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Floor Debate
February 10, 2011

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SENATOR GLOOR PRESIDING

SENATOR GLOOR: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-sixth day of the One Hundred Second Legislature, First Session. Our chaplain for today is Pastor Tyler Hauptmeier of the St. Peter's Lutheran Church in Wymore, Nebraska, Senator Wallman's district. Would you please rise.

PASTOR HAUPTMEIER: (Prayer offered.)

SENATOR GLOOR: Thank you, Pastor Hauptmeier. I call to order the twenty-sixth day of the One Hundred Second Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

SENATOR GLOOR: (Gavel) Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections.

SENATOR GLOOR: Are there any messages, reports, or announcements?

CLERK: Mr. President, I have a series of hearing notices from the Appropriations Committee, and I also have a confirmation report from the Government, Military and Veterans Affairs Committee. That's all that I have, Mr. President. (Legislative Journal pages 499-502.)

SENATOR GLOOR: Thank you, Mr. Clerk. We will now proceed to the first item on the agenda. Mr. Clerk.

CLERK: Mr. President, Senator Schilz would move to withdraw LB692. [LB692]

SENATOR GLOOR: Senator Schilz, you're recognized to open on your withdrawal of LB692. [LB692]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. I stand this

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morning to talk to you a little bit about LB692. I introduced LB692 for a constituent who is a state employee and he travels quite a bit. In our conversations he...it seemed as though by changing to a per diem reimbursement process, the state would save both time and money. And LB692 would allow state...or...is it LB692? LB692 would allow state employees traveling for five consecutive days to not have to verify expenses by receipts. Reimbursement would be determined using per diem rates established by the Department of Administrative Services. And as I spoke to fellow colleagues and interested parties, it became evident that real numbers were necessary to show that there would be savings in using this system. I shared that with my constituent and individuals in support of the bill. However, no hard numbers or facts have been produced, and I would just like to thank the Department of Administrative Services for being very helpful on this issue. And with that, I respectfully ask that you approve the withdrawal of LB692. Thank you, Mr. President. [LB692]

SENATOR GLOOR: Thank you, Senator Schilz. Seeing no senators wishing to speak, you're recognized to close on...Senator Schilz waives. The question is, shall LB692 be withdrawn? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB692]

CLERK: 35 ayes, 0 nays, Mr. President, to withdraw the bill. [LB692]

SENATOR GLOOR: The bill is withdrawn. We now move to Select File. Mr. Clerk. [LB692]

CLERK: Mr. President, the first bill, LB59. Senator Larson, I do have Enrollment and Review amendments. (ER3, Legislative Journal page 349.) [LB59]

SENATOR LARSON: Mr. President, I move the E&R amendments to LB59 be adopted. [LB59]

SENATOR GLOOR: The question is the adoption of the E&R amendments for LB59. All those in favor say aye. All those opposed say nay. The amendments are adopted. [LB59]

CLERK: I have nothing further on that bill, Senator. [LB59]

SENATOR GLOOR: Senator Larson. [LB59]

SENATOR LARSON: Mr. President, I move that LB59 be advanced to E&R for engrossing. [LB59]

SENATOR GLOOR: You have heard the motion. All in favor say aye. All those opposed say nay. LB59 is advanced. [LB59]

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CLERK: Mr. President, LB135, no Enrollment and Review. Senator Langemeier would move to amend. Senator Langemeier's amendment is AM56. (Legislative Journal page 345.) [LB135]

SENATOR GLOOR: Senator Langemeier, you're recognized to open on AM56. [LB135]

SENATOR LANGEMEIER: Mr. President and members of the body, we're back to LB135, which is changing the date the counties pay fees from the fifth of the month to the fifteenth. And when we left this on General File, we were having the discussion with Senator Heidemann about the fiscal note of \$5,000 of loss to interest on that bill. And so there was a lot of discussion. I was one that said that I was willing to move this forward to try and figure out a way to get rid of the fiscal note if that could be done. I offer AM56 as a opportunity to take that fiscal note from a negative fiscal note to probably a positive fiscal note. It takes the rest of their fees that they're currently submitting to the state on the fifteenth and moves them up to the fifth, which then we gain that short amount of interest for ten days. I told Senator Smith I brought it because we can resolve issues on the floor. I am, however, going to withdraw it at the conclusion of my opening here on AM56. I think this policy change is pretty dramatic for the counties and I don't want to put any more burden on the counties than we already have put on them. So I am not asking to move the other dates. But, however, I am also not supporting LB135 in its current form to move forward. So at this time, Mr. President, I would withdraw AM56. [LB135]

SENATOR GLOOR: Thank you, Senator Langemeier. Mr. Clerk. [LB135]

CLERK: Mr. President, Senator Smith would move to amend the bill with AM61. (Legislative Journal page 372.) [LB135]

SENATOR GLOOR: Senator Smith, you're recognized to open on your amendment. [LB135]

SENATOR SMITH: Thank you, Mr. President. And good morning, colleagues. And thank you so much for the good wishes yesterday on my birthday. Although I do not like that reminder of being one day older, I do appreciate your well wishes. So thank you very much. AM61, this amendment would change the deadline to remit boat title fees from the fifth of the month to the fifteenth of the month as well, similar to what we've heard in LB135. After the bill went to E&R, the Revisor's Office found boat titles in a separate section, and this amendment would make it uniform with motor vehicles. I'd like to also make mention that I do understand the fiscal note on LB135 is of some concern. It's a little over \$1,000 in lost interest to the General Fund. However, I also want to make you aware and make sure that you understand that there are at least three bills that would offset this loss. LB207, which was introduced by Senator Sullivan;

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LB621, which was introduced by Senator Heidemann; and LB563 introduced by Senator Utter. These bills allow for the conveyance of state park property to Sherman County, the city of Brownville, and the village of Ayr, respectively. These measures would shift maintenance costs from the state to those local governments, and they would save the state money. The bottom line is that this bill is about government efficiency. That's what we've been talking about for the last couple of weeks. And this is an opportunity where we are actually shifting responsibility along with cost to the local governments. We need to untie their hands and let them operate more efficiently. So with that, I ask you to support me in adopting this amendment, AM61, that we advance the bill to Final Reading and we let it sit there and see what shakes out with the budget. Thank you so much for your patience and your support. Thank you, Mr. President. [LB135 LB207 LB621 LB563]

SENATOR GLOOR: Thank you, Senator Smith. Senator Langemeier, you are recognized. [LB135]

SENATOR LANGEMEIER: Mr. President and members of the body, thank you. Senator Smith, would you yield to a question? [LB135]

SENATOR GLOOR: Senator Smith, will you yield? [LB135]

SENATOR SMITH: Yes. [LB135]

SENATOR LANGEMEIER: Senator Smith, just so we have it clear, AM56 that I withdrew was trying to help your fiscal note issue. But with LB135, you got a fiscal note and I'm reading it and it's a sum of General Funds lost of \$1,239 and cash funds at \$2,887 to a total of \$4,125. With this amendment, you're taking other fees and moving them...now boat fees from the fifth to the fifteenth, correct? [LB135]

SENATOR SMITH: That is correct. [LB135]

SENATOR LANGEMEIER: So in theory with this amendment, we then increase our fiscal note even more to some degree. I don't know how much boat fees are actually out there, but it would have the potential to raise this as well. [LB135]

SENATOR SMITH: That is correct, Senator Langemeier. And the...there's roughly 75,000 transactions that we're talking about with boat titles and we were looking at about 600,000 vehicle titles, so you're roughly maybe another 10 percent, I would estimate. [LB135]

SENATOR LANGEMEIER: Yeah. So it could be \$50, another \$100, yeah. Okay. I just wanted to be clear that this amendment is not trying to fix the fiscal note. It's something that was left out in the bill original and you're trying to correct that, correct? [LB135]

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SENATOR SMITH: Yes, sir, that's correct. [LB135]

SENATOR LANGEMEIER: Okay. Thank you very much for your time. [LB135]

SENATOR GLOOR: Seeing no other Senators wishing to be recognized, Senator Smith, you're recognized to close on your amendment. [LB135]

SENATOR SMITH: I waive closing. Thank you. [LB135]

SENATOR GLOOR: Senator Smith waives closing. The question before the body is, shall the amendment to LB135 be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB135]

CLERK: 29 ayes, 1 nay, Mr. President, on adoption of Senator Smith's amendment. [LB135]

SENATOR GLOOR: The amendment is adopted. [LB135]

CLERK: I have nothing further on the bill, Mr. President. [LB135]

SENATOR GLOOR: Senator Larson. [LB135]

SENATOR LARSON: Mr. President, I move that LB135 be advanced to E&R for engrossing. [LB135]

SENATOR GLOOR: We have a request for a machine vote. All those in favor vote aye; all those opposed vote nay. Have all voted that care to? Senator Smith, for what purpose do you rise? [LB135]

SENATOR SMITH: Mr. President, I'd like to make a call of the house, please. [LB135]

SENATOR GLOOR: There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. The house is under call, Senators. Record, Mr. Clerk. [LB135]

CLERK: Mr. President, 34 ayes, 0 nays to place the house under call. [LB135]

SENATOR GLOOR: The house is under call. Senators, please record your presence. Those unexcused Senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Ashford, please return to the Chambers. Senator Ashford, would you please return to the Chamber. Members, please return to your seats. Members,

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please return to your seats. All members are present. Mr. Clerk, please call the roll. [LB135]

CLERK: (Roll call vote taken, Legislative Journal page 503.) 30 ayes, 6 nays, Mr. President, on the advancement. [LB135]

SENATOR GLOOR: LB135 advances. Raise the call. [LB135]

CLERK: Senator Larson, the next bill I have is LB170. Senator, I do have Enrollment and Review amendments. (ER5, Legislative Journal page 367.) [LB170]

SENATOR LARSON: Mr. President, I move that E&R amendments to LB170 be adopted. [LB170]

SENATOR GLOOR: The question is the adoption of the E&R amendments to LB170. All those in favor say aye. All those opposed say nay. The amendments are adopted. [LB170]

CLERK: I have nothing further on that bill, Senator. [LB170]

SENATOR GLOOR: Senator Larson, you're recognized. [LB170]

SENATOR LARSON: Mr. President, I move that LB170 be advanced to E&R for engrossing. [LB170]

SENATOR GLOOR: The question is, shall the amendment...shall LB170 be advanced? All in favor say aye. All those opposed say nay. The bill advances. [LB170]

CLERK: Senator Larson, LB19. I do have Enrollment and Review amendments, first of all, Senator. (ER4, Legislative Journal page 367.) [LB19]

SENATOR GLOOR: Senator Larson. [LB19]

SENATOR LARSON: Mr. President, I move that E&R amendments to LB19 be adopted. [LB19]

SENATOR GLOOR: The question is the adoption of the E&R amendments to LB19. All those in favor say aye. All those opposed say nay. The amendments are adopted. [LB19]

CLERK: Mr. President, Senator McCoy, I have an AM118, Senator, but a note you want to withdraw? Is that right? Thank you. [LB19]

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SENATOR McCOY: That's correct. [LB19]

CLERK: Senator Larson, I have nothing further on the bill. I'm sorry, I do have. Excuse me. Senator Larson...or Senator McCoy would offer AM311, Mr. President. (Legislative Journal pages 503-504.) [LB19]

SENATOR GLOOR: Senator McCoy, you're recognized to open on your amendment. [LB19]

SENATOR McCOY: Thank you, Mr. President and members. This is a very...just a minor technical change with AM311, and I'd like to personally thank Senator Schumacher, as we've talked about many times in the past, have a number of skilled attorneys in the body, and Senator Schumacher brought it to our attention that we needed to change around a couple of words in order to cover what we were trying to cover with the ban on synthetic marijuana or K2. And for that I would thank him and ask for your vote on AM311. Thank you. [LB19]

SENATOR GLOOR: Seeing no senators wishing to speak, Senator McCoy, you're recognized to close on your amendment. Senator McCoy waives. The question is, shall the amendment to LB19 be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB19]

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of Senator McCoy's amendment. [LB19]

SENATOR GLOOR: The amendment is adopted. [LB19]

CLERK: Senator Larson, I have nothing further on the bill. [LB19]

SENATOR GLOOR: Senator Larson. [LB19]

SENATOR LARSON: Mr. President, I move that LB19 be advanced to E&R for engrossing. [LB19]

SENATOR GLOOR: You have heard the motion. All those in favor say aye. All opposed say nay. LB19 advances. [LB19]

CLERK: LB122, Senator, I have no amendments to the bill. [LB122]

SENATOR GLOOR: Senator Larson. [LB122]

SENATOR LARSON: Mr. President, I move that LB122 be advanced to E&R for engrossing. [LB122]

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SENATOR GLOOR: You've heard the motion. All those in favor say aye. All those opposed, nay. LB122 advances. [LB122]

CLERK: Mr. President, LB157. Senator, I do have E&R amendments, first of all. E&R amendments, Senator. (ER6, Legislative Journal page 409.) [LB157]

SENATOR GLOOR: Senator Larson. [LB157]

SENATOR LARSON: Mr. President, I move that the E&R amendments to LB157 be adopted. [LB157]

SENATOR GLOOR: The question is the adoption of the E&R amendments to LB157. All those in favor say aye. All those opposed say nay. The amendments are adopted. [LB157]

CLERK: I do have other amendments, Mr. President. Senator Flood, AM110. I have a note you want to withdraw AM110, Senator? [LB157]

SPEAKER FLOOD: Yes, I do. [LB157]

SENATOR GLOOR: The amendment is withdrawn. [LB157]

CLERK: Senator Flood, AM111. Likewise, you would like to withdraw that, Senator? [LB157]

SPEAKER FLOOD: Yes, I do. [LB157]

SENATOR GLOOR: The amendment is withdrawn. [LB157]

CLERK: Senator Coash would move to amend with AM215. (Legislative Journal page 457.) [LB157]

SENATOR GLOOR: Senator Coash, you are recognized to open on your amendment to LB157. [LB157]

SENATOR COASH: Thank you, Mr. President. Thank you, members. We are, as a reminder to members, this is our guardian and conservator task force bill. I appreciate all of the support in working to make this bill even better on General File. What I bring to you today is some Select File amendments and I'm going to go over those in a moment so that everybody can understand what we are trying to do. Most of the amendments we already discussed on General File and made a decision to bring them back here on Select File. But as a reminder, folks, this is a...LB157 is the result of a task force that

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was convened at the end...in the beginning...or the middle of last year with the task of responding to some problems that were identified with the guardian and conservator system, specifically with information that is available to the judicial branch and to the process by which guardians and conservators are appointed. And so out of some pretty heavy lifting, including members of this body, many recommendations came forth as to how we can improve this system. And LB157 reflects the best effort of those recommendations. And we weren't able to put every recommendation into this bill, but we did bring recommendations that we felt were responsible and doable at the time. So there are, in AM215, eight recommendations, many of them are technical corrections from Bill Drafters, but I am going to highlight a few of them. The first change in AM215 is a change harmonizing some language with the Adult Guardianship and Protective Jurisdiction Act, which was LB85 by Senator Karpisek. Another change has to do with if the incapacitated person doesn't have a conservator and how we deal with that to make sure that every county where there may be assets that it's reported. And we also have changes dealing with interested persons. And I want to spend a moment to talk about interested persons for a second. When you have a filing for guardianship, we wanted to make sure as a task force that anybody who had interest in that person's welfare would have an opportunity to share with the court their interest, and be able to share information in a transparent way with the court about how they felt things were going. And so we had some discussion about it, and this is part of our discussion with Speaker Flood back on General File about the difference between interested person and concerned individual. And as...between General and Select, with some legislative research, what we found out was with the broad definition that remains in LB157, a definition of concerned individual becomes less important because the interested person still has an opportunity. So it's going to read like this: "The meaning of interested person as it relates to particular persons may vary from time to time and must be determined according to the particular purposes of, and matters involved in, any proceeding." Colleagues, that's a pretty broad definition and what that means is that if there's a person out there that wants to make sure that the court understands where they're coming from, they're going to have that opportunity. And we feel that this is the best way to give that to them. Another change that we have in this amendment has to do with the background checks. We spent a lot of time talking about background checks on General File. And Speaker Flood had an amendment that removed the credit check from the bill, that was through amendment. AM215 removes two more, and that is the sex offender and the adult protective registry and child protective registry, actually three more. We're leaving in the most critical piece which is the criminal history check. And the reason we're doing that is because most of the time, if you find yourself on the Sex Offender Registry or the adult or child protective services registry there's going to be a crime tied to that and you're going to be able to find that through the criminal check which remains there. So we're still giving the judicial branch the access to those particular checks. So I want to make sure that that is clear. Beyond that, colleagues, we have some changes that were discussed with Senator Schumacher about how to address the problem of a misdemeanor should you file something in bad faith, and what

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we did is we changed that from a criminal case to reasonable court costs, which is something that everybody felt was more appropriate. There are other amendments, but they are more technical in nature, so I will close on AM215. Thank you, Mr. President. [LB157 LB85]

SENATOR GLOOR: Thank you, Senator Coash. (Doctor of the day introduced.) We now move to discussion on AM215. Senator Fischer, you are recognized. [LB157]

SENATOR FISCHER: Thank you, Mr. President. Would Senator Coash yield to questions, please? [LB157]

SENATOR GLOOR: Senator Coash. [LB157]

SENATOR COASH: Yes, I will. [LB157]

SENATOR FISCHER: Senator Coash, looking ahead, I see we have an A bill on this, LB157. And the fiscal note shows \$21,000. Can you tell me what that's for, please? [LB157]

SENATOR COASH: Yes, I can, Senator Fischer. The \$21,000, which is the amended fiscal note, is for training for the judicial branch to train them on how these changes will affect the process of appointing guardians and conservators. And this comes out of the judicial branch's training cash fund. [LB157]

SENATOR FISCHER: So it is a cash fund? [LB157]

SENATOR COASH: Yes, it is. [LB157]

SENATOR FISCHER: Okay. Thank you very much. Thank you, Mr. President. [LB157]

SENATOR GLOOR: Thank you, Senator Fischer. The Chair recognizes Senator Pirsch. [LB157]

SENATOR PIRSCH: Thank you, members of the body. Senator Coash, I might...I wonder if you might yield to a question? [LB157]

SENATOR GLOOR: Senator Coash. [LB157]

SENATOR COASH: Yes, I will. [LB157]

SENATOR PIRSCH: And if I heard your remarks correctly, you indicate that the background check now will just be in terms of criminal record background check as opposed to looking at the three other, I guess, registries. Is that right? [LB157]

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SENATOR COASH: That's correct. [LB157]

SENATOR PIRSCH: So the adult, vulnerable adult protective registry, the child abuse neglect registry, and the Sex Offender Registry, those will not be looked at. It will be just the general criminal record? [LB157]

SENATOR COASH: That's correct. [LB157]

SENATOR PIRSCH: Okay. Is that because of...is there a cost involved or some sort of technical complexity in doing that, or...? [LB157]

SENATOR COASH: There's a couple of things, Senator Pirsch. First of all, I did speak with members of the judicial branch about the...I'll speak first of the Sex Offender Registry. As a result of a bill we actually passed last year, your bill, all levels of sex offenders are now open to the public. And so that particular registry is already accessible fairly easily to the judicial branch, and they are able to access that. So mandating it in statute didn't seem necessary, with particular... [LB157]

SENATOR PIRSCH: Yeah, that's tied to crime right, so that's...to be on their registry, you have to have been convicted of a certain crime, correct? [LB157]

SENATOR COASH: That's correct. And you would get those... [LB157]

SENATOR PIRSCH: Okay. So that would show up in the criminal record history. [LB157]

SENATOR COASH: That's correct. [LB157]

SENATOR PIRSCH: But the other two registries in particular then, the vulnerable adult and child abuse neglect, can you speak to those in particular? [LB157]

SENATOR COASH: Yes, I can. The adult and the child protective services registry check, it's interesting how that works. If you do that check, you're going to find if somebody is on that registry, but you're not going to find out why. You'll find that somebody has been...they've been placed on there and so if there was a crime tied to the reason you were put on that registry, again that crime is going to show up on the criminal history check which remains in AM215. [LB157]

SENATOR PIRSCH: Okay. You think it is redundant that virtually all cases of seriousness, that the names on the two registries that will not be checked, are in all serious cases then going to be included on the background...criminal background? [LB157]

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SENATOR COASH: Yes, I do. [LB157]

SENATOR PIRSCH: Okay. [LB157]

SENATOR COASH: I believe that we're going to catch...what the task force wanted was to be able to put in the judicial branch's hands information about the person applying to be a guardian or conservator. And I believe the information that they want the most is going to be found on the criminal history check. [LB157]

SENATOR PIRSCH: Okay. Thank you for your comments. [LB157]

SENATOR GLOOR: Thank you, Senator Pirsch. Thank you, Senator Coash. Seeing no others...Senator Howard, you are recognized. [LB157]

SENATOR HOWARD: Thank you, Mr. President. If Senator Coash would yield for a question. [LB157]

SENATOR GLOOR: Senator Coash. [LB157]

SENATOR COASH: Yes, I will. [LB157]

SENATOR HOWARD: Senator Coash, following up with Senator Fischer's inquiry regarding the funding for this, the \$21,000 that's going to come out of the cash fund, right now are we charging the guardians ad litem for...I know there's training in place at this time, but is there a charge to take that training? [LB157]

SENATOR COASH: Senator Howard, the training that I referenced as it relates to the A bill on LB157, is not training for the folks who will be guardians and conservators. This is training for the judicial branch in the new processes that would be put in place by LB157, so. [LB157]

SENATOR HOWARD: That's helpful to know. So the current training for the guardians ad litem will...or the conservators, the guardians, would remain in place as it is at this time. [LB157]

SENATOR COASH: Yes. [LB157]

SENATOR HOWARD: All right. Thank you. [LB157]

SENATOR GLOOR: Thank you, Senator Howard. Seeing no other Senators wishing to be recognized, Senator Coash, you're recognized to close on your amendment. [LB157]

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SENATOR COASH: Thank you, Mr. President. And I want to thank all my colleagues and the Speaker for working with me on this particular bill. LB157, as I mentioned in my opening, represents our best effort to reform this system that we know works. And now with the advancement of LB157, it's going to work even better to protect vulnerable Nebraskans. We have more work to do and I want to take this opportunity to speak to that work. And the work is to find a way to make sure that every person in Nebraska who may require a guardian and/or conservator has one. Right now, it is a challenge. The judicial branch has very little resources when it comes to finding appropriate guardians and conservators. And that is a problem that is exasperated as you move west. And so I do pledge to this body that over the interim I'm going to work on that particular issue. LB157 deals with the process, but it doesn't deal with the lack of guardians and conservators. So I hope that my colleagues will keep that in mind as we move forward. Thank you, Mr. President. [LB157]

SENATOR GLOOR: Thank you, Senator Coash. The question is, shall the amendment to LB157 be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB157]

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of Senator Coash's amendment. [LB157]

SENATOR GLOOR: The amendment is adopted. [LB157]

CLERK: Senator Larson, I have nothing further on the bill, Senator. [LB157]

SENATOR GLOOR: Senator Larson. [LB157]

SENATOR LARSON: Mr. President, I move that LB157 be advanced to E&R for engrossing. [LB157]

SENATOR GLOOR: You have heard the motion. All those in favor say aye. All those opposed, nay. LB157 is advanced. [LB157]

CLERK: Mr. President, LB157A, no E&R's. Senator Coash would move to amend with AM216. (Legislative Journal page 459.) [LB157A]

SENATOR GLOOR: Senator Coash, you are recognized to open on your amendment. [LB157A]

SENATOR COASH: Thank you, Mr. President. Thank you, members. There are a couple of changes because of the amendment that we just passed that we need to make changes to LB157. In the original bill we had a database which was amended out, so that is no longer needed in the A bill. We also removed the requirement that the

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State Patrol do the background checks, and so the requirements on the State Patrol have also been removed. And the only thing that remains is a cash fund appropriation for the training of the judicial branch, which remains in...needed to implement the changes in LB157, and I urge the adoption of the A bill. Thank you, Mr. President. [LB157A LB157]

SPEAKER FLOOD PRESIDING

SPEAKER FLOOD: Thank you, Senator Coash. Members, you've heard the opening on AM216. There are no lights on. Senator Coash, you are recognized to close. Senator Coash waives his opportunity. The question before the body is, shall AM216 be adopted? All those in favor vote aye; all those opposed vote nay. Have all those voted who care to? Mr. Clerk, please record. [LB157A]

CLERK: 36 ayes, 0 nays, Mr. President on the adoption of Senator Coash's amendment. [LB157A]

SPEAKER FLOOD: AM216 is adopted. Mr. Clerk. [LB157A]

CLERK: Senator Larson, I have nothing further on the bill. [LB157A]

SPEAKER FLOOD: Senator Larson for a motion. [LB157A]

SENATOR LARSON: Mr. President, I move that LB157A be advanced to E&R for engrossing. [LB157A]

SPEAKER FLOOD: Members, you've heard the motion. All those in favor say aye. Those opposed say nay. LB157A is advanced. Mr. Clerk. [LB157A]

CLERK: Mr. President on LB134. Senator, I have no amendments to the bill. [LB134]

SPEAKER FLOOD: Senator Larson for a motion. [LB134]

SENATOR LARSON: Mr. President, I move that LB134 be advanced to E&R for engrossing. [LB134]

SPEAKER FLOOD: Members, you've heard the motion. All those in favor say aye. Those opposed say nay. LB134 advances to E&R for engrossing. Mr. Clerk, we now proceed to LB211. [LB134 LB211]

CLERK: LB211, Senator, I have no amendments to the bill. [LB211]

SPEAKER FLOOD: Senator Larson for a motion. [LB211]

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SENATOR LARSON: Mr. President, I move that LB211 be advanced to E&R for engrossing. [LB211]

SPEAKER FLOOD: Members, you've heard the motion. All those in favor say aye. Those opposed say nay. LB211 advances. Mr. Clerk, LB154. [LB211 LB154]

CLERK: LB154, Senator, I have no amendments to the bill. [LB154]

SPEAKER FLOOD: Senator Larson for a motion. [LB154]

SENATOR LARSON: Mr. President, I move that LB154 be advanced to E&R for engrossing. [LB154]

SPEAKER FLOOD: Members, you've heard the motion. All those in favor say aye. Those opposed say nay. LB154 advances to E&R for engrossing. Mr. Clerk, LB208. [LB154 LB208]

CLERK: LB208, Senator, I do have Enrollment and Review amendments. (ER7, Legislative Journal page 430.) [LB208]

SPEAKER FLOOD: Senator Larson for a motion. [LB208]

SENATOR LARSON: Mr. President, I move that the E&R amendments to LB208 be adopted. [LB208]

SPEAKER FLOOD: Members, you've heard the motion. All those in favor say aye. Those opposed say nay. The amendments are adopted. [LB208]

CLERK: I have nothing further on that bill, Senator. [LB208]

SPEAKER FLOOD: Senator Larson for a motion. [LB208]

SENATOR LARSON: Mr. President, I move that LB208 be advanced to E&R for engrossing. [LB208]

SPEAKER FLOOD: Members, you've heard the motion. All those in favor say aye. Those opposed say nay. LB208 advances to E&R for engrossing. Mr. Clerk, LB72. [LB208 LB72]

CLERK: LB72, Senator, does have Enrollment and Review amendments. (ER9, Legislative Journal page 437.) [LB72]

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SPEAKER FLOOD: Senator Larson for a motion. [LB72]

SENATOR LARSON: Mr. President, I move that the E&R amendments to LB72 be adopted. [LB72]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. The amendments are adopted. Mr. Clerk. [LB72]

CLERK: Nothing further on LB72, Senator. [LB72]

SPEAKER FLOOD: Senator Larson for a motion. [LB72]

SENATOR LARSON: Mr. President, I move that LB72 be advanced to E&R for engrossing. [LB72]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB72 is advanced to E&R for engrossing. Mr. Clerk. [LB72]

CLERK: Mr. President, LB28. Senator, I have no amendments to the bill. [LB28]

SPEAKER FLOOD: Senator Larson for a motion. [LB28]

SENATOR LARSON: Mr. President, I move that LB28 be advanced to E&R for engrossing. [LB28]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB28 advances to E&R for engrossing. Mr. Clerk, LB29. [LB28 LB29]

CLERK: LB29, Senator, I have no amendments to the bill. [LB29]

SPEAKER FLOOD: Senator Larson for a motion. [LB29]

SENATOR LARSON: Mr. President, I move that LB29 be advanced to E&R for engrossing. [LB29]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB29 advances to E&R for engrossing. Mr. Clerk, LB30. [LB29 LB30]

CLERK: LB30, Senator, does have Enrollment and Review amendments. (ER10, Legislative Journal page 437.) [LB30]

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SPEAKER FLOOD: Senator Larson for a motion. [LB30]

SENATOR LARSON: Mr. President, I move that the E&R amendments to LB30 be adopted. [LB30]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. [LB30]

CLERK: I have nothing further on that bill, Senator. [LB30]

SPEAKER FLOOD: Senator Larson for a motion. [LB30]

SENATOR LARSON: Mr. President, I move that LB30 be advanced to E&R for engrossing. [LB30]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB30 advances to E&R for engrossing. Mr. Clerk, LB46. [LB30 LB46]

CLERK: LB46, Senator, once again, I have no amendments to the bill. [LB46]

SPEAKER FLOOD: Senator Larson for a motion. [LB46]

SENATOR LARSON: Mr. President, I move that LB46 be advanced to E&R for engrossing. [LB46]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB46 advances to E&R for engrossing. Mr. Clerk, LB68. [LB46 LB68]

CLERK: LB68, Senator, I have no amendments to the bill. [LB68]

SPEAKER FLOOD: Senator Larson for a motion. [LB68]

SENATOR LARSON: Mr. President, I move that LB68 be advanced to E&R for engrossing. [LB68]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB68 advances to E&R for engrossing. Mr. Clerk, LB111. [LB68 LB111]

CLERK: LB111, Senator, I have no amendments to the bill. [LB111]

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SPEAKER FLOOD: Senator Larson for a motion. [LB111]

SENATOR LARSON: Mr. President, I move that LB111 be advanced to E&R for engrossing. [LB111]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB111 advances to E&R for engrossing. Mr. Clerk, LB163. [LB111 LB163]

CLERK: LB163, Senator, I have no amendments to the bill. [LB163]

SPEAKER FLOOD: Members...or Senator Larson for a motion. [LB163]

SENATOR LARSON: Mr. President, I move that LB163 be advanced to E&R for engrossing. [LB163]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB163 advances to E&R for engrossing. Mr. Clerk, LB163A. [LB163 LB163A]

CLERK: LB163A, Senator, I have no amendments to the bill. [LB163A]

SPEAKER FLOOD: Senator Larson for a motion. [LB163A]

SENATOR LARSON: Mr. President, I move that LB163A be advanced to E&R for engrossing. [LB163A]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. All those opposed say nay. LB163A advances to E&R for engrossing. Mr. Clerk, LB241. [LB163A LB241]

CLERK: LB241, Senator, there are Enrollment and Review amendments. (ER13, Legislative Journal page 469.) [LB241]

SPEAKER FLOOD: Senator Larson for a motion. [LB241]

SENATOR LARSON: Mr. President, I move that E&R amendments to LB241 be adopted. [LB241]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments to LB241 are adopted. Mr. Clerk. [LB241]

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CLERK: I have nothing further on the bill, Mr. President. [LB241]

SPEAKER FLOOD: Senator Larson for a motion. [LB241]

SENATOR LARSON: Mr. President, I move that LB241 be advanced to E&R for engrossing. [LB241]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB241 advances to E&R for engrossing. Mr. Clerk, LB47. [LB241 LB47]

CLERK: LB47, Senator, does have Enrollment and Review amendments. (ER12, Legislative Journal page 469.) [LB47]

SPEAKER FLOOD: Senator Larson for a motion. [LB47]

SENATOR LARSON: Mr. President, I move that the E&R amendments to LB47 be adopted. [LB47]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments to LB47 are adopted. Mr. Clerk. [LB47]

CLERK: Nothing further on that bill, Senator. [LB47]

SPEAKER FLOOD: Senator Larson for a motion. [LB47]

SENATOR LARSON: Mr. President, I move that LB47 be advanced to E&R for engrossing. [LB47]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB47 advances to E&R for engrossing. Mr. Clerk, LB212. [LB47 LB212]

CLERK: Mr. President, LB212. The first item I have are Enrollment and Review amendments. (ER14, Legislative Journal page 479.) [LB212]

SPEAKER FLOOD: Senator Larson for a motion. [LB212]

SENATOR LARSON: Mr. President, I move that the E&R amendments to LB212 be adopted. [LB212]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk. [LB212]

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CLERK: Senator Fischer would move to amend with AM285. (Legislative Journal page 482.) [LB212]

SPEAKER FLOOD: Senator Fischer, you are recognized to open with AM285. [LB212]

SENATOR FISCHER: Thank you, Mr. President and members. AM285 is a cleanup amendment. The Bill Drafters Office caught a mistake in our statutory reference to the federal law. Chapter 42 of the Code of Federal Regulations, Part 72, no longer contains requirements for interstate shipment of these agents, but rather has been moved to other provisions that are also adopted as part of Nebraska law. The amendment simply removes the obsolete reference to federal law, but makes no substantive change to Nebraska law. Thank you, Mr. President. [LB212]

SPEAKER FLOOD: Thank you, Senator Fischer. Members, you have heard the opening on AM285. Are there members wishing to speak to the amendment? Seeing none, Senator Fischer, you're recognized to close. Senator Fischer waives her opportunity. The question before the body is, shall AM285 be adopted? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB212]

CLERK: 35 ayes, 0 nays, Mr. President, on the adoption of Senator Fischer's amendment. [LB212]

SPEAKER FLOOD: Senator Fischer's amendment, AM285, is adopted. Mr. Clerk. [LB212]

CLERK: Senator Larson, I have nothing further on the bill. [LB212]

SPEAKER FLOOD: Senator Larson for a motion. [LB212]

SENATOR LARSON: Mr. President, I move that LB212 be advanced to E&R for engrossing. [LB212]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. All those opposed say nay. LB212 is advanced to E&R for engrossing. Mr. Clerk, LB23. [LB212 LB23]

CLERK: LB23, Senator, I have no amendments to the bill. [LB23]

SPEAKER FLOOD: Senator Larson for a motion. [LB23]

SENATOR LARSON: Mr. President, I move that LB23 be advanced to E&R for engrossing. [LB23]

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SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. All those opposed say nay. LB23 advances to E&R for engrossing. Mr. Clerk, LB74. [LB23 LB74]

CLERK: LB74, Senator, I do have Enrollment and Review amendments. (ER15, Legislative Journal page 479.) [LB74]

SPEAKER FLOOD: Senator Larson for a motion. [LB74]

SENATOR LARSON: Mr. President, I move that the E&R amendments to LB74 be adopted. [LB74]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. [LB74]

CLERK: I have nothing further on that bill, Senator. [LB74]

SPEAKER FLOOD: Senator Larson for a motion. [LB74]

SENATOR LARSON: Mr. President, I move that LB74 be advanced to E&R for engrossing. [LB74]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB74 advances to E&R for engrossing. Mr. Clerk, LB75. [LB74 LB75]

CLERK: LB75, Senator, I have no amendments to the bill. [LB75]

SPEAKER FLOOD: Senator Larson for a motion. [LB75]

SENATOR LARSON: Mr. President, I move that LB75 be advanced to E&R for engrossing. [LB75]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB75 is advanced to E&R for engrossing. Mr. Clerk, LB76. [LB75 LB76]

CLERK: LB76, Senator, there are E&R amendments. (ER16, Legislative Journal page 479.) [LB76]

SPEAKER FLOOD: Senator Larson for a motion. [LB76]

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SENATOR LARSON: Mr. President, I move that the E&R amendments to LB76 be adopted. [LB76]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. The Chair is not able to discern whether or not the body wishes to adopt the amendments. Once again, the question is, shall the E&R amendments to LB76 be adopted? All those in favor say aye. All those opposed say nay. The E&R amendments are adopted. [LB76]

CLERK: I have nothing further on the bill, Mr. President. [LB76]

SPEAKER FLOOD: Senator Larson for a motion. [LB76]

SENATOR LARSON: Mr. President, I move that LB76 be advanced to E&R for engrossing. [LB76]

SPEAKER FLOOD: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB76 advances to E&R for engrossing. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR37. Mr. Clerk, any items before we proceed to General File? [LB76 LR37]

CLERK: Not at this time, Mr. President. Thank you.

SPEAKER FLOOD: We now proceed to General File, 2011 senator priority bills. We begin with LB81. [LB181]

CLERK: Mr. President, LB...181, right? [LB181]

SPEAKER FLOOD: LB181. [LB181]

CLERK: LB181, a bill by Senator Hansen relates to the Livestock Brand Act. (Read title.) The bill was introduced on January 7 of this year, at that time referred to the Agriculture Committee. The bill was advanced to General File. There are Agriculture Committee amendments pending, Mr. President. (AM81, Legislative Journal page 437.) [LB181]

SPEAKER FLOOD: Thank you, Mr. Clerk. Senator Hansen, as the introducer of LB181, you are recognized to open. [LB181]

SENATOR HANSEN: Thank you, Mr. President and members of the Legislature. We are starting on the priority bills and I appreciate the opportunity to open on LB181. This legislation was written for a group of cattle producers who represent the Nebraska Brand Committee. They represent thousands of producers in western Nebraska who

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are cow-calf ranchers, growers of yearling cattle, and the feedlot sector of our industry that lives in the western two-thirds of our state. LB181, we are asking for legislative action that would allow a surcharge in addition to the current brand inspection fees. This surcharge would recoup part of the reimbursement for inspectors who drive their personal vehicles to inspect cattle. And it would recoup part of the fuel reimbursement. The brand committee is responsible for the financial well-being of the Nebraska Brand Inspection Act of 1941. They inspected approximately 3,843,357 head of cattle in 2010. In 1997, they had 123 inspectors and staff. Today, they have 103 total employees. With gas prices spiking, the national average yesterday was \$3.17 a gallon, something has to give. If this legislation is passed, the Nebraska Brand Committee will be holding public hearings in the brand inspection area before they write rules and regulations on this proposed surcharge. Thank you, Mr. President. [LB181]

SENATOR GLOOR PRESIDING

SENATOR GLOOR: Thank you, Senator Hansen. As the Clerk stated, there are amendments from the Ag Committee. Senator Carlson, as Chair of the committee, you are recognized to open on the amendments. [LB181]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. I'd like to remind you that again as Senator Hansen has introduced the brand committee as a cash funded agency, and they brought LB181 forward to ask for the possibility of a surcharge per round trip with inspectors. In the original bill, it was worded as "shall" charge a surcharge up to \$20. The amendment changes "shall" to "may" and we feel like that's in order because the brand committee would rather go about their challenges on money issues as related to travel with a surcharge per round trip rather than increasing the charge per head on inspection. We had a good discussion. The bill was heard on January 25. The livestock industry was well represented at the hearing. And there were six proponent witnesses and no opposition. The committee advanced the bill unanimously. And so I would urge your adoption of AM81. Thank you, Mr. President. [LB181]

SENATOR GLOOR: Thank you, Senator Carlson. We move to discussion. Senator Hansen, you're recognized. [LB181]

SENATOR HANSEN: Thank you, Mr. President. This amendment is necessary. And now, in my fifth year, we still debate the words "may" and "shall" and that always should have been "may". And we did not intend to have this surcharge on every inspection because some of the local inspections are done very close to a brand inspector's home or an intermittent brand inspector's home, sale barn. So that surcharge will not be charged on every transaction that cattle do sell in the brand area. Thank you. [LB181]

SENATOR GLOOR: Thank you, Senator Hansen. Senator Loudon, you are recognized.

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[LB181]

SENATOR LOUDEN: Yes, thank you, Mr. President and members of the body. And I certainly want to thank Senator Hansen for being the lead on this bill, and I rise to support this bill. The brand committee over the years has always had a discretion on the amount of money that they can charge. And as before we've had a cap in there of 75 cents per head on a brand inspection fee, and they can charge anywhere from that and on down to less than that depending on how much money they have. The same way with this surcharge, it gives them the authority to go up as far as the \$20. Now this has been a work in progress because I know it's been over two years that we've discussed this and had meetings with the brand committee and different organizations around the state to see what we can do to help their bottom line with the brand inspection. And I found out that for the brand inspections they have, there's many of these that have very few head, that is costing them the bigger part of their money. So they thought if they could come up with a way to recoup some of those costs on those smaller bunches that they would. Now this doesn't say that every time they drive out some place and inspect one or two it's going to be a \$20 fee, because there can be ways that the brand committee can adjust that by either having an animal brought to a centrally located place or various other ways that over the years have been done. Years ago in these small slaughterhouses, the brand inspector would actually brand and inspect the hide instead of the live animal. So there are various ways over the years that have been worked out and that can be done. And I think this is something that will help the brand committee continue with the work that they have done. They inspect thousands of cattle every year, find stray cattle usually at the sales barns and stuff that are mixed up with other people's, for the most part. But they do have investigators and an investigating team. And those investigators are actually state sheriffs. So they do have some authority when they go to investigate some criminal acts that have been created as far as in the livestock industry. So with that, I would certainly support this bill and would hope that this would advance to Select File. Thank you, Mr. President. [LB181]

SENATOR GLOOR: Thank you, Senator Louden. Senator Langemeier, you are recognized. [LB181]

SENATOR LANGEMEIER: Mr. President and members of the body, we started our priority bills here today, so we start into a little more meaty subjects. First disclosure, I pay these livestock fees...inspection fees in my operation. I happen to pay them when we take them to the sale barn. But if Senator Hansen would yield to a question. [LB181]

SENATOR GLOOR: Senator Hansen, will you yield? [LB181]

SENATOR HANSEN: Yes. [LB181]

SENATOR LANGEMEIER: Senator Hansen, I, first of all, I want to thank you for

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bringing this forward. I understand the need for it as I don't particularly have a use for bringing the brand inspectors out to the ranch to inspect our cattle. We handle that when we get them to the sale barn. But I just want to, for the record, I know the brand committee is going to make rules and regs on how this is going to proceed, but I just think we ought to talk through it a little bit on the record. Currently, as you have livestock within the brand area that you want to sell, you get them inspected at the sale barn. If I want to take my cows off the ranch, I want to bring them to the eastern end of the state, and I have to have them inspected to take them out of the brand area when I bring them down to stocks at Schuyler, am I subject to this fee then potentially when they come out to inspect my herd before we load them in the trucks on the ranch? [LB181]

SENATOR HANSEN: Well, that has to go through the rules and regulations, and they're going to get input from all types of producers on that particular question. We need to leave it to the discretion of the board...of the committee...the Nebraska Brand Committee to set those rules and regulations. Their brand inspectors will have some guidelines on whether or not to charge that fee at that time. What the reason behind this is, is so they can, you know, with gas prices going up so fast and it was unexpected, up until now the gas reimbursement, the fuel reimbursement is still a huge issue. It's over a half million dollars a year to have those brand inspectors go out. What this bill would do is recoup part of that. And we don't know how much yet. [LB181]

SENATOR LANGEMEIER: So those rules and regs will be set by the brand inspection. I'll know that before they come out? When I call the brand inspector, he will be able to tell me. And maybe it's, you have 400 head so I don't need to charge the gas fee, but if I had 15 head, they are going to charge me this fee. But I'll know that long before I call them and ask them to come inspect? [LB181]

SENATOR HANSEN: Well, that's what I would hope, yes. That's why we're having...or they will have the rules and regulations hearings. And they will have those public hearings within the brand inspection area, so, hopefully, those questions will get answered at that time. But I would assume that that would be the case. It's the small inspections that probably are the problem, and plus mileage where they can't recoup enough money to pay for the fuel reimbursement. [LB181]

SENATOR LANGEMEIER: Well, very good. And again, I support this idea. The brand inspection serves a good purpose in Nebraska. We had a lost calf in our herd two years ago that we searched for about a 15 mile radius around the operation, and we couldn't find anybody that lost one. We took it to the sale barn, they did some inspecting and they held it a couple of weeks, but they did find the home for it which we were grateful for. And so they do...it serves a good purpose for the protection of livestock in Nebraska. And so with that, I will support AM81 and LB181. Thank you. [LB181]

SENATOR GLOOR: Thank you, Senator Langemeier. Senator Pirsch, you're

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recognized. [LB181]

SENATOR PIRSCH: Thank you, members of the body. I have a question, if the sponsor would yield to a question, Senator Hansen. [LB181]

SENATOR GLOOR: Senator Hansen, will you yield? [LB181]

SENATOR HANSEN: Yes. [LB181]

SENATOR PIRSCH: And I appreciate your bringing this bill forward. It certainly plays...brand inspection a key role in the state. I'm supportive of that. I guess my question just deals with transparency, and I wanted to nail this down a little bit more. What would I, as a potential user of this service, in terms of, the individual is going to be charged, would they in all cases have disclosure to them that they would be charged beforehand? [LB181]

SENATOR HANSEN: That's a good question and that should be brought up at those rules and regulation hearings. Are you going to be...when you call a brand man to come out to do a local inspection, if the producer asks the brand man, are you going to charge me a surcharge, I think that should be answered. Yes, it should be open and it should be fully disclosed at the time the brand inspection is asked for. [LB181]

SENATOR PIRSCH: And you wouldn't have any objection to perhaps an amendment that would require that, some sort of meaningful disclosure to occur before those fees could be charged? [LB181]

SENATOR HANSEN: Well, it would be fine. I mean, we can certainly have the amendment, but those are the disclosures that will happen during the rules and regulation process because they hold those hearings in the brand inspection area, and I would assume that those questions would be asked. If it would make you feel any better, I will go to one of those meetings and ask that. But I think the disclosures... [LB181]

SENATOR PIRSCH: Well, and you know, whether...I guess that's what I'm inquiring about, whether it's necessary. In all cases, do rules and regulations address issues of disclosure and mandate that there is, you know, reasonable disclosure, or is that something we as a body should address at this level? [LB181]

SENATOR HANSEN: Senator Pirsch, I would assume that someone is going to ask that question, am I going to be assessed a surcharge? And they will tell the brand committee where they live and they will find out where the closest brand inspector lives because a lot of them work out of their homes, they don't necessarily work at an office. So that would be a logical question to be asked at one of these hearings, and I think the

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disclosure will be there. [LB181]

SENATOR PIRSCH: Okay. Thank you for your answers. [LB181]

SENATOR HANSEN: Thank you. [LB181]

SENATOR GLOOR: Thank you, Senator Pirsch. Seeing no other Senators wishing to be recognized, Senator Carlson, you are recognized to close on the committee amendments. [LB181]

SENATOR CARLSON: Thank you, Mr. President. Thank you, members, for discussion concerning this amendment. Simply a change of terminology from "shall" to "may" and this enables the brand committee to function, I believe, properly. And certainly it will be disclosed at each time that's charged as to what the amount is and why and I think this is the correct way to go. I would ask for your vote on AM81. Thank you. [LB181]

SENATOR GLOOR: Thank you, Senator Carlson. The question is, shall the committee amendments to LB181 be adopted? All those in favor vote aye. All those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB181]

CLERK: 38 ayes, 0 nays, Mr. President, on the adoption of committee amendment. [LB181]

SENATOR GLOOR: The amendment is adopted. Discussion... [LB181]

CLERK: I have nothing further on the bill, Mr. President, excuse me. [LB181]

SENATOR GLOOR: Senator Hansen, you're recognized to close on your bill. [LB181]

SENATOR HANSEN: Thank you, Mr. President. I appreciate the questions that were asked by the senators. We hope to have this, certainly open to all transparency and disclosure and all the fees...I mean, the fee we don't want to raise, but this fuel surcharge to recoup some of the fuel expenses. This is what the problem with a cash funded agency is, is that they have to live within the amount of fees that they charge. This has become a problem and this addresses the problem. I appreciate your positive vote on LB181 as amended. Thank you. [LB181]

SENATOR GLOOR: Thank you, Senator Hansen. The question is the advancement of LB181 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB181]

CLERK: 40 ayes, 0 nays, Mr. President, on the advancement of LB181. [LB181]

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SENATOR GLOOR: The bill advances. Mr. Clerk. [LB181]

CLERK: Mr. President, on LB302 was a bill originally offered by Senator Ashford. (Read title.) The bill was discussed yesterday, Mr. President. Senator Ashford, would you like to go right to your motion, Senator? Mr. President, Senator Ashford would like to bracket his bill, LB302, until June 5 of 2011. It's a unanimous consent request, Mr. President. So Senator Ashford would ask unanimous consent to bracket LB302 until June 5. [LB302]

SENATOR GLOOR: Is there any objection by the body to the bracketing of LB302? I see no objections. It is so ordered. Mr. Clerk. [LB302]

CLERK: Mr. President, LB94 was a bill originally introduced by Senator Howard. (Read title.) Introduced on January 6 of this year, at that time referred to the Judiciary Committee. The bill was advanced to General File. There are Judiciary Committee amendments, Mr. President. (AM180, Legislative Journal page 414.) [LB94]

SENATOR GLOOR: Senator Howard, you are recognized to open on LB94. [LB94]

SENATOR HOWARD: Thank you, Mr. President and members of the body. LB94 is a bill that would benefit everyone whose life has been touched by adoption. LB94 would require that the Department of Health and Human Services make a child's file available to the adoptive parents before an adoption is finalized. There is a committee amendment and I'm supportive of that amendment. The purpose of LB94 is to ensure that families have all available information when they make a lifelong commitment to a child. We want children to be adopted into families. They deserve to be loved. The families have to be prepared for this responsibility. It's also important that if there are issues after the adoption, sometimes years after, families need to feel that the department was honest with them about the problems they might face. In some instances, the department will share a written file, but often a worker will tell the family what is in the file. Frequently, things are omitted during conversations regarding the information. This can lead to mistrust by parents and, tragically, can result in families seeking to return the child to the department. I'd like to share with you a story that one mother told during the hearing. This will give you a picture of exactly how important LB94 is. Three years ago a family adopted a daughter, one of their four adopted children. When they entered into the adoption they were aware that their daughter had cerebral palsy and was mildly mentally handicapped. They knew that a box on their daughter's paperwork had been checked yes, for sexual activity. The department said she "may" and that's "may" have been touched inappropriately. A year ago they started noticing aggressive sexual behavior by the child who is now a young teen. They came to discover through therapy that she had actually been sexually abused, likely multiple times, and that she was suffering from reactive attachment disorder and posttraumatic stress disorder. The parents were afraid for their other children. They were continually

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denied services, and the child has now been returned to the care of the state. The state is now struggling to find appropriate treatment. The family was unable to view the file...the family was able to view the file of their other three adoptive children, and were prepared to deal with the problems and the behaviors that might arise and they were equipped to find adequate services. The things that happened to this little girl may not have been preventable by the time the adoption agreement was signed, but the end result surely was. LB94 has no fiscal impact, but it will offer an important opportunity to families that take our most vulnerable children. I want to pass out...I want to share with you, this was passed out of committee with no opposition. One member of Judiciary was absent. I've talked to her. She said she most adamantly would have supported this bill. I'm convinced of that as she actually had signed onto the bill. I appreciate your time and attention on this issue, and I ask for your support. Thank you. [LB94]

SENATOR GLOOR: Thank you, Senator Howard. As the Clerk stated, there are amendments from the Judiciary Committee. Senator Ashford, as Chairman of the committee, you are recognized to open on the committee amendments. [LB94]

SENATOR ASHFORD: Thank you, Mr. President. And I appreciate Senator Howard bringing this bill. It is a change that is needed. We did offer some amendment or AM180 to address some of the issues that were raised at the hearing. AM180 would provide that the case file made available to the petitioners must not include information or documents that the department determines cannot be released based on state statute or federal law, rule or regulation. The amendment would also provide that the case file will be made available to the adoptive parents following the adoption process upon a written request to the department. And the petitioners must sign a document indicating they are aware that the case file will be available to them following the adoption process. And we worked these amendments out with Senator Howard and I believe they meet her approval, so. Thank you. [LB94]

SENATOR GLOOR: Thank you, Senator Ashford. Senator Dubas, you are recognized. [LB94]

SENATOR DUBAS: Thank you, Mr. President. Caught me mid chew. (Laugh) I rise in support of the bill and the amendment as it was presented. This is so critical. This is something I've spent a great deal of time talking with foster parents and adoptive parents, their experiences with the children that they bring into their homes. And one of the main things that they bring to my attention is the fact that they're given so little background information on the children. They're opening their homes and their hearts to these children because they know that they need this extra special attention and love and care, but yet are given very little background. And then all of a sudden, problems start to develop, and they're trying to figure out where these problems came from, and just are not fully prepared themselves. If they have this type of information up-front and ahead of time, they're going to be better prepared mentally, physically, and financially to

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handle these children's issues. I mean, we know that probably the vast majority of the children that are in foster care and ultimately up for adoption are children who have come from very difficult backgrounds and have had a very difficult time in their life. So there are, without a doubt, going to be issues that will need to be dealt with. And I know, early on, I always just thought, you know, all these kids need is just some stability and a loving home and knowing that they have some adults in their lives that they can trust and depend on. And that is very important and it's something that these children need. But, by and large, a lot of them need much more than that. And so to give these children...put these children in a home where we're not adequately preparing the adults to address the serious needs that many of these children have, it's not fair to the child and it's certainly not fair to these adults, foster parents, and adoptive parents. I have learned so much about the people who are willing to, again, open their hearts and their homes to children, and am amazed at how little involvement they really do get to have in the process. I am currently serving on an advisory board, Right Turn, that was...they're very involved in support services for adoptive parents. And at the first board meeting that I went to this was an issue that was discussed extensively. So while this bill on the surface would appear to be very common sense, and why are we even talking about it, it is a huge issue for these adoptive parents. And although the bill doesn't address foster parents specifically, it's a big deal for them too. We just...we owe...we just owe it to them. That's basically what it comes down to. If they're going to really be the type of parent that they want to be, they need to have access to this information. So I appreciate Senator Howard bringing this forward. I was happy to sign on to it as a cosponsor. I think it's a great step in the right direction. I think we can take it further in dealing with foster parents and the situations that they're into. But this is...this really is an important bill and one that will just reap many, many benefits. So I encourage my colleagues to support this bill, and I'm happy to do it myself. Thank you. [LB94]

SENATOR GLOOR: Thank you, Senator Dubas. Senators waiting to be heard are Coash, Campbell, Nelson, Wallman, Hadley, Carlson, and Christensen. Senator Coash waives. Senator Campbell, you are recognized. [LB94]

SENATOR CAMPBELL: Thank you, Mr. President. My remarks will be very brief, but I do want to commend Senator Howard for bringing this bill forward. And like Senator Dubas, I cannot emphasize enough the importance of this bill. Senator Howard has become a champion and certainly the body's expert on adoption and I'm sure could tell many, many stories to illustrate this bill. But I do want the colleagues to know that the LB603 committee this summer had a public hearing and heard from a number of parents. And one of the most heart wrenching stories that we heard, and really the mother could hardly finish the testimony, had to do with adopting a child and then years later...information, if it had been given when they adopted the child, could have made a great difference in the life of that adoptive family as well as the child. So I, too, commend Senator Howard for bringing this forward. It is much needed and would urge

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the colleagues support of both the amendment and the bill. Thank you, Mr. President. [LB94]

SENATOR GLOOR: Thank you, Senator Campbell. The Chair recognizes Senator Nelson. [LB94]

SENATOR NELSON: Thank you, Mr. President and members of the body. I have a question for Senator Ashford, if he would yield. [LB94]

SENATOR GLOOR: Senator Ashford, will you yield? [LB94]

SENATOR ASHFORD: Yes. [LB94]

SENATOR NELSON: Thank you, Senator. Let me say that I'm supportive of this bill, but I was looking at your amendment and I wondered, the last few lines there regarding reviewing the file after finalization of the adoption. [LB94]

SENATOR ASHFORD: Right. [LB94]

SENATOR NELSON: What was the thinking there, the rationale for putting that in? [LB94]

SENATOR ASHFORD: Good question. The answer, I believe, and maybe Senator Howard who is the state expert on this issue can chime in, but my sense was that in certain cases they were not getting access to the files, and it was necessary to put it into statute. And one of concerns, I believe, was that...the underlying concern, I think, had to do primarily with when the information should be given and...but I'm going to defer to Senator Howard because I think there's a...if you could ask her that... [LB94]

SENATOR NELSON: Thank you, Senator Ashford. I will ask Senator Howard if she will yield. [LB94]

SENATOR GLOOR: Senator Howard, will you yield? [LB94]

SENATOR HOWARD: Yes. [LB94]

SENATOR NELSON: You heard the question, did you? [LB94]

SENATOR HOWARD: I did, Senator Nelson, and maybe I can kind of paint a picture for you that would be helpful. The number one problem in the issue of reviewing the file was it wasn't made available on a uniform basis with the department. I did it with the families that I worked with because I thought it was very important that they have the opportunity for full disclosure, that they could come in, they could read that file. If they

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had questions, I was available, I would review the information with them. But one of the things to keep in mind, when a family is at the point where they're going to finalize an adoption, it's a pretty emotional experience. I'm sure you know that, as well, being an attorney. They're caught up in the love for the child, which we want, which we want. But at the same time, it's important that they kind of think in a clear-headed way. They may not really incorporate all the information at the initial review of the file, and have it available down the road when they're saying, gosh, I just wonder...I think I read something about this and I'd like to maybe have a chance to look at that again. I think that's a wise thing to have available for them. [LB94]

SENATOR NELSON: I certainly...thank you, Senator. [LB94]

SENATOR HOWARD: Sure. [LB94]

SENATOR NELSON: I certainly can understand that having handled a number of adoptions over the years that it might be good to come back and see if they had missed anything. I do have a further question for you here. With regard to the case study that you related to us at the beginning, do you think if they had had access to the file that they would not have adopted the child, gone ahead with the adoption, and if not, then will that child ever get adopted? [LB94]

SENATOR HOWARD: You know, I'm really glad that you asked that question because it's so pertinent to this situation. And I'll refer back to my experience in working with people and I did many adoptions and I worked with many families. And always my goal with every family was to be as up-front and open with them as I could because in some ways, if you look at it, we're entering into a contract together and if we all operate on the way...the basis of being as honest as we can, I think we stand a better chance of that contract being successful. I think if this family had had the opportunity to look at the file and know the information, they would have felt that they were...the state was in it with them, that you were working together. And that information could have been included. You know, those concerns could have been handwritten in, included in the adoption agreement so then in the future the door would be open... [LB94]

SENATOR GLOOR: One minute. [LB94]

SENATOR HOWARD: ...for the family to receive services. I did not, in my experience of doing this, I never had a family that read the file and said, no, we can't do this. Never. And I think that's a testimony to the value of this. [LB94]

SENATOR NELSON: Thank you. Well, that's encouraging and I really support this bill because I think with full information that it can help the family in dealing with some of the things they see there and how to proceed and that would also apply going back to the file later. So I want to thank you for bringing this bill and it has my full support and

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the amendment as well. Thank you, Mr. President and members of the body. [LB94]

SENATOR GLOOR: Thank you, Senator Nelson. Senator Wallman, you are recognized. [LB94]

SENATOR WALLMAN: Thank you, Mr. President and members of the body. And thank you, Senator Howard. My family has been in this business in Kansas until she died. And only one person did they have, out of all the children she had in foster care, turn out bad and because they didn't give her the right information to start off with. And that was sad. The rest of them all came to her funeral. And so we've had a couple of troubled teens in our house and it's tough and, but it's also very rewarding. And, but you want the information why the kids are troubled. Had lunch with a young girl who had went, and several others who went to 23 different homes before they found the right person. And she feels at home with this new foster care, but how can you turn out to be a normal person when you go through 23 different literally sets of parents? So if you get the right information, like Senator Howard proposes here...I hate to give up privacy myself. You know, that's a slippery slope, but I think if we're going to benefit the children, benefit the foster care parents, this is a very, very good bill. Thank you, Senator Howard. [LB94]

SENATOR GLOOR: Thank you, Senator Wallman. The Chair recognizes Senator Hadley. [LB94]

SENATOR HADLEY: Mr. President, members of the body, would Senator Howard yield to a question? [LB94]

SENATOR GLOOR: Senator Howard, will you yield? [LB94]

SENATOR HOWARD: Yes, Senator. [LB94]

SENATOR HADLEY: I may be plowing the same ground that Senator Nelson talked about. I guess I certainly support the bill, but I worry that we have almost a selection process in adoption then. Would it ever happen that couples just continue to review files until they find that one that they think would make the best child and that we then have children in the system that will never be adopted because of something in their file? [LB94]

SENATOR HOWARD: No. I can tell you that that won't be the case. And the reason that that won't be the case is that with these families, oftentimes the child has been in their home as a foster child. The child becomes available for adoption either through termination of parental rights or relinquishment or another circumstance, and they're free for adoption. In most cases, the foster family has become so attached to that child being in their home, being a part of their family, there's no selection involved. It's they are committed to that child. The point of this bill is to give that family the opportunity to

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look at the complete history, what that child has experienced. They know what that child has experienced since that little one has been in their home, but sometimes the additional information hasn't been shared with them. Keep in mind that there's a turnover of case management. [LB94]

SENATOR HADLEY: Okay. [LB94]

SENATOR HOWARD: And when you get new people working on the case, they may assume someone else has shared that. [LB94]

SENATOR HADLEY: Well, Senator Howard, would there ever be adoptions where it is not the foster parents who would be adopting that would have access to the case file? [LB94]

SENATOR HOWARD: Yes. Yes, it would. If a child is available for adoption, for whatever reason the foster parents aren't able or that's not something that they want to enter into, then the child will be placed with a family that after visitations and meetings and a series of... [LB94]

SENATOR HADLEY: And they would have access to the file also? [LB94]

SENATOR HOWARD: Not until the point when an adoption agreement is signed, not until they've made the commitment. [LB94]

SENATOR HADLEY: They've made the commitment. [LB94]

SENATOR HOWARD: That's right. [LB94]

SENATOR HADLEY: One last question. In private adoptions, how much information is...is there any general rule of information that is given to the adopting parents in a private adoption? [LB94]

SENATOR HOWARD: Well, I can't give you...I didn't do private adoptions. But best practice for any professional social worker is that you share as much information as possible. With a private adoption, I would anticipate a lot of that would be health information. [LB94]

SENATOR HADLEY: Okay. I just...and I know there's nothing we can do about it, but I hear...reading these horror stories of adopting from Russia and such as that and just terrible stories. And I guess if there are things we can do, it's a two-way street. [LB94]

SENATOR HOWARD: Yeah. [LB94]

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SENATOR HADLEY: We want the best for the child but also we don't want parents, adoptive parents getting into something that they can't handle. [LB94]

SENATOR HOWARD: You're absolutely right, it's a two-way street. [LB94]

SENATOR HADLEY: So I will support both the amendment and the bill. Thank you. [LB94]

SENATOR HOWARD: Thank you. Thank you, sir. [LB94]

SENATOR GLOOR: Thank you, Senator Hadley. Senator Carlson, you are recognized. [LB94]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. I would like to address Senator Howard if she would yield. [LB94]

SENATOR GLOOR: Senator Howard, would you yield? [LB94]

SENATOR HOWARD: Yes. [LB94]

SENATOR CARLSON: Senator Howard, I need some information on how to interpret some things here. And, you know, I have some experience in our family in the process of adoption. But after filing of a petition for adoption, so a family that wants to adopt files a petition for adoption, is that correct? [LB94]

SENATOR HOWARD: Well, it's a legal process that they work with the case manager or is it...they've changed the title but the principle is the case manager, and there's a lot of information that's drawn together in order to get an adoption file prepared to go into court. These things would happen at the same time. [LB94]

SENATOR CARLSON: Okay. I think I understand that, but I'm trying to zero in on the time line here. So my wife and I want to apply...file a petition for adoption. And then it says, "and before the entry of a decree of adoption." Now what is the "entry of a decree of adoption?" [LB94]

SENATOR HOWARD: That would be prior to the time that you go into the juvenile court or the county court to enter into the adoption agreement. [LB94]

SENATOR CARLSON: Okay. That's not the granting of the adoption, that's just a part of the process. [LB94]

SENATOR HOWARD: Well, when you go into court for the adoption hearing, that's when the adoption is granted. [LB94]

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SENATOR CARLSON: Okay. Now it almost sounds like that this information is available between the filing of a petition and the entry of a decree. I don't think that's the way it is. When is this information available? [LB94]

SENATOR HOWARD: Well, really it's at the convenience of the adoptive parents after the adoption agreement is filed. [LB94]

SENATOR CARLSON: Okay. So it's not available at all until after the adoption agreement is filed. [LB94]

SENATOR HOWARD: There's a form with the Department of Health and Human Services that the adoptive parents sign and it acknowledges that they have received all the information that's available on the child, and that's the time when they would be reading the file. [LB94]

SENATOR CARLSON: So they would be reading the file and they get this information, then do they have the option of changing their mind on the adoption? [LB94]

SENATOR HOWARD: You know, Senator, I would have to say to you, of all the adoptions that I've done, there has never been a time, not one family that ever changed their mind. [LB94]

SENATOR CARLSON: Okay. And I'm not really disputing that, I'm just wanting to get correctly here what the leeway is as far as the adoptive parents is concerned, because they could say we're not interested in this information, correct? [LB94]

SENATOR HOWARD: You know, they...I wouldn't say that they couldn't say that. I would say I can't imagine that that would happen. [LB94]

SENATOR CARLSON: Can't imagine that that would happen. [LB94]

SENATOR HOWARD: No. [LB94]

SENATOR CARLSON: What if they said, we don't need this information? They don't have to take it, do they? [LB94]

SENATOR HOWARD: Oh, no. Oh, no. [LB94]

SENATOR CARLSON: Okay. [LB94]

SENATOR HOWARD: That's completely their choice. [LB94]

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SENATOR CARLSON: Now if they decided we really don't want this information for whatever reason, is there a time limit then? The adoption takes place, six months or a year later could they ask for the information with the way this bill is written? [LB94]

SENATOR HOWARD: They could. They could. It's included in the amendment that they can come back and ask. [LB94]

SENATOR CARLSON: Okay. So they have an option initially of not looking into the information. They have an option later on of asking for it, and there's no time limit at which it's too late. [LB94]

SENATOR HOWARD: That's true. [LB94]

SENATOR CARLSON: Okay. Thank you, Senator Howard. [LB94]

SENATOR HOWARD: Thank you. [LB94]

SENATOR GLOOR: Thank you, Senator Carlson. Senator Christensen, you are recognized. [LB94]

SENATOR CHRISTENSEN: Thank you, Mr. President. When we're looking at this amendment, folks, I think you need to look on how this is stated and we maybe need to clarify something here because it says, "The department shall not include in the case file to be read any information or documents that the department determines cannot be released based upon state statute or federal statute." I agree with those. By rule or regulation, are we allowing them to set up a rule then? They've covered themselves. They can hide anything they want again basically setting this up to be ineffective. Mr. President, would Senator Ashford yield, please? [LB94]

SENATOR GLOOR: Senator Ashford, would you yield? [LB94]

SENATOR CHRISTENSEN: Senator Ashford, you just heard me explain a little bit of concern about the word "rule" and "regulation" there. [LB94]

SENATOR ASHFORD: Yes. [LB94]

SENATOR CHRISTENSEN: Is there any way that HHS can skirt around doing what we're trying to do in this bill? [LB94]

SENATOR ASHFORD: Thank you. Yes. I suppose they could try, but any rule or regulation under this provision would have to be consistent...it would be necessary that it be consistent with any federal or state statute. So though they may issue a regulation, that could be inconsistent, it would be subject to attack. So the rule or regulation

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promulgated by the department would have to be consistent with the statute and would be subject to attack if it was not. [LB94]

SENATOR CHRISTENSEN: Okay. So if I'm understanding you right, you don't think this is broadening it because it has to be tied to the state statute and federal statute? [LB94]

SENATOR ASHFORD: That's correct. I mean, I think it's in a way protective because it...there may be rules or regulations which are...very often in this area that are not included in state statute or federal law that have more detailed implementation rules, for example, and which you would want to have promulgated. And, also, there's a process of dissemination of these rules and regulations as well. But it is...could it happen? Yes, it could happen where the rule and regulation does not...is not compliant, but at that point it would be subject to attack from a corridor of other means. But, yes, it could happen, but it would be subject to attack. [LB94]

SENATOR CHRISTENSEN: Senator, do you know any way we could maybe tighten this a little bit or does this discussion that we're getting on the record going to handle it? [LB94]

SENATOR ASHFORD: I think it will but, you know, we can certainly insert on Select File some language that might make it more precise. But this is generally the language that's utilized in describing rules and regulations that are promulgated pursuant to rules or...or state statutes. Let's see what it says here, theoretically you could add the sentence, "promulgated pursuant to." We can take a look at that and work with you on that between now and Select File. [LB94]

SENATOR CHRISTENSEN: Thank you, Senator Ashford. I appreciate that very much because I don't think it's any secret to anybody here on this floor I've had a lot of troubles with HHS, and I don't want to set up a regulation here that is openhanded for them, again, to turn around and stab foster parents in the back. After having it done, it hurts and I can tell you it is not right. It's not even American how some of these people are treated and I was one of them. Thank you, Mr. President. [LB94]

SENATOR GLOOR: Thank you, Senator Christensen. Senator Brasch, you are recognized. [LB94]

SENATOR BRASCH: Thank you, Mr. President. May I ask...and thank you, body, I would like to ask a question to Senator Howard if she would yield, please. [LB94]

SENATOR GLOOR: Senator Howard, would you yield to a question from Senator Brasch? [LB94]

SENATOR HOWARD: I will. [LB94]

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SENATOR BRASCH: Thank you, Senator Howard. Once an adoption takes place, is there written documents saying that the adoptive parents agreed for aftercare, ongoing healthcare, the need of their adoptive child? [LB94]

SENATOR HOWARD: You know, again, a good question. Unless something has been specifically written into the adoption agreement--and I'm on your time, so I'll try to be concise--the department has not followed through on providing services, and that's been a very big problem and that's caused disruption in families. When I did adoptions and if there was any indication of, say, fetal alcohol syndrome, I made a point of having that child evaluated for that so that I could have a letter in the file saying that while there's no overt symptoms, that this is a possibility, and then that would have to be respected. [LB94]

SENATOR BRASCH: Thank you, Senator Howard. And I asked that because I do agree with LB94, but I believe there's a responsibility of the state to acknowledge what could be a problem so the parents are aware and can follow through. I spoke with a young gentleman just a little over 30 yesterday who feels he is the victim of an adoption gone bad, long story short. He's doing well now. There are issues. There's concerns, but he believes that should there be wellness checks along the way following adoption, a lot of grief, trouble, pain could have been saved. So I am in support, but I would think it would be necessary to know and also necessary, for better or worse, for those adoptees to know that there is wellness checks along the way. Thank you. No other questions. [LB94]

SENATOR GLOOR: Thank you, Senator Brasch and Senator Howard. Senator Pirsch, you are recognized. [LB94]

SENATOR PIRSCH: Thank you, members of the body. I wonder if Senator Howard might yield to a question or two. [LB94]

SENATOR GLOOR: Senator Howard? [LB94]

SENATOR HOWARD: Absolutely. [LB94]

SENATOR PIRSCH: The underlying premise, Senator Howard, of this bill, is this to give parents an opportunity to reconsider or is it so that the parents have the opportunity in a way that they wouldn't before to understand the needs of their child better? How would you answer that? [LB94]

SENATOR HOWARD: It would be the latter. It would certainly be to give the adoptive parents, the adoptive family the opportunity to have the complete picture of the child's history and what they've experienced. [LB94]

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SENATOR PIRSCH: And there is law that says, you know, in operating within the juvenile court system that any adoption could only take place after such period of time at a minimum that the child has been in the home of the adoptive family for a period of six months, correct? [LB94]

SENATOR HOWARD: Absolutely. [LB94]

SENATOR PIRSCH: Okay. Can you speak to, if you're looking at adopting...especially the difficulty with adoption is in older children, correct? I mean, it's relatively easier to have younger children adopted but not as easy with a little bit older kids, right? [LB94]

SENATOR HOWARD: Well, the older children obviously have their own history, their own family frame of reference, their own experiences, the things that they've gone through in life, and those are typically the children that the department is placing for adoption. [LB94]

SENATOR PIRSCH: Is there a...is the reason why there is a certain hesitancy with the older children in terms of people interested in adoption is because there is such a critical developmental foundation that is laid in the very early years of a child's life, zero to three, certainly by five years of age, that that imprint is so strong that it will have reverberations for years and years and years and going into the adulthood of the individual child? [LB94]

SENATOR HOWARD: I think you've hit on the issue of why this is so critically important, so that adoptive parents have all that information or all of that information that's available to give them the opportunity to provide the best services and whatever the child would need. [LB94]

SENATOR PIRSCH: Is it true to say that trauma or psychiatric blows or other type of medical conditions that the child has experienced early in their life could continue to have repercussions, could continue to manifest itself for decades and decades after, you know, they, you know, become older children? [LB94]

SENATOR HOWARD: Oh, absolutely. And many of these...I'm not sure whether to call them problems or many of these concerns won't be visible, and the child can adapt, especially when they're younger, can adapt and seem to really have handled things, but lifelong trauma is lifelong trauma. [LB94]

SENATOR PIRSCH: Parents who have then, adoptive parents who have such knowledge of, more comprehensive knowledge of the background that their...from which their children come from, are they in a better position then to adequately care for the needs of those children as they go forward? [LB94]

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SENATOR HOWARD: Oh, there's no question. They're both better positioned to meet the child's needs and they also have a more complete understanding of why the child is exhibiting the behaviors. [LB94]

SENATOR PIRSCH: Is it possible...well, let me just ask you based on your experience, have you... [LB94]

SENATOR GLOOR: One minute. [LB94]

SENATOR PIRSCH: Have you seen cases where incidents that occur in early childhood later have manifested itself in unhealthy behavior that unless you knew the underlying basis from where that behavior came, you would maybe be confounded? [LB94]

SENATOR HOWARD: Well, you're absolutely right, and that's especially true with sexual behavior. [LB94]

SENATOR PIRSCH: Well, I appreciate that. I have no other questions. [LB94]

SENATOR GLOOR: Thank you, Senator Pirsch. The Chair recognizes Senator Schumacher. [LB94]

SENATOR SCHUMACHER: Thank you, Mr. President and members of the body. As I listen to this debate, I suddenly found myself ten years in the future in this room with a similar discussion going on. Senator Howard, would you yield to a couple of questions? [LB94]

SENATOR GLOOR: Senator Howard, would you yield? [LB94]

SENATOR HOWARD: Yes, I will yield. [LB94]

SENATOR SCHUMACHER: Thank you, Senator Howard. As I understand the general gist of this particular bill, it is that the adoptive parent should have access to as much information as possible about the child that would be predictive of future behavioral or medical problems. [LB94]

SENATOR HOWARD: Well, that's true. When you have the information, and that's the intent of the bill to provide it, you cannot only anticipate what could possibly happen but you can also take steps to alleviate and address things before they do happen. And, again, I go back to sexual behavior: If a child receives therapy and the problems are addressed, they can certainly be lesser in the future. [LB94]

SENATOR SCHUMACHER: Thank you, Senator Howard. This, what appears to be

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fairly well-intentioned and innocuous measure, has some policy implications that probably will be debated in this room a decade from now if not sooner because most...or I shouldn't say most but a substantial amount of information about a child is in its genome. We are getting rapidly to the point in science where we can read genomes and correlate those with behavior and with future medical issues. So today, as we probably will advance this measure, I want to send the message to the future that we're cognizant of the fact that right now we may be at a point where we will be talking about the genetic information of a child being conveyed to the prospective adoptive parents, and that raises some of the issues that I think Senator Hansen raised earlier. Thank you. [LB94]

SENATOR GLOOR: Thank you, Senator Schumacher. Senator Council, you are recognized. [LB94]

SENATOR COUNCIL: Thank you, Mr. President. I don't see...is Senator Howard available to yield to a question? [LB94]

SENATOR GLOOR: Senator Howard, would you yield? [LB94]

SENATOR HOWARD: Yes. [LB94]

SENATOR COUNCIL: Yes, thank you, Senator Howard. As you will recall from the hearing on LB94, there was a question about the language that would exempt from the information provided any information that was prohibited by state statute, federal statute, rule or regulation. And there was a concern about DHHS rules regarding what was going to be placed in the file, and there was a question regarding information found in an appendix. Can you explain for the body what the appendix is? [LB94]

SENATOR HOWARD: Sure, I would be happy to do that. The department...there's a separate file maintained on a child regarding the initial information, oftentimes it contains a police report, other documentation. It's a very thin file, it's called the appendix. That file is not shared. It's not shared with the Foster Care Review Board. It's not shared with anyone because, well, frankly for reasons of confidentiality. That file has always been off limits to review, and I can appreciate that because there's a great deal of information in that brief file that would pertain not only to the child but to others as well. [LB94]

SENATOR COUNCIL: Okay. But one of the concerns though is that there could be information in the appendix that are otherwise matters of public record, for example, a police report would be a matter of public record. [LB94]

SENATOR HOWARD: Well, in that case it would be obtainable through the police department. [LB94]

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SENATOR COUNCIL: Okay. I guess that's the...the concern is that, I mean, if we're talking about full disclosure to adoptive parents, I questioned during the hearing and question now why the department wouldn't pull out of the appendix and place into the file those documents or information that's a matter...that would be a matter of public record. And, believe me, I appreciate confidentiality. But one of the examples of a concern that was noted were children whose parents had been addicted to a substance and the question being whether or not that would give any indication as to whether or not the child suffered any of the effects of their parent's substance abuse. So in the adoptive process, if the reason for the child being removed is neglect or abuse...yesterday we heard a bill that spoke to enabling interested persons to participate in the actual court proceedings where that information would be readily discussed. I mean, that's the only concern I have that HHS, the way the bill is drafted now, by rule could still refrain from disclosing all essential information to adoptive parents. [LB94]

SENATOR HOWARD: The only piece of the information...when I did adoptions, the only piece that was not shared was the appendix, and that was through policy of the department, and I was an employee of the department. [LB94]

SENATOR GLOOR: One minute. [LB94]

SENATOR HOWARD: I personally have no qualm about that being shared. I think any information regarding, for example, a parent's drug use is going to be found in the file itself because in working with the family something like that would come to light and there would be a subsequent filing in order for the parents to deal with it... [LB94]

SENATOR COUNCIL: Sure. [LB94]

SENATOR HOWARD: ...to have the child returned home. Something like that would be so blatant. But, again, this goes back to the department's policy not the policy that I, myself, established. I was an employee of the department. [LB94]

SENATOR COUNCIL: Okay. So the reason I'm asking the question, Senator Howard, to see if you would have any objection if before Select File if there's an amendment that makes it clear that the only information that would not be disclosed would be information prohibited by state or federal statute rather than departmental policy. [LB94]

SENATOR HOWARD: It was my understanding that that was the way the bill...the amendment was drafted, so obviously I don't have any problem with that. [LB94]

SENATOR COUNCIL: Okay. Thank you. [LB94]

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SENATOR GLOOR: Time, Senators. Seeing no further Senators in the speaking queue, Senator Ashford, you are recognized to close on the committee amendment. [LB94]

SENATOR ASHFORD: Thank you, Mr. President. This is an excellent discussion. We have...and Senator Council raises a great issue and we discussed it in the hearing, and Senator Howard has given the accurate answer to that. These are not perfect processes for sure, and...on both sides, on the adoptive parents side and on the child's side, as Senator Brasch was just telling me about an experience that she talked about on the mike. And I don't think that...well, certainly this bill doesn't really address, unfortunately, the concerns that she's raised, though they're very legitimate concerns. This bill and the amendments address access to information by the adoptive...prospective adoptive parents, obviously, and those that have adopted children. The amendment simply puts language into the bill dealing with the waiver that's signed by the adoptive parents that they have the right...they sign the...not a waiver but they sign the form that indicates that they acknowledge that they have a right to view the file after the adoption process is completed. It was a gap that Senator Howard identified to the committee and we put it in there. Senator Christensen raises a great issue. And, quite frankly, Senator Council raises the same issue, and that is this rule and regulation language. There is information, there is...yeah, there is information that is not readily available, and this bill does not impact that. There still will be information that is not readily available, though there's more information than there was. This is a step forward. It doesn't answer the very legitimate concerns that have been raised on the floor, but it does move the ball a bit further up the...down the road. So with that, I would urge the adoption of AM180 and advancement of Senator Howard's bill. Thank you. [LB94]

SENATOR GLOOR: Thank you, Senator Ashford. The question is, shall the committee amendments to LB94 be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB94]

CLERK: 36 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB94]

SENATOR GLOOR: The amendment is adopted. Discussion continues on the advancement of LB94 to E&R Initial. There are no Senators wishing to speak, Senator Howard, you are recognized to close. [LB94]

SENATOR HOWARD: Thank you, Mr. President. Children do best when they belong to families; families do best when they have as much information as possible and they are engaged in an honest process. These are the goals of LB94. Keep the process honest. Keep the information open. Provide this so that families have the best possible chance for success. I urge you to advance LB94. Thank you. [LB94]

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SENATOR GLOOR: Thank you, Senator Howard. The question is the advancement of LB94 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB94]

CLERK: 38 ayes, 0 nays, Mr. President, on the advancement of LB94. [LB94]

SENATOR GLOOR: The bill advances. Mr. Clerk. [LB94]

CLERK: Mr. President, some items, if I might. A new resolution: Senator Price offers LR72 and that will be laid over. I have a notice and rescheduling of a hearing by the Agriculture Committee and the Revenue Committees, signed by the respective chairs. Enrollment and Review reports LB383, LB334, and LB25 to Select File, LB26, LB78, LB77, and LB303, all to Select File, some having Enrollment and Review amendments. The Committee on Revenue, chaired by Senator Cornett, reports LB210 to General File. A communication from the Governor to the Clerk. (Read re LB1-11, LB18, LB67, and LB158.) That's all that I have, Mr. President. (Legislative Journal pages 507-509.) [LR72 LB383 LB334 LB25 LB26 LB78 LB77 LB303 LB210 LB1 LB2 LB3 LB4 LB5 LB6 LB7 LB8 LB9 LB10 LB11 LB18 LB67 LB158]

SENATOR GLOOR: Thank you, Mr. Clerk. Continuing with General File. LB24, Mr. Clerk. [LB24]

CLERK: LB24 is a bill by Senator Langemeier. (Read title.) Introduced on January 6, referred to Banking, advanced to General File. At this time, I have no amendments or motions to the bill, Mr. President. [LB24]

SENATOR GLOOR: The Chair recognizes Senator Langemeier to open on LB24. [LB24]

SENATOR LANGEMEIER: Mr. President, members of the body, thank you. LB24 was introduced, brought to me on behalf of the Nebraska Real Estate Commission. It changes...it's a simple bill but has some impact. Currently now, a licensed agent in Nebraska has to have 12 hours of continuing education every two years. So you can take those all in the first year, the second year or you can divvy them up over the two years, however you'd like to take those hours. LB24 changes that. It ups the requirement. It adds 6 hours of continuing ed: 3 hours which are offered similar to the first 12 that are currently offered with the balance, the last 3, are offered that brokers can do training within their office that would qualify for those 3 hours. It's an attempt by the realtors, as well as the Real Estate Commission, to continue to make realtors a profession and hold them to a higher standard. And so with that, it's very simple. It adds 6 hours to the 12 hours we already have, and we ask for your support of LB24. Thank you. [LB24]

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SENATOR GLOOR: We move to floor debate. Senator Coash, you're recognized.
[LB24]

SENATOR COASH: Thank you, Mr. President. Would Senator Langemeier yield to a question? [LB24]

SENATOR GLOOR: Senator Langemeier, will you yield? [LB24]

SENATOR LANGEMEIER: I will. [LB24]

SENATOR COASH: Thank you. Senator Langemeier, when real estate agents and brokers take these classes, do they find these classes to be free and available or are they typically classes that they have to find someone and then pay someone to teach to get these continuing education credits? [LB24]

SENATOR LANGEMEIER: The current system, the 12 hours, are something you pay for. They typically run about \$35 for three hours a class, and those are classroom hours. And there are a number of companies out there that do offer these classes, I can tell you personal experience. As you see, I'm not jumping for joy over this bill as an agent. I really questioned the quality of the classes that are currently offered and I brought that up in the testimony within the committee. We're hoping that with these six hours and allowing the broker to have three of those hours as being taught by a broker and not offered by the classes, that maybe some different subject matter might come in. This also allows the department to...we have a core curriculum, and I'm taking a lot of your time here, but we have the core curriculum on 12 hours is offered pretty stringent, you know, whether that's mold or radon or termites or a number of those kind of subjects. They're hoping with these additional hours that that other three hours that is required might be a little more broad-based. I've brought up maybe some classes that are affecting us, like certified irrigated acres which were a big issue that we deal with in the Legislature, especially in Natural Resources. We're hoping that they can expand those classes to get to some more subject matter that is changing, that we're changing as a body in the state. So back to your question: Yes, there's classes readily available. The subject matter may be somewhat limited. So hopefully we can expand that subject matter over time. [LB24]

SENATOR COASH: Thank you, Senator Langemeier. I share your concern that I understand you share with the committee that maybe the classes aren't as quality as we'd like them to be. In your experience, is the access...can you speak just a little bit to the access of these classes? I mean, if you're an agent up in the Sandhills and you end up and you need...you've got six more hours, does that mean potentially another trip down to Lincoln to get credit? Is it likely you're going to have to travel to get these classes if you don't live in the metro area? [LB24]

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SENATOR LANGEMEIER: Well, three of the hours you're going to have to travel. But I got to say, our education classes out there, whether it's Larabee School of Real Estate or Moore or there's lots of them, I hate to bring up names but there's several of them out there, they do a good job of offering classes, whether it's in Omaha, Lincoln, Grand Island, Scottsbluff, across the state. They do take those classes on the road. And so one thing about these hours that we had structured is, is the ones that...of three hours that a broker can offer, that could happen right in wherever, Bassett, Nebraska, wherever the broker is. So there's opportunities out there. I took my continuing ed last year just out of curiosity. I normally go to the classes because you get more out of talking to your fellow colleagues about what's going on in the class, what's going on around the state more than the class. You don't get a lot out of the class, but you get more from talking to your colleagues. So I like to go to the classes. But this last year I took my 12 hours on-line. There's a lot of these classes that are available on-line. You can do it right at home. I sat at my office and did it. And so they're available. You lose some of that interaction, but I probably learn more on the subject matter than I did on-line because every section on the on-line class there's a test... [LB24]

SENATOR GLOOR: One minute. [LB24]

SENATOR LANGEMEIER: ...versus going to the classes, it's merely you show up and as long as you stay awake and you can sign in twice when the piece of paper goes around, you pass and you move on. [LB24]

SENATOR COASH: Thank you, Senator Langemeier, and you've answered the questions that I had. I guess the fact that you're an agent and you brought this and can stand behind it speaks to it. But I always look at these bills and ask, are we asking a profession to do something that might be an unfunded mandate? Obviously the cost for this is coming out of their own pockets, but I do understand we're to balance that with trying to increase the perception of professionalism of the industry, and so I appreciate your lead on this. Thank you, Senator Langemeier. Thank you, Mr. President. [LB24]

SENATOR GLOOR: Thank you, Senator Coash. The Chair recognizes Senator Nelson. [LB24]

SENATOR NELSON: Thank you, Mr. President, members of the body. Just a quick question for Senator Langemeier if he would yield. [LB24]

SENATOR GLOOR: Senator Langemeier, will you yield? [LB24]

SENATOR LANGEMEIER: I will. [LB24]

SENATOR NELSON: Thank you, Senator. I've been listening and maybe I missed something, but we're talking here about the requirement already of 12 hours of

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approved continuing education activities. Who provides those activities? The association as far as continuation education? We have to take this in the legal profession, and so we have seminars and that sort of thing. Is this what you're talking about on the continuing education? [LB24]

SENATOR LANGEMEIER: Sure. What...anybody can apply to the Nebraska Real Estate Commission to be an instructor. If you bring a syllabus and an instruction manual, you bring it there, and then they will look through it and make sure the content fits within their criteria. And then once they approve it, you can offer that class. So we have a number of schools in Nebraska that specialize in real estate classes that do these kind of things. But if you're a realtor in Nebraska, a lot of times like the Lincoln Board of Realtors, the Omaha Board of Realtors will bring in a certified educator and bring a subject matter and invite their members to come participate in a class. So they're offered on many ways. So if you're an independent, you can go out there and you can go to Larabee school or one of the others, Moore Group or there's lots of them, you can go take the classes there. Or, like I said, if you're a member of an association, American Society of Farm and Ranch and Rural Appraisers will offer...they had their meeting in Kearney a month ago, well, in January, they offered continuing ed there. They brought in an expert to teach a class. So you can get it through your association. You can get it as an independent. You can also have larger real estate firms, per se, a CBSHOME or something like that might offer...bring in an instructor and have their agents come in for a day to take these classes. [LB24]

SENATOR NELSON: So are the six hours of broker-approved training the same thing that you've been talking about? Is this an extension then of six hours or is this more inhouse? [LB24]

SENATOR LANGEMEIER: The broker-approved training is...right now, the training has to fit within kind of a narrow scope of issues for public safety and professionalism within the industry. The broker-approved classes in here is an idea introduced that the brokers could offer. You know, if they're seeing something in their market area that is something that they think they need to educate their broker...their agents on, it would allow them to come up with a pretty open-ended course or curriculum and offer those three hours as broker trained. That way if...it would allow real estate companies to deal with issues that are happening in Omaha versus what's happening in Scottsbluff. It would allow them some specialized class coursework. [LB24]

SENATOR NELSON: All right. Well, my experience in the legal profession is that 12 hours is a chunk of time and another 6 hours would just add to that. But it appears that this has the support of the brokers and the real estate persons, so thank you for your clarification of this. Thank you, Senator. Thank you, Mr. President. [LB24]

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SPEAKER FLOOD: Thank you, Senator Nelson. (Visitors introduced.) Senator Hadley, you are recognized. [LB24]

SENATOR HADLEY: Mr. President, members of the body, would Senator Langemeier yield to a question? [LB24]

SPEAKER FLOOD: Senator Langemeier, will you yield to a question from Senator Hadley? [LB24]

SENATOR LANGEMEIER: I would. [LB24]

SENATOR HADLEY: Just for my own information, Senator Langemeier, what is kind of the policy issue of requiring...the state requiring any profession to have a continuing education requirement and why does that fit with the real estate industry? [LB24]

SENATOR LANGEMEIER: Well, I think the public policy decision with real estate and real estate agents to have them well trained is the fact, if you look back to someone's investment in their lifetime--other than you, Senator Hadley,--the house might be their biggest investment in their life. And so we want to make sure that those agents out there are trained and are giving that level of support to individuals, both buying and selling, as being their biggest transaction they do in a lifetime. And so as a state, the public policy is, is we want to make sure those agents know what they're doing and that they are credible and are doing a good job for the citizens of Nebraska. [LB24]

SENATOR HADLEY: Thank you, Senator Langemeier, and I certainly agree with that. It is a large investment and we want it done right to save our investment. I hope people will remember this because later in the session, I possibly will be bringing a study resolution dealing with continuing education for law enforcement officers and what we require there. Thank you, Senator Langemeier. Thank you, Mr. President. [LB24]

SENATOR GLOOR PRESIDING

SENATOR GLOOR: Thank you, Senator Hadley. There are no Senators remaining in the queue. Senator Langemeier, you are recognized to close on LB24. [LB24]

SENATOR LANGEMEIER: Mr. President, members of the body, I appreciate the conversation. As I said before, it's a simple-worded bill but yet it does have impact on our licensed agents across Nebraska. And with that, I would ask for your support of LB24 to move on from General File. Thank you. [LB24]

SENATOR GLOOR: The question is the advancement of LB24 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

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[LB24]

CLERK: 28 ayes, 0 nays, Mr. President, on the advancement of LB24. [LB24]

SENATOR GLOOR: The bill advances. Continuing with General File. [LB24]

CLERK: LB396, Mr. President, a bill by Senator Pahls. (Read title.) Introduced on January 13, referred to the Banking, Commerce and Insurance Committee, the bill was advanced to General File. At this time, I have no amendments, Mr. President. [LB396]

SENATOR GLOOR: Thank you, Mr. Clerk. Senator Pahls, you are recognized to open on LB396. [LB396]

SENATOR PAHLS: Thank you, Mr. President, members of the body. I introduced LB396 for NACO, that's the county officials. This is truly a technical bill. We are changing the statute to reflect the way that the documents are actually handled on the county level. When a county treasurer makes a deposit in a financial institution and the amount of the deposit exceeds FDIC insurance limits, state law currently requires security in the form of a bond be deposited with the county clerk, however, financial institutions no longer issue paper bonds for these transactions. Under current banking practices, the county treasurer is issued a nonnegotiable receipt by the bank. Our current statutes don't provide for this updated, modern banking practice. There is no need for the clerk to be involved in this transaction. The bill would allow the treasurer to keep and file the receipt. Thank you. [LB396]

SENATOR GLOOR: Thank you, Senator Pahls. We now move to floor discussion. Are there Senators wishing to be heard? Seeing none, Senator Pahls, you're recognized to close on LB396. Senator Pahls waives. The question is the advancement of LB396 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Mr. Clerk, record. [LB396]

CLERK: 31 ayes, 0 nays, Mr. President, on the advancement of LB396. [LB396]

SENATOR GLOOR: LB396 advances. Mr. Clerk. [LB396]

CLERK: Mr. President, LB256 is a bill introduced by Senator Karpisek. (Read title.) Introduced on January 11, referred to the General Affairs Committee, advanced to General File. I have no amendments to the bill, Mr. President. [LB256]

SENATOR GLOOR: Senator Karpisek, you are recognized to open on LB256. [LB256]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. LB256 clarifies the State Racing Commission's terms. LB1012 last year, which was amended into

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LB861, added two members to the commission, and LB256 harmonizes the provisions regarding the lengths of the commissioners' terms and when the terms begin and end. Basically last year, we added two more seats to the racing commission and the terms were not jibed right, so this would just set it up so it makes it easier and more understandable how their terms are going to run. It's very much a cleanup bill and I'd appreciate your support. Thank you, Mr. President. [LB256]

SENATOR GLOOR: Thank you, Senator Karpisek. Seeing no senators wishing to speak, Senator Karpisek, you are recognized to close. Senator Karpisek waives. The question is the advancement of LB256 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB256]

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of LB256. [LB256]

SENATOR GLOOR: LB256 advances. Continuing with General File, Mr. Clerk. [LB256]

CLERK: LB311, a bill by Senator Karpisek. (Read title.) Introduced on January 12, at that time referred to the General Affairs Committee, the bill was advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB311]

SENATOR GLOOR: Senator Karpisek, you are recognized to open on LB311. [LB311]

SENATOR KARPISEK: Thank you, Mr. President and members of the body. Under current law, a liquor licensee in violation of the Liquor Control Act may choose between paying a cash penalty or a suspension of their license. LB311 would allow the Liquor Control Commission the discretion of requiring a fine for out-of-state licensees since enforcement of a suspended license poses unique challenges. Basically, the issue is that there is no practical means for the commission to verify if a licensee is actually closed for the duration of the suspension when that licensee is located outside of Nebraska. At the current time, the only penalty for out-of-state licensees is to close them down to the state of Nebraska for usually ten days. A lot of these companies may be shipping wine in or other various things that we see on the Internet. If they do run afoul of our laws, how do we really know that they are shut down for ten days or do they take all the orders in and just hold them for ten days and then send them all out on the tenth day? There's just really no way to tell if they're really not shipping into Nebraska over those days. This would let there be a cash penalty that they could pay in lieu of the days being closed. I would appreciate your vote on this. I think it's about the only way that we can really make sure that they are abiding by our laws. Thank you, Mr. President. [LB311]

SENATOR GLOOR: We move to floor debate. Are there Senators wishing to be heard? I see none. Senator Karpisek, you are recognized to close. Senator Karpisek waives. The question is the advancement of LB311 to E&R Initial. All those in favor vote aye; all

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those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB311]

CLERK: 31 ayes, 0 nays, Mr. President, on the advancement of LB311. [LB311]

SENATOR GLOOR: LB311 advances. (Visitors introduced.) We continue with General File. Mr. Clerk. [LB311]

CLERK: LB347 is a bill by Senator McCoy. (Read title.) Introduced on January 12 of this year, at that time referred to the Banking, Commerce and Insurance Committee, the bill was advanced to General File. There are Banking Committee amendments, Mr. President. (AM75, Legislative Journal page 427.) [LB347]

SENATOR GLOOR: Thank you, Mr. Clerk. Senator McCoy, you are recognized to open on LB347. [LB347]

SENATOR McCOY: Thank you, Mr. President and members. I bring to you this morning LB347 which very simply authorizes interest-bearing trust accounts under the Nebraska Real Estate License Act. There's a committee amendment, AM75, which Senator Pahls will talk about in a moment. Currently, brokers are required by statute to place trust account money in a noninterest-bearing account. LB347 would give the brokers the option to place their trust account money in an interest-bearing account. The interest, though, must go to a nonprofit organization and not to the broker. LB347 also makes this voluntary for the banks as well. The Nebraska Realtors Association has received a grant to aid low-income individuals in home buying and one of the requirements of the grant is to have sustainability. The Nebraska Realtors Association envisions the interest that would be accrued through the changing of this legislation to help with that sustainability. I ask for your support on LB347 and AM75. Thank you, Mr. President. [LB347]

SENATOR GLOOR: Thank you, Senator McCoy. As the Clerk stated, there are amendments from the Banking, Commerce and Insurance Committee. Senator Pahls, as Chair of the committee, you're recognized to open on the amendments. [LB347]

SENATOR PAHLS: Mr. President, members of the body, the committee amendments would simply put a sunset on the bill's proposed provisions which would allow brokers the option of having an interest-bearing trust account. The committee amendments would allow for trust accounts to be interest-bearing or noninterest-bearing until July 1, 2014. In the beginning of July 1, 2014, all trust accounts would have to be noninterest-bearing. The sunset would cause the Legislature and interested groups, such as the realtors and financial institutions, to revisit this issue in the next three years. Thank you. [LB347]

SENATOR GLOOR: We move to discussion. Senator Langemeier, you are recognized.

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[LB347]

SENATOR LANGEMEIER: Mr. President, members of the body, thank you. Would Senator McCoy yield to a question or two? [LB347]

SENATOR GLOOR: Senator McCoy, would you yield? [LB347]

SENATOR McCOY: Yes. [LB347]

SENATOR LANGEMEIER: Senator McCoy, and I think you brought it up in your opening, attorneys do this now with their trust accounts, and that money goes to a setup fund that the bar association has created, correct? [LB347]

SENATOR McCOY: Yes, that's correct. [LB347]

SENATOR LANGEMEIER: But with LB347 and AM75, the money that is in the trust account, granted usually these aren't big dollars, that interest could go to a charity of whose choice? [LB347]

SENATOR McCOY: Well, I believe that would be the choice of the broker. [LB347]

SENATOR LANGEMEIER: So if I, as a broker, which I am--full disclosure here--if we have an operation where I get a large amount deposit brought to me and it goes into my trust account which is currently banned from collecting interest, and I can currently in the law can talk to the buyer and I can talk to the seller, and if they both agree, I can take that money...let's say that I'm selling a farm and they put \$200,000 down and we're not going to close for six months or until after harvest is a big thing we do on a regular basis, I have...currently in law I can, if they both sign a piece of paper that says, yes, Chris, you can put this in a CD, and I put right in that piece of paper who gets the interest, whether it goes towards the purchase price or it goes to the buyer or the seller, we can do that. And so any large amounts of money that I get in my trust account I do that. I feel that that's my obligation to the transaction of holding that money. But this would go back to setting up my trust account that I get \$500 or \$100 or whatever I get on a little house sale, I can pick a charity which could be...what would...my question is, what could qualify for a charity? [LB347]

SENATOR McCOY: Well, I think it's fairly open because as we have it written, it's just a nonprofit organization. [LB347]

SENATOR LANGEMEIER: So if they're a 501(c)(3) they would qualify? [LB347]

SENATOR McCOY: My understanding that's correct. [LB347]

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SENATOR LANGEMEIER: So I could pick like Keep Schuyler Beautiful to inherit the interest off my trust account on a monthly basis, annual basis? [LB347]

SENATOR McCOY: I believe it could be either one. [LB347]

SENATOR LANGEMEIER: Do I owe any obligation to my, in this case it would be a buyer that put the \$500 down, do I owe any obligation to them to tell them that I'm going to earn...well, you know, this is all kind of irrelevant because if I open it to gain interest, I can get like one one-hundredth of a percent on a savings account anyway. But do I owe any obligation to inform them or I should say, am I obligated to tell them that that \$500 is going to earn interest and I'm giving it to Keep Schuyler Beautiful? [LB347]

SENATOR McCOY: Senator Langemeier, not that I'm aware of. I would mention, though, I believe Senator Pahls may be able to address that in more specificity in a moment if you'd like. [LB347]

SENATOR LANGEMEIER: I'm just...for the record, I'm just...I am going to support LB347 and AM75 because it's not mandatory. And I can tell you I'm not going to do this. I think it adds a burden upon my office that I don't need. And maybe in some of my continuing ed hours that we just passed a few minutes ago, we can explain this to the industry in a class. But I will support LB347 and AM75 because it is not mandatory, but I still am skeptical. So with that, thank you, Mr. President. [LB347]

SENATOR GLOOR: Thank you, Senator Langemeier. Senator Carlson, you are recognized. [LB347]

SENATOR CARLSON: Thank you, Mr. President. And in listening to this, I would like to address Senator Langemeier, if he would yield. [LB347]

SENATOR GLOOR: Senator Langemeier, would you yield to a question? [LB347]

SENATOR LANGEMEIER: Yes. [LB347]

SENATOR CARLSON: You bring up some interesting discussion. Now in this bill and what's asked for here, you're only one example of a licensee that this would apply to, would that be correct? [LB347]

SENATOR LANGEMEIER: Yes. [LB347]

SENATOR CARLSON: Now in your business, how often do you have rather large sums of money? What would a large sum be? [LB347]

SENATOR LANGEMEIER: Well, in our business we do a lot of farm ground and some

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commercial sales. And so if I sell a farm, right now we're selling quarters for at least a million bucks and we'll take 10 to 20 percent down with the purchase contract, and they're usually delayed closings until after harvest or after something, so we could easily have \$100,000, \$200,000 as a down payment. But I don't keep that in my account. I have both the buyer and the seller sign a contract that allows me to take it out of my trust account and put it in a CD at our local bank. We choose 30-day, rollover CDs. And then that interest is specified in that document that it goes towards the purchase price. [LB347]

SENATOR CARLSON: Okay. So currently that's helping the buyer. [LB347]

SENATOR LANGEMEIER: It is. [LB347]

SENATOR CARLSON: Do you see anything in this that...because this is a change then, that may not encourage you...and I don't know that you would be able to do this anyway, encouraging somebody to try and collect more money than they really need to so that more interest can accrue and then that would go to a charity? [LB347]

SENATOR LANGEMEIER: No. I have no fear of that at all. This is designed for the little house you sell that gets \$500...because I'm still going to do that with any large amount of money that comes in my trust account even if I was going to take advantage of LB347. This is for, you know, I've got seven houses that are sale pending and I got 500 bucks down on each one and I'm earning...I could earn...well, like I said before, really no interest right now, but let's say I could earn 7 bucks on that over time. It's dealing with those little bits of money. I don't think this is ever going to amount to a lot. But if you're in a bigger agency like Home Real Estate or Woods Brothers or something like that in Omaha and Lincoln, they may have 150 houses sale pending at \$500 down. But I'm not worried about anybody saying, hey, let's get some extra money down because it's going to help my charity. You know, that's negotiated between the buyer and the seller. They have to be willing to accept it as well as be willing to put that money down with the purchase. And most houses roll within 30 days from the date of the purchase. We get them closed within 30 days or it blows up and we can't get it closed. [LB347]

SENATOR CARLSON: Okay. Thank you, Senator Langemeier. How much time do I have? [LB347]

SENATOR GLOOR: One minute, fifty seconds. [LB347]

SENATOR CARLSON: Okay. I'd like to address Senator Pahls if he would yield. [LB347]

SENATOR GLOOR: Senator Pahls, would you yield? [LB347]

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SENATOR PAHLS: Yes, I would. [LB347]

SENATOR CARLSON: Do you want to respond to what Senator Langemeier said? Is that possibly a concern? [LB347]

SENATOR PAHLS: Well, and let me...a little bit larger picture, then I can go back to that if that's okay. The concern is, number one, this is not mandatory. And the things that I do want to bring up because I think this may help alleviate some of the people's concerns about this. I'm reading from the document now. The Nebraska Realtors Association had a task force. They took a look at all of the different projects and they decided that this one particular project that they would work on was the Nebraska Housing Development Reach Program, basically is to provide education for those people in affordable housing. So that's where this money would go to, and that is probably one reason why we had a sunset because if this isn't doing what it's supposed to at three years, we can come back to it and say... [LB347]

SENATOR GLOOR: One minute. [LB347]

SENATOR PAHLS: ...we could come back to it and say, hey, we need to address this. But like I say, this is...again, I'm going to say is voluntary. The association has said this is where we're going to direct the money, and it is for education directed through peers to those people in need of affordable housing. That's the purpose behind this. Now I don't know if I walked around your question but I tried not to. [LB347]

SENATOR CARLSON: Okay. Thank you. And certainly where there's a provision that things can go to charity, most of the time I'm entirely in support of that. But as Senator Langemeier explained it and where he gets their permission to put that money into an account and whatever interest is earned, it goes for the benefit of the buyer, that sounds right. And I'm going to run out of time here. Am I next on queue again, Mr. President? [LB347]

SENATOR GLOOR: You are not. [LB347]

SENATOR CARLSON: Okay. I may come back to this. Thank you. [LB347]

SENATOR GLOOR: Senator Pahls, you are recognized. [LB347]

SENATOR PAHLS: Thank you, Mr. President, again, I'd like to reemphasize this is voluntary. This is not something, again, is one of those mandates. Now I would like to provide some time for Senator Carlson. [LB347]

SENATOR GLOOR: Senator Carlson. [LB347]

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SENATOR CARLSON: Okay. Thank you, Senator Pahls. So I probably am not understanding this as well as I should. Tell me again what, "this is entirely voluntary," what does that mean? [LB347]

SENATOR PAHLS: As a realtor, if you want to do this, you are allowed to do this. That is my understanding. It's not saying that you must do this. And if we...the money is contributed, it would go towards this fund for affordable housing which the commissions task force said this is where they wanted to direct it. That is my understanding. [LB347]

SENATOR CARLSON: Okay. And I think I maybe have a concern that is not as big as I thought it was. I'd like to address Senator McCoy if he would yield. [LB347]

SENATOR GLOOR: It is Senator Pahls's time. Senator Pahls... [LB347]

SENATOR CARLSON: Oh, I'm sorry, I'm sorry. [LB347]

SENATOR PAHLS: I would like to yield to Senator McCoy. [LB347]

SENATOR GLOOR: Senator McCoy, would you yield? [LB347]

SENATOR McCOY: Yes. [LB347]

SENATOR PAHLS: Senator McCoy, Senator Carlson has some questions and perhaps you could ask the good senator for a question or two before my voice gets out. [LB347]

SENATOR McCOY: Senator Carlson, would you yield for a question? [LB347]

SENATOR GLOOR: Senator Carlson, you are next in the queue. [LB347]

SENATOR CARLSON: Okay. [LB347]

SENATOR GLOOR: Senator Pahls, are you finished with your testimony? [LB347]

SENATOR PAHLS: Yes, thank you. [LB347]

SENATOR GLOOR: The Chair recognizes Senator Carlson. [LB347]

SENATOR CARLSON: Thank you, Mr. President. Am I on Senator Pahls's time or mine? [LB347]

SENATOR GLOOR: You are now on your time, sir. (Laughter) [LB347]

SENATOR CARLSON: Okay. Thank you. I'd like to address Senator McCoy. [LB347]

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SENATOR GLOOR: Senator McCoy, would you yield? [LB347]

SENATOR McCOY: Yes. [LB347]

SENATOR CARLSON: Do you kind of see what my question was with Senator Langemeier? Is this even related to what happens in this bill or am I concerned about something...am I asking questions about something I shouldn't even be concerned about? It sounds to me like the way he treats that money is the right way. And why would we do it any differently, even though I like the idea of charities being able to get money whenever they can. [LB347]

SENATOR McCOY: It's my understanding, Senator Carlson, that your concern, however well-founded, would not be an issue as the bill is written because this is an option to brokers to do. And this is merely a way that they can contribute this interest money to charities, but specifically this is designed to go towards affordable housing to provide a sustainability objective on that subject and issue. [LB347]

SENATOR CARLSON: Okay. Thank you. And the idea of it going for affordable housing seems to be a good idea. And I don't have any further concerns about this. I thank you for indulging me and Senator Langemeier for bringing it up. Thank you. [LB347]

SENATOR GLOOR: Thank you, Senator Carlson, Senator Pahls, Senator McCoy. There are no other Senators wishing to be heard. Senator Pahls, you're recognized to close on the committee amendment. Senator Pahls waives. The question is, shall the committee amendments to LB347 be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB347]

CLERK: 33 ayes, 0 nays, Mr. President, on adoption of committee amendments. [LB347]

SENATOR GLOOR: The amendments pass. We continue with discussion on LB347. There are no Senators wishing to speak. Senator McCoy, you're recognized to close on LB347. Senator McCoy waives. The question is the advancement of LB347 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB347]

CLERK: 34 ayes, 0 nays, Mr. President, on the adoption of the motion to advance to E&R Initial. [LB347]

SENATOR GLOOR: LB347 advances. We continue with General File. [LB347]

CLERK: Mr. President, LB462 is a bill by Senator Pirsch. (Read title.) The bill was

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introduced on January 14, referred to the Banking, Commerce and Insurance Committee, the bill was advanced to General File. There are Banking Committee amendments, Mr. President. (AM156, Legislative Journal page 427.) [LB462]

SENATOR GLOOR: Senator Pirsch, you're recognized to open on LB462. [LB462]

SENATOR PIRSCH: Thank you, Mr. President, members of the body. There's not a great deal of substance to this measure and I'll...there is a committee amendment and I'll defer to the committee Chair before I make comments on the floor. Thank you. [LB462]

SENATOR GLOOR: Thank you, Senator Pirsch. As the Clerk stated, there are amendments from the Banking, Commerce and Insurance Committee. Senator Pirsch...excuse me, Senator Pahls, as Chair of the committee, you're recognized to open on the amendment. [LB462]

SENATOR PAHLS: Thank you, Mr. President and members of the body. The committee amendments would fix up the provisions of the bill regarding damages which a trade name registrant may seek in court against someone for the wrongful use of the trade name. As introduced, the bill would allow the court to award statutory damages of \$1,000 in addition to existing remedies. The committee amendments would change this to provide that the proposed statutory damages of \$1,000 would be in lieu of rather than in addition to the remedies of profits, damages or both. The committee felt this change was necessary to address concerns that the award to these damages in addition to an award of profits, damages or both could be viewed as punitive, which according to interpretation of our state constitution may not be awarded to a civil litigant. Thank you. [LB462]

SENATOR GLOOR: Thank you, Senator Pahls. Senator Fulton, you are recognized. [LB462]

SENATOR FULTON: Thank you, Mr. President. Would Senator Pirsch yield to a question? [LB462]

SENATOR GLOOR: Senator Pirsch, would you yield? [LB462]

SENATOR PIRSCH: Yes, I would. [LB462]

SENATOR FULTON: Senator, perhaps you were going to address the bill a little bit more in your closing, but I'm going to ask a couple of questions. With respect to trade names, can you just walk...if someone is utilizing a trade name inappropriately, then the person who is wronged has a mechanism by which he can receive remedy. Is this bill addressing how much remedy he can seek or is this bill simply giving the judicial branch

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some authority to come up with monies because the remedy is being sought? [LB462]

SENATOR PIRSCH: Thank you for your question. Right now there is conflicting, ambiguous law on what is your remedy if somebody is using a trade name that you have previously used. And so to clear up this ambiguity, I've been asked by the Secretary of State's Office to make clear that the penalty for...which may or may not be in play, two different sections of law seem to suggest different types of remedies, so this harmonizes it, makes it clear that it's a civil penalty and not a criminal penalty that would attach, so. [LB462]

SENATOR FULTON: Okay. Would Senator Pahls yield to a question? [LB462]

SENATOR GLOOR: Senator Pahls, would you yield? [LB462]

SENATOR PAHLS: Yes, I would. [LB462]

SENATOR FULTON: The amendment then makes clear that the \$1,000 is to...can you explain again, the \$1,000 is not in addition to any awards that are won by the person who has been wronged. Is that correct? So this is not two different mechanisms by which one can get dinged. [LB462]

SENATOR PAHLS: No. This would be in lieu of. [LB462]

SENATOR FULTON: Okay. [LB462]

SENATOR PAHLS: It says "in addition to" but we're changing to "in lieu of." [LB462]

SENATOR FULTON: Okay. Okay. Thank you, Mr. President. [LB462]

SENATOR GLOOR: Thank you, Senator Fulton. There are no other Senators waiting to be recognized, Senator Pahls, you are recognized to close on the committee amendment. Senator Pahls waives. The question is, shall the committee amendments to LB462 be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB462]

CLERK: 26 ayes, 0 nays, Mr. President, on adoption of committee amendments. [LB462]

SENATOR GLOOR: The amendment is adopted. Discussion continues on the advancement of LB462. Seeing no senators wishing to be recognized, Senator Pirsch, you are recognized to close on LB462. [LB462]

SENATOR PIRSCH: Thank you, Mr. President. I'd just urge the body's passage of this

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measure. Thank you. [LB462]

SENATOR GLOOR: The question is the advancement of LB462 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB462]

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of LB462. [LB462]

SENATOR GLOOR: The bill advances. Mr. Clerk. [LB462]

CLERK: Mr. President, LB98 is a bill by Senator Fischer. (Read title.) Introduced on January 6, referred to the Transportation and Telecommunications Committee, advanced to General File. I have no amendments at this time, Mr. President. [LB98]

SENATOR GLOOR: Senator Fischer, you are recognized to open on LB98. [LB98]

SENATOR FISCHER: Thank you, Mr. President and members. LB98 authorizes the Nebraska Department of Roads to create a federal buyback program with our local governments. Since becoming Chair of the Transportation and Telecommunications Committee, the single-most reason I hear for delays in a project are federal requirements and regulations that the state and local governments must follow. The National Environmental Policy Act of 1969 marked the beginning of the environmental review process for all federal actions, including the use of federal funds for construction of highways. Since that time, federal requirements have increased exponentially on state and local governments. According to the U.S. Government Accountability Office, as many as 200 major steps are involved in developing a transportation project from the identification of a project need to the start of construction. It can typically take between 9 and 19 years to plan, gain approval of and construct a new, major, federally-funded highway project. The most onerous, the environmental impact statement, can take upwards of seven years to complete before the federal Highway Administration will sign off on a project. In Nebraska, it's appeared in recent years that working with the federal government has become even more difficult than in other states. In March of 2010, U.S. Senator Ben Nelson held a transportation summit here in Lincoln of which I was a part of. This summit was organized in response to the countless complaints that the Senator had received from state and local governments regarding the requirements that the federal Highway Administration seemed to be singling out for Nebraska projects. At the summit, we heard from official after official about how a bureaucratic bottleneck had contributed to the delay in countless highway construction projects across our state. Many of these were as simple as sign installation and replacement, lighting and signal repair, pavement markings and visual bridge inspections, all of these were required to have an environmental review by the federal Highway Administration. We heard from the mayor of Kearney who told us of the city's long-awaited second interstate interchange. In April 2009, the city was returned the third review of the project's

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environmental impact study; it came back with 166 comments, considerably more than even the previous draft. The cost of the project rose from \$35 million to an estimated \$52 million while the delay has continued. Thankfully, the Department of Roads recently announced that the Kearney interchange has finally received federal approval and will be let to contract this spring. Regardless of this project's approval, the fact remains that local governments are at the mercy of federal bureaucratic agency's approval because they are dependent on those federal highway dollars. After the summit, I became aware of the federal buyback program that other states have been doing to circumvent the federal requirements. In simplest terms: The buyback program involves the state buying a local government's allocation of federal highway dollars and then replacing them with state dollars. LB98 would authorize the Nebraska Department of Roads to implement a federal buyback program with the state's local governments. This allows the local government to proceed with a highway project without most of the federal government red tape getting in the way, depending on the type of project. Smaller projects will be able to be designed and constructed in a much more timely fashion and allocate scarce highway resources in a more efficient manner. Under the bill, any local government that sells federal highway dollars to the state would be required to use the alternative funds for highway-related purposes and provide proof to the department of such use. Every state except one that provides a federal buyback program does so at a discounted rate. For example, Minnesota gives 90 cents of state money for every federal dollar purchased from the local government. LB98 would leave it to the discretion of the Department of Roads what discounted rate should be charged. This will enable the department to cover the added cost and burden of dealing with the federal requirements in regard to the purchased local dollars. At the Highway Commission's January meeting, the Department of Roads stated its commitment to pursuing a federal buyback exchange program. Due to such a program taking two to three years to implement, the department has begun to take the necessary steps to implement this program and they've started preliminary discussions with our local governments. The department estimates it could handle a buyback program in the \$20 million to \$30 million range, which would probably be enough to accommodate all the counties and first-class cities that receive federal highway funds. I want to make it clear to you that such a program is contingent upon the Department of Roads having the necessary cash flow to undertake these large financial transactions. At the department's current stagnant construction program levels, a federal buyback program would not be sustainable. Thank you, Mr. President. [LB98]

SENATOR GLOOR: Thank you, Senator Fischer. We move to floor discussion. Senator Heidemann, you are recognized. [LB98]

SENATOR HEIDEMANN: Thank you, Mr. President and fellow members of the body. I do support LB98. I believe this is the other part. I think eventually we're going to hear Senator Fischer's highway funding proposal and I do support that. We have to find more funds to build infrastructure in this state. The other challenge that I see is the money

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that we do have, we have to use smarter, and that's exactly what LB98 does. When you get federal funding at the local level, and I've been in meetings with my local people, they get nothing but frustrated. They do not have the knowledge and the expertise, like the state of Nebraska has, to handle all the rules and regulations that the feds impose on us. This bill will allow the state of Nebraska, the Department of Roads, to take on that extra obligation to dealing with the feds. They have the knowledge. They have the expertise. They know how to deal with the feds. This is using the amount of money that we have more wisely. This is, in my opinion though, just a first step. I think we need to work with our federal delegations as far as the rules and requirements that they put on us anymore. There is a bridge in my local area being built that the cost of it went from \$300,000 to \$800,000 because the federal government was involved. And if we want to move this state and this country forward, in my opinion, we can't have things like that happen. So this is a good first step. I do support LB98 and I urge you to also. If I have any time left, I would give it to Senator Fulton. [LB98]

SENATOR GLOOR: Senator Fulton, you have 3 minutes 10 seconds. [LB98]

SENATOR FULTON: Thank you, Mr. President. Thank you, Senator Heidemann. Won't use all of that time. Senator Heidemann touched on a particular project which I have some familiarity with because it's near my hometown. There is an intertwine when it comes to roads and infrastructure building, the intertwining of local units of government, state government, and federal government. But in recent years, it certainly seems that that balance has shifted toward the federal government such that projects which otherwise could be affordable, which otherwise could be accomplished will sometimes double in price, sometimes triple in price because there are regulations in place, put in place by people in Washington who have no idea what's going on in Rulo or Nemaha County or Richardson County. So this is an important measure that Senator Fischer is putting forward. I don't think it's controversial. It's something that we should move forward and we will do so hopefully here soon. But if I could vote twice or three or four times for this bill I would. Thank you, Mr. President. [LB98]

SENATOR GLOOR: Thank you, Senator Fulton. The Chair recognizes Senator Sullivan. [LB98]

SENATOR SULLIVAN: Thank you very much, Mr. President. I, too, rise in support of this. I wouldn't call them necessarily horror stories but I would echo what Senator Heidemann and Senator Fulton both said, that we've seen projects be extended for unreasonably long periods of time--five, six, ten years--to get a simple little bridge fixed and repaired and doubling the cost of the effort in the process. So I think this is a good step. But I do have a couple of questions and wondered if Senator Fischer would yield. I just was asking if Senator Fischer would yield for a question. [LB98]

SENATOR GLOOR: Senator Fischer, will you yield for a question? [LB98]

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SENATOR FISCHER: Yes, I will. [LB98]

SENATOR SULLIVAN: Thank you, Senator Fischer. Just a couple of things. The discounted rate will be determined, in the bill it says: to be in the best interests of. Is it the project of the Department of Roads? And what process will they use in setting that discount rate? [LB98]

SENATOR FISCHER: The Department of Roads will determine what that one rate will be. It won't be project by project, Senator Sullivan. It'll be one rate and they will have to look at what it's going to cost them in order to implement this program--the time, the personnel. So they will be the ones to determine that rate. [LB98]

SENATOR SULLIVAN: Oh, so they will establish the discount rate that would apply then going forward on all projects, is that correct? [LB98]

SENATOR FISCHER: Correct. That's correct. [LB98]

SENATOR SULLIVAN: And as far as a clarification and maybe this is hard to tell at this point, but in terms of the projects that would be accepted, will projects that have the potential...I'm thinking about the flood earlier this last summer and a lot of the situations covered by those floods, will they cover projects that are a potential to use emergency funds? [LB98]

SENATOR FISCHER: Senator Sullivan, I can't say what projects the department would pick. It would have to be used for street or road highway purposes, but that would be the only limitation on it. Individual projects I can't address. [LB98]

SENATOR SULLIVAN: Okay. Well, as I said at the onset, I think this a great move that is significantly going to help a lot of political subdivisions in my district. Thanks. Yes. [LB98]

SENATOR FISCHER: Senator Sullivan, I would say that the department is not picking the project. I don't know if I understood your question correctly. My committee counsel just told me maybe I didn't. The city or the county, the local political subdivision has a project. They have federal money for it. They go then to the Nebraska Department of Roads in order to make that exchange of dollars so they can use state dollars on their specific project that they have chosen in order that then they can expedite it without having to go through a lot of red tape at the federal level. So they would choose their project. [LB98]

SENATOR SULLIVAN: Okay. Thank you for that clarification. [LB98]

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SENATOR GLOOR: Thank you, Senator Sullivan. Mr. Clerk. [LB98]

CLERK: Mr. President, I have conflicts of interest statements filed by Senator Nordquist that will be on file in my office and acknowledged in the Journal. Senator Heidemann, an amendment to LB108 to be printed. (Legislative Journal page 511.) [LB108]

Speaker Flood would move to adjourn the body until Friday morning, February 11, at 9:00 a.m.

SENATOR GLOOR: You have heard the motion to adjourn until 9:00, Friday. All in favor signify by saying aye. All opposed, nay. We are adjourned.