm not going to yield my time to anyone. Thank you. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Lautenbaugh. Senator Chambers. [LB1116]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, the fact that the fair would move I think was a foregone conclusion so I didn't see any need for me to offer any types of amendments or motions to get ahead of anybody else. Everybody is on the record and I think it's clear what's going to be done and I do think, if you're not going to abolish the State Fair, this is the best thing that ought to be done. I

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was somewhat troubled by what Senator Carlson said. I have never asked for quarter, Senator Carlson, when I have been really condemned and lied about on the radio in Omaha, called names on the radio in Omaha. The community in which I live in was ridiculed as being more dangerous than Iraq, and white people laughed and got a big joke out of that. Well, all this guy said on the radio here was the kind of things that people always say about backwards states, and Nebraska is the most backwards state in the Union. There is no question about that. If you look at the kinds of issues that will take the attention of the Legislature and hold everybody captivated and spellbound, you will see that it relates to agriculture or something like that, that they can grasp. But things like justice, fairness, medical care for those who need it, even providing an opportunity for a hearing or to speak when Medicaid programs administered by the state are going to be altered to the detriment of the poor, they don't even want to allow that kind of what I would call due process opportunity. So I say good riddance to the fair. They don't have to stop at Grand Island. They can send it all the way to Scottsbluff-Gering. And, Senator Karpisek, if they get up enough momentum and they can't stop there and wind up in Denver, if Denver would have them I'd say bully for Denver and give them a subsidy for keeping it there and not letting it come back. There are people who get on this floor and talk about some things nostalgically as though the sun rises and sets on it, as though the integrity of the state is wrapped up in the State Fair. Maybe it is, and maybe that's why we can't make any progress in this state on issues that would advance the cause of civilization in this state, that would allow it to evolve and become mature. That won't happen. Senator Kopplin and others have talked about things that were of value to them and to others that money from that reserve fund could be used for, but it was sacred, untouchable until the right interests come along. But that's the nature of the political system. People, under the First Amendment, have the right to say a lot of things. They say vicious things. They hateful things. On some of the radio stations in Omaha they use coarse language, they use vulgar language. I don't know whether it violates the FCC, but it certainly does not violate the standards of the people in Omaha. So what you all ought to do is stop all this praying every morning in the Legislature, listen to some of these radio stations that your children listen to, and then call them and say, hey, that's not uplifting, that's not what we want our children to hear. But you're not going to do it. I know it and you know it. Senator Carlson, thicken your skin. Look, my skin is so thick. You're probably the only one who will remember this commercial--the skin you love to touch. Was that for Ivory Snow? One of those soap commercials, make your skin so soft. Compared to the thickness and toughness of my skin, somebody would look at the hide of the oldest, roughest rhinoceros and call his hide the skin you love to touch, by comparison. [LB1116]

PRESIDENT SHEEHY: One minute. [LB1116]

SENATOR CHAMBERS: If you're in politics, you need a hide made of leather, covered with an iron suit of armor. You cannot get so upset about those trifling things. I wish what upsets you all are the worst thing that would ever be said about me. I'd laugh at

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them, laugh at them. And there are people who don't know, in New York, that Chicago is between Omaha and New York. When I was leaving New York they thought I'd get to Omaha before I got to Chicago. That's just the ignorance of people when it comes to geography. But I think those people on that Lincoln radio station were trying to be sarcastic. They were trying to use satire but, like everything else in Nebraska, it falls flat. They don't understand how to do anything, but they're trying, Senator Carlson. Let them try, encourage them to try and don't squelch them. And if there's nothing else that will touch your hard heart, think about the First Amendment and the right to freedom of speech and to say... [LB1116]

PRESIDENT SHEEHY: Time, Senator. [LB1116]

SENATOR CHAMBERS: ...almost whatever you please, except beyond when he says time. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Chambers. Senator Rogert, followed by Senator Pahls. Senator Rogert. [LB1116]

SENATOR ROGERT: Question. [LB1116]

PRESIDENT SHEEHY: The question has been called. Do I see five hands? I do. The question is, shall debate cease on the advancement of LB1116? All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 27 ayes, 3 nays, Mr. President, to cease debate. [LB1116]

PRESIDENT SHEEHY: Debate does cease. Senator Erdman, you're recognized to close on advancement of LB1116. [LB1116]

SENATOR ERDMAN: Thank you, Mr. President. Members of the Legislature, I appreciate your patience this morning and this afternoon. I appreciate your patience this session and last. I believe the outcome of this is probably greater or is better than I think any of us had anticipated. The hope was that we would get to a point that the parties would be able to sit down, talking with one another about a solution in which all could agree on, and we have done that. I will also tell you again that there is going to be continual conversations, both with you and with those involved, about the language of the bill, ensuring that it's as clear as it needs to be, that it contains the issues that we believe need to be addressed, and that that will be done between General and Select File. My only request is, is that those conversations be held with me included. There are going to be conversations that I know I'm going to be a part of with those parties, and the best opportunity I have to ensure that all of those issues are aware...or those parties are aware of those issues is if I'm aware of your concerns. And again, I would request that you offer those to me in whatever form you have them, whether they're written or

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verbal, and we will work through it. I have been...I have been fortunate and I would say I have been blessed with the seven other members of the Agriculture Committee that I've had for the last two years. We have worked hard. We haven't always agreed on all issues, but I will tell you that their commitment to doing the job that you have selected us all to do as members of that committee I hope is reflected in the quality of this product and I hope has been obviously understood by the work that we have done on your behalf in ensuring that our committee process is strong and serves the role that it was intended to serve. Obviously, you can't do that without staff. Our staff has worked hard. Obviously, Rick has worked hard as well. He brings a wealth of knowledge, not only from the last few years but his previous counsel under Senator Dierks and other senators and has been very involved in these conversations and has a great deal of knowledge as well that has been an immense value to me and to the committee. Finally, let me say this. I appreciate the interest, the patience, the partnership that I have had with the Speaker on this issue. Senator Flood has given us the time that we needed, has worked closely with me, with the parties to ensure that people were aware of what the possibilities might be. And most importantly, what the opportunities were, and not only from his involvement off the floor but obviously the opportunity that we have to debate this bill on the floor this late in the session in a meaningful way, I think is a testament to his focus on ensuring that the issues of the Legislature are addressed during the session. Obviously, we have a lot of work to do still on the bill, but we're committed, I'm committed as the introducer of the bill, as the Chairman of the committee and working with those other parties to ensure that if you have concerns we work through them. Obviously, this changes the way business is done in the state for a lot of entities, but it doesn't mean that it has to destroy the traditions and the history and the vision that we have for the entities that are involved. I think it is a strong opportunity for all involved. I would encourage your vote to advance this bill and look forward to working with you as we go forward. Thank you, Mr. President. [LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. You have heard the closing. The question before the body is on the advancement of LB1116. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116]

CLERK: 44 ayes, 3 nays, Mr. President, on the advancement of LB1116. [LB1116]

PRESIDENT SHEEHY: LB1116 does advance. Mr. Clerk, do you have items for the record? [LB1116]

CLERK: Mr. President, LB1116A, a bill by Senator Erdman. (Read title.) [LB1116A]

PRESIDENT SHEEHY: Senator Erdman, you're recognized to open on LB1116A. [LB1116A]

SENATOR ERDMAN: Mr. President, the last section of the committee amendment that

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you adopted and is now part of LB1116 authorizes the transfer of \$5 million from the cash reserve to the Fair Relocation Cash Fund. This is simply the appropriations bill, the A bill, to facilitate that transfer. I would encourage your vote to advance the bill.
[LB1116A LB1116]

PRESIDENT SHEEHY: Thank you, Senator Erdman. You've heard the opening to LB1116A. Are there members requesting to speak? Seeing none, Senator Erdman, you're recognized to close. Senator Erdman waives closing. The question before the body is on the advancement of LB1116A. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1116A]

CLERK: 37 ayes, 3 nays, Mr. President, on the advancement of LB1116A. [LB1116A]

PRESIDENT SHEEHY: LB1116A advances. Now items for the record, Mr. Clerk.
[LB1116A]

CLERK: Mr. President, a new resolution, LR378, by Senator Erdman; that will be laid over. An amendment by Senator Friend to LB1016 to be printed; and LB609A by Senator Heidemann. (Legislative Journal pages 1310-1311.) [LR378 LB1016 LB609A]

Priority motion, Mr. President: Senator Hudkins would move to adjourn until Monday morning, April 7, at 9:00 a.m.

PRESIDENT SHEEHY: You have heard the motion to adjourn until Monday, April 7, 2008, at 9:00 a.m. All those in favor say aye. Opposed, nay. We stand adjourned.