

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Executive Board Committee
May 08, 2013

[LR155]

The Executive Board of the Legislative Council met upon adjournment on Wednesday, May 8, 2013, in Room 2102 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR155. Senators present: John Wightman, Chairperson; Bob Krist, Vice Chairperson; Greg Adams; Bill Avery; Kathy Campbell; Ernie Chambers; Mark Christensen; Russ Karpisek; Steve Lathrop; and Heath Mello. Senators absent: None.

SENATOR WIGHTMAN: I think we will go ahead and open. As you know, we're having a hearing today on LR155. (Gavel) Thank you. Thank you. Welcome, all of you, to the Executive Board Committee hearing. I think you've all been here before. I serve as...my name is John Wightman from Lexington. I represent the 36th Legislative District. I serve as the Chair of the Executive Board. We have only one bill today, a bill by Senator Chambers. Our hearing today is to be your part in the legislative process. Anyone that wishes to speak, this is your opportunity to express your position on the proposed legislation before us today. I don't even know that we need to have introductions, but I'll start over here and let Senator Mello introduce himself.

SENATOR MELLO: Heath Mello, District 5.

SENATOR CAMPBELL: Kathy Campbell, District 25.

SENATOR KRIST: Bob Krist, District 10.

SENATOR WIGHTMAN: Go ahead.

SENATOR KARPISEK: Russ Karpisek, sorry, District 32.

SENATOR LATHROP: Steve Lathrop, District 12.

SENATOR CHRISTENSEN: Mark Christensen, District 44.

SENATOR AVERY: Bill Avery, District 28.

SENATOR WIGHTMAN: Thank you.

SENATOR CHAMBERS: And I'm Ernie Chambers from District 11, and I'm offering this resolution. I'm going to be brief. But because we make a record, I'm going to touch briefly on what the resolution consists of. In my statement of intent, I have to be frank, I had forgotten that when you offer a resolution that's going to be treated like a bill, you have to prepare a statement of intent. So I miscounted the number of "whereases" because I didn't have the resolution right before me, and I said...I referred to the fourth

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"whereas" where it should be the third. But at any rate, this resolution tracks the language in LB613. It would create a Tax Modernization Committee. Everything that could be done by way of that statute can be done by way of a resolution and there would be more flexibility available. And for the record, there are four "whereases." And the first one deals with the fact that the economy changes. It may be necessary to review and update the state's tax laws. The second one points out that the taxing authority and executions by various political subdivisions may be impacted when the state takes some kind of action. So those interdependent activities ought to be reviewed. The third one points out that the purpose of the study is to look at an enumeration of various types of taxes. And I added the word "incentives" even though the term "miscellaneous taxes" and "credits" would be found. By including the word "incentives," that covers everything that might have any bearing on the tax system of the state. Then the fourth one, it was felt by those who offered that bill that there should be some methodology established so that there could be community or public input. Then there are six "resolves," and they mirror what is in the bill so I won't...oh, I won't go into great detail about them. But the first one deals with the membership of the committee. The second names the Chairperson of the Revenue Committee as the Chairperson of that Tax Committee and refers to their being able to meet. The third resolve talks about six listed elements that this tax study is supposed to address: first would be fairness; second, competitiveness; third, simplicity and compliance; fourth, stability; fifth, adequacy; sixth, complementary tax systems. And there is a brief statement attached to each one of those words. The fourth "whereas" authorizes and lays out the need to check prior studies to determine any findings or conclusions that may be beneficial in helping this committee carry out its duties. The fifth one talks about the necessity of getting information from state agencies, political subdivisions, and whoever else might have information that would assist the committee. And under the law--meaning the statutory law--and the Legislature's rules, the tools are there to get this information. If anybody would be recalcitrant--which I don't expect to happen--but there can be the issuing of subpoenas, public hearings, the requirement to produce documents, records, compel the attendance of witnesses, and all the things that would be necessary to get whatever the committee should think is required. And now I'm coming down to the grand finale, which may be a disappointment in view of the exciting information that went before. A report is to be delivered no later than December 15 of this year. And there you have it. [LR155]

SENATOR WIGHTMAN: Thank you, Senator Chambers. I'm assuming this is in replacement of LB613 even though you don't... [LR155]

SENATOR CHAMBERS: Yes, it would be. [LR155]

SENATOR WIGHTMAN: ...specifically say that. But can you give me a little more or the committee a little more information as to why you think the resolution would be better than to continue under... [LR155]

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SENATOR CHAMBERS: There have been special legislative committees, and we've even discussed some of them in the context of Executive Board hearings. There was one on Beatrice and something in connection with HHS. And when you have a resolution, if you have to do something in addition or if you want to carry it on next year, then you just reissue the resolution. You don't have to repeal statutes, have hearings on a statute. It's cheaper, it's cleaner, and it's the way the Legislature ought to conduct hearings and studies that it intends to do. [LR155]

SENATOR WIGHTMAN: Yes. Senator Krist. [LR155]

SENATOR KRIST: Senator Chambers, you and I have had conversation about this. And my suggestion was that we add two members at large to this committee, which also would be essentially equal partners in developing this--but not necessarily chairs--those that may be younger members to participate. And I find the value in that that potentially that person may be around for a few more years than the chair positions would be, and would have some information and some continuity carried forward, although there's never an "assurity" that that person would be reelected, obviously. But can you talk to that for just a minute? Would you be in support of two members at large and our committee deciding who those two might be? [LR155]

SENATOR CHAMBERS: You don't bring coal to Newcastle, you don't try to gild the lily, you don't pour water on a drowning man. Your explanation was as complete as would be necessary, and I do not have objection to it. But I thought that since Senator Krist is on the committee and it was his idea, he could present it. And if the committee agrees, then we could add that as an amendment. And as I state, I have no objection to it whatsoever. [LR155]

SENATOR WIGHTMAN: Thank you, Senator Krist, Senator Chambers. Yes. Senator Campbell. [LR155]

SENATOR CAMPBELL: Thank you, Chairman. Senator Chambers, one of the questions that you hit upon lightly at the end but I want to go into more is, if they are not finished or they need additional...so at this point, you're seeing a resolution reintroduced, not this one reauthorized? [LR155]

SENATOR CHAMBERS: Because this can only be good for now. Next session there would have to be a reissuing of the resolution. But the statute had set a date and if you couldn't reach it by then, then maybe before this session is over, you'd have to amend the statute and go into things like that which could be complicating factors unnecessarily. [LR155]

SENATOR WIGHTMAN: Thank you. Any other questions? If not, thank you. [LR155]

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SENATOR KRIST: Do we need to make a formal...do I need to make a formal motion to add this to members at large? [LR155]

JANICE SATRA: In Exec Session. [LR155]

SENATOR KRIST: In an Exec, okay. I'm sorry. [LR155]

SENATOR WIGHTMAN: Is there anybody else wishing to speak in the affirmative on Legislative Resolution 155? Is there anyone wanting to speak in opposition to LR155? Anyone wanting to address the committee in a neutral capacity? If not, we'll close the hearing on Legislative Resolution 155. Do we have any action that anyone wants to take at this time? [LR155]