

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

Floor Debate
February 05, 2013

[LB1 LB2 LB7 LB14 LB16 LB30 LB32 LB35 LB72 LB91 LB100 LB102 LB135 LB146
LB207 LB207A LB209 LB214 LB252 LB254 LB336 LB360 LB408 LR47]

SENATOR KRIST PRESIDING

SENATOR KRIST: Good morning, ladies and gentlemen, and welcome to the George W. Norris Legislative Chamber for the nineteenth day of the One Hundred Third Legislature, First Session. Our chaplain for today is Pastor James Miller, Christ United Methodist Church here in Lincoln. He's a guest of Senator Seiler.

PASTOR MILLER: (Prayer offered.)

SENATOR KRIST: Thank you, Pastor Miller. I call to order the nineteenth day of the One Hundred Third Legislature, First Session. Senators, please record your presence. Mr. Clerk, please record.

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

SENATOR KRIST: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections.

SENATOR KRIST: Thank you. Are there any messages, reports, or announcements?

CLERK: Mr. President, new resolutions: Senator Watermeier offers LR47; that will be laid over at this time. And I have a notice of hearing from the Transportation and Telecommunications Committee signed by Senator Dubas, as Chair. That's all that I have. (Legislative Journal pages 357-358.) [LR47]

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

CLERK: Mr. President, the Natural Resources Committee, chaired by Senator Carlson, reports on the appointment of Frank Reida to the Nebraska Power Review Board. (Legislative Journal page 337.)

SENATOR KRIST: Senator Carlson, as the Chairman of Natural Resources, you are available to open on the appointment.

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. It is a pleasure to recommend Frank Reida for the Power Review Board. He would be the only layman on that board of five. He had a very distinguished background and history of employment in education, received an MBA and law degree from Creighton University.

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Very, very active in his community and he's employed in the energy business and would make a good addition to the Power Review Board. We have a lot of good candidates that come before the Natural Resources Committee for these various appointments. I would say that the motion to approve and second and vote on Mr. Reida was one of the quickest things that I've witnessed in my seven years in the Legislature because everyone was impressed with his credentials. He's a good person and I would ask for your support on his appointment. Thank you.

SENATOR KRIST: Is there any discussion on the report? Senator Carlson, you are recognized to close on the report. Senator Carlson waives closing. The question is the adoption of the report offered by the Natural Resources Committee. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: (Record vote, Legislative Journal pages 358-359.) 35 ayes, 0 nays, Mr. President, on adoption of the confirmation report.

SENATOR KRIST: Thank you. The report is adopted. Next item on the agenda.

CLERK: Mr. President, Senator Karpisek would move to withdraw LB360. [LB360]

SENATOR KRIST: The Chair recognizes Senator Karpisek to open on your motion. [LB360]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. I come forward again today to withdraw a bill. I don't like to put bills in and withdraw them, but LB360 deals with sheriff's fees, identification, inspection fees, and handgun certificate fees. There was a bill heard in the Government Committee that dealt with sheriff's fees. There is also another bill in Judiciary that will deal with some of the other fees that are involved in this bill. I don't see any reason to have duplicate bills in different committees that do roughly the same thing, so I would ask for your green light to withdraw LB360. Thank you. [LB360]

SENATOR KRIST: Is there any discussion on the motion? Seeing none, Senator Karpisek, you're...and Senator Karpisek waives his closing. All those in favor vote aye; all those opposed vote nay. Please record, Mr. Clerk. I'm sorry, have all those voted that wish to vote? [LB360]

CLERK: 38 ayes, 0 nays, Mr. President, on the motion to withdraw the bill. [LB360]

SENATOR KRIST: Thank you, Mr. Clerk. Next item on the agenda.

CLERK: Mr. President, Select File. Senator Murante's LB1, I have no amendments to the bill. [LB1]

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SENATOR MURANTE: Mr. President, I move LB1 to E&R for engrossing. [LB1]

SENATOR KRIST: All those in favor say aye. All those opposed say nay. The ayes have it. Motion passed. Next bill, Mr. Clerk. [LB1]

CLERK: Mr. President, LB2. Senator, I have no amendments to the bill. [LB2]

SENATOR KRIST: Senator Murante for a motion. [LB2]

SENATOR MURANTE: Mr. President, I move LB2 to E&R for engrossing. [LB2]

SENATOR KRIST: You've heard the motion. All those in favor say aye. Thank you. All those opposed say nay. The ayes have it. Next item. [LB2]

CLERK: Mr. President, LB30. Senator, no amendments to the bill. [LB30]

SENATOR KRIST: Senator Murante for a motion. [LB30]

SENATOR MURANTE: Mr. President, I move LB30 to E&R for engrossing. [LB30]

SENATOR KRIST: You've heard the motion. All those in favor say aye. Opposed, nay. The ayes have it. Next item. [LB30]

CLERK: Mr. President, LB35. Senator, I do have Enrollment and Review amendments. (ER1, Legislative Journal page 317.) [LB35]

SENATOR KRIST: Senator Murante for a motion. [LB35]

SENATOR MURANTE: Mr. President, I move the E&R amendments be adopted. [LB35]

SENATOR KRIST: You've heard the motion. All those in favor say aye. Opposed, nay. The ayes have it. [LB35]

CLERK: Senator Hadley would move to amend with AM65. (Legislative Journal page 323.) [LB35]

SENATOR KRIST: The Chair recognizes Senator Hadley to open. [LB35]

SENATOR HADLEY: Mr. President, members of the committee, I have a very quick amendment on page 3, line 10. The bill talks about as the plan existed on July 1, 2013. We put an emergency clause on it, so we need to change the July to January 1, 2013. If we do not do this, we've been told that this will be an unlawful delegation of legislative

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powers. So I would ask your support to change the date from July 1, 2013, to January 1, 2013. [LB35]

SENATOR KRIST: You've heard the opening on the amendment. Is there any discussion? Seeing none, Senator Hadley you're recognized to...Senator Hadley waives closing. The vote before the body is, do we pass the amendment, AM65? All those in favor vote aye; all those opposed vote nay. Have all those voted that wish? Please record, Mr. Clerk. [LB35]

CLERK: 36 ayes, 0 nays, Mr. President, on the adoption of Senator Hadley's amendment. [LB35]

SENATOR KRIST: Senator Murante for a motion. [LB35]

SENATOR MURANTE: Mr. President, I move LB35 to E&R for engrossing. [LB35]

SENATOR KRIST: You've heard the motion. All those in favor say aye. Opposed, nay. The ayes have it. Next item. [LB35]

CLERK: Mr. President, LB72. I have no E&Rs. Senator McCoy would move to amend with AM73. Senator, I understand you want to withdraw AM73. [LB72]

SENATOR McCOY: That's correct. [LB72]

CLERK: Mr. President, Senator McCoy would move to amend with AM108. (Legislative Journal page 346.) [LB72]

SENATOR KRIST: Senator McCoy, you're recognized to open. [LB72]

SENATOR McCOY: Thank you, Mr. President and members. When we discussed LB72 here on the floor on General File last week, there were a couple of very helpful suggestions and questions that Senator Schumacher and Senator Nordquist, along with Senator Chambers, asked about this bill. As you may recall, this allows escrow account interest to be...for low-income housing to be used for that purpose. Senator Nordquist brought up a good point that we should have in there the ability for other housing interests to be involved, so you'll now know...you'll now see that the amendment reflects all housing-related purposes for nonprofit organizations. And as per the suggestion of Senator Schumacher, the amendment now affirmatively says that all parties have to agree to make sure that this is done with this interest. So I believe we've answered any of the questions that came up on General File, at least as near as we could tell. And with that, I would ask for the adoption of AM108. Thank you, Mr. President. [LB72]

SENATOR KRIST: Is there any discussion? Seeing no lights on, Senator McCoy, you're

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recognized to close. Senator McCoy waives closing. The question before the body is the amendment, AM108. All those in favor vote aye; opposed vote nay. Have all voted who care to? The amendment passes. Record, Mr. Clerk. [LB72]

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of the amendment. [LB72]

SENATOR KRIST: The amendment passes. [LB72]

CLERK: I have nothing further on the bill, Mr. President. [LB72]

SENATOR KRIST: Senator Murante for a motion. [LB72]

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

SENATOR KRIST: Is there any discussion? Seeing none, all those in favor say aye. Opposed, nay. The motion passes. Next item. [LB72]

CLERK: Mr. President, LB100. Senator, I have no amendments to the bill. [LB100]

SENATOR KRIST: Senator Murante for a motion. [LB100]

SENATOR MURANTE: Mr. President, I move LB100 be advanced to E&R for engrossing. [LB100]

SENATOR KRIST: Is there any discussion? Seeing none, you've heard the motion. All those in favor say aye. Opposed, nay. The bill is advanced. Next item. [LB100]

CLERK: LB146. Senator, I have no amendments to the bill. [LB146]

SENATOR KRIST: Senator Murante for a motion. [LB146]

SENATOR MURANTE: Mr. President, I move LB146 to E&R for engrossing. [LB146]

SENATOR KRIST: You've heard the motion. Any discussion? All those in favor say aye. Opposed, nay. The bill advances. Next item. [LB146]

CLERK: LB16. I have no amendments to the bill. [LB16]

SENATOR KRIST: Senator Murante for a motion. [LB16]

SENATOR MURANTE: Mr. President, I move LB16 be advanced to E&R for engrossing. [LB16]

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SENATOR KRIST: You've heard the motion. Any discussion? Seeing none, all those in favor say aye. Opposed, nay. The bill advances. Next item. [LB16]

CLERK: LB102. Senator, I have no amendments to the bill. [LB102]

SENATOR KRIST: Senator Murante for a motion. [LB102]

SENATOR MURANTE: Mr. President, I move LB102 be advanced to E&R for engrossing. [LB102]

SENATOR KRIST: You've heard the motion. Any discussion? All those in favor vote aye. Opposed, nay. The bill advances. Next item. [LB102]

CLERK: LB91. I have no E&Rs. Senator Ken Haar would move to amend with AM105. (Legislative Journal page 350.) [LB91]

SENATOR KRIST: Senator Haar, you are recognized for your...to open on your amendment. [LB91]

SENATOR HAAR: Mr. President, members of the body, AM105 deals with a subject called Electronic Revision Approval System for seals and signatures. It's an expensive and cumbersome system. We didn't have a hearing on this part of the amendment, but there was also a hearing on LB7 before the Health and Human Services Committee by the engineers and architects, and they're asking for the same flexibility to get off this cumbersome electronic system and go to a simpler system. Again, it's adding flexibility to the board. When this was before the Health and Human Services Committee, LB7, being asked by the engineers and architects, there was no one that came forward in opposition. So, basically, the geologists are asking for the same flexibility in terms of their signature and their seal that the engineers and architects are asking. With that, I'd be more than willing to answer any questions, if there are any questions. [LB91 LB7]

SENATOR KRIST: You've heard the opening. Is there any discussion? Senator Carlson, you are recognized. [LB91]

SENATOR CARLSON: Mr. President and members of the Legislature, this bill was heard in front of the Natural Resources Committee. And as can happen with procedures that go on in committee hearings, if there is something that should have been brought up that wasn't, and is discovered between General File and Select File, this is the time to bring those things up and handle them. Senator Haar has done that at the request of the engineers and I would ask for your support. Thank you. [LB91]

SENATOR KRIST: Thank you, Senator Carlson. Senator Hansen, you're recognized.

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[LB91]

SENATOR HANSEN: Thank you, Mr. President, members of the Legislature. I'd like to ask Senator Haar a question, if I could. [LB91]

SENATOR KRIST: Senator Haar, will you yield to a question? [LB91]

SENATOR HAAR: Certainly. [LB91]

SENATOR HANSEN: Senator Haar, what is the main function of this group of geologists that would have come and testified in favor of the amendment that you came up with? [LB91]

SENATOR HAAR: What is the...I'm sorry. [LB91]

SENATOR HANSEN: What is the...what do they do? What line of study do they do? [LB91]

SENATOR HAAR: Well, geologists are basically investigators for the things that happen underground. [LB91]

SENATOR HANSEN: And what happened in the past, is that correct? [LB91]

SENATOR HAAR: Yes. [LB91]

SENATOR HANSEN: Are we walking backwards with technology? [LB91]

SENATOR HAAR: No, I'm sorry. When you're talking about really things that happened in the past, those would be anthropologists. These are the geologists that are looking currently at what's under the ground when it comes to drilling operations, the uranium mine that we have in the state, and so on. So what they're saying and what the engineers and architects also asked for was a less cumbersome way of sealing...of putting their seal on electronic documents when they're transmitted to cities or whoever gets these documents. [LB91]

SENATOR HANSEN: Okay. Thank you for that answer. But in reality, geologists also look at how the soils were formed, where that water...underground water comes from. I mean they're the ones that know that. So they do deal in history to some extent. [LB91]

SENATOR HAAR: I would agree to that, yes. [LB91]

SENATOR HANSEN: And I was just...my main question was, are we walking backwards on technology. [LB91]

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SENATOR HAAR: I think we're actually, in this bill, walking forward on technology because the original system tried, called the Electronic Revision Approval System, was cumbersome. It was expensive and it really didn't...now that we have some of these programs where you can duplicate just about anything, it no longer offers the security that these groups originally thought there was. So the new system...and again, I can't tell you the exact technical details of this, but it will accomplish the same purpose, be less cumbersome, less expensive. [LB91]

SENATOR HANSEN: Well, thank you. And one last question: Will this be...or could we use this as a template for dragging our knuckles in any more technology that is forced upon us like Facebook and Twitter, and tweeting, and... (Laughter) [LB91]

SENATOR HAAR: Well, I don't use Facebook. [LB91]

SENATOR HANSEN: ...gadgets of many sources. That's all I have. Thank you, Senator Haar. [LB91]

SENATOR HAAR: Yes, thank you. [LB91]

SENATOR KRIST: Thank you, Senator Hansen and Senator Haar. Seeing no other lights on, Senator Haar you're recognized to close on your amendment. Senator Haar waives. The question before the body is the passage of AM105. All those in favor vote aye; all those opposed vote nay. Have all those voted that wish to? Please record, Mr. Clerk. [LB91]

CLERK: 36 ayes, 0 nays, Mr. President, on the adoption of Senator Haar's amendment. [LB91]

SENATOR KRIST: The amendment passes. Senator Murante for a motion. [LB91]

SENATOR MURANTE: Mr. President, I move LB91 be advanced to E&R for engrossing. [LB91]

SENATOR KRIST: Any discussion? You've heard the motion. All those in favor say aye. Opposed, nay. The ayes have it and the bill moves forward. Before we go forward, let me recognize the treats that were given out today are in honor of Senator Dubas, who is celebrating her birthday today. Happy birthday, Senator Dubas. (Visitors introduced.) Next item on the agenda. [LB91]

CLERK: Mr. President, General File. LB209 introduced by Senator Burke Harr. (Read title.) The bill was introduced on January 15, referred to the Banking, Commerce and Insurance Committee. The bill was advanced to General File. I have no amendments

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pending at this time, Mr. President. [LB209]

SENATOR KRIST: Thank you, Mr. Clerk. Senator Harr, you're recognized to open on LB209. [LB209]

SENATOR HARR: Thank you, Mr. Chairman and members of the body. I'm here to introduce LB209. The intent of LB209 is to streamline the statutory requirements of the registration of a trade name. Current law requires that every duplicate of the registration of a trade name shall be published by the applicant, once in a newspaper of general circulation published in the city or village where the business is to be located, or if there is no newspaper in the city or village, in some newspaper of general circulation in the county. A trade name, also known as a trading name or business name, is the name which a business trades under for business, for advertising, or sales purposes. That is different from the legal name in its articles of incorporation or other organizing articles and documents. An example would be Kodak, whose legal name is Eastman Kodak Company, although it no longer exists. McDonald's would be another whose corporate name is McDonald's Corporation. LB209 does not change the requirement that there be a publication; rather, it changes where one has to look. If someone wants to...or eliminates one place where they have to look. If someone wants to find the actual registered business they're working with, the Secretary of State's Office would be the place they would look for, for such information, rather than the county clerk's office, and all that information is available on the World Wide Web, which is available worldwide. LB209 would delete that requirement of filing the proof of publication in the county clerk's office. The requirement of proof of publication would be filed...or the requirement that it be filed with the Secretary of State's Office would remain. This bill would bring the proof of publication requirement for registration of a trade name in line with other proof of publication statutes that require filing with the Secretary of State's Office only. LB209 was heard by the Banking, Commerce and Insurance Committee. There were no opponents and no one testified in a neutral capacity. The committee advanced the bill to floor discussion on a 8-0 vote. I ask that you please advance LB209. Thank you. [LB209]

SENATOR KRIST: Is there any discussion? Seeing no lights on, Senator Harr, you are...you're going to waive closing. Thank you. You've heard the opening. The question before the body is the advancement of LB209. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Mr. Clerk, please record. [LB209]

CLERK: 30 ayes, 0 nays, on the advancement of LB209. [LB209]

SENATOR KRIST: LB209 advances. Next item on the agenda. [LB209]

CLERK: Mr. President, LB214 is a bill by Senator Gloor. (Read title.) The bill was introduced on January 15, referred to the Banking, Commerce and Insurance

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Committee. The bill was advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB214]

SENATOR KRIST: Thank you, Mr. Clerk. Senator Gloor, you're recognized to open on LB214. [LB214]

SENATOR GLOOR: Thank you, Mr. President. Good morning, members. LB214 was introduced at the request of the director of Banking and Finance. It's another one of those bills brought to us as a result of the Dodd-Frank Consumer Protection Act. The bill proposes updates to the Securities Act of Nebraska and the Seller-Assisted Marketing Plan Act. Both those acts are under the jurisdiction of the Department of Banking and Finance. Securities Act of Nebraska governs the offer and sale of securities in Nebraska by providing for the registration of securities, broker-dealers, agents, investment advisors, and their representatives. The act contains exemptions from registration antifraud provisions as well as administrative and criminal penalties for violations of the act. The bill proposes to update the definition of accredited investor within the transactional exemption. Under this provision, sales to institutional investors and accredited investors are exempt from the registration provisions of the Securities Act while remaining subject to the antifraud provisions. An accredited investor is an individual who has been deemed not to need the protection of registration because he or she is either an insider with the issuer of securities, or because he or she has individual net worth or joint net worth with a spouse that exceeds \$1 million. The amendment in the bill is prompted by Section 413 of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act which directed the Federal Securities and Exchange Commission, we know as the SEC, to adjust the net worth standard for investors to exclude the value of an investor's principal residence from the calculation of net worth. In order to ensure that investors are better protected, the SEC revised its rules in 2012 to incorporate the changed definition. Since the definition of accredited investor found in the Securities Act is based on the federal definition, this amendment is proposed. The bill would authorize the Department of Banking and Finance to share examination reports and other confidential information with the SEC and with state securities regulators, and in connection with Nebraska's participation in the Central Registration Depository and the Investment Adviser Registration Depository, which are electronic systems for the registration of the firms and individuals covered by the Securities Act. The current act contains no information-sharing statute. This will provide a clearer authority. The next change proposed by LB214 would be the repeal of the registration by notification process. The Securities Act provides three methods of registration of securities: notification, coordination, and qualification. Registration by notification was a registration process that was used for what used to be considered elite or blue-chip issuers. At the time, many years ago, the procedure was established, there were only a limited number of exceptions and stock exchanges available for these types of issuers. Under registration by notification, registration statements were filed with both the SEC and the states. The offering automatically became effective in the

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state then 24 hours after filing unless the state security regulating agency issued a stop order within that time frame. However, members, in the past 15 years, Nebraska has had no registration by notifications filed. And, in fact, 22 states do not have a registration by notification process in place anymore. Due to the now obsolete status of this, the bill would repeal the registration by notification process. LB214 would change the date federal acts are referenced in the Securities Act from January 1, 2011, to January 1, 2013. The reference to federal acts are the Securities Act of 1933, Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, and the Commodity Exchange Act. This update would provide for the most current reference to amendments made to those federal laws, including the Jumpstart Our Business Startups Act. The bill would also incorporate the renumbering of subsections in Section 18 of the Securities Act of 1933 caused by the enactment of the JOBS Act, or the Jumpstart Our Business Startups Act. The remaining update to the Securities Act would be repealed...would be repealing the obsolete references to funds transfers made in 2000 and 2001. LB214 also proposes cleanup amendments to the Seller-Assisted Marketing Plan Act. This act provides for the regulation of the sale of business opportunities in Nebraska and is administered by the department's Securities division. The amendments would update references to the revised title of the federal rule for the offer and sale of franchise opportunities and would correctly state the name of the North American Securities Administrators Association. These are the updates and cleanup provisions to the Securities Act of Nebraska and the Seller-Assisted Marketing Plan Act, both of which are administered by the Securities Bureau of Nebraska and the Department of Banking, under the Department of Banking and Finance. Thank you, Mr. President. [LB214]

SENATOR KRIST: Thank you, Senator Gloor. You've heard the opening on LB214. Is there any discussion? Seeing none, Senator Gloor, you're recognized to close on the advancement of LB214. Senator Gloor waives. The question is the advancement of LB214 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all voted that wish to? Record, Mr. Clerk. [LB214]

CLERK: 32 ayes, 0 nays, on the advancement of LB214, Mr. President. [LB214]

SENATOR KRIST: The bill advances. Next item. [LB214]

CLERK: LB336 is a bill by Senator Carlson. (Read title.) Introduced on January 17 of this year; referred to the Banking, Commerce and Insurance Committee; advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB336]

SENATOR KRIST: Thank you, Mr. Clerk. Senator Carlson, you're recognized to open on LB336. [LB336]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. I'm

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introducing LB336 which was heard before the Banking, Commerce and Insurance Committee and advanced to General File on a vote of 8-0. The bill was brought to me by the Department of Insurance as that department works to make sure Nebraska is in compliance with the federal Patient Protection and Affordable Care Act. Hereafter, I'll refer to it as the Affordable Care Act. LB336 would require all states for sickness and accident policies subject to the federal legislation to be approved by the director of Insurance before they're issued in Nebraska. The bill specifically includes rates charged by out-of-state association group plans, but it does not apply to a certificate issued to an employer under an employee benefit plan of an employer headquartered in another state. And this...easy example would be companies that are in Council Bluffs that have employees in Omaha, in the Omaha area. They would receive a certificate of insurance, but their plan is regulated by the Iowa Department of Insurance and this bill does not apply to those kind of plans. Recent federal guidelines indicated Nebraska had not addressed such out-of-state association rates at an acceptable level to be designated as a prior approval state. This bill includes specific prior approval language to clarify that point. The federal Affordable Care Act requires a state to approve health insurance rates if put in state statute. And if a state fails to do so, the regulation falls to the federal government. Now, this bill does two things. First of all, under Section 1, Section 1 would continue to regulate as it now does, but it would deal particularly with what I would call specific disease policies such as cancer, dental, vision, long-term care, and so forth. Section 2 is brought into statute because it requires approval by the director of Insurance of plans under the new requirements of the Affordable Care Act. Such plans could include small and large group fully insured plans. And also in Section 2 it specifically includes out-of-state association plans to be approved in order to comply with federally required effective rate review programs in order to be certified as a prior approval state. And Section 2 really includes comprehensive major medical health insurance plans that are those that are part of the Affordable Care Act. I believe this is good legislation because it allows us to do something the federal government said is permissible. It keeps the decisions concerning plans that are to be sold in Nebraska to be approved by the Nebraska Department of Insurance. I think we want to continue that tradition and we have better control of policies that are sold in the state of Nebraska by having the Department of Insurance okay those plans. And I would ask for your support. I'll be happy to try to answer any questions you may have. Thank you. [LB336]

SENATOR KRIST: Thank you, Senator Carlson. You've heard the opening on LB336. Is there any discussion? Seeing none, Senator Carlson, you're recognized to close on the advancement of LB336. Senator Carlson waives. The question is the advancement of LB336 to E&R Initial. All those in favor vote aye; opposed, nay. Have all those voted that wish to? Record, Mr. Clerk. [LB336]

CLERK: 38 ayes, 0 nays, Mr. President, on the advancement of LB336. [LB336]

SENATOR KRIST: The bill advances. Next item. [LB336]

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CLERK: LB32 introduced by Senator Hadley. (Read title.) Introduced on January 10, referred to the Transportation and Telecommunications Committee, advanced to General File. At this time, I have no amendments to the bill, Mr. President. [LB32]

SENATOR KRIST: Thank you. Senator Hadley, you are recognized to open on LB32. [LB32]

SENATOR HADLEY: Mr. President, members of the body, good morning. LB32 was introduced by myself on behalf of the Department of Motor Vehicles. LB32 amends a section of statute that should have been included in LB216 in 2012 which created special interest license plates. The bill provides that a special interest license plate cannot be used interchangeably with an historical license plate. The correction is small but it is necessary to prevent registration confusion between special interest plates and historical plates. Historical plates may only be used to register historical vehicles 30 or more years old. Historical plates are a one-time registration. They're not renewed annually. Motor vehicles registered with historical plates cannot be used for daily transportation but can only be operated for such things as public displays and parades. Special interest plates, which we passed last year in LB216, are also limited-use license plates in that motor vehicles registered with special use plates may be only used for such things as public displays or parades. However, the plates differ in that special interest plates may only be used on special interest motor vehicles that are motor vehicles significant to collectors. A special interest motor vehicle means a vehicle with present or future significance in design, is being collected, preserved, restored, or maintained by the owner as a leisure pursuit and not used for general transportation of persons or cargo. These vehicles cannot be used for daily transportation and are essentially a collector item. LB32 is introduced to keep the lines between the two types of plates clear to promote correct registration of special interest motor vehicles. I ask for your support of LB32. [LB32]

SENATOR KRIST: You've heard the opening on LB32. Is there any discussion? Seeing none, Senator Hadley, you're recognized to close on the advancement of LB32. Senator Hadley waives closing. The question is the advancement of LB32 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk. [LB32]

CLERK: 37 ayes, 0 nays, Mr. President, on the advancement of LB32. [LB32]

SENATOR KRIST: The bill advances. Next item. [LB32]

CLERK: Mr. President, LB207 is a bill by Senator McCoy. (Read title.) The bill was introduced on January 15, referred to the Transportation Committee, advanced to General File. At this time, I have no amendments to the bill. [LB207]

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SENATOR KRIST: Thank you, Mr. Clerk. Senator McCoy, you're recognized to open on LB207. [LB207]

SENATOR McCOY: Thank you, Mr. President and members. LB207 was brought to me by the Department of Motor Vehicles and proposes to centralize the motor vehicle registration renewal notices within the DMV. Currently, the DMV sends a monthly report of renewal notices to each of our counties across the state, who then print and mail the notices to folks in their individual counties. The counties are provided the printer and postcards by the state and retain \$2 for each registration for a resident, and \$5 for a nonresident. LB207 lowers both by 50 cents, allocating that money to the DMV Cash Fund to be used for the centralized printing and mailing of the renewal notices. The line-item printers currently used by 93 counties are obsolete and need to be replaced with laser printers by the state. Lancaster County and Douglas County already use laser printers and already print on 8.5 by 11 paper. By centralizing the renewal notices the state can avoid the cost of replacing the printers, and counties will not be required to incur the higher costs of toner over the ribbons currently being used. The DMV intends to contract with a company for the printing and mailing and LB207 allows them to use the National Change of Address program within the United States Postal Service, which lowers the postage cost. Current statute requires the notices to be mailed to the address on the registration. The renewals will be printed on 8.5 by 11 paper and placed in a sealed envelope that will be customized for each county with the name of each county treasurer in the information. If the postal service is unable to deliver, the renewal will be returned to the appropriate county treasurer's office to be handled as it is now. Under LB207, Nebraskans may request to have their renewal notice sent electronically, and if the registration slip, validation stickers or license plate is mailed, the counties may charge postage and handling fees not more than necessary to recover costs. The DMV is aware that some counties charged as much as \$10 to mail license plates during the 2011 issuance year, and up to \$3 for mailing registration slips, and validation stickers, although the stickers are light enough to mail for the price of a regular postage stamp. There's currently no authorization in statute allowing counties to charge a shipping and handling fee for such items. I would ask for your support in advancing LB207. Thank you, Mr. President. [LB207]

SENATOR KRIST: You've heard the opening on LB207. Any discussion? Seeing none, Senator McCoy, you're recognized to close on the advancement of LB207. Senator McCoy waives. I'm sorry, Senator...the Chair recognizes Senator Nelson. [LB207]

SENATOR NELSON: Thank you, Mr. President, members of the body. I'd like to address a question or two of Senator McCoy. [LB207]

SENATOR KRIST: Senator McCoy, will you yield? [LB207]

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SENATOR McCOY: Yes, I would. [LB207]

SENATOR NELSON: Thank you, Senator McCoy. Just a quick read here on this change. As it works now in Douglas County, if we have to renew our registration we go in there and then it's sent out, I guess, later on, or it can be mailed to us if we do it by mail. And then, what, every three or four years new license plates are issued? I don't recall exactly. Do you, Senator McCoy? [LB207]

SENATOR McCOY: That sounds correct, Senator Nelson. I can certainly check for sure but I want to say it's, yes, four or five years, correct. [LB207]

SENATOR NELSON: Well, are we still going to be going into the county treasurer's office then to renew our license, or are we going to deal directly with the state on that? [LB207]

SENATOR McCOY: No, you would still...everything would still be handled when it comes to that part of it if you want to go into your county treasurer's office for renewal. Nothing would change with that. In fact, the notices, as they would be sent out from the DMV or from a contractor who would handle this, will still have each county treasurer's name and information on them. And if a notice is returned due to an incorrect address or whatnot, it's going to go directly to that individual county treasurer. This just allows the ability to save the state the cost of replacing all of these dot matrix line-item printers across the state and recoup a small amount, 50 cents, of that fund in order to pay for the distribution and centralization of the sending out of the notices. Somebody isn't going to need to have to worry about coming to Lincoln to do their renewal notice. They're still going to go...they want to walk in, they'll still going to be able to do that at their individual treasurer's office. [LB207]

SENATOR NELSON: So those are the only changes, just the notification, if I understand it, and everything else remains the same about going into the treasurer's office. And if you have to have new license plates, they issue them to you right there. They don't mail them out, or they could mail them out. [LB207]

SENATOR McCOY: They could certainly, or you could certainly walk in, just as folks do now. [LB207]

SENATOR NELSON: But you're talking about a \$10 fee for mailing or a \$3 just for a renewal, and that's going to change then? [LB207]

SENATOR McCOY: Well, it would just say that you could really only charge what it would actually cost to mail those out. Apparently, and I don't know which counties there were, there were a few counties that over... [LB207]

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SENATOR NELSON: Right. [LB207]

SENATOR McCOY: ...the last few years have been using this has been charging a little bit more than that and there's really no ability in statute to do that. [LB207]

SENATOR NELSON: All right. Okay. Well, thank you very much, Senator. That clears up some questions I have. Thank you, Mr. President. [LB207]

SENATOR KRIST: Thank you, Senator Nelson, and I apologize for being quick on the draw. The Chair recognizes Senator Dubas. [LB207]

SENATOR DUBAS: Thank you, Mr. President. I'll just kind of pick up a little bit on the question that Senator Nelson just asked. Senator McCoy did a great job of explaining his bill. Nothing changes except where the notification comes from. All the notifications will come from DMV now, but all the information, it will look just like it has in the past. But one of the benefits of going this route is now the department will be able to access the National Change of Address registry. So if, you know, someone has moved, you know, there have been problems in the past with these cards not getting sent to the people that need to receive them, and then were having problems with license renewals. So with the ability to access this kind of information, hopefully, that's going to better enable the information to get to the people in a timely fashion so that they're able to take care of their responsibilities. So, I mean, there's really no major changes going on here other than what...where the notices are coming from, and it actually makes the system more efficient and better able to get the notifications to the citizens in a timely fashion. Thank you. [LB207]

SENATOR KRIST: Thank you, Senator Dubas. Seeing no other lights in the queue, Senator McCoy waives closing. The question is the advancement of LB207 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk. [LB207]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB207. [LB207]

SENATOR KRIST: Mr. Speaker for an announcement.

SPEAKER ADAMS: Thank you, Mr. President. Members, we are very close to 10:00, as you can see, and we have moved through Select File and actually have moved through General File in pretty good order. Hence, this will be the last bill for the day, and this will be an opportunity for the five-day committee, the Appropriations Committee, and your three-day committees to "exec." Thank you, Mr. President.

SENATOR KRIST: Thank you, Speaker Adams. Mr. Clerk, any announcements?

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CLERK: I do, Mr. President, thank you. New A bill. (Read LB207A by title for the first time.) Your Committee on Education, chaired by Senator Sullivan, reports LB254 and LB408 to General File, LB135 and LB252 to General File with amendments. Announcements: Health and Human Services Committee will have an Executive Session in 1510 at 10:30; Judiciary will have an Executive Session at 10:30 in their room, 1113; and the Government, Military and Veterans Affairs Committee will meet in Executive Session upon adjournment in Room 1507. Name adds: Senator Kintner would like to add his name to LB14. (Legislative Journal pages 361-362.) [LB207A LB254 LB408 LB135 LB252 LB14]

And a priority motion, Mr. President: Senator Smith would move to adjourn the body until Wednesday morning, February 6, at 9:00 a.m.

SENATOR KRIST: You've heard the motion. All those in favor say aye. Opposed, nay. We are adjourned.