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Floor Debate
April 02, 2013

[LB23 LB57 LB90 LB94 LB105 LB133 LB158 LB170 LB219 LB235 LB251 LB262 LB295
LB299 LB316 LB340 LB368 LB417 LB418 LB429A LB429 LB434 LB449 LB499 LB507
LB517A LB517 LB518 LB565 LB576 LB577 LB613 LB620 LB629 LR38 LR124]

SENATOR GLOOR PRESIDING

SENATOR GLOOR: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the fifty-second day of the One Hundred Third Legislature, First Session. Our chaplain for today is Senator Smith. Please rise.

SENATOR SMITH: (Prayer offered.)

SENATOR GLOOR: Thank you, Senator Smith. I call to order this fifty-second day of the One Hundred Third Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

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

CLERK: I have no corrections, Mr. President.

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

CLERK: Your Health and Human Services Committee, chaired by Senator Campbell, reports LB368 and LB507 to General File with amendments and LB518 as indefinitely postponed. That's all that I have, Mr. President. (Legislative Journal pages 871-873.)
[LB368 LB507 LB518]

SENATOR GLOOR: Thank you, Mr. Clerk. Senator Mello, for what purpose do you rise?

SENATOR MELLO: Mr. President, I rise for a point of personal privilege.

SENATOR GLOOR: Granted. Five minutes, please, Senator.

SENATOR MELLO: Thank you, Mr. President, members of the Legislature. As senators look on their desks, every senator should receive a document that lists all the priority bills, both senator priority bills, committee priority bills, as well as Speaker priority bills and the estimated fiscal notes that are attached to all of those pieces of legislation as of Thursday, March 28. A couple points. First off, the Speaker and myself originally talked about doing this, as well as a couple other senators, as well, approached me to see if there was a way to combine or create a document that showed all the potential General

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Fund spending, as well as tax expenditure spending so that the body itself could start to weigh through what the entire Legislature feels and sees as priorities outside of the budget. A couple points of clarification as you look through this document. First off, it's based on the fiscal note as of Thursday, March 28. It's also based on the green copy of legislation. There are plenty of pieces of legislation that currently have been voted out of committee with a committee amendment. That committee amendment may dramatically reduce a fiscal note, but because the committee amendment has not been adopted, ultimately the Fiscal Office utilized the green copy version of the fiscal note. So looking through this, if you have questions please feel free to come grab me, I can try to explain it further. But the Fiscal Office, the best way we could start as a starting point was to utilize green-copy legislation. And if there are pending amendments, that's something that we can discuss when those pieces of legislation come to the floor. Another component, as you look at the third page, roughly if you add up all of the tax expenditure spending, as well as any new General Fund spending, out of all the priority bills it equates to about \$185 million over the biennium. Something to consider is that not all of these pieces of legislation currently have been voted out of committee. There's actually a sizeable number of them who have not been voted out of committee that have sizeable fiscal notes. That is something to keep in consideration as you're evaluating possibly what priorities you see the Legislature should take up as we continue to move towards Day 90. The last issue, and it's something that, once again, can be clarified as we move further. There are a couple bills in here that, ultimately, are revenue generating bills that otherwise look, for an example, like it's costing us...it's looking like it's costing us a little money. For an example, I know LB577 has a General Fund impact of \$2.17 million the first year, and a General Fund decrease of \$3.5 million the second year. Once again, that's one specific bill that I saw that had to maybe be clarified. I'll continue to look through, as well as the Fiscal Office of looking through, of making sure there is clarifications if a bill has a General Fund impact that is on the spending side, as well as a General Fund impact on the reducing of costs. As far as I've seen, that's the only bill that has a General Fund reduction is LB577, while it has a General Fund impact the first year. With that, if you have any further questions, please feel free to grab me off the mike. My hope is that we can try to produce maybe a later document, maybe later in the session. But as a polite reminder, as the budget comes out on Day 70, for new members, on our daily agenda items there will be a green sheet attached to our daily agenda. That green sheet walks through all general-funded bills and revenue-related bills on a daily basis in regards to where those bills are currently at. So the reality is, that green sheet will come out at a later point in time that will kind of, I would say, supplant this document here. But if you have questions in the meantime, please feel free to grab me. Thank you, Mr. President. [LB577]

SENATOR GLOOR: Thank you, Senator Mello. Mr. Clerk, we will proceed to General File, LB429A. [LB429A]

CLERK: Mr. President, LB429A is a bill by Senator Crawford. (Read title.) I do have an

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amendment to the bill, Mr. President. (AM863, Legislative Journal page 874). [LB429A]

SENATOR GLOOR: Thank you, Mr. Clerk. Senator Crawford, you're recognized to open on LB429A. [LB429A]

SENATOR CRAWFORD: Thank you. Thank you, Mr. President, and good morning, colleagues, and good morning, Nebraska. I hope you all enjoyed the long weekend. LB429A is the A bill for LB429 which advanced to Select File on a 37-0 vote. I appreciate this body's earlier support on this bill and ask that you advance this A bill as well. I also bring AM863 to the floor which is just an update of a fund name for the Department of Health and Human Services based on a conversation this morning, a call this morning from the Legislative Fiscal Office. I'll be brief in my comments this morning, however, I would like to talk about LB429's two fiscal notes for a moment. We appreciate the Fiscal Office's careful analysis of the changes in the bill. We worked hard as we promised to reduce the bill's General Fund impact and this A bill reflects that. LB429, as currently amended, as we amended on General File, reduces the bill's General Fund impact by over \$100,000. So we are one of the bills that Senator Mello was talking about where the current fiscal note is much less than is on the chart that you just received. So the current fiscal impact on the General Fund is reduced by over \$100,000 with the amendments we passed on the General File. We have one other small set of amendments that we're going to propose on Select File and our hope is to reduce the fiscal note even further with those amendments. With that I ask you to vote green on LB429A. Thank you. [LB429A LB429]

SENATOR GLOOR: Thank you, Senator Crawford. And, Senator Crawford, from your opening did you cover the amendment also? [LB429A]

SENATOR CRAWFORD: I did, yes. The amendment is a language change requested by the Fiscal Office that just changes a name of a fund. Thank you. [LB429A]

SENATOR GLOOR: Thank you, Senator Crawford. Members, you've heard the opening on LB429A and the amendment. Are there senators wishing to be recognized? Seeing none, Senator Crawford, do you wish to close on your amendment? [LB429A]

SENATOR CRAWFORD: No, that's fine, thanks. [LB429A]

SENATOR GLOOR: Members, the question is, shall the amendment to LB429A be adopted? Those in favor vote aye; those opposed vote nay. Have all voted who care to? Record, Mr. Clerk. [LB429A]

CLERK: 36 ayes, 0 nays, Mr. President, on the adoption of Senator Crawford's amendment. [LB429A]

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SENATOR GLOOR: The amendment is adopted. Discussion on the advancement of LB429A to E&R Initial. Seeing no senators wishing to be recognized, Senator Crawford, you're recognized to close on LB429A. [LB429A]

SENATOR CRAWFORD: Thank you, I'll keep it brief. LB429A reflects a cut of over \$100,000 from our original fiscal note and we will look forward to coming back with amendments on our Select File. Thank you. [LB429A]

SENATOR GLOOR: Thank you, Senator Crawford. The question is the advancement of LB429A to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk. [LB429A]

CLERK: 37 ayes, 0 nays, Mr. President, on the advancement of LB429A. [LB429A]

SENATOR GLOOR: The bill advances. We continue with General File, senator priority bills. Mr. Clerk. [LB429A]

CLERK: Mr. President, LB299, a bill by Senator Seiler. (Read title.) The bill was introduced on January 17; referred to the Government, Military, and Veterans Affairs Committee. The bill was advanced to General File. At this time I have no amendments to the bill, Mr. President. [LB299]

SENATOR GLOOR: Thank you, Mr. Clerk. Senator Seiler, you're recognized to open on LB299. [LB299]

SENATOR SEILER: Thank you, Mr. President, members of the Unicameral. I bring LB299 on behalf of the city council and the mayor requesting this. We've had a number of problems getting good elections and we think this would help us. It's amending Section 32-554, and the reason for the first part of the amendment is that it only allows up to cities of the first class that have three wards; Hastings has four wards. And so we're asking that the "three wards" be changed to "four wards." And the second change is that it allows the city council, upon receiving a majority vote, to place this election by ballot on the general election. And then if they don't do it, the new amendment provides that the petitioner may gather petition signatures, present it to the city council, and then they would put it on the ballot again at the next general election. This has no fiscal notes. We have not had a contested election for city council for two terms. And we had a problem, we had a councilmember die in office and it was almost three months before we could find someone that was willing to take his position. So we feel that by allowing four members of the wards to be elected at large and four members to be elected by ward would help encourage people to run for the council. Therefore, I ask for a green vote on moving LB299. [LB299]

SENATOR GLOOR: Thank you, Senator Seiler. (Doctor of the day introduced.)

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Members, you've heard the opening on LB299. We now move to floor discussion. Senator Chambers, you are recognized. [LB299]

SENATOR CHAMBERS: Thank you. Mr. President, I would like to ask Senator Seiler a question. [LB299]

SENATOR GLOOR: Senator Seiler, would you yield? [LB299]

SENATOR SEILER: I will. [LB299]

SENATOR CHAMBERS: Senator, I just kind of glanced at the bill. Is there anything in it that states the number of signatures that must be obtained on a petition? [LB299]

SENATOR SEILER: I think the original bill or the amendment refers to the last Governor's race. They have to have so many signatures on there. [LB299]

SENATOR CHAMBERS: A percentage of those who voted in the Governor's race would be necessary to sign the petition? [LB299]

SENATOR SEILER: I believe that is correct. It just refers in this bill to the petition. But I think that section refers to the Governor's, if I remember right. [LB299]

SENATOR CHAMBERS: Now you had indicated that somebody died in office and it was difficult to get somebody to take that person's place? [LB299]

SENATOR SEILER: That is correct. [LB299]

SENATOR CHAMBERS: Would you agree that that particular eventuality was not the most friendly thing to recommend somebody to take that position? [LB299]

SENATOR SEILER: Well, it's always a problem to get somebody to step in, in the middle of a term. [LB299]

SENATOR CHAMBERS: But I meant if being in that position caused somebody's death, why would somebody else be willing or eager to take over? [LB299]

SENATOR SEILER: (Laugh) Okay. [LB299]

SENATOR CHAMBERS: Well, you didn't answer the question. Why? [LB299]

SENATOR SEILER: He had...he had...yeah, I'll answer the question the way you worded it. He died of cancer. [LB299]

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SENATOR CHAMBERS: Oh, I'm sorry to hear that, okay. Thank you. That's all that I have. [LB299]

SENATOR GLOOR: Are there other senators wishing to be recognized? Seeing none, Senator Seiler, you're recognized to close on the advancement of LB299. [LB299]

SENATOR SEILER: I'll waive. [LB299]

SENATOR GLOOR: Senator Seiler waives. Members, the question is the advancement of LB299 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have all voted who care to? Record, Mr. Clerk. [LB299]

CLERK: 33 ayes, 0 nays, Mr. President, on the advancement of LB299. [LB299]

SENATOR GLOOR: The bill advances. Mr. Clerk, items for the record. [LB299]

CLERK: Thank you, Mr. President. Your Committee on Government, Military and Veterans Affairs, chaired by Senator Avery, reports LB417 to General File; LB449 to General File; LB219 to General File with amendments; LB565 to General File with amendments; and LR38 reported back to the floor for further consideration. Government Committee also reports LB235, LB418, and LB576 as indefinitely postponed. An amendment to be printed by Senator Kintner to LB429. That's all that I have, Mr. President. Thank you. (Legislative Journal pages 874-877.) [LB417 LB449 LB219 LB565 LR38 LB235 LB418 LB576 LB429]

SENATOR GLOOR: Thank you, Mr. Clerk. Continuing with General File, senator priority bills, Mr. Clerk.

CLERK: Mr. President, LB57, a bill by Senator Larson. (Read title.) The bill was introduced on January 10; referred to the Natural Resources Committee for purposes of a public hearing. The bill was advanced to General File. I do have Natural Resources Committee amendments, Mr. President. (AM676, Legislative Journal page 764.) [LB57]

SENATOR GLOOR: Thank you, Mr. Clerk. Senator Larson, you're recognized to open on LB57. [LB57]

SENATOR LARSON: Thank you, Mr. President. LB57, as amended by the Natural Resources Committee, would place oversight mechanisms into statute for the Nebraska Environmental Trust Board to use when the board approves funding for projects that involve real property transactions. This bill would require transparency and accountability of the Nebraska Environmental Trust Board now and would ensure that the good practices are in place in statute for the NET Boards to come. First, anytime an applicant proposes to use NET funds to purchase property that it plans to transfer to a

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federal agency, the Nebraska Environmental Trust Board and that grantee will have to provide for a tax replacement method for the transferred land in the grantee's contract with the Nebraska Environmental Trust Board. This contract provision will allow the grantee to move forward with its intended project, while at the same time ensuring that the county in which the land is located is compensated for the property taxes it will lose when the land is removed from the county tax rolls. Tax replacement methods that can be required of the grantee and its contract include payments in lieu of taxes paid on the property to the county; or the grantee can set up a permanent endowment fund for the use by the county among other options. The specific tax replacement method would be decided on by the board and the grantee taking into consideration the circumstances of each situation. The second part of the bill would require the Nebraska Environmental Trust Board to approve any sale, lease, transfer, exchange, or encumbrance of any portion of the property acquired in whole or in part by Environmental Trust funds. The grantee would have 30 days before the next scheduled board meeting to provide the board with the details of the proposed transaction. The board would then have to give the grantee its written approval to the grantee before the grantee could proceed with the proposed transaction. Some members of the current Environmental Trust Board have expressed to me and some of you the frustrations that they have encountered with Nebraska Environmental Trust funded projects that involved real property transactions. In the past there has been a lack of oversight by the board itself when it comes to land that is purchased with these funds. There is nothing required by the board to look after the property after its grantee's purchase using Environmental Trust funds. However, the current Nebraska Environmental Trust Board realized it needed to take additional steps to ensure that any Environmental Trust funds given to the grantees to purchase real property are being used for the intended purposes and furtherance of the Environmental Trust mission. The board decided to adopt, as part of its own policies, provisions similar to what LB57 proposes. Since 1993, the Nebraska Environmental Trust has been used to acquire over 54,000 acres of land throughout Nebraska, costing the Nebraska Environmental Trust over \$24 million to help fund these projects. Additionally, the Nebraska Environmental Trust funds have been used to purchase a little of 44,500 acres' worth of easements costing Nebraska Environmental Trust almost \$5.4 million for these acquisitions. While grants involving real property transactions are not the only kind of projects Environmental Trust funds, the Environmental Trust has given a significant amount of money to grantees to purchase land over the past 20 years. The funds the Nebraska Environmental Trust receives is public money and the Environmental Trust itself is a self-created institution there to protect the state's environment and natural resources. While I appreciate the diligent monitoring of state funds by the current Environmental Trust Board, I want to make sure that the oversight mechanisms, like the ones I'm proposing in this bill, will always be in place for boards in the future. Colleagues, I would appreciate your green light on LB57. I anticipate a good, healthy conversation. This is a bill about government accountability and transparency to make sure that trust dollars are being used in the best possible way in the future of the state of Nebraska. Thank you. [LB57]

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SENATOR GLOOR: Thank you, Senator Larson. As the Clerk stated, there are amendments from the Natural Resources Committee. Senator Carlson, as Chair of the committee, you're recognized to open on the committee amendments. [LB57]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. The committee amendment replaces the new language of LB57 and would become the bill. Now the committee, in an effort to simplify the process to accomplish the intent of the original bill, adopted language to do two things: (1) require that a plan for replacement of lost property taxes be described in the contract between the trust board and the grant recipient if the grant application proposes to use grant funds to purchase property that will be sold, leased, transferred to, exchanged with, or encumbered to a federal land management agency causing a property tax loss to the county; and (2) require that a grantee obtain written trust board approval before selling, leasing, transferring, exchanging, or encumbering any portion of real property acquired using trust funds. We know that Senator Larson has been working with the bankers and title insurers groups regarding some concerns with the language and he will introduce an amendment to the committee amendment to address those concerns. However, the two concepts that refer to requiring that a plan for replacement of lost property taxes be a part of this, and two, requiring that a grantee obtain written trust board approval, will remain the same. And I would ask for your consideration of the AM676 and that you listen carefully to Senator Larson as he presents the amendment to the amendment. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Carlson. As Senator Carlson mentioned, there is an amendment to the committee amendment. Mr. Clerk. [LB57]

ASSISTANT CLERK: Mr. President, Senator Larson would offer AM844 to the committee amendments. (Legislative Journal page 847.) [LB57]

SENATOR GLOOR: Senator Larson, you're recognized to open on your amendment to the committee amendment. [LB57]

SENATOR LARSON: Thank you, Mr. President. AM844 is an amendment that would make changes to the committee amendment that is becoming LB57. The amendment only impacts Section 8 of the committee amendment and makes three specific changes to that section. The first is to create a reasonableness standard by which the board must abide when deciding whether to approve a grantee's land transaction request. The board must not unreasonably withhold its approval or makes its decision on arbitrary grounds; rather the Environmental Trust Board must have legitimate reasons to deny the grantee's request to sell, lease, transfer, exchange, or encumber the property. The second change this amendment makes is to add a provision that would allow the grantee to repay the value of the grant to the trust if the Environmental Trust Board

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denies the grantee's request to sell, lease, transfer, exchange, or encumber the property. If the grantee chooses to repay the value of the grant to the trust, the grantee will be released from all obligations under its agreement with the Nebraska Environmental Trust. This exact language is already being used by the current Nebraska Environmental Trust Board in its contracts with grantees who use trust funds to purchase real property. This provision gives the grantee the option to either accept the decision by the board denying its request or to move forward with the grantee's proposed transaction by paying back the value of the grant to the trust. Additionally, if the grantee ever sells, exchanges, or transfers the Environmental Trust funded property to a third party, that property will be released from any further restrictions originally placed on by this bill. The third party who purchases the land from the grantee or obtains it through a transfer or exchange from the grantee will not be subject to any kind of restrictions imposed on the grantee by this bill. The third and final change to AM844 makes is two things. First, it will require the grantee to obtain written confirmation from a financial institution supplementing the grantee's funding, confirming that the financial institution is aware of the restrictions this bill will place on the Environmental Trust funded property the grantee looks to purchase. This provision will be applicable to any potential grantees who apply for Environmental Trust funding for part of the purchase price of the property or seeks supplemental funding from other financial institutions. Secondly, this part of the amendment also requires that notice be placed in a deed or other instrument that conveys title to the Environmental Trust funded property. The grantee would be required to place in the conveying instrument the requirement that the grantee has to seek the permission of the NET Board before selling or encumbering the property purchased with Environmental Trust funds. These two provisions would give notice to potential buyers of the Environmental Trust funded property and would allow all institutions involved in the potential purchase of the sale of the Environmental Trust funded property to be aware of the condition that the Nebraska Environmental Trust must approve any proposed transaction on the piece of property. These changes were brought to me by the Nebraska Bankers Association and the Nebraska Land Title Association to alleviate their concerns that banking and title institutions had, as well as potential buyers, and it would ensure that they would all have adequate notice of this bill's requirements on Nebraska Environmental Trust funded real property. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Larson. Members, you've heard the opening on LB57, the Natural Resources Committee amendment, and the amendment to the committee amendments. We now move to floor debate. Senator Schilz, you're recognized. [LB57]

SENATOR SCHILZ: Thank you, Mr. President. Good morning, colleagues. I hope everybody had a good four days off and a happy Easter and now it's back to work. Here we are on LB57. And this is a bill, or an issue, that I say that has gone through the Natural Resources Committee now for a few years and we've struggled with how to take

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care of it and how to deal with it. And why it catches my attention and why I think it's needed is exactly because of this. And I'll go through the scenario that has happened in the past, or I believe it has happened in the past. There's private entities out there that have received grants to buy land. The land was then purchased by these entities, an easement placed upon the land, and at times the private entity then sells that land to a third party, takes all the money that they make from that and puts it into their own fund to buy more land. The NET was the first grantor of that. And as I look at that, it seems to me that that may not be the best way to do this, nor may it be exactly right. Now this entity is acting within their right, it's not...what they're doing isn't illegal, it isn't looked at as illegal, but I want to make sure that the NET has as much money as possible moving forward to be able to do the important stuff for the people of the state of Nebraska, not necessarily for one or two or other private entities out there. This strikes the balance, gives them the opportunity to continue to do what they do, while at the same time making sure that there's accountability to the state, accountability to the NET Board, and accountability to the people. Because, ultimately, that's what these monies are to be spent for is the people of the state of Nebraska. It makes it easier and makes it better for us because then the Auditor can take a look at these transactions as well and make sure that they are doing what they are supposed to do. It will strengthen the integrity of the NET and what they're doing and the process that they have. And I'll stand up again and talk about some other issues that I see, but that's the reason that I got aboard on this bill; that's the reason I want to see this move forward. And I think if everybody examines it, everybody will understand that, yes, this is an issue that needs to be looked at and needs to be taken care of, and I'm hopeful that LB57 is that vehicle. Thank you very much, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Schilz. Senator Avery, you are recognized. [LB57]

SENATOR AVERY: Thank you, Mr. President. Good morning, colleagues. I have a question for Senator Larson if he would yield. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR AVERY: Senator, thank you for yielding. Is the amendment that you have here, does it refer to transfers of land to federal land management agencies? [LB57]

SENATOR LARSON: The committee amendment does. My amendment specifically works to take care of concerns that were brought to me by the... [LB57]

SENATOR AVERY: By the bankers. [LB57]

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SENATOR LARSON: ...Nebraska bankers and land and title. [LB57]

SENATOR AVERY: All right, let me ask this. The replacement of property taxes only applies when the land is transferred to a federal land management agency, is that correct? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR AVERY: All right, then can you tell me what a federal land management agency is? [LB57]

SENATOR LARSON: A federal land management agency will consider things like fish and wildlife, federal agencies that deal with land. It could be national parks, anything of that nature. [LB57]

SENATOR AVERY: So it would involve things like the U.S. Forest Service? [LB57]

SENATOR LARSON: Correct. [LB57]

SENATOR AVERY: Corps of Engineers? [LB57]

SENATOR LARSON: I'm not sure if the Corps of Engineers own land. [LB57]

SENATOR AVERY: Bureau of Land Management? [LB57]

SENATOR LARSON: If they own land. [LB57]

SENATOR AVERY: Bureau of Reclamation? [LB57]

SENATOR LARSON: Again, if they own land. Any federal...any land management agency, obviously, that is federal would be included in the committee amendment to LB57. [LB57]

SENATOR AVERY: Well, what would happen if, say, some future local government agency that uses trust money were to transfer property to any federal land management agency, would they then be required to pay county taxes? [LB57]

SENATOR LARSON: Any city? Well, if the city... [LB57]

SENATOR AVERY: Any local government agency. [LB57]

SENATOR LARSON: Any local government that wished to get the...wished to use NET funds, whether that's a political subdivision such as the NRD or a city government, if

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they subsequently transfer land to the federal government, yes, under LB57 they would have to find...in the committee amendment to LB57, they would have to find a way to provide for the replacement of property taxes to the affected county, whether...you know, we don't prescribe that directly in the bill. It can either be payments in lieu of taxes or the creation of an endowment to ensure that those lands aren't affecting property taxpayers in the future. [LB57]

SENATOR AVERY: So you would have one government agency potentially paying another government agency taxes, correct? [LB57]

SENATOR LARSON: Are you saying...you would... [LB57]

SENATOR AVERY: Well, if you had a local government agency that used trust money and they worked to transfer property to the federal land management agency, then they would be required to pay the lost county taxes. [LB57]

SENATOR LARSON: They would be required to come up with a way in which...it wouldn't necessarily have to be that local political subdivision, you know, the federal government could pay in lieu of taxes. They would just have to find a way to. The bill doesn't designate which entity would have to do it. They could go back to the Environmental Trust and get a grant to set up an endowment. [LB57]

SENATOR AVERY: Well, let me give you an example. [LB57]

SENATOR LARSON: I mean there's a number of different options... [LB57]

SENATOR GLOOR: One minute, Senators. [LB57]

SENATOR AVERY: Let me...I'm sorry. [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR AVERY: One minute. Let's say that an NRD in the Republican River Basin gets a trust grant to retire acres in order to comply with the Republican River Compact and the NRD wants to transfer land to the Bureau of Reclamation or to the Corps of Engineers to manage the project, the NRD would have to pay taxes to the county. And we would have one government agency paying another government agency. I find that to be just a little bit awkward and unusual and I'm not sure I like that part of it and I think it's quite fundamental to the entire bill as it is expressed in this amendment. There are other examples of this. For example, let's say the city of Lincoln. If the city of Lincoln were working with the Corps of Engineers or, say, on a project like Antelope Valley and were choosing trust funds... [LB57]

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SENATOR GLOOR: Time, Senators. [LB57]

SENATOR AVERY: Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Avery and Senator Larson. Senator Dubas, you are recognized. [LB57]

SENATOR DUBAS: Thank you, Mr. President; good morning, colleagues. If you have looked on the committee statement, you'll see that I chose not to vote on this issue and on this legislation and it's not because I'm not understanding what's trying to be done here, especially in regards to the issue with property taxes and making sure that local governments are kept whole as much as possible. The concerns I had dealt more with the titling issue and property rights. And I think the amendment has gone a long way to address those concerns. But I still...there are still some things about this bill that I'm not completely comfortable with and so if Senator Larson would yield to some questions I would appreciate trying to clear some of that up. [LB57]

SENATOR GLOOR: Senator Larson, would you yield to questions from Senator Dubas? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR DUBAS: Thank you, Senator Larson. And again, I understand where you're coming from, especially in regards to the property tax issue and hopefully we can get that issue resolved through this legislation. But you talked about the fact that in most of the contracts already, the language that's in your bill is already being done, is that correct? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR DUBAS: So my question would be, we have allowed or provided for flexibility for the trust board to give them the latitude that they may need to address each grant on its individual merits. And when we start putting things into statute that takes some of that flexibility away, do you feel that we could create more problems than we would solve by doing this? [LB57]

SENATOR LARSON: No, Senator Dubas. And it's my understanding that the language that's in LB57 is...when the...dealing with the purchase of real property, my language is currently going in all of the contracts. And I may be wrong, but that is my understanding from talking to Environmental Trust Board members when it's dealing with real property. I think that the Environmental Trust Board has viewed this as a good practice that they have wanted to continue with. My concern is that Environmental Trust Boards change over the years, because it is an appointed position by the Governor, and with those

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changing boards, these good practices that the current trust board has seen fit to put in contracts could possibly change. So essentially what I'm trying to do with LB57 is codify the good practices that are currently being done by a current Environmental Trust Board that views government accountability and transparency as a very important thing. [LB57]

SENATOR DUBAS: Okay. And Senator Schilz alluded to the fact that we've been dealing with this issue in the committee for the last several years, and I know you hit on it too, as well as your opening, but I'm going to ask you the question maybe in a little bit different way. You're probably going to repeat yourself, but I think it probably bears repeating. What is it exactly that you are trying to address or solve through this legislation? [LB57]

SENATOR LARSON: What I'm trying to address is government transparency and accountability. I've heard it on this floor for three years now that we need to make sure that state dollars are being spent wisely. And as a member of the Appropriations Committee, I see that even more apparent now. And to ensure that dollars that are being given up by the Environmental Trust can be followed and the trust board has the ability to continue to follow those dollars is very important to me, because, as Senator Schilz mentioned in his first time up at the mike, right now, you know, if this isn't in their contracts, an organization could do whatever they want with the dollars. Now as I said, the current Environmental Trust Board has seen fit to put language similar to LB57 in their contracts to give them a little more oversight. One thing that we are changing from the current Environmental Trust contracts is, right now, only the executive director will approve the sale, lease, exchange,... [LB57]

SENATOR GLOOR: One minute, Senators. [LB57]

SENATOR LARSON: ...or encumbrance. What LB57 does is it gives it to the trust board instead of the executive director, which I feel is a very important distinction, because they are the board. The executive director is only hired by the board. It's the board that decides to give out the grants; it should be the board that has that ultimate and final decision as well. [LB57]

SENATOR DUBAS: I'm going to have some questions along that line, Senator Larson, and when I press my light again I'll follow up with that. Thank you. [LB57]

SENATOR LARSON: Appreciate it. [LB57]

SENATOR GLOOR: Thank you, Senator Dubas and Senator Larson. Senators in the speaking queue: Ken Haar, Avery, Conrad, Harms, and Dubas. Senator Haar, you are recognized. [LB57]

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SENATOR HAAR: Mr. President, members of the body, I was the one person in the committee that voted "no" in terms of getting it out of committee. So I would like to ask the senator some questions if I could. Senator Larson. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HAAR: Okay. Senator Larson, we all live by little sayings, and one of mine is "if it ain't broke, don't fix it." And what do you consider right now about the way the board is dealing with things that's broken? [LB57]

SENATOR LARSON: I think the board was broken. I think the board has made cognizant changes to help fix itself. What I want to do is put those changes that the board has seen as good changes, I want to put those in statute so that future boards don't change the good practices that they're currently doing. So I'd agree, you know, right now the board is doing the right thing, let's put it in statute so future boards don't go back to doing the wrong thing that was happening before. So I can understand that saying, but as I said, these boards are appointed by the Governor. I'd rather them making the final decision than the executive director; but at the same time an appointed board by the Governor has very little accountability as well, as these boards can change with administrations and whatnot. And it's our job as state senators to ensure that these good practices continue. [LB57]

SENATOR HAAR: Okay, well thank you for that. I guess I simply disagree. I believe that we do have a competent board and that they're doing it...we've already heard that they're doing a good job and that these things that we would put into law are already being used in contracts. So I can't see tying the hands of future boards. Times change, things change, and governors do change. I think we have to have a little faith in the future that there will continue to be good board members on this board. And so I will vote against this. I think it's doing something that doesn't need to be done. I think it's micromanaging at this point where we need to have flexibility from boards. The Environmental Trust has done a very good job throughout its history. And I think this...frankly, as I saw this, it is sort of a spitting match between Ducks Unlimited and Clay County, a few of those counties over there, in terms of land being put into restoration and then given to the National Fish and Wildlife Service. I think it's worked well and I think we ought to leave it where it is because it's working well. Why interfere? Thanks so much. [LB57]

SENATOR GLOOR: Thank you, Senator Haar. Senator Avery, you are recognized. [LB57]

SENATOR AVERY: Thank you, Mr. President. I'd like to have Senator Larson again

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yield to a question or two. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR AVERY: We were talking...actually I don't want to start a new conversation, I want to continue the old one. [LB57]

SENATOR LARSON: That would be fine. [LB57]

SENATOR AVERY: We were talking about examples of how that the one agency might wind up having to pay another agency tax money. [LB57]

SENATOR LARSON: Um-hum. [LB57]

SENATOR AVERY: That's what I'm concerned about. And let me ask you, if for example the city of Lincoln were working with the Corps of Engineers on Antelope Valley and they were using trust funds for part of that project, would this bill say that the city of Lincoln would have to pay taxes to the county? [LB57]

SENATOR LARSON: It would say if they donated the land to a federal land management agency they would. And I'd like to point out, Senator Avery, since you brought it to my attention, we currently have government entities in the state of Nebraska paying counties' taxes, i.e. Game and Parks, so. And I know certain agencies...I know there was a grant just...I'm not sure if it was a grant, but I know an organization bought some land in Franklin County that they were going to donate to the federal government and worked with the county and set up an endowment. I'm not sure if that organization is paying the endowment or if the federal government is. But there are ways to ensure that these property taxes get paid. And I'd say to the taxpayers of the city of Lincoln they should want this because it will add property tax relief. No matter how miniscule it is, it's still property tax relief, which I think is very important to the people in Nebraska. [LB57]

SENATOR AVERY: Let me ask you one more question. There is reference to language "in lieu of taxes." Can you explain what that means? [LB57]

SENATOR LARSON: In lieu of taxes just means that an organization has to pay in lieu of taxes, just that. They have to pay the taxes that are acquired by that land. It's not really that hard of a statement. [LB57]

SENATOR AVERY: So give me an example. [LB57]

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SENATOR LARSON: An example from my understanding is, is if an organization owes taxes, they would set up in their contract that they'd have to pay the property taxes for that land; just that, in lieu of taxes. [LB57]

SENATOR AVERY: And that's all it means. [LB57]

SENATOR LARSON: That's my understanding. If I'm wrong I'd be happy to be corrected and we... [LB57]

SENATOR AVERY: And whose obligation would it be to pay this tax? [LB57]

SENATOR LARSON: That would be up to the exchange when they set it up, whoever they're giving the land to. We leave that very vague so in case that organization, whether it's the city of Lincoln wants to do it...wants...they tell the federal land management agency that, you know, we'll give the land to you, but can you pay the taxes? Or they can set up an endowment. It's just...it's very vague, it doesn't say who has to. It just says that...and we did that on purpose that way we don't want to restrict one method over another. We want to give these organizations a wide range of abilities to decide who actually pays the property taxes, because as I said, I think the property tax portion of this is very important to offer tax relief to the citizens of Nebraska, and especially the city of Lincoln as well. [LB57]

SENATOR AVERY: All right. And whose obligation is it to pay the taxes? Did you just answer that? [LB57]

SENATOR LARSON: I did just answer that. [LB57]

SENATOR AVERY: All right. What if the taxes are not paid? [LB57]

SENATOR LARSON: Essentially, they wouldn't be able to transfer the land without this in the contract that the taxes are going to be paid. Because we are requiring that before they can transfer that land they have to set that up. Now, the city of Lincoln could repay the grant in full. You know, they could ask... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR LARSON: ...for an...or ask the board to transfer that, and if they were denied because of that the city of Lincoln could repay the grant in full and be released of any of this obligation. [LB57]

SENATOR AVERY: Thank you. I'm concerned here that what we're doing is putting in statute what really should be in an agreement, a contract between two parties. A contract between two parties can be modified, it can be negotiated. If you put it into

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statute, it cannot be and that's a concern of mine. With that, I would end my questions of Senator Larson and just say that we have to be careful what we do here, folks, because the trust already has authority to enter into contracts. It seems to me that is a far better way to handle these situations than it is to put it into statute. Once it's in statute, it takes a very difficult process to get that changed. Contracts can be negotiated and those contracts can be modified. [LB57]

SENATOR GLOOR: Time, Senator. [LB57]

SENATOR AVERY: Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Avery. Senators in the queue: Conrad, Harms, Dubas, Lautenbaugh, Schilz, and others. Senator Conrad, you are recognized. [LB57]

SENATOR CONRAD: Thank you, Mr. President; good morning, colleagues. I'm nervous about this legislation to be quite honest. Any time we start to tinker with the Nebraska Environmental Trust we are, indeed, tinkering with the trust the voters instilled in the creation of this important institution in our state. And we've seen repeated recent attacks on the good work of the Nebraska Environmental Trust over recent years. And so I'm trying to listen to the debate and learn more about what happened at the committee level because that's a first threshold of concern that rises to mind whenever legislation implicates the Nebraska Environmental Trust. So with that I was hoping that Senator Larson would yield to some questions so that I could increase my understanding of the bill. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CONRAD: Okay, Senator Larson, I've heard you say that this legislation is important because it offers significant tax relief to property tax filers, but then again on the flip side it may be miniscule in terms of property tax impact. So which is it? [LB57]

SENATOR LARSON: I don't think I ever said "significant." I said "property tax relief." Any property tax relief, to me, is significant in that matter. [LB57]

SENATOR CONRAD: Okay. Okay. [LB57]

SENATOR LARSON: So therein lies the...you know, therein lies my issue. You know, no matter how big it is, it is still significant because we, as the Legislature, need to continue to work on that policy. [LB57]

SENATOR CONRAD: Okay. So if you have put forward one of the key underlying public

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policy reasons for this legislation is property tax relief, I understand that there is about eight projects in about five different counties that might be implicated by this legislation. So what would be the amount of lost property tax revenue in each of those instances? [LB57]

SENATOR LARSON: I'm not sure on the exact number, but at the same time it doesn't matter how...as I said, it doesn't matter how big or small, I think it's the idea of the policy that matters. Any, any acre, one acre is too many in my mind... [LB57]

SENATOR CONRAD: Okay, but... [LB57]

SENATOR LARSON: ...for the property taxes...for unpaid property taxes to be unpaid. [LB57]

SENATOR CONRAD: In terms of doing your research on this legislation before bringing it, if we're talking about it from a property tax relief standpoint, did you identify any research in terms of hard numbers on that topic? [LB57]

SENATOR LARSON: Yeah, we've received a number of lists of the grants from the Environmental Trust. [LB57]

SENATOR CONRAD: And the amount of property tax revenue that might be forgone under any of these potentially implicated projects would be what? [LB57]

SENATOR LARSON: Again, Senator Conrad, I can get you that information. I think the bill...I mean, you're focusing on the property tax; I think you've also listened to us say that this is about good government and transparency and it's something that I know a number of these... [LB57]

SENATOR CONRAD: Okay. [LB57]

SENATOR LARSON: ...a number of people in this body have continually expressed... [LB57]

SENATOR CONRAD: Right. [LB57]

SENATOR LARSON: ...concerns about. [LB57]

SENATOR CONRAD: And, okay, I look forward to getting the specific numbers on the property tax issue because I think that it is important, if we're going to convey as a reason for passing legislation something like property tax relief, we should know what that entails from a numerical perspective so that we can have a clear understanding of the legislation before us. On the flip side, you've put forward issues related to

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transparency and accountability. Again, common values that we all share and should strive for in all of our governmental institutions. But if I'm understanding, some of this already occurs through contract process; some of this already could occur or does occur through rules and regulations. Are these contracts or the Environmental Trust rules and regulations currently secret? [LB57]

SENATOR LARSON: No, they're not. And again as I stated before, you're right, they are currently occurring in contracts. But boards change, and I think we're all very aware of that. And I think we need to ensure that these good policies that the board is currently conducting are put in statute, because as the boards change these good...the rules and regulations or what is currently going into these contracts could change. So, I really do feel that this is... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR LARSON: ...good governance in terms of accountability and transparency moving forward. [LB57]

SENATOR CONRAD: Okay, Senator Larson, I'm not sure if that is a sufficient response. But then would that logic hold true for any state agency that contracts? Should we move away from rules and regulations and contract negotiation altogether and codify everything in statute? [LB57]

SENATOR LARSON: Do you have a specific example, Senator Conrad? [LB57]

SENATOR CONRAD: Well, I'm trying to think of the slippery slope here. Because you still haven't provided a clear reason or a compelling reason as to a problem that you're trying to address here, so I'm thinking if we're worried about what happens in contracts or rules and regulations, which are all subject to public disclosure and all subject to due process and notice and opportunity to be heard, what would preclude this Legislature from really codifying this practice in place for any state agency, which I think would be burdensome and strange? [LB57]

SENATOR LARSON: I think we do put it in place for certain agencies... [LB57]

SENATOR GLOOR: Time, Senators. [LB57]

SENATOR CONRAD: Thank you. [LB57]

SENATOR GLOOR: Thank you, Senator Conrad and Senator Larson. Senator Harms, you are recognized. [LB57]

SENATOR HARMS: Thank you, Mr. President, colleagues. Senator Larson, would you

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yield just for a couple of questions, please? [LB57]

SENATOR GLOOR: Senator Larson, would you yield to questions from Senator Harms? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HARMS: Senator Larson, I've gone through the green copy and the amendments and I have some questions I'd like to ask if I may. [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HARMS: Now the original bill only dealt with the--and that's the green copy I'm talking about--with the purchase or the sale of land made with the Environmental Trust funds, is that correct? [LB57]

SENATOR LARSON: Can you repeat the question, I'm sorry? [LB57]

SENATOR HARMS: The original bill only dealt with the purchase or the sale or the selling of the land made with the Environmental Trust funds. [LB57]

SENATOR LARSON: The original bill did deal with the purchase and it... [LB57]

SENATOR HARMS: Okay. [LB57]

SENATOR LARSON: ...followed the money with the sale. It was a little more...it had a...it did a lot more. We, after working with the Environmental Trust and the Natural Resources Committee, the committee felt that the committee amendment was the best way to move forward rather than the green copy. And I understood that. [LB57]

SENATOR HARMS: Well, I appreciate that. Let me talk now about the amendment. The amendment now refers to the sale, correct? [LB57]

SENATOR LARSON: Uh... [LB57]

SENATOR HARMS: And the lease, transfer, exchange, or encumber. [LB57]

SENATOR LARSON: Correct. [LB57]

SENATOR HARMS: Can you tell me the policy reason for adding these words to the statutes? Why would you want to add this other... [LB57]

SENATOR LARSON: The reason that we... [LB57]

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SENATOR HARMS: ...go ahead. [LB57]

SENATOR LARSON: Yeah. The reason that we did the sale, lease, transfer, exchange, or encumbrance, was because that was what is in current Environmental Trust Board contracts. As you read through the current Environmental Trust Board contracts, they include all of them. And we felt that since that was currently what the Environmental Trust Board was doing that we would codify that in statute. [LB57]

SENATOR HARMS: Well, why would you want to have it in statute? It's already in contract. And what it does, it doesn't give them the kind of flexibility that they want. I think it ought to stay in the contract and be left there. And let me go on with this. Can you tell me why the Legislature would want to get involved in whether the grantee enters into a haying contract to keep the land maintained? Why does the Legislature care if the NET Board allows a grantee to enter into this lease? To allow a neighbor to graze on the land? I don't understand that. And shouldn't this be at their discretion? It's their business to maintain and control. Why do we want to put this into a statute that makes it more difficult for them? [LB57]

SENATOR LARSON: When anybody that uses the Environmental Trust dollars to buy land, it automatically, in my mind, becomes a state interest. They don't have to use Environmental Trust dollars if they don't want to. Again, currently in the Environmental Trust contracts, this is how those contracts read. And the reason that...you know, you can say that since it's already in their contracts they don't need to do it. I find that to be an oversight, because as I said, boards change. And with boards changing, they might not put it in their contracts in the future. [LB57]

SENATOR HARMS: Actually, Senator Larson, we're getting too far into the actual management of NET. If you want to do that, why doesn't the Legislature just take over the entire management, because that is exactly what is happening here. We are taking over what their responsibilities are. [LB57]

SENATOR LARSON: No, I disagree. I don't think we are taking over what their response... [LB57]

SENATOR HARMS: Well, that's... [LB57]

SENATOR LARSON: ...they still have the ability to offer the grants. We're just saying that when you give out a grant, we're going to have the applicable amount of government transparency and oversight in the contract. [LB57]

SENATOR HARMS: Well, let me go on and ask you a couple more questions. As I read your amendment, there's no standard or criteria by which NET can make a decision as

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whether to allow a grantee to sell, lease, transfer, exchange, or encumber the real estate that is purchased with grant funds. So to me it's unclear how the board would make that decision or on what basis. You haven't spelled it out. And in a contract we could. But you can't do that and you shouldn't do that in a law. And so if we're going to get this far into NET... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR HARMS: Excuse me, Mr. President. [LB57]

SENATOR GLOOR: One minute, Senator. [LB57]

SENATOR HARMS: Oh, thank you, Mr. President. So it's unclear to me what we should be doing here. And quite frankly, if we're going to get this far into NET business, it seems to me that there should be something in statutes that will give the board the guidance about, gee-whiz, what about just saying "yes" or "no," because that's how far we've gotten into this, way beyond where we should be. And quite frankly, we're using transparency to be able to get in and control and regulate where we shouldn't be. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Harms. Senator Dubas, you are recognized. [LB57]

SENATOR DUBAS: Thank you, Mr. President. And I'll kind of pick up where Senator Harms just left off, again, those questions about how much do we want to put in statute versus how much do we give the NET Board or any other entity that is able to operate under this capacity the flexibility to deal with things on an individual basis. Would Senator Larson yield to some more questions please? [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR DUBAS: Thank you, Senator Larson. When someone submits a grant to the Environmental Trust, is it automatically approved? [LB57]

SENATOR LARSON: No. [LB57]

SENATOR DUBAS: So the grant is scrutinized based on specific criteria, is that not correct? [LB57]

SENATOR LARSON: That is correct. [LB57]

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SENATOR DUBAS: And so if something that was in that grant application raised a red flag as far as the land use or the easement or whatever, the board right now could say, we're not comfortable with this grant and we're going to deny it. [LB57]

SENATOR LARSON: Correct. [LB57]

SENATOR DUBAS: So by putting this language into statute rather than allowing the flexibility, is that...what does that do to the grant approval process? [LB57]

SENATOR LARSON: I'm not sure that this does anything with the grant approval process. We're not...you know, LB229 a few years ago, obviously, had something to do with the direct involvement in the grant approval process by ending up offering more points to certain projects. But this, I don't think, does anything with the grant approval process. It just, as I said, it offers more transparency and accountability of government state dollars by saying that any land that is used to buy...that uses NET dollars to buy land has to come back to the board for the sale, lease, exchange, encumbrance of that land. So in terms of the approval process, I'm not sure it has many implications. Obviously, the amendment has some implications, if you want to say that. They have to give proper notice to the banks and has to have a notice on the title, and, you know, those things. So, I guess, that affects the beginning of the grant process. But the committee amendment, I would say, with the grant process is negligible. It's just, again, putting in statute what the current...similar language to what the current contracts have. [LB57]

SENATOR DUBAS: Thank you, Senator Larson. Currently, I believe in the grants that are being applied for, I think many of them are saying, you know, we're going to use this money to buy conservation easements. You know, there may be a sale. We're going to turn around and put that money into a revolving fund. This goes back to a statement that was made earlier in our discussion about right now nothing that is happening is against the statutes or against the law, is that correct? [LB57]

SENATOR LARSON: Correct. [LB57]

SENATOR DUBAS: So again, the NET Board, when they're looking at these grant applications, they know they have a very good idea of what that application is going to do and how that money will be handled. [LB57]

SENATOR LARSON: Very much so. And, obviously, there's been a number of grants, it's my understanding, again talking to the Environmental Trust members of grants, looking to get grant funds to donate them to the federal government, and those have been turned down recently. Also, the Environmental Trust Board, the current board, has stopped the revolving funds grants that you have mentioned. And I think those are very good practices by the Environmental Trust Board and something that the committee

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amendment and my bill don't directly address. But I think we do need to, again, put in statute the contract language that are currently being used to add accountability and transparency. [LB57]

SENATOR DUBAS: As I looked through the statutes, especially the legislative intent and then the scoring components, there's quite a bit of language in intent and the scoring about complementing existing... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR DUBAS: Thank you, Mr. President...government and private efforts by encouraging leveraging the use of private resources. The grant scoring includes encouragement of public/private partnerships. Would we maybe be better served, rather than putting specific language into statute, going back and revisiting the criteria for the grants which would go more specifically to the concerns that we're talking about here rather than being so prescriptive in how the grants are...how things work after the grants are awarded? [LB57]

SENATOR LARSON: You know, I can understand those concerns. But at the same time I feel that following state dollars after they're awarded is very important. I think even just following state dollars within state agencies can be very important. I think yesterday exemplifies that with the State Auditor finding that the \$8 million in possibly bad payments through HHS. So, I... [LB57]

SENATOR GLOOR: Time, Senators. [LB57]

SENATOR LARSON: Thank you. [LB57]

SENATOR DUBAS: Thank you. [LB57]

SENATOR GLOOR: Thank you, Senator Dubas and Senator Larson. (Visitors introduced.) Continuing with floor debate, Senators in the queue: Schilz, Ken Haar, Larson, Crawford, Carlson, Conrad, and others. Senator Schilz. [LB57]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. The last time I talked on the mike I talked about the first part of the issue that I saw and how this bill looks to take care of that. And now I'd like to talk about the second part, which I think a lot of people have been discussing here is the idea of how do we keep counties whole when this stuff happens and it goes to non-taxpaying agencies or the federal government or whoever that might be. And I think when you look at this and you look at environmental situations and you look at environmental projects, what you see a lot of times, and I look back to the Platte River Recovery Program, the three-state agreement and the federal government put together. They had to have land in the Central Platte

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area for habitat for the three or two species that they were looking to help down there--three species, I guess--the cranes, the plovers, and the terns. And what they did was they decided they would go in and they would have a willing buyer/willing seller, which is always a good idea and preferable always, and then they also said that any land that came within this agreement that they would pay the property tax on as long as they held that land. And the reason for this is because there was going to be enough of this land that would come out of production possibly, that would come out of the tax rolls, and the counties couldn't handle that. And I know we've been hearing about certain communities and things like that. As I look at this, this isn't necessarily set up and shouldn't necessarily be used in the case of cities and areas like that; but more set up to be used in the rural areas to make sure that those tax bases and those counties don't get hit, because those people out there that are paying those property taxes, they're paying them every year. Land prices are going up. And we've got to make sure that we can keep those counties whole so that it doesn't tear their heads off with their tax burden. That's what this bill is about. It's not trying to force somebody not to be able to do what they want to do. It's not trying to take down the Nebraska Environmental Trust, which I think overall does a great job and the people of the state of Nebraska like the things that they're doing. We just want to make sure that the integrity of their process, that the integrity of how they're giving this money out, and the integrity of our counties can continue together going forward down the path rather than butting heads all the time. That's what we're trying to get accomplished here. So if there are some things that we can do to help with that, I would be more than willing to work on it. Thank you very much, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Schilz. Senator Ken Haar, you're recognized. [LB57]

SENATOR HAAR: Mr. President, members of the body, I have a few more questions for Senator Larson, if he'd... [LB57]

SENATOR GLOOR: Senator Larson, would yield to questions from Senator Haar? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HAAR: Okay. One of the things you had said that the board has already adopted measures similar to those you're proposing. Which of those are a part of their policy right now? [LB57]

SENATOR LARSON: Language in a current environmental contract, and you can compare it to what the bill would say would be, the sponsor will not sell, lease, transfer, exchange, mortgage, or encumber in any manner whatsoever all or any portion of the real, including land acquisitions, easements, or improvements, or other property

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acquired in whole or in part by trust funds without prior written permission of the trust which will not be unreasonably withheld. The sponsor shall notify the trust in writing with any proposed sale, lease, transfer, exchange, mortgage, or encumbrance at least 30 days in advance and obtain written approval from the trust. In the event that the trust does not agree to the sale, lease, transfer, exchange, mortgage, or encumbrance of said property, the sponsor may repay the value of the grant to the trust and is released from all further obligations. Otherwise, repayment will be calculated according to the adopted policies of the trust board regarding the transfer or sale of the trust-funded equipment. The sponsor... [LB57]

SENATOR HAAR: Okay, so... [LB57]

SENATOR LARSON: ...will notify the trust with any equipment purchased in whole or in part with grant funds...with grant funds is no longer usable during the life or use of the equipment. So, I think everything besides the last two sentences as they talk about sell, lease, transfer, exchange, mortgage, or encumber in any manner whatsoever is what we're dealing with in this second section that we want that put into statute to ensure because in history that language wasn't put in contracts, and we want to make sure in future contracts that is put in there because I view that as good government. I view that as good policy. [LB57]

SENATOR HAAR: Okay, thank you very much for that. Now let me ask you a question, when we heard the bill in committee, my impression was that this requirement would go into perpetuity. In other words, let's say that a grantee got 5 percent of its money from the trust and then down the line there were three transfers of that property, or whatever. Would all three of those in perpetuity have to go back to the board? [LB57]

SENATOR LARSON: I mean you're talking about the green copy. There's obviously been changes and it is my understanding that the rule against perpetuity only places its obligations on the owner of the property, which here would be the grantee. It wouldn't apply to a third party who has its own restrictions from the owner of the property. There's the rule of perpetuity, is my understanding. [LB57]

SENATOR HAAR: So in other words, they would have to...as the property is transferred each time, if it were transferred a second, a third, or fourth time, the NET would have to be involved or just the first time. [LB57]

SENATOR LARSON: Not under the committee amendment. [LB57]

SENATOR HAAR: Okay, just the first time. Now you had said that the board had wanted these in law instead of just their ability to contract. How many of the eight members of the board do you know, that you talked to about this? [LB57]

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SENATOR LARSON: I know a few members of the board. [LB57]

SENATOR HAAR: So two of the eight? [LB57]

SENATOR LARSON: How many do I know? [LB57]

SENATOR HAAR: No, no, no. I asked how many of the board members want this law passed; they want it in statute instead of just contract? [LB57]

SENATOR LARSON: It is my understanding the board, in general, is neutral. They sent Mark Brohman neutrally. My conversations with a few board members view this as good government. [LB57]

SENATOR HAAR: Okay, so two of the eight view it as good government. [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR LARSON: I don't know the exact number. Two of eight, three of eight, four of eight, like I said, I know a few members of the Environmental Trust Board. If you're assuming it's two, then that's your assumption, not mine. [LB57]

SENATOR HAAR: No, but you said that you talked to a few of the members. [LB57]

SENATOR LARSON: Yes, I've talked to a few members. [LB57]

SENATOR HAAR: Okay. Okay, thank you very much. [LB57]

SENATOR GLOOR: Thank you, Senator Haar and Senator Larson. Senator Crawford, you are recognized. [LB57]

SENATOR CRAWFORD: Thank you, Mr. President and colleagues. I've been listening with interest to this debate and I'm glad to hear that it sounds like the board has been responsive in addressing property tax concerns thus far and has been working diligently to make sure those are protected in contracts. I've also heard in the debate and discussion that the provisions in the bill are currently in contracts. And I guess I have a concern about whether or not that the bill actually is tighter on restrictions than in current contract, based on what I heard read just a little bit ago and what discussion I had earlier off the mike on a earlier day. So I would like to clarify that with Senator Larson if he would yield for a question. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

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SENATOR CRAWFORD: Thank you. I'm referring to subsection 8 where the board shall require the grantee not sell, lease, transfer, exchange, encumber without the prior written approval of the board. Now I believe in an earlier discussion that we had, you indicated that right now the current practice is that they have to get approval, but that right now happens with the executive director approval is the way that approval works. Is that correct? [LB57]

SENATOR LARSON: That's my understanding. [LB57]

SENATOR CRAWFORD: Okay. So this language would be different than current contracts because it would require a full board approval, as opposed to currently with contracts is the executive director providing that approval. [LB57]

SENATOR LARSON: Yes, and I felt that was important because it is, obviously, the board that is giving the grants out, not the executive director. And the board is there to provide oversight for the Environmental Trust. Therefore, I felt that it was important that it is the board that follows the whole process through... [LB57]

SENATOR CRAWFORD: Okay. [LB57]

SENATOR LARSON: ...since they are the entity that is responsible for these grants. [LB57]

SENATOR CRAWFORD: And the board is responsible for holding the executive director accountable, is that correct? [LB57]

SENATOR LARSON: He...they are. [LB57]

SENATOR CRAWFORD: Yes. Yes. So the board has some ability to communicate with the executive director and hold the executive director accountable if they feel the executive director is not using this authority that he or she currently has in the contract well. [LB57]

SENATOR LARSON: They can hold him accountable, obviously. But again, I think it comes back to the type of policy that we as the Legislature want to make in terms of government accountability. And I would view that the board offers more transparency than the executive director because they are the board that is appointed. And yes, they do have the ability to hold him accountable, but I think we have to look at what is really, you know, right. And I would say that that's the board making the final and ultimate decision on these types of issues. [LB57]

SENATOR CRAWFORD: Right. I appreciate that. I guess in my sense that this is a

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board that only meets four times a year, I can understand the difficulty that might happen in the day-to-day management of these lands that might make that a difficult component to enforce. And again, hopefully, the board is able to hold the executive director accountable. And again, I'm happy to hear that many of these issues have been addressed through those contracts. And so I'll continue to listen to the debate and I appreciate your attention to clarifying that, that actually subsection 8 is a tighter restriction than we currently have in the contracts in place. Thank you. [LB57]

SENATOR GLOOR: Thank you, Senator Crawford. The Chair recognizes Senator Carlson. [LB57]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. I'm listening carefully to this debate. Good questions and discussions. I'm going to give you a few entities that have purchased land through the Environmental Trust. And, first of all, the Environmental Trust does good work. They do work that's beneficial to Nebraskans. And as far as LB57 is concerned, there are members of the board of the Environmental Trust that are for LB57 and there are members that are opposed to LB57, which probably is not unusual. But I'm going to give you some entities that own land that have been purchased through the Environmental Trust. And this isn't to condemn or criticize any of these groups; it's to give you an idea of the kind and amount of land that we're talking about. Ducks Unlimited: almost 5,000 acres. Now the city of Lincoln would have a real interest in this. As nearly as I can figure, the city of Lincoln only has 1,258 acres purchased this way. The Niobrara Council: 1,642 acres. There's an entity, RWBJV, and that would be "joint venture" and I don't know what the RWB stands for: 2,612 acres. Nature Conservancy: 89,737 acres. The Nebraska Land Trust: 4,593 acres. And I'm just giving you those figures because there are some groups that certainly have quite a bit of land amassed as a result of using the Environmental Trust as a source of dollars for those purchases. I want to comment on "in lieu of taxes." I think "in lieu of taxes" are a problem. They're a problem to the counties in Nebraska, and therefore they're a problem to the landowners around a piece of land that pays in lieu of taxes. And I may not be totally accurate on this, but I believe if you pay in lieu of taxes, you pay whatever you want to pay. You don't pay the same as the property owners around it that receive a bill from the county on property taxes. So we know, as budgets become more and more difficult to meet, dollars become more difficult to come by, that in practicality the in lieu of taxes go down. Everything else goes up. I have a concern about the extent to which we employ permanent easements in Nebraska on land. And I know that there's a good argument for how permanent easements are used wisely, but I think we want to look at what portion of our land across the state is being put into permanent easements, which means exactly that: stipulations are permanent and they can't be changed. And I think we need to be a little bit cautious about that. I think we need to look at groups that use the Environmental Trust to ask for a grant to purchase land, sell that land for a profit, keep the money, put it back in the account, and buy additional land. And I think that as a result of some things that have happened in

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the past, the Environmental Trust is addressing that concern and operate a little differently than they did in the past. But that's part of what LB57 is all about. [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR CARLSON: So this is a good discussion. And those of you that seem to be opposed to LB57, you bring up some good thoughts and good arguments. But I think it's okay to send a message to people: Be careful about using the Environmental Trust to line your own pockets. And we need policy that is transparent so people know where they are on things, know how to proceed, and it's not done in secret and it's spelled out very well. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Carlson. Senators remaining in the queue: Conrad, Avery, Harms, Dubas, and Lautenbaugh. Senator Conrad, you're recognized. [LB57]

SENATOR CONRAD: Thank you, Mr. President. Again good morning, colleagues. I really appreciated the dialogue this morning. I think it's really helpful to the process and our understanding of this issue. I've had a great conversation with Senator Schilz in relation to some potential compromise ideas and language that is being floated, and I'm hopeful those conversations will continue. But I did have a few other pieces that I did want to inject into the debate to make sure that we were clear here. As I understand it, no one is, again, pointing to any instance where there's been mismanagement or there's been problems in particular that this legislation seeks to address. And, in fact, it's my understanding that in the past five years the trust has been audited twice, by our own Legislative Performance Audit Committee and also by the Nebraska Auditor's Office. And there have been no instances that would indicate that there's any sort of mismanagement or misappropriation or anything going on wrong in terms of the existing process. So I did want to put that out there. I also am confused...and Senator Larson continues to put forward the idea that the Environmental Trust wants this, certain commissioners want this. But I'm looking at the committee statement, and there's no commissioner that came in, in support of this legislation. The Environmental Trust, like most state agencies subject to legislation, is in a neutral capacity. I also understand Senator Larson and Senator Schilz were talking about the dramatic impact this could have for particular counties, in terms of property taxes that might be lost. And again I look at the committee statement, and I don't see any counties that came in, in support of this legislation. So I think that when we are putting forward our ideas and putting forward our legislation, we have to be accurate about why we're bringing it, and indeed, who is supporting and who is not supporting the legislation. And it would seem to me--and I was listening carefully in Senator Haar and Senator Larson's discussion--that if commissioners had concerns, they would have no problem coming to the Legislature and testifying on the record about those concerns. And so I guess those kind of secret conversations are of more interest to me. Senator Larson, if you'd yield to some

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questions... [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CONRAD: Senator Larson, you started this dialogue with Senator Haar, and I'm just trying to learn more about your motives in bringing this legislation. You said you visited with some commissioners about this legislation and they feel like it's a good idea. So could you just identify which commissioners you visited with and who is actually supporting this, because it's not listed on the committee statement. [LB57]

SENATOR LARSON: As I said, I've had a number of discussions with, for example, the chair of the current Environmental Trust Board, Gloria Erickson, has expressed concerns, and we've worked with her through this whole process. As her being the chair, I felt that it was very important to work with her. And then there are also a number of other ones that are continually vigilant and I work with. You know, if you have any questions, I would encourage you to contact the chair of the Environmental Trust Board, and she can, obviously, explain in detail the grant process and things of that nature, as well, for you. [LB57]

SENATOR CONRAD: Okay. And I don't know what her schedule is, but did you make any attempts to ask her to come to the committee hearing and share those concerns, or was she traveling that day, or why weren't those concerns made on the records? Because that's important for all of us to have a clear understanding of the legislation. [LB57]

SENATOR LARSON: I'm not sure what her schedule was that day. You know, I don't know if she was busy or not. I know the executive director of the Environmental Trust... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR LARSON: ...came in and testified in a neutral capacity, just explained how this would affect the Environmental Trust and in what way and what they were doing currently. So in terms of...I would...I don't know if that would count as hers, but I think, obviously, we know a lot of state agencies come in and do testify in the neutral capacity, just explaining how this legislation would affect them and affect the way that they do business. [LB57]

SENATOR CONRAD: Okay. So I think it's clear that there has been no instances of mismanagement or misappropriation alleged or found. There's been some discussion about how we need this legislation to improve accountability and oversight, which

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already exists in the contracts and the rules and regs that govern this process. We have yet to discuss the fiscal impact for other potential projects as contemplated by the fiscal note, which I'm going to hit my light on again to visit about. And then... [LB57]

SENATOR GLOOR: Time, Senators. [LB57]

SENATOR CONRAD: Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Conrad. Senator Avery, you're recognized. This is your third time, Senator Avery. [LB57]

SENATOR AVERY: Thank you, Mr. President. Senator Conrad brought up the committee statement, and it prompted me to take a look at it. And I see here that the Nebraska Council of Sportsmen's Clubs is listed as a proponent of this legislation. And I have information that they may no longer be a supporter. So I would like to pose a question to Senator Larson, if he would yield. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR AVERY: Do you know whether or not the Nebraska Council of Sportsmen's Clubs has withdrawn their support for this legislation? [LB57]

SENATOR LARSON: I'm unaware. I know the gentleman, Joe Herrod, that testified was a supporter, but they have not contacted me whether or not his organization has switched from supporting or to opponent. [LB57]

SENATOR AVERY: Well, I'll try to verify that elsewhere. Thank you, Senator Larson. This legislation still presents some lingering questions for me. And I raised some of these earlier. But I'm concerned that the...what...I'm concerned about what happens in case the taxes are not paid to the county? Because you have to have some clarity in this legislation as to who is responsible for making the payments. Does the trust have the obligation to collect and remit the taxes? If the grantee doesn't pay the taxes, is the trust responsible? Is it liable for the taxes? That's not addressed here. If these were done the way we now do them, with contracts, there would be absolute, clear language in there addressing these things; we want to put in statute language that leaves some of these questions unanswered. And these are the kind of questions, I believe, need to be answered when some terms of contracts are added to statute, as we're trying to do here, and some terms of contracts are left out. This is what happens when we put in statute what should be in agreements between two parties. Those agreements, as I had mentioned in my last time on the microphone, can be modified and negotiated. I'm also concerned about the underlying reason for this legislation. Why are we doing it? Is there

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some harm that we're trying to remedy? I have not been convinced that there is some great harm that needs to be remedied. I'm not convinced that there's a big problem that we are resolving. And let me tell you why. If you look at the record over the past 20 years since the trust came into being, there have been three tracts of land purchased with trust funds and transferred to the U.S. Fish and Wildlife Service. There are five tracts that are planned to be transferred, not transferred yet: four to the U.S. Fish and Wildlife Service and one to the National Park Service; that's the Homestead National Monument near Beatrice. That means we're talking, really, about only eight properties. And these properties are spread out over five different counties. So I can't imagine a circumstance in which the current situation would have a great impact or create a huge burden to any one county. Seven of the eight properties are being transferred or have been transferred to the Fish and Wildlife Service because the Fish and Wildlife Service has or had existing properties adjacent to or near the sites... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR AVERY: ...that were being transferred. And it made sense for these properties to be transferred to the wildlife management that owns some properties nearby. So I'm still looking for a justification that makes sense to me for why this bill is needed. I think it would do harm to the trust, and I am unprepared to support it in its present form. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Avery. (Visitors introduced.) Continuing with floor debate, Senator Harms, you are recognized. [LB57]

SENATOR HARMS: Thank you, Mr. President and colleagues. What I think LB57 does is that it unnecessarily ties up real estate and prevents beneficial use of the property. It does create equal protection problems and prevents the trust from performing its statutory duties and instead directs trust board time to be spent managing privately held land use. There's no problem today with this bill. We're hiding behind transparency. There's no problem with transparency here. We've used that pretty freely on the floor; I don't see the problem or the issue here. It also would require a lot of administrative time; it would also require a lot of delay that I think is unnecessary. Let me walk you through now how this unnecessarily ties up the real estate and prevents beneficial use of this property. It requires NET approval for any lease which may require...which would include grazing rights, farming contracts, water rights, and more. It sets no standards for NET Board to approve or deny these required requests. I think if you want to have transparency, then where is that? Require 30 days' advance notice before a quarterly NET meeting to get permission to lease one's own land, which could leave land unused to the entire growing and grazing season, encourage private entities to leave land unused rather than ask permission to work with the farmers and ranchers to hay, to graze, or farm the land. I think, to me, until I can hear the answers to these questions, I oppose this legislation; I don't think it's right. We have constantly zeroed in on this

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organization using the same things: that it's not clear, it's not transparent. I have not seen anything that's not clear, that's not transparent. And I would like to see the answers to these questions. I could also go...Mr. President, how much time do I have? [LB57]

SENATOR GLOOR: 2 minutes 40 seconds, Senator. [LB57]

SENATOR HARMS: Thank you. I'd like to move now, if I can, to talk about the equal protection rights. The Nebraska Constitution requires all in a class to be treated the same. That's not going to be true with this legislation. LB57 would treat some governmental entities differently than other government entities. I don't think that's right. If that's what transparency brings, colleagues, I think we have a problem here. Land transferred to a federal land management agency would have to reimburse county taxes. That sets a precedent that scares me; creates bad precedents, where future land transfers to any state agency or local government agency is required to cover changes in property tax at the county level; goes beyond the statutory intentions of NET, which is 81-15,168, that the trust is created for a purpose of conserving, enhancing, and restoring the natural physical and biological environment of Nebraska. That's what this is about, colleagues. I'd like to have you give that serious consideration before you vote for this bill. It creates other issues for us. It treats government entities differently. Are we going to get into that kind of business? Is that where we want to be, with this kind of legislation? I oppose this. I think it's wrong, and I don't think it's appropriate. And I thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Harms. Senators remaining in the queue: Dubas, Lautenbaugh, Conrad, Larson, and Ken Haar. Senator Dubas, this is your third time. [LB57]

SENATOR DUBAS: Thank you, Mr. President. This is a good discussion to have. And I think everybody has agreed, for the most part, that the NET is doing what the Legislature intended for them to do. I think there are some points that need to be made, if they haven't already been made. When we're talking about these sales and these grant applications, every one of them involves a willing buyer and a willing seller. So no one is being coerced or having their arm twisted to do something that goes against what they believe is the right thing to do. And it's been pointed out that the board can and does say no to some of these grant applications. So they have a lot of discretion as to what's approved. And I think we all recognize that it's much easier to change rules and regs than it is to change statute. And so by going down the road to change statute, we may put...we may be thinking we are helping future boards, where, in essence, we may be putting future boards in more of a bind. This issue regarding the NET and the grants awarded has been an issue almost since I've...as long as I've been in the Legislature, and I think even longer. I know requests have been made of the Performance Audit Committee, and they've done some looking into this, as well as questions and concerns

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submitted to the State Auditor. And I have a copy of a letter here dated March 12, 2012, from the State Auditor in response to some questions that Senator Larson and Senator Christensen had raised regarding specifically what we're talking about here this morning. In the Auditor's response, he talks about: Through proceeds from the Nebraska Lottery, the trust provides annual grants based on established grant application process; grant applications are submitted to the trust annually and are subject to a series of reviews, rankings, and approvals prior to any contract award; currently, neither state law nor any administrative policies preclude trust money from funding land purchases; rather, the decision to approve such grant funding is left solely to the trust board. So that goes back to my previous comment about if there are concerns that we're uncomfortable with, perhaps we need to go back and look at criteria. There's two most common situations in which trust grants are used to purchase land, deal outright specifically with a land purchase and the grant agreement. The trust can direct specifically how the proceeds of any sale of property are handled, including whether the proceeds from the sale of the land must be remitted back to the trust. So again, that goes back to the contract and how specific those contracts can be, relating to each particular instance, not across the board, but they're able to look at each application and contract specific to that issue. And there's also the revolving funds. Both of the situations illustrated, the outright purchase and the revolving fund, a grantee may only be putting a permanent easement on the property, which includes restrictions on how that particular piece of land may be used in the future. Regardless, the trust board has the authority to determine the structure of each transaction, where the funds should be distributed once a sale has occurred. Recently the trust board approved a new policy for handling proceeds from the sale or transfer of real estate. So again, the board is responding through a rules and regs change. And when the trust...the change made states that when trust funds are used to purchase real estate and that real estate is subsequently sold, unless provisions are in the original grant applications, proceeds from such sales shall be immediately returned to the trust by the same percentage as the trust provided in the original grant. So again, the trust board... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR DUBAS: ...is being responsive to that accountability and transparency. Concerns were also raised regarding grantees' transfer of land to the federal government. Apparently those such transfers are not going to happen now. Currently the trust appears to be operating...again, a letter from Auditor Foley: Currently the trust appears to be operating pursuant to statutory authority and in accordance with approved trust board policies; the trust is included, however, in our regular rotation of financial audits. So there is continual accountability, looking at how these dollars are being spent. There is oversight. There are opportunities for the trust board themselves to make adjustments through the rules and regs and then in any concerns that may be raised through any regular audits. So... [LB57]

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SENATOR GLOOR: Time, Senator. [LB57]

SENATOR DUBAS: Thank you very much. [LB57]

SENATOR GLOOR: Thank you, Senator Dubas. Senator Conrad, you're recognized. This is your third time, Senator Conrad. [LB57]

SENATOR CONRAD: Thank you, Mr. President. I was hoping that Senator Larson might yield to a few more questions. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CONRAD: Senator Larson, have you ever served on a corporate board of directors? [LB57]

SENATOR LARSON: I'm on a nonprofit. [LB57]

SENATOR CONRAD: Okay, very good. On your nonprofit board...so you're familiar with the inner workings there. Does your membership on that board, do you frequently review and negotiate contracts on behalf of the nonprofit? [LB57]

SENATOR LARSON: We deal with a few contracts a year. It's a very small nonprofit that works for our members more directly, so we'll have a few contracts a year, very few. [LB57]

SENATOR CONRAD: Right. And I'm just trying to get a sense, in terms of parallels in the private sector, because the boards that I have been a part of don't enter into contracts, don't negotiate contracts on behalf of the organization; and so I'm trying to understand what would be different in this regard. [LB57]

SENATOR LARSON: I'm not sure I'm understanding your question directly. [LB57]

SENATOR CONRAD: Okay. On... [LB57]

SENATOR LARSON: What are you trying to, I guess, what are you trying to ask, specifically? [LB57]

SENATOR CONRAD: Do you think that government should follow best practices in the private sector, when possible? [LB57]

SENATOR LARSON: I think when we deal with state dollars, we need to have adequate

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oversight of those state dollars. I know you've brought up concerns that the Environment Trust has been audited twice. I'm not saying that the Environmental Trust...they've followed the letter of the law, and I don't think they have...that, you know, as...in terms of the Auditor's eyes, I'm not saying that the board has mismanaged funds. I just want more accountability over those funds, especially state dollars. When you talk about comparisons to the private and public, you know, well, the state sector versus, you know, the private sector, I think there's obviously comparisons that can be made, and we need to make sure that government is as streamlined as possible. But at the same time, when we're dealing with state dollars, there obviously needs to be, I think, more accountability with those state dollars. [LB57]

SENATOR CONRAD: My point is simply that it's not the province of a board of directors in the private sector, whether it's a nonprofit corporation or a for-profit corporation, to negotiate contracts. And so I don't think that that's a best practice that exists in the private sector. And I don't understand what we would need to do, from the public perspective, to empower a board which has not specifically asked for that, according to the committee statement, to start negotiating contracts, which, I guess, is contemplated in your legislation. And then you say, well, it's for oversight and it's for accountability. But that already exists with the contracts themselves; it already exists with any rules and regs; it already exists with any aspect of the Environmental Trust. Is there any aspect of the Environmental Trust in its policies and practices currently that is not subject to public review? [LB57]

SENATOR LARSON: I think their contracts are subject to public review. I'm not sure if the contract language they are currently using is in the rules and regs. And if it's not in the rules and regs, it didn't go through the rules and regs process that they usually do. Obviously, by setting out what is currently in their contracts into statute, I think it would, again, as I've said before, offers transparency and accountability. But, no, the Environmental Trust is, obviously, it's a state agency completely under the...anything they do can be reviewed by the public and audited as well. [LB57]

SENATOR CONRAD: So wouldn't it be a more appropriate response, if commissioners were concerned that this should be something binding on future boards, that they initiate a rules and regulation process internally to address this issue... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR CONRAD: ...rather than changing state law? Why isn't that an appropriate solution? [LB57]

SENATOR LARSON: I think, as we've said, future boards can change rules and regs. Now I'm not saying that future Legislatures can't take out what we're doing, as well, but I think we've seen, as I've said, boards change, administrations change. And with

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administrations, obviously, boards will change; and boards can have their own political policies or their own rules and regs and go through that process. And I think by setting it out in statute really exemplifies good government practices that we're looking for in the state of Nebraska. [LB57]

SENATOR CONRAD: Senator Larson, I am probably going to run out of time here; but I guess we just have a simple disagreement here. I think that it's our job to ensure the Nebraska Environmental Trust has the maximum flexibility and capacity to get the best value for Nebraskans with the resources it has before it. And tying its hands... [LB57]

SENATOR GLOOR: Time, Senator. [LB57]

SENATOR CONRAD: ...with this kind of unwieldy statutory framework is counterproductive. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Conrad. Senator Larson, you are next in the queue. [LB57]

SENATOR LARSON: Thank you, Mr. President. I think we've had a healthy discussion today; and, obviously, a few members of the Legislature are concerned. And by no means...I know Senator Conrad brought up points that the board has been audited twice and the State Auditor has found no mismanagement of funds. And under current statute, I don't think the board has mismanaged the funds. What LB57 is trying to do is to follow those funds and make sure that those that are receiving the grants are using the state dollars in the way that we or the Environmental Trust Board wants them to be used. In the past, that may have not been the case. The current board has made good changes to their current practices to ensure that those state funds are not being mismanaged or misused by the people receiving the grants. LB57 adds oversight language for government accountability and transparency to ensure that those funds are being used properly. I think it was Senator Avery that brought up currently only three tracts have been donated to the federal land management agency, I think most of them to Fish and Wildlife, totalling--and I know Senator Conrad asked the question as well--about 677 acres. We can sit here and say that is nothing when it comes to the state of Nebraska, it's only 677 acres. To me, that's still 677 acres too many. Is this a good practice? Is this something that we as a Legislature should say: Oh, it's only happening a few times, so it's okay, we'll condone it. I don't think so. I think we need to make sure that we're vigilant with state dollars in making sure that no land comes off the property tax rolls in the state of Nebraska when it comes to getting donated to the federal government, state dollars that come in through the state, Appropriations Committee gives them to the Environmental Trust, appropriates that money, and grantees buy land and donate it to the federal government. I think a majority of Nebraskans would see an issue with that. And whether it's 1 acre or 1,000 acres or 100,000 acres, it's all too much. Senator Harms says this harms the trust. I don't think

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this harms the trust. This gives the trust more oversight; this gives them the ability to make sure and follow their money, watch their money. Current contracts...and Senator Harms also brought up that, you know, this is too burdensome on people. Current contracts require these standards anyway. Current contracts have "sell, lease, transfer, exchange, encumber" in them. So if that's too cumbersome, I think...is Senator Harms saying what is current policy of the board is too much? Senator Harms also brought up the equal protection clause. I'd like to address that real quick. In order to have an equal protection claim, people similar...somebody must be similarly situated. Historically, property rights claims under the equal protection claims (sic) are difficult to make because those making claims have a difficult time proving that their circumstances make them a similarly situated class to other property owners. So to say that this brings up equal protection is something that historically, and our courts have shown, is not the case. Again, it's something that is brought up to say that, oh, there might be a concern here. I would disagree. Obviously, there's policy differences within the Legislature of where we need to be going. Obviously, we're going to continue on this in the afternoon. This is about government accountability, government transparency... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR LARSON: ...following state dollars. These are state dollars that private organizations...obviously, some political subdivisions apply for these dollars as well, but we as the state have the duty to make sure that we follow those dollars after they leave the Environmental Trust. Currently, the Environmental Trust is trying to do that through their contracts. I've said many times: Boards change. Boards...a current board could put it into rules and regs; a future board might not. Boards change. We need to put it in statute. This is a good practice. We can have...some senators will disagree with the policy behind it; I view it as good government. I think a lot of people do view it as good government. And, hopefully, we can continue to work on this in the afternoon and it'll be a healthy debate. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Larson. Senator Ken Haar, you're recognized; and this is your third time, Senator. [LB57]

SENATOR HAAR: Mr. President, members of the body, of course we all get notes from the back, and somebody sent me a note saying there are 14 board members, not 8 as I had said before. Then we heard the issue...and I think there are some real underlying issues that we can't address with this bill. One is Ducks Unlimited; you know, how are they getting along in some of the counties. I'm a big fan of that organization. Other people may not. Permanent conservation easements: I am a strong supporter of that and people being able to determine what they're going to do with their own property. I don't think we can settle the issue of permanent conservation easements, or Ducks Unlimited, frankly, with this bill. Now I want to go back, though, and explore...maybe since I just had my 70th birthday, time seems to be a big issue for me. And the

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amendment says, "The board shall require a grant application, which application proposes to use grant funds to purchase real property that will at any time be sold." I don't know how you can say, "at any time." I mean, this could be 50 years from now. A group purchasing it right now, it doesn't say if they "intend" at any time, but it just says, "proposes to use grant funds to purchase...that will at any time be sold." So there is no time limit; here's where the perpetuity comes in. Somebody may not even know that they're going to transfer the land in the future; then what happens? Is there cause for a lawsuit, or whatever? So this, "will at any time be sold, leased, or transferred to, exchanged with, or encumbered," and so on...so I think this sets unreasonable requirements that you can't really even meet. And then in section (8) it talks about...it requires "a grantee not sell, lease, transfer, exchange, or encumber any portion of real property acquired in whole or in part by trust funds without the...written approval of the board." Well, what if that happens 100 years from now? Does this mean that the NET has to follow every grant? Even if there's only 1 percent...and this talks about if the NET grant supports any percentage of a project--it could be 1 percent--then they have to follow that project so that at any point in the future if the grantee sells, leases, transfers, exchanges, or encumbers any portion of the property, in whole or in part, then it has to be done with the approval of the board. I think this is simply unreasonable, especially the fact that the NET does so many good projects. And in many cases it's only a small percentage of a project, because groups like...I'm familiar with Lincoln Parks and Rec; they put together projects where they go out to many donors for grants. But yet, according to this new amendment, if even 1 percent or 0.5 percent, any part, of a grant--and it wouldn't have to be to a city or whatever--any part of a grant involved NET money, then the NET has to follow that forever, according to this law; because if there's ever any transfer, selling, exchange, or encumbrance, then it has to get the approval of the board, even if it's a small, tiny part of any project. So it just seems to me that...first of all, I believe the NET is doing a good job. I'm of the opinion it doesn't need to be... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR HAAR: ...encumbered in any way...thank you...in any way. But I think that also in the amendment there are some really unreasonable, totally impractical parts that say the NET has to follow those projects forever and ever and ever, if there's going to be any change. Thank you very much. [LB57]

SENATOR GLOOR: Thank you, Senator Haar. Mr. Clerk, for announcements. [LB57]

CLERK: Mr. President, Enrollment and Review reports LB517, LB517A, LB429A to Select File. I have an explanation of votes from Senator Hadley (re LB94, LB105, LB133, LB170, LB262, LB295, LB316, LB340, LB434, LB499, and LB620). Senator Johnson offers LR124; that will be laid over. (Legislative Journal pages 877-878.) [LB517 LB517A LB429A LB94 LB105 LB133 LB170 LB262 LB295 LB316 LB340 LB434

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LB499 LB620 LR124]

And, Mr. President, Senator Hansen would move to recess the body until 1:30 p.m.

SENATOR GLOOR: Members, you've heard the motion to recess until 1:30. Those in favor say aye. Those opposed, nay. We stand recessed.

RECESS

SENATOR GLOOR PRESIDING

SENATOR GLOOR: Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber. The afternoon session is about to reconvene. Senators, please record your presence. Roll call.

SENATOR COASH PRESIDING

SENATOR COASH: Mr. Clerk, please record.

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

SENATOR COASH: Thank you, Mr. Clerk. Any reports?

CLERK: I have nothing at this time, Mr. President. Thank you.

SENATOR COASH: Speaker Adams, for an announcement.

SPEAKER ADAMS: Thank you, Mr. President. Members, you should have at your desk a letter from me trying to outline a late-night schedule. There have been a lot of questions about what we're going to do and when we're going to do it and how late we're going to go. So I put together kind of a transitional plan and hope that it will work for you. If you don't have one in front of your desk, you'll be getting one. But it's going to work something like this. As you all know, we have a lot of work to do. And between now and the 90th day, I know that you all have the attitude, and I do, that we're going to do the people's work, and whatever it takes to get it done we'll get it done. The plan for work I'd like to propose is this. Beginning tonight...beginning tonight, we're going to work through approximately 6:00 or 6:30; and that's going to be our process for a while; in fact, until April 22. We'll work...between 6:00 and 6:30 we'll plan to adjourn, rather than the 5:00, and that gains us another hour, hour and a half, each day. Then beginning on April 22 we'll start going beyond the 6:30 on Monday nights and Wednesday nights, Monday and Wednesdays, all right, just those two nights, and we'll think about somewhere around 8:30 trying to end our work, unless we're in the middle of something and we need to trudge on and try to finish it up. But on the late nights, somewhere

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around 8:30 or beyond is possible, you realize. Then, finally, beginning at May 7, which is the 70th day and the budget comes out, what I'd like you to do then is just simply say, from May 7 on, we're beyond the 6:30 mark; we're going late. And late may be 8:30, it may be 10:30, whatever it takes for us to finish up. So three phases: 6:00 to 6:30 between now and April 22; April 22, Mondays and Wednesday nights we'll go late; beginning May 7, plan to go late each night until we get our work done. And as you can see as we go along, if there's a breakpoint on a bill, then we'll make the decision whether to end it there or to move on to the next one. That letter should be coming out to all of you if you don't already have it. If you have questions, let me know. Adjust your calendars accordingly; we have a lot of work to do. Thank you, Mr. President.

SENATOR COASH: Thank you, Speaker Adams. We will now return to the agenda: LB57, Mr. Clerk. [LB57]

CLERK: Mr. President, the Legislature left LB57 with discussion this morning. The committee amendments were presented. When the body recessed, Senator Larson had pending AM844 as an amendment to the committee amendments. (Legislative Journal page 847.) [LB57]

SENATOR COASH: Thank you, Mr. Clerk. Members, we will now return to discussion on AM844. Senator Carlson, you are recognized. [LB57]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. In my time in speaking this morning I covered some groups and acres that they had and were in control of. And I was a little bit in error on some of that, because these acres include easements that are purchased as well as the purchase of land. So the acres that I gave you, most of it is land purchases, but there would be a considerable amount of easements that have been purchased on those pieces of land as well. The other thing I talked a little bit about, "in lieu of taxes." And I do want to make it clear, and I was reminded that Game and Parks pay in lieu of taxes, but they pay 100 percent of the taxes due. So they pay just like any other private property owner in the state of Nebraska. Federal agencies aren't necessarily the same. In fact, they're not the same. But, certainly, I want it clear that Game and Parks pays their share. And with that, again, we appreciate discussion on LB57 and the amendments. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Carlson. Senator Larson, you're recognized. [LB57]

SENATOR LARSON: Thank you, Mr. President. One thing that I'd like to address that was said just before lunch by Senator Haar, he made it sound like every time that this would follow for the life of the land, every time this was sold, in the future, that the board would have to come back and approve that, which is wrong. If we go through AM844, it

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says that once the board gives the approval to sell, exchange, or transfer the land the first time, it is released of all obligations from the board in the future. So, essentially, I just wanted to correct for the record that that was not the case, that this does not follow forever that the board has to approve it each and every time throughout all the owners. It just is the first owner, the first grantee that receives the grant. Once they have a board approval to sell, exchange, or transfer the land, and they get that, there will no longer be any encumbrance from the Nebraska Environmental Trust. So I wanted to correct that for the record to begin with and just kind of give members a quick overview of what the discussion was this morning, and I know we were all working hard. The board...as I said earlier, I'm not saying the board has mismanaged the funds. We want to put greater accountability for the state dollars that are being used by organizations, to make sure that the state dollars are being used in the spirit of the Nebraska Environmental Trust. A lot of people brought up how many tracts of land have been bought using this and donated to the federal government. And it is the three tracts. But again I'd say we as state senators have to look at what's good public policy. And as any land being used...being...using state dollars to buy land and then being donated to the federal government, is that good public policy? And I'd say no. I think, as we continue to work on this bill, we'll continue to see why it is good public policy, why it is good for government accountability and transparency. And I encourage the debate. And thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Larson. Senator Schilz, you are recognized, and this is your last time. [LB57]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. During this morning when we talked about all of everything that we discussed, there were two central themes that I kept hearing. And those were that municipalities and other public entities probably would see this as a problem. And the second thing was that the Environmental Trust, the NET, shouldn't have to go through a bunch of make-work to get done what we need this bill to accomplish. And so, in hearing those, we worked over the lunch hour to come up with an amendment. And I put that amendment up there, but I placed it on Select File on this bill because I wanted everybody to get the chance to look at it. What I don't want to do is start throwing up a bunch of amendments that may be close but not quite right or may have one or two other things that need to be added or subtracted to make this work. So what the amendment does is it basically takes municipalities, any other public entity, out of the process. That way it takes away, as we've heard from the city of Lincoln and others, their issues with that. So we'll wipe those off the table. Secondly, it takes leases out of the things that have to be reported to the NET Board if they happen. And what this does is this takes Senator Harms's concerns, quite a few of them, out of the way, because now all of a sudden the board only has to deal with notification from a grantee if they're planning to sell, transfer, or put another encumbrance on there. And I would hope that as we look at this and as everybody sees that we can move forward on this bill today...have the discussions

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between General and Select and get this bill in a form that we can move forward and be happy with on Final Reading. So that's my intention. I put it on Select File, as well, because I wanted to make sure that if we do need to change it, that we can change it, so that we don't have to do a bunch of machinations here on the floor. So with that, I will...I'll give the rest of my time to Senator Larson, if he'd like it. [LB57]

SENATOR COASH: Senator Larson, 2 minutes 35 seconds. [LB57]

SENATOR LARSON: Thank you, Senator Schilz. And I'd like to appreciate the hard work that Senator Schilz and the other members that did work over the lunch hour on this to address the concerns that I know a few senators had. Senator Avery in particular asked a number of very good questions about cities and paying in lieu of property taxes and things of that nature. And, you know, I can understand those concerns, and I'd be happy to support Senator Schilz's amendment on Select File and, obviously, will work hard in between now and Select to make sure that it's clean and ready to go, if there are concerns between now and then. Also, I think the reason we used "leases" in the original amendment was because that was the current language that was being used by the Nebraska Environmental Trust Board. So leases were in there. I have no problem taking leases out, because there are legitimate concerns that should any grantee have to come back to get Environmental Trust Board approval when they're changing the lease of who rents out the ground for farming or the hay or whatnot, I can understand that that is a little bit of an undue burden. And to take that out isn't going after the purpose of the bill in terms of adding government accountability and transparency. So I would support Senator Schilz's amendment. If anybody has questions, I can try to answer them. Obviously, he'd be a great resource as well... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR LARSON: ...to answer those. But, hopefully, this shows the importance of working and trying to alleviate members' concerns, and I know some members' concerns won't be alleviated no matter what. But we are talking about good government practices. I think LB57 is a good government practice that adds accountability and transparency. I've been here for, like I said, this is my third year; I've heard a number of members stand up on the floor and talk about accountability and transparency, making sure the right things are reported. And when we're following state dollars, I think that's even more important to make sure that we have the ability to ensure that state dollars are being used in the right manner. And LB57 is that. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Larson. Senator Karpisek, you are recognized. [LB57]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. Would Senator Larson yield, please? [LB57]

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SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR KARPISEK: Thank you, Senator Larson. Just to try to get to the bottom of this, or make it easier for me to understand, right now, just say, an organization would put in a grant to the Environmental Trust to purchase some land, correct? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR KARPISEK: And so then they purchase the land, and if they sell some of it or all of it off, they are allowed to do so, correct? [LB57]

SENATOR LARSON: Yes, currently. And this bill doesn't change that. [LB57]

SENATOR KARPISEK: Right. And then the money that they would get, would that come back to that organization, or would it go back to the Environmental Trust? [LB57]

SENATOR LARSON: It differs in the contract. Sometimes it goes back to that organization. In some contracts, the trust requires them to pay it back. But it just depends on the contract. [LB57]

SENATOR KARPISEK: So is that, though, kind of the rub here, that that organization can keep that money rather--after they sold it--rather than return it to the trust? [LB57]

SENATOR LARSON: Yeah. And those are the revolving funds, and we've been talking about those. And that is the rub. We want to make sure that there is accountability and transparency when it comes to those funds. [LB57]

SENATOR KARPISEK: And sometimes, in the contract, do they know that they're going to go after another piece of ground when they sell this one, so that's already been preapproved? Is that...? [LB57]

SENATOR LARSON: No. When it comes to revolving funds and they get to keep those dollars, you know, they just say...they know that they're going to go after another piece of ground, more than likely. But they never say, you know, which piece of ground that is or...and there's no tracking of those dollars after they keep them, either. The Environmental Trust, we gave them state dollars, but there's no tracking of those dollars afterwards. [LB57]

SENATOR KARPISEK: Okay. Thank you, Senator Larson. I'm just...there's a lot of talk, and I know we're trying to get through this and understand it. And I'm just trying to get to

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the very bottom of it. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Karpisek. Seeing no other lights on, Senator Larson, you're recognized to close on AM844. [LB57]

SENATOR LARSON: Thank you, Mr. President. AM844, like I said in my opening, is an amendment that was brought to me by the Nebraska Bankers and Land Title Association to clear up some issues that they had with notice, to ensure that as LB57 moves forward, that there isn't an issue with notice and titles and deeds. So I would continue to urge the body's support to AM844 to the committee amendment to alleviate the concerns, and property right concerns, that the bankers and Land Title might have. [LB57]

SENATOR COASH: Thank you, Senator Larson. Members, you've heard the closing to AM844 to AM676. The question before the body is, shall AM844 be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted who wish? Record, Mr. Clerk. [LB57]

CLERK: 32 ayes, 2 nays, Mr. President, on adoption of the amendment to the committee amendments. [LB57]

SENATOR COASH: AM844 is adopted. We now return to discussion on the committee amendment, AM676. Senator Nelson, you are recognized. [LB57]

SENATOR NELSON: Thank you, Mr. President, members of the body. Now that we have passed Senator Larson's amendment, I do have a question or two that I'd like to address to the Chair of Natural Resources. That would be Senator Carlson. [LB57]

SENATOR COASH: Senator Carlson, will you yield? [LB57]

SENATOR CARLSON: Yes, I will. [LB57]

SENATOR NELSON: Thank you, Senator Carlson. We talked about this briefly off the mike. If you will look at the Natural Resources amendment, AM676, on lines 12 through 15, it provides that the board will set up a permanent endowment fund for use by the affected county to offset the reduction in property taxes to the affected county. And looking at the fiscal note, if you have that pink sheet in there, and not the one...it's on the reverse side, by Game and Parks, I think we've established that Game and Parks does pay in taxes. Is that correct? You just made that statement. [LB57]

SENATOR CARLSON: Game and Parks pays in lieu of taxes, and they wanted it made very clear that they pay the full tax, unlike a federal agency that may pay something different. Game and Parks pays the full tax. [LB57]

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SENATOR NELSON: Okay. And I'm not quite certain, but at least I did check with the Lancaster County Treasurer's Office, and apparently Game and Parks, they pay in full, they pay electronically, each year. And that would indicate to me that they get a statement of some sort, the taxes for the year, and they pay them in and satisfy them. Here in the amendment you require the establishment of a permanent endowment fund. And it gives an example here on the pink sheet that we're going to cover about 500 acres, say, at \$30 an acre. Then they would have to put in the...that's the NET would have to put in \$375,000 to establish that fund, and at a 4 percent rate that should pay the taxes. And my question is this, why should that amount of money, \$375,000, go into an endowment fund there for each county or whatever it takes? That money is not available for use by the NET. And I'm wondering why it's set up that way. [LB57]

SENATOR CARLSON: All right, that's a good question, Senator Nelson. You've got the amendment in front of you; let's go to line 11. "Tax replacement methods that may be required in the grant contract include, but are not limited to..." The endowment fund is only one way, not a very preferable way. [LB57]

SENATOR NELSON: All right, so there are other options available. They're not required to set up a fund. [LB57]

SENATOR CARLSON: No. Just like Game and Parks does right now. [LB57]

SENATOR NELSON: All right. Okay. Well, that's fine; that satisfies my questions, as long as they're not locked into that, because, as I said, it did seem to me that those are funds, if they're put into an endowment fund like that, that are simply stagnant; they're earning interest for the benefit of the county. And that didn't make much sense to me. So I appreciate your answer, Senator Carlson; thank you. [LB57]

SENATOR CARLSON: Thank you, Senator. [LB57]

SENATOR NELSON: Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Nelson and Senator Carlson. Senator Avery, you are recognized. [LB57]

SENATOR AVERY: Thank you, Mr. President. When I was in the discussion before lunch, I posed a question to Senator Larson about whether the Nebraska Council of Sportsmen's Clubs was, in fact, still a proponent of this legislation or whether I was correct in what I had heard, that they had withdrawn their support. I got back to my office around lunchtime and I found this letter: Dear Senator Carlson, the Nebraska Council of Sportsmen's Clubs has been following the discussion concerning LB57 with considerable interest; in light of new observations and considerations, it is our position

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that the council wishes to change our position stated in the committee hearing from one of support to one of neutrality; it is apparent that the ramifications of LB57, if passed, would likely severely limit some good conservation projects that otherwise would be beneficial to all Nebraskans; we think that additional study into the matter of county assessments and how they can be handled needs to be completed prior to the passage of this legislation; please consider all the potential results which LB57 would create, prior to the advancement of this measure; sincerely, Jim Tubbs, president. That answers the questions that I had. And it suggests to me that when they could not be answered by the proponents of this bill, that perhaps there's not enough communication going on between proponents of this bill and people in the Rotunda who may not be supporting it. A good example of that is not just this letter but also the fact that the executive director of the trust has not been consulted about the amendment Senator Schilz just introduced for Select File. If you want to have a compromise on this bill, talk to people, folks; talk to everybody; get everybody at the table, not just the people who you think like what you're doing, because there are still people out there who may not. And I might be one of them. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Avery. Senator Dubas, you are recognized. [LB57]

SENATOR DUBAS: Thank you, Mr. President. I still have...I think we're talking about a couple of different issues here in this bill. And the first part of the bill I understand; we're dealing with property taxes. And I understand how important those property taxes are to our local governments. And so if things are happening that are having a negative impact on those property taxes, it's something we probably...we do need to look at. But the second part that I...I still have not reached a comfort level on at all, and that's dealing with property rights. And what this bill feels like it's doing, to me, with property taxes where we've got a willing buyer, we've got a willing seller, things are set up through a contract, it appears that everybody should be on the same page and know what's going on; but yet we're trying to step in it and put restrictions through statutes on things that probably shouldn't be done through statutes. So if Senator Larson would yield to some questions, I'd appreciate it. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR DUBAS: Thank you, Senator Larson. And again, I get where you're coming from in regard to the concern with property taxes. Could the Environmental Trust Board deny a grant now if they felt that the property tax base in the area where that grant is being applied for would be too negatively impacted? Would they have that ability to deny that grant? [LB57]

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SENATOR LARSON: I would guess so. I don't know if they take that into consideration with their scoring system; I'm not...but I would guess that they take those things into consideration. [LB57]

SENATOR DUBAS: Is that...you've stated pretty clearly, so I'm going to ask you an obvious question, I guess. Is that what is really driving you with this, is that concern about the impact to the property tax base in whatever area these grants are being awarded? [LB57]

SENATOR LARSON: Again, that's half of it. The other half is accountability for...to make sure that when the money is given out, that before somebody sells, transfers, exchanges, or encumbers, that the state has the ability to follow those dollars. So, really, it is two-pronged, but the property tax is obviously a definite concern. [LB57]

SENATOR DUBAS: When these grants are awarded and the contracts are entered into, are those public...can the public see what those contracts look like? [LB57]

SENATOR LARSON: I would think that they could, since it's a state agency; and it is public dollars, so I would guess that, yes, they could. [LB57]

SENATOR DUBAS: Okay. Thank you, Senator Larson. So again that goes back to some of the comments that I made this morning based on the letter from Auditor Foley and some of the past inquiries into the Environmental Trust and how they operate. And it appears that everything is moving according to the rules and the regs, and the Environmental Trust has actually even adopted rules and regs...changed rules and regs in conjunction with concerns that have been brought up. You know, I have a letter here from Gloria Erickson; and, again, she's talking a lot about the concern with the property taxes. And I can't find much to disagree with her on the property tax issue and making sure that these counties or these local governments are held harmless when it comes to the awarding of these grants. I'm not seeing a concern in her letter regarding the second part of this bill. So, you know, perhaps we do need to take a step back here and bring the stakeholders together and really look at what is it that, as the NET Board, the Legislature in particular... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR DUBAS: ...and the other stakeholders, what is it that we're really trying to get to here and what's the best way, either through statute or through rule and reg change or maybe a combination of both, what's the best vehicle to get us there. But I think we need to be very clear, again, when we put things in statute, it's there for everybody across the board. You know, Senator Avery just mentioned the letter from the Sportsmen's...that, you know, we could, while we're trying to solve a problem on the right hand we could be causing some problems on the left hand. So I think we need to

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be pretty careful, as always, with any issue, as to what we're putting into statute. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Dubas. Senator Schilz, you're recognized. [LB57]

SENATOR SCHILZ: Thank you, Mr. President. Members of the Legislature, you know, I'd like to address just a little bit Senator Avery's comments. Yes, this amendment was put together over the lunch hour. The reason that we put it on Select File is exactly for that purpose, so that stakeholders can get together, have the discussion between now and Select File, so that we come back with as good a product as we can, because there are two issues here that this is trying to solve, and they're two important issues. And so that's why I didn't put it on today's. We could have put it up today on General File, and we could have argued it and put it there. But I thought that people would want to see it, people would want to digest it, understand it, and then be able to make comments on it. And I've, you know, in discussions with Senator Larson and Senator Carlson and anybody else that's interested...if Senator Avery is interested, more than happy to get together and sit down and see if there's ways that we could improve what we want to do. We do have issues. This bill looks to address the two issues. The one issue is private entities that are somewhat benefiting themselves through public dollars, with no accountability and no requirement to pay that back. The other thing are smaller, rural counties that, because of their location and because of the desirability for these types of projects, have the potential to lose their tax dollars. That's what we want to stop. That's why we're working on this amendment. And that's why we should vote it forward to Select File. Thank you very much. [LB57]

SENATOR COASH: Thank you, Senator Schilz. (Visitors introduced.) Senator Ken Haar, you are recognized. [LB57]

SENATOR HAAR: Mr. President and members of the body, to me at least, obviously much of LB57 is pointed at the acquisition of land for the U.S. Fish and Wildlife Service in Nebraska's Rainwater Basin. And I plan to take some time now because I think it's important to explain to people why acquisition of habitat by the U.S. Fish and Wildlife Service is important and also to point out the true nature of the Fish and Wildlife Service goals in Nebraska's landscape. I've got here a document called "Hunting in America: An Economic Force for Conservation." And these are the hook and bullet people, not the environmentalists. These are the hook and bullet people. This is put out by the National Shooting Sports Foundation and the Association of Fish and Wildlife Agencies. And so I want to start talking about some of the things that hunting and fishing and the preservation of natural areas can do for the state of Nebraska. Some examples. These are economic contributions from all hunting activities in 2011. In Nebraska...and again, this is put out by these various groups I talked about, the economic study. In Nebraska, for example, retail sales amount to \$562 million a year, and then there's a multiplier

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effect, which means that when I spend money in Nebraska, the money goes through the economy. And if I go to a restaurant, then I'm employing other people and so on. So the total...again, the retail sales are \$562 million; the total multiplier effect is \$848 million. The sales and wages are \$262 million; jobs, 8,856; and the state and local sales tax, \$59 million; and federal taxes, \$63 million. So the contributions made by these land acquisitions don't just result in an effect on property tax; they have to do with the economy of our state. Here's another page out of this report. "Economic Contributions from Migratory Bird Hunting in 2011." I guess Ducks Unlimited would fit into that one. Nebraska, \$42,578,000; the total multiplier effect, \$67 million; salaries and wages, \$22 million; the number of jobs, 720; and state and local taxes, \$4.6 million--I'm rounding here, of course--and federal taxes, about \$6 million. That's migratory bird hunting. Then we go to "Economic Contributions from Upland Game Bird Hunting in 2011," like quail, grouse, and pheasants. Nebraska, the economic benefit, again, is: retail sales, about \$30 million; total multiplier effect, \$47 million; sales and wages, \$15.5 million; 536 jobs; state and local taxes, \$3.4 million; and federal taxes, \$3.7 million. So the point I'm trying to make here...and I grew up in South Dakota till I was 14. And I can clearly remember--well, South Dakota is still good pheasant hunting country--but my family would... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR HAAR: Thank you. My family would take in hunters during the pheasant season, and it was an important part of our income. And the figures I've just shown you, again, from the National Shooting Sports Foundation and the Association of Fish and Wildlife Agencies, is that conservation activities that help further hunting and fishing in Nebraska are important economic benefits. And so if all we're looking at here is property tax, then I think we're on the wrong track, because we have a lot of economic benefit from these. And then I will go on...I'd like to go on and talk some about Ducks Unlimited, because they seem to be the "bad guys" in this. And I'll do that on my next time on the mike. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Haar. Senator Conrad, you're recognized. [LB57]

SENATOR CONRAD: Thank you, Mr. President. I was hoping that maybe...I see Senator Haar is involved in conversation now, so it might not be the best time to ask him. But maybe Senator Dubas, maybe, if she would yield to some questions, as a member of the committee? [LB57]

SENATOR COASH: Senator Dubas, will you yield? [LB57]

SENATOR DUBAS: Yes, I will. [LB57]

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SENATOR CONRAD: Senator Dubas, can you tell me, was it part of the committee deliberations? I see that it's estimated in the fiscal note on the original bill that it would require at least about \$375,000 or so to be, I guess, put aside for this kind of tax trust, rather than out into projects. Can you just tell me a little bit about how that discussion played out at the committee level? Because that's one thing that concerns me. If we are diverting funds from projects and from future projects to address an issue that has yet to really present itself, I'm concerned about that, and I wanted to know if the committee visited about the fiscal impact. [LB57]

SENATOR DUBAS: From my recollection, as we discussed in the committee and in the hearing, there is that concern about the loss of property tax dollars, especially in areas where there might be more than one of these projects going on. And so, in an attempt to try to make sure that those counties or those local government entities are kept whole and they don't lose these property tax dollars, that's the direction that that part of the bill went in trying to create this fund, so that local governments would not lose these dollars. [LB57]

SENATOR CONRAD: Okay, and I am not a tax expert; a student, rather. But the concern is that groups--say, for example, like a Ducks Unlimited or a Nature Conservancy--might be holding these lands and that that would negatively impact the property tax for the county. Is that a fair assessment? [LB57]

SENATOR DUBAS: Correct. [LB57]

SENATOR CONRAD: Okay. It was my understanding that those groups would still pay taxes, actually. Is that wrong, do you know? Or maybe we should ask somebody on the Revenue Committee there. But I think that there may be a distinction in the amount of taxes they paid, dependent upon how the land is utilized. But they would still be required to pay tax, right? [LB57]

SENATOR DUBAS: Right. It's my understanding that everybody is still paying taxes. It's when the federal government gets involved in the process; that's where the loss of property tax dollars really comes into play. [LB57]

SENATOR CONRAD: Okay. And for a variety of good reasons, I think, we can all agree that it's inappropriate to require the federal government or federal entities to pay property taxes, things like the supremacy clause, federalism, things like that. Did the committee have a chance to delve into any of those constitutional issues? [LB57]

SENATOR DUBAS: Not in any conversation I was a part of. [LB57]

SENATOR CONRAD: Okay, thank you very much. [LB57]

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SENATOR COASH: Thank you, Senator Conrad. Mr. Clerk. [LB57]

CLERK: Mr. President, I have a priority motion. Senator Ken Haar would move to bracket LB57 until April 5, 2013. [LB57]

SENATOR COASH: Senator Haar, you are recognized to open on your bracket motion. [LB57]

SENATOR HAAR: Mr. President, members of the body, the bracket motion would put this bill aside for two days. That would give time for some negotiations to go on, to see if, you know, see if those of us who are opposed to the bill can have our concerns dealt with and the other side to come up with some carefully worded amendments. That's the purpose of this bill. I hope you'll support it. It doesn't kill the bill; it just puts it off for two days. It takes 25 votes. For those of you who are new, bracketing a motion like this takes 25 votes. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Haar. Members, you've heard the motion to bracket until April 5, 2013. Those in the queue: Senator Dubas. You are recognized. [LB57]

SENATOR DUBAS: Thank you, Mr. President. I had my light on before this bracket motion, so I'm just going to continue on with my concerns about the second portion of the bill. Again, it's just...it's that property rights issue. And if there's language in a contract, that's something that all entities have agreed to. But if it's language that's in statute that applies to everybody, across the board, no matter what, that's when I get concerned. It's like if I, as a landowner, am wanting to address whatever I want in my contracts, I feel like I should be able to do that. You know, I've got some language here from a contract, which talks about the transfer or disposal of real or personal property as well as real estate. And basically, this language that I have, that's from a contract, is essentially the same as what...very close to what is in the bill and the amendment. So I'll go back to giving the NET Board that flexibility, giving those entities, the grant applicants as well as those who are working with the grant applicants, that flexibility to deal with the issue as they see fit, rather than putting that language in statute. Because, you know, we all know that once it's in statute, changing it is very, very difficult, versus when it's in a rule and a regulation, that gives the entity a lot more flexibility in coming back and addressing concerns. And the NET Board has done that; they've been very responsive to concerns that have been raised, as far as transferring land and selling land. And, you know, I get, you know, having state dollars go into buying land and then turning around and selling that land and putting it into a revolving fund. I get that that just maybe doesn't always pass the smell test. It's perfectly legal. It's been done. But I also understand that the NET Board is becoming a little more judicious in the way...their awarding of those grants. Again, I think the NET Board has a lot of authority and ability to be selective in the kinds of grants that they're approving. If they feel that too many of

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these land acquisition grants or easement grants are being submitted, then, you know, turn them down. They have every ability to turn them down. Or if they want to approve them, make sure that there's language in the contract that addresses the concerns that are being raised here on the floor. I just can't stress enough the importance of giving this board, as well as others that may do work like this, the flexibility that they need. If there is a concern about property taxes, I think we need to look at that and make sure that these local governments are held harmless. But to take the second portion of this bill as far as it appears to be going, I really struggle, as a landowner. I really feel that's infringing on my right as a landowner. And again, I think everybody has received a copy of the letter from Gloria Erickson, and her concerns in that letter are specific to the loss in property taxes and the potential for the amount of land that could get tied up, you know, by 2030 in these types of processes. And so I think we're not...this appears to be kind of a moving target as to what it is we're trying to zero in on and address. And we're hearing a lot of different things from a lot of different people. [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR DUBAS: And so I think, perhaps, this bracket motion would be in order, to let everybody get together and really try to get our finger solid on what the problem is, and then what's the best way to address the problem in a manner that won't do any more harm than what I feel this bill would do in regards to property tax rights. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Dubas. Senator Ken Haar, you are recognized. [LB57]

SENATOR HAAR: Mr. President, members of the body, I too want to continue talking about what I think are the three issues here really are Ducks Unlimited and permanent conservation easements and some unhappiness happening in some counties with Ducks Unlimited and the national Fish and Wildlife Service. So, as I talked about this, I do want to talk about Ducks Unlimited. I'm a supporter of that group; I think they've done great things. The report I just wrote...or, I'm sorry, the report I just read talks about the economic benefit it brings to Nebraska, and I think that's really important. So I want to talk a little bit about Ducks Unlimited, and I am going to read from their Web site. It says, "Conservation for Generations; the 2013 State Conservation Report from Ducks Unlimited on Nebraska." Important, too because there about 12,000 members, so we're not talking about a small membership here; we're talking about things going forward. "Conservation Summary. Drought is your friend, said wetland scientist, Dr. Leigh Fredrickson. This statement about drought refers to the tremendous benefits dry conditions have on wetland habitats: The most productive wetlands routinely dry up completely, allowing nutrients and plant materials to naturally recycle. Many of the most important wetland plants have seeds that do not germinate under water, thus, an annual drawdown is essential for these species to germinate, flourish, and produce the seeds

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that ducks and other water birds feed on. During 2012, Nebraskans needed to be constantly reminded that drought was, indeed, their friend, as their friendship often tested their faith. Most wetlands in the Rainwater Basin dried up completely, and the Platte River became a trickle. While the extreme drought conditions reduced waterfowl habitat to a minimum, it did have a silver lining: in addition to the natural benefits derived from drought, it created ideal conditions to complete a number of habitat projects that would not have been possible under wet conditions. Ducks Unlimited Land Manager Tim Horst and his crew of tractor operators had a record year diking cattail- and canary grass-choked wetlands. This activity rejuvenated the plant communities to encourage species that will produce duck food for many years. Indeed, 2012 was another banner year for Ducks Unlimited's conservation program in Nebraska. The dry conditions were ideal for completion of the Mae Carey project, a round-out to the Hansen Waterfowl Production Area, the WPA, and the Prairie Dog WPA restoration project. The Spotted Tail restoration project was completed early in the year, just in time for a project dedication event in April. The day before the planned event, DU closed on the purchase of the 256-acre Tottenhoff property, a nice addition to the Spotted Tail Project. Three wetland enhancement projects along the Platte River were completed, including Weber, Fox, and Tomek islands. The Macon Lakes WPA project in Franklin County was completed, restoring more than 400 acres of shallow-water habitat. Three revolving habitat fund projects were completed when DU sold the Olston, Hinz, and Dedrickson properties at public auction. DU also completed were acquisition of the Brooks tract on the Platte River,... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR HAAR: ...the Freda Wild property in Franklin County--thank you--and the Keil conservation easement project in Polk County. While 2012 was a productive year for completing habitat conservation projects, we can all agree that our friend drought has overstayed its welcome and a return to wetter conditions will be appreciated by ducks, duck hunters, and everyone who enjoys sunrise on a marsh." And I'll take up from there on my next time. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Haar. Senator Christensen, you are recognized. [LB57]

SENATOR CHRISTENSEN: Thank you, Mr. President. I just want everybody to understand this is a kill motion and, if Senator Adams is around, I'd like to ask him a question so you guys can hear this from him. Senator Adams, would you yield, please? [LB57]

SENATOR COASH: Senator Adams. [LB57]

SPEAKER ADAMS: I will yield. [LB57]

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SENATOR CHRISTENSEN: Senator Adams, if we would approve this bracket, when would we expect to see this bill up again? [LB57]

SPEAKER ADAMS: Well, quite honestly, given the amount that we have on our agenda, you probably won't see it again. [LB57]

SENATOR CHRISTENSEN: Thank you, Senator. So effectively, I want you to realize, if you think two days would be a good thing to work on things, it won't end up that way. It would kill this bill. So effectively, what I want you to understand, if you believe there is work that needs done on the bill, you need to either work on it right now, while we're debating this, or you need to work on it between General and Select. So I just wanted everybody to understand, if you haven't been around, what happens this time of year with so many bills to do and limited time, that this really is a kill motion. So I just wanted everybody to understand exactly what we have in front of us. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Christensen. Senator Bloomfield, you are recognized. [LB57]

SENATOR BLOOMFIELD: Thank you, Mr. President and colleagues. What I was going to say has just now been said. I am opposed to this bracket motion for that reason, that it's a kill bill. And there is already an amendment filed that we can work on between now and Select. Let's not go the route of killing this bill. There's work to be done on it, and it can be done on the Schilz amendment. And with that, I would yield the rest of my time to Senator Schilz. [LB57]

SENATOR COASH: Senator Schilz, will you yield? Or, Senator Schilz, 4 minutes 20 seconds. [LB57]

SENATOR SCHILZ: Thank you, Mr. President, members of the body. As I said before, there are some things that need to be done on this bill. I don't think that the bracket is the way we want to go today. Listening to Senator Dubas before as she was talking, and talking about...and I don't disagree. The property tax section is a section that needs to be looked at and needs to be taken care of. But when we talk about the other side to where we have grantees getting the money, buying the land, turning around, selling the land, and potentially profiting from that, as she said, and these are her words, really doesn't pass the smell test but, yet, it's completely legal. Well, in my world, that's exactly why you pass a law, to make sure that something that doesn't pass the smell test doesn't continue. And that's what that section imparts to do. We don't want to make it any harder for people to get grants and do the good work that the NET is supposed to do. We aren't trying to say that you can't then take that land and transfer it or sell it. All we're saying is that if you do that, then you need to be accountable to the public dollars that you spent. And just like in almost anything else that's done out there, whether it's

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public dollars expended that are grants and things like this, if the circumstances change, those dollars come back. That will keep money in the NET; that will keep the NET able to do more things than they can do now, potentially, and we can move forward. And it doesn't preclude anyone from applying for, getting grants, or utilizing those grants. I would ask you to oppose the bracket motion, move the Natural Resources' AM676, and lastly, move the bill, so that we can discuss about the amendment that we'll need to move forward on Select. Thank you very much, Mr. President. [LB57]

SENATOR SCHILZ: Thank you, Senator Schilz. Senator Conrad, you are recognized. [LB57]

SENATOR CONRAD: Thank you, Mr. President. And to clarify the record, I think that, unfortunately, my good friends Senator Christensen and Senator Bloomfield are wrong in their characterization of what this motion is. If somebody wanted to kill a bill, they would bring an IPP motion. This is a bracket motion. So yes, while the Speaker has indicated it is unlikely, with the amount of bills before us, that it would be put back onto the agenda for General File debate this year, it does not kill the bill. It simply would lay over in the interim period for additional, careful consideration and work to be done, which proponents acknowledge additional work needs to be done on this legislation. So it doesn't kill the bill. It's a mischaracterization to say otherwise. It gives people a legitimate opportunity to continue to work on the issues at hand. And as proponents have also noted, there is no impending threat that must be addressed by passing this legislation this year. There is no particular or specific issue that requires this legislation pass in the next many days remaining in this legislative session. So I think that I'd recommend that each senator take a look at their rule book before they mischaracterize what motions we do have before us, from a procedural sense. The other piece I want to note is that I've heard some dialogue about unjust enrichment, I guess, is what I would call it, of private organizations that utilize the funding activities of the Environmental Trust for conservation purposes. And I just would caution members to be very careful in that regard because it seems to me that, by leveraging these kinds of dollars in how these activities are currently being carried out, that's the exact thing the Environmental Trust was created to do. And I have...I think it's very dangerous when you imply or assert that private entities, which I think are all 501(c)(3)s--Nature Conservancy, Ducks Unlimited, etcetera--is somehow unjustly enriching their own bottom line with state dollars. I think that's an outrageous statement. I don't think that it is based in fact. It is not contained anywhere in the record as far as I can tell. But, in fact, the opposite, that any time there are additional funds contemplated through these types of activities, they are diverted right back--right back--into the public fund so that we can leverage additional projects, as contemplated by the mission and objectives of the Nebraska Environmental Trust. The other piece that I want to note is I...looking at the amendment, which has been filed on Select, it seems to me to be hastily drawn up, and, in fact, it contemplates a change to Section 8. And comparing that to the committee amendment, AM676, it doesn't contemplate the same sort of changes regarding language and lease

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and otherwise in Section 7. So there's already very clear discrepancies in just a cursory examination of this amendment, and it makes me wonder how many other drafting errors or potential problems there might be there. So I'm not prepared to give a green vote on a wink and a smile and a nod when again we don't have any particular issue that has been presented that is addressed by this legislation. I think the Environmental Trust is doing a good job with its statutory mission, and I think that the committee and the proponents would be well-suited to take some time,... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CONRAD: ...over the interim period--thank you, Mr. President--and truly work with all of the interested parties on this legislation to craft something that is, indeed, good policy, so that...as the chair notes in her letter to us, land acquisitions are always a contentious part of the work of the Environmental Trust, but I put forward for your consideration that this is not the solution to address any of the contentious nature of that important work. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Conrad. Senator Larson, you are recognized. [LB57]

SENATOR LARSON: Thank you, Mr. President. I rise against the bracket motion. Senator Conrad raises the point that, yes, Senator Haar could have put an IPP motion on it. But, as Senator Adams said, this effectively will end the debate on LB57 for the year, effectively, as Senator Christensen and Bloomfield said, killing it for the 2013 Legislative Session. Therefore, I rise in opposition to Senator Haar's bracket motion. A few things that I'd like to address: Senator Conrad brings up the point that the amendment on Select File was hastily drafted. Senator Schilz obviously worked, and I was working with him at the same time. We drafted it over the lunch hour to show that we are committed to working with all interested groups, between now and Select File, that have raised concerns since the bill was passed out of committee. And I think, if there needs to be changes made, there can be changes made. You know, the amendment on Select File that Senator Schilz has put in doesn't have to be the final one. We're willing to sit down and talk to people, and I think that's very important. There's been concerns raised that if Section 8, the second part, goes into statute, that says they have to come back for trust approval--you know, the trust board needs to have flexibility and things of that nature--anybody that goes to the trust, if this goes...if LB57 passes, anybody that goes through the trust will know what the implications are of them going to the trust. They don't have to apply for trust dollars, and I think therein lies the issue. We have the responsibility, as the state of Nebraska and the Nebraska Legislature, to assure that these dollars are being used in appropriate ways, and the Nebraska Environmental Trust Board is the entity that has that ability to ensure that. And LB57 gives the Nebraska Environmental Trust Board more authority to make sure the dollars which they give out, state dollars, are being properly used. And I think that is

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a good thing. I believe government accountability and transparency is a good thing. So I'm not asking for, you know, a wink and a smile and a green and we just pass Senator Schilz's amendment on Select File, as is. We want to work with people. We want to make sure that the concerns of the city of Lincoln and the lease portion of this bill are taken care of, and I think we will get there. So again, I rise against the bracket motion because it does effectively end the debate on LB57 for the rest of this session, and I'd appreciate a red on Senator Haar's bracket motion. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Larson. Senator Dubas, you are recognized. [LB57]

SENATOR DUBAS: Thank you, Mr. President. In looking at the statute dealing with the Environmental Trust and reading the legislative intent: The trust shall complement existing governmental and private efforts by encouraging and leveraging the use of private resources. It goes on to state that: The trust shall also develop a long-range environmental focus and shall join public and private efforts in achieving the collective environmental goals. Under the grant scoring criteria, it includes the encouragement of public-private partnerships and that the grant shall not pay for land or easements without full and express consent of the landowner. You know, earlier this session, I had a bill dealing with the convention center financing program, and that's an issue that I've been working on for the last several years. And it became apparent...as Senator Harms and I worked together on this, it became apparent that the problem was not that there weren't enough qualified grants, but it was the criteria that those grants were being assessed against that was causing us some problems. So we went in, looked at that criteria, and made changes to that criteria. You know, now may be the time for us to go back and look at the legislative intent and that scoring criteria and see if this Environmental Trust...if those grants are going the direction that we as a Legislature feel comfortable with. I have not heard of any abuses that have happened through these grants. And when it was referenced earlier about my comment about the smell test, yeah, there might be some areas that need some examination, and we can do that through looking at the grant criteria, not through putting this kind of language into statute. Again referring to Auditor Foley's letter that I referenced this morning: The decision to approve such grant funding is left solely to the trust board; in the grant agreement, the trust can direct specifically how proceeds of any sale of a property are handled, including whether the proceeds from the sale of the land must be remitted back to the trust. In another portion of the letter it talks about the trust has the authority to determine the structure of each transaction and where the funds should be distributed once the sale has occurred. Because of concerns that have been raised over the last several years, the trust board approved a new policy for the handling of proceeds, directing that proceeds from such sales will be immediately returned to the trust by the same percentage as the trust provided in the original grant. The trust board, through their rules and regulations, are recognizing that there are some concerns and trying to get a better handle on it through the contracts, through the individual contracts, through

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each grant application, looking at it based on the merits of that specific grant application; not everything across the board, but specific to that project. Again, they have the authority to deny a grant if they feel it's not going to be in the best interest of what the Environmental Trust Board and the Environmental Trust is set up to do. Concerns have also been raised regarding transferring of land to the federal government. The Environmental Trust Board has decided not to approve any such future land transfers. There has been no... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR DUBAS: ...no solid proof that what is happening through the grant application process has been, you know, illegal or not aboveboard. The trust board has that authority, that discretion, to assess each individual grant application based on its merits and then look at what needs to be put into those contracts. And they are routinely audited by the Auditor. The Performance Audit Committee as well has looked into this. So, you know, what we're trying to get at here I don't think is going to get us where we, as a state, should be at the end of the day. Taking our time to really look at this and, again, going back and looking at the grant criteria, I think maybe is the place where we need to be looking, not so much into directing what each contract should have in it for language. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Dubas. Senator Ken Haar, you are recognized. [LB57]

SENATOR HAAR: Mr. President, members of the body, I just heard...Senator Larson, I believe, said that the NET needs more authority. It's my understanding they do have the authority to do anything that's in Section 7 and 8. They can do that in contracts; and, in fact, through the contract process, the Nebraska Environmental Trust could enter new requirements that we can't see there right now, that need to be added in the future. So putting this in statute does not make sense to me. If there is going to be any changes that I could possibly listen to, it has to be well done. That's why the bracketing motion. I do have another question though. I'm getting back to this perpetuity nature, and I'd like to ask Senator Larson a question, if I could. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HAAR: Okay, thank you, Senator Larson. Apparently, the other amendment took out the requirement that, in perpetuity, the trust would have to okay sales. But I want to go back to the taxing part of it, because it says, a board shall require that a grant application proposes to use grant funds to purchase real property that will at any time be sold, and so on, to a federal land management agency. So what if a group, you

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know, uses an application to buy land they're not anticipating that will be sold to a federal land management agency but, yet, they do it in the future? I mean, does that violate Section 7? Because it says, purchase real property that will at any time be sold. [LB57]

SENATOR LARSON: I think, as the bill is laid out, it's when they purchase property, and that grantee, at any time, gives it to the federal government, Senator Haar. I'm not sure if that's answering your question. [LB57]

SENATOR HAAR: Well, how would they know up front? You know, apparently, Ducks Unlimited does this occasionally. But what if Ken Haar went out and bought some land and I thought I was going to keep it but at some time in the future I decided this would be a great conservation kind of gift to the government and I gave it to the federal government? I didn't, up front, plan to give it to the federal government. So would I be breaking the law by doing that? [LB57]

SENATOR LARSON: You would be breaking your contract which, if LB57 passed, would require that they put into the contract that, if you donate it to the federal government, that you have to find a way to pay in lieu of taxes. So, you know, we aren't setting a...the law essentially just says that that has to go. And as someone who chose to go get that grant, I think that you should also be aware...and take state dollars, should be aware of the laws and regulations that are governing that grant that you received. So we want to make... [LB57]

SENATOR HAAR: So at what time then, if I'm not anticipating that I'm ever...I'm going to keep this land forever, because I love it, and then I decide to give it to the federal government. At what point are national Fish and Wildlife Service or some other part of the federal government, at what point then do I have to provide for this replacement of property taxes? It sounds like that has...from the bill itself now, again, it sounds like that has to be set up... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR HAAR: ...at the time of the use of the funds. But I'm not even aware, at this point, that I'm going to give that land away. So how do you resolve that conflict? [LB57]

SENATOR LARSON: Therein lies the issue that we want the Environmental Trust to, at the same time, have the authority to approve any exchange, sale, or transfer, to ensure that if you didn't have the intention...and, obviously, this is going in the current contracts now for the exact purpose, you know, if the trust didn't feel...you know, since you didn't say that on the grant application, right now the trust board could deny that as well. So you would essentially have to pay. Or not you personally, I mean. There are a number of ways and, obviously, we don't lay it out in the bill. So people have the ability to do it in

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a number of different ways, to pay those taxes, whether, again, it's in lieu. And the federal government obviously... [LB57]

SENATOR COASH: Time, Senators. [LB57]

SENATOR LARSON: Thank you. [LB57]

SENATOR HAAR: Thank you. [LB57]

SENATOR COASH: Thank you, Senator Ken Haar and Senator Larson. Senator Chambers, you are recognized. [LB57]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I'm not going to get into the debate on the bill. From what I've heard, I'm definitely opposed to the bill. From the arguments given, from the people giving them, there is not a concern about specific things that Ducks Unlimited did. I told one of the opponents...I mean, one of the proponents that, if these people who call themselves Ducks Unlimited hunt ducks and they would let me add an amendment to say abolish Ducks Unlimited, I would support the bill. But they don't want that. And, in reality, I think this is opposition to the commission itself, the trust. But on process: They don't think that those who are opposing this bill can carry it eight hours. Now they wouldn't put that challenge to me, and they may have the chance before the session is over. And since we're staying late, see if I can carry the body from morning until 11:59, and I'll show that I can do it. And I will do it, but not on this bill, because it's not mine. But what they need to realize: If you take it to cloture, you've got to have 33 votes. I don't know whether there are 33 people who are willing to do to the Environmental Trust operation what this bill is attempting to do. But if they don't get the 33 votes, then that ends the debate at that point, just as if cloture were invoked. It's going to end the debate, whether you obtain cloture or don't. If they try to get the 33 votes and they don't, the debate is over at this stage. Then it's unlikely that it will come up again this session. But they're not going to get to vote to move it across to Select File. They continue to say, work this or that out between now and Select File, which indicates that, to them, it's a foregone conclusion that they're going to advance the bill, that it would be moved from General File. I'm going to have the opportunity to observe. And the proof of the fact that I'm listening in my office is that, when an issue came up on the bill that I could speak to, here I am. I would take them to cloture, and I would make them explain again and again. And for those who are opposed to the bill, you're taking them seriously, in terms of what they're saying, or you seem to be. Just go through the bill and say you want to strike this section and make them discuss that. And you can discuss it and you don't have to engage your brain too much, but the clock ticks. Then strike the next section and do it again, change the wording, reconsider, and eat up the eight hours and accept the challenge. But if you don't want to take it that far, then they're going to whip you--not only here, but completely--on the bill. You cannot allow yourself, because you might feel tired, to give

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up, because the other side is tired too. If you're in a marathon, do you think you're the only one who feels that pain in your side, whose feet might be getting sore, every breath is agonizing? No. Everybody feels the same thing. It's a matter of who has the will to push through it. Look at what you intend to achieve, and go for it. And I'm going to demonstrate how that's done, I'm sure, before the session is over. And you will not see me looking hangdog, like I'm on my last legs, like I'm about to die. I won't be like that young guy, Rubio, who is young enough to be my grandson, reaching over here to get a drink of water. [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: I don't need a drink of water. I don't need anything, and I don't need anybody. What did that Rand Paul...he had people helping him, bearing him up. That's not the way I operate. I work alone, if necessary. But if they go for cloture and they don't get it, then it's certainly over. And I think it should be stated clearly, by those who support the bill, what they're actually trying to do, what their actual aim is. I'm learning more and more about my colleagues, and I recognize signs. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Senator Chambers, you are recognized. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. I watched a movie many years ago, called Something Wicked This Way Comes. And they had a British guy named Jonathan Pryce, who played a wicked fellow called Mr. Dark. And he represented the people who come with storms. And they would bring a carnival into a community, and then bad things would happen to people. Some would disappear. And this guy was explaining to this old librarian what was going on, because the librarian had gone through some records and one of his ancient relatives had pointed out that these are the "autumn people," or whatever they called them, and they come periodically. They can sense young people ulcerating to be adults from hundreds of miles away, unhappy marriages, broken hearts, all of the things that make people sad and depressed. And these people, these creatures, fed on that. So what Mr. Dark intended to do was take two young boys. One was the son of the librarian. They were in the library. A storm was coming. And the little boys went to hide because the father said, something is coming and I don't want you here. So the doors sprang open, flew open, and in walks Mr. Dark, looking for these little boys. And to get to the part that I want to tell you: He was making a deal with this librarian. He should tell him where these little boys are and some other things, and he would give him some more years to live. He said, you're old now, I can give you your years back, back to when you were 30. And he had this book, and every time the man refused he'd tear a page out of the book, tear a page out of the book. And as he went through tearing out these pages, the guy was continuing to say no. And finally, Mr. Dark became angry and threw the book at him and knocked him on the floor,

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told him he was a fool--which, I guess, maybe he was and maybe he wasn't. But Mr. Dark had control of this demon-like...who took the form of a beautiful woman, a beautiful black woman. And when Mr. Dark found these two little boys, they were leaving the library. And he told this woman, give him a taste of death, so that he will recognize it when it comes. So she took his hand and she started stroking his hand, told him his heart was slowing down, his breathing was becoming heavy and, sure enough, he was going into that. But she didn't kill him because he was not to die. But she wanted him to see the signs, so he would recognize death when it comes. I recognize, from what some of the people are saying, that they're not really saying what's on their mind. They've got it going, but they've got cards that they're not showing. But those who are perceptive do know what's going on here. Are you going to fight and carry it to the end or are you going to fold? They're expecting you to fold. I don't know whether they think they've got 33 votes. I'd like to ask Senator Larson a question, if Senator Larson is here. [LB57]

SENATOR COASH: Senator Larson. [LB57]

SENATOR CHAMBERS: Here's what I'd say to Senator Larson: (Singing) We're calling you. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR CHAMBERS: I knew that would get him here. He didn't want to hear any more of that, and you all didn't want to hear it either. Senator Larson, everybody thanks you for coming in when you did. If you'd yield to a question, I'd like to ask you one or two. [LB57]

SENATOR LARSON: Yes, Senator Chambers. [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: Senator Larson, I heard you say, even though I wasn't here, that this is your third year. Have you learned the art and knack of taking a vote count on a proposal that you favor? [LB57]

SENATOR LARSON: It's an ever-changing thing but, yes, I try to learn or I've worked to learn the concept of counting votes. And I, obviously, as you know, being here so long, it's a very important (inaudible). [LB57]

SENATOR CHAMBERS: But that's not what I asked you. I asked you, have you learned the technique of taking vote counts? Have you? [LB57]

SENATOR LARSON: I've learned a technique that works for me. I don't know if there's any one specific technique. [LB57]

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SENATOR CHAMBERS: Okay, so you know a technique for counting votes or taking a straw poll, correct? [LB57]

SENATOR LARSON: I know one of my own, yes. [LB57]

SENATOR CHAMBERS: Have you taken one on this bill? [LB57]

SENATOR LARSON: We have talked to a number of members within the body. [LB57]

SENATOR CHAMBERS: We? [LB57]

SENATOR LARSON: Senators that are also supportive of the bill have helped to...and we... [LB57]

SENATOR COASH: Time, Senators. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senators Chambers and Larson. Senator Conrad, you are recognized. [LB57]

SENATOR CONRAD: Thank you, Mr. President. Mr. President, I want to clarify a couple of things here because it might be confusing from a procedural standpoint. And, of course, part of our work is to foster compromise and consensus if, indeed, it can be found. However, I do want to point out the fact that, you know, I've heard a little pushback against Senator Haar for putting this bracket motion up and utilizing the rules to the best of his ability to carry out his function as a responsible legislator, and I don't think that's quite fair. And I think that it's important that we all have to remember that any one of us might be in a minority position at any given time on any given issue, and we have the rules and we have the mechanisms available to us, so that we can do the best job that we can within those parameters. So I think that, if people are sick of talking about this issue or feel like, you know, they just want to move on and get to something else, well, then there should also be some criticism or concern directed towards the Natural Resources Committee as well, because they have a critical function to try and foster that same compromise and consensus at the committee level before advancing legislation to the floor for consideration, which again proponents have already conceded that this legislation is not, indeed, ready for prime time. So I did want to clarify that for the record. Senator Larson continues to say we need this legislation for public oversight and accountability but has yet to point to one single fact or factor, considering the Environmental Trust's current activities or programs or funds, that aren't subject to public comment or inquiry or scrutiny. So you can continue to say the same thing, over and over, like a broken record, but that doesn't make it true. If you can point to the

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record and show me what is existing today that is evading public scrutiny, I want to hear that, I want to listen to that, I want to work on that, because these are public funds and they should be subject to public scrutiny. But just continuing to say "oversight" and "accountability," that doesn't point to any specific issue that this legislation is seeking to address, allegedly. Finally, they say that, well, we have to pass this for the impact on property taxes. I've asked on the record, I've asked off the record, in the current projects that are contemplated, what is the property tax impact? We don't know. Seriously? This is what passes as ready to be advanced to General File? This is what passes for a priority bill? We haven't done any of the homework addressing what the underlying public policy concern is here. It has yet to be articulated for the record, how many hours into debate? Opponents are asking serious questions about the public policy objectives that have been brought forward, and we have yet to hear a coherent response. I'm also concerned about the fiscal component of this legislation, which I haven't had a chance to visit about in previous attempts on the mike. But in reading the fiscal note on the original green copy...and I don't think any of the fiscal piece would be changed by the pending amendment. I'm happy to stand corrected if that is not the case. But it says to me, very clearly, that there would be about \$375,000 less in trust funds that could be granted out. So I'm looking at a list of some projects that the Environmental Trust has engaged on in the past, and I see that the trust spent--I'm just looking at a couple of here--about \$276,000 on one project, about \$225,000 on one project, about \$175,000 on one project. The list goes on and on. And my point is,... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CONRAD: ...if we're--thank you--serious about moving forward with legislation that impacts the ability of the trust to fully carry out its mission, it impacts the opportunity the trust would have for future projects that are critical to its objective and mission. So nobody has really discussed, in terms of how we can replace or hold harmless the trust, in regards to that almost \$375,000 that will be less to be allocated. And I think that's important because, as you can see, looking at previous projects, that would encompass at least one, two, three, or more projects that are worthy and should be deemed for consideration. So with that, thank you, Mr. President. I'd yield the remainder of my time to Senator Chambers, if he so desires. [LB57]

SENATOR COASH: Senator Chambers, 4 seconds. [LB57]

SENATOR CHAMBERS: Thank you. And this is my third time. You said 4 minutes? [LB57]

SENATOR COASH: Four seconds. Time. [LB57]

SENATOR CHAMBERS: (Laugh) I thought. (Laughter) [LB57]

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SENATOR COASH: Senator Chambers. [LB57]

SENATOR CHAMBERS: I thought he (laughter)... [LB57]

SENATOR COASH: Senator Chambers, you are recognized. You are now on your own time. [LB57]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, there was an article that said I have trouble hearing, so I wanted to demonstrate that that's true, that I thought you said four minutes when you just said four seconds. However, even though I don't hear, I can calculate, and I knew she had talked longer than one minute. But at any rate, if Senator Larson is anywhere near...I don't want to call him away if he's engaged in something, so I will not call him from whatever work he's doing. He may be trying to work some...oh, he's here. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR CHAMBERS: Senator Larson, are you confident that you have 33 votes, if you invoke cloture? [LB57]

SENATOR LARSON: If it goes to cloture, yes, I think I have 33 votes. [LB57]

SENATOR CHAMBERS: So then, on this vote, you should get at least 33 nays to bracket, right? [LB57]

SENATOR LARSON: As long as everybody is checked in and aren't in other meetings or whatnot, I think it would be very close to that. [LB57]

SENATOR CHAMBERS: And because time is needed...well, it can't be close. If you can't get 33 against a bracket, I don't know how you're going to get 33 for cloture. But we're working and you're working to try to get something done, too, correct? Some people are working on something, so we are in cahoots. He may not want to admit it, but I'm actually facilitating what people are trying to get done. You all don't know that. A lot of times I do things to help the process and people don't know it; but, in this case, I'll go ahead and acknowledge it. Senator Tyson (sic--Larson), what makes you think you've got 33 votes? Have you gone around and taken a straw vote or you just have that feeling? [LB57]

SENATOR LARSON: Yes. Yes, me...I and a number of other members have talked to members throughout the room, and I believe that... [LB57]

SENATOR CHAMBERS: And they've told you there are 33 people who support this bill? [LB57]

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SENATOR LARSON: I believe it's good public policy and we've worked with them and they (inaudible). [LB57]

SENATOR CHAMBERS: I don't need to know why; I just need a yes or no. The people that have worked with you have shown you 33 solid votes for this bill. Is that correct? [LB57]

SENATOR LARSON: For cloture. [LB57]

SENATOR CHAMBERS: For cloture. Okay, then we'll go the next step. Are there 33 who support the bill? [LB57]

SENATOR LARSON: Uh... [LB57]

SENATOR CHAMBERS: Uh? [LB57]

SENATOR LARSON: I would say, hopefully, anybody that supports it for cloture would support it for...support the bill. [LB57]

SENATOR CHAMBERS: No, you're hedging. You said hopefully. That means you don't know for sure. Well, do you know that you've got at least 25 votes in favor of the bill? [LB57]

SENATOR LARSON: I would say, yes. [LB57]

SENATOR CHAMBERS: You would. Have you taken a poll on that? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: And you got 25 votes in that poll who say they'll support the bill? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Are you a gambling man? [LB57]

SENATOR LARSON: Uh... [LB57]

SENATOR CHAMBERS: Uh? [LB57]

SENATOR LARSON: (Laughing) [LB57]

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SENATOR CHAMBERS: Eh-eh? [LB57]

SENATOR LARSON: You know, I... [LB57]

SENATOR CHAMBERS: What language are you speaking? [LB57]

SENATOR LARSON: I support horse racing. I do like to support the horse racing industry and other industries that... [LB57]

SENATOR CHAMBERS: Do you wager? [LB57]

SENATOR LARSON: On horse racing. And, like I said, I support the horse racing industries. [LB57]

SENATOR CHAMBERS: On other things? Do you wager on other things? [LB57]

SENATOR LARSON: I think that blackjack and poker are games of the mind that are beneficial to those that know how to play them well. [LB57]

SENATOR CHAMBERS: Would you be willing to bet whether or not you have 25 votes for sure? [LB57]

SENATOR LARSON: I would bet on that. [LB57]

SENATOR CHAMBERS: And how much would you be willing to bet? Bet against what? What odds would you give? [LB57]

SENATOR LARSON: Well, what odds are you giving me, Senator Chambers? [LB57]

SENATOR CHAMBERS: I'm not giving the odds. You'd have...I'll take odds. Would you bet a dollar against a nickel? [LB57]

SENATOR LARSON: A dollar against a nickel? [LB57]

SENATOR CHAMBERS: That's 20 to 1,... [LB57]

SENATOR LARSON: Yeah, I...(laugh). [LB57]

SENATOR CHAMBERS: It's to set the standard. [LB57]

SENATOR LARSON: Uh... [LB57]

SENATOR CHAMBERS: Uh, uh, that's all right. [LB57]

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SENATOR LARSON: I would take that, a dollar versus a nickel. I'd take that bet. [LB57]

SENATOR CHAMBERS: Well, I'm not going to bet you. It's not worth my while. Members of the Legislature, we're going to have the opportunity to see. Now if this trust has significance, if what it is doing is of value,... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: ...it seems pretty clear that this bill is designed to weaken that. Now if there are 25 votes to weaken the trust, they may be able to do something to go ahead and disable it. So I'm going to observe and see just what happens. I'm not going to vote for cloture. I never vote for cloture. I never vote to cease debate. I always will vote for a call of the house. I'll never vote to do away with Final Reading. Those are things that I just won't do. But I'm going to observe and see exactly what happens. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Senator Carlson, you are recognized. [LB57]

SENATOR CARLSON: Thank you, Mr. President, members of the Legislature. I'd like to direct a question or two to Senator Conrad, if she would yield. [LB57]

SENATOR COASH: Senator Conrad, will you yield? [LB57]

SENATOR CONRAD: Yes. [LB57]

SENATOR CARLSON: Senator Conrad, you indicated that the Natural Resources Committee isn't doing its job. [LB57]

SENATOR CONRAD: Yes. [LB57]

SENATOR CARLSON: And so I want to respond a little bit to something that you had said and give you a bit of information. [LB57]

SENATOR CONRAD: Did you ask me to yield to a question? [LB57]

SENATOR CARLSON: Yes, I'm going to... [LB57]

SENATOR CONRAD: Is there a question? [LB57]

SENATOR CARLSON: I'm going to give you a question if you give me a chance, and I'm going to phrase my question. There are approximately 5,000 acres in Clay County

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that, I would say, have been somewhat controversial in terms of how those acres have been treated. That's equivalent to about 30 quarters of land, and if there were 30 pivots on those quarters, I think that the property tax would total about \$90,000. If that land is changed to grassland or some other dryland or some other form, I think that the change in taxes on that would probably be about half. So that would take it from \$90,000 to \$45,000 in property taxes. Would you say that that's a significant amount? [LB57]

SENATOR CONRAD: No. Forty-five thousand dollars, in terms of our property tax revenue? [LB57]

SENATOR CARLSON: In Clay County. [LB57]

SENATOR CONRAD: I can't speak to what Clay County's overall property tax revenues are, but I doubt that that would be a significant amount in any county. [LB57]

SENATOR CARLSON: Okay, and I would disagree with you there because I think that's a rather significant amount. But if land is changed so that it no longer receives irrigated taxes, then that's not only 45...or, excuse me. That's not only \$45,000 in taxes lost this year; that's every year, and that certainly becomes significant over time. Would you agree? [LB57]

SENATOR CONRAD: But, Senator Carlson, I know you to be a serious person and a serious Chair, and I know you're asking these questions in a serious manner and I understand your point. Again, without knowing what the total property tax revenue is for that county in question, it's hard to say whether or not it's significant or not. But my bottom line is, it seems to be strange that we would be turning cartwheels, in terms of state law, over a potential loss of \$45,000 in one county. And I understand that maybe it's a slippery slope argument but, Senator Carlson, couldn't a farmer change the use of land and the same effect would occur? [LB57]

SENATOR CARLSON: Senator Conrad, it's my time and I'm asking the questions. [LB57]

SENATOR CONRAD: Fair enough. [LB57]

SENATOR CARLSON: And I just...I appreciate your answer to that. I just don't agree with you. [LB57]

SENATOR CONRAD: Fair enough. [LB57]

SENATOR CARLSON: I think that that's a significant amount. And what happens with that \$45,000 in lost revenue is that then neighbors around it have to pick that up. They have to pay that, and it doesn't take very many of those experiences and it doesn't sit

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very well. So this is part of the situation that's occurred that is what, we hope, is remedied somewhat in LB57. So thank you, Senator Conrad, for your comments. I think it's a serious matter. I think taxes are a serious matter. And when a county loses that source of revenue, \$45,000 needs to be made up somehow. It needs to be made up every year. That's not a small amount. Lancaster County, I think, it could be considered a rather small amount, but not in Clay County. And so, of course, my ire was raised a little bit because I'm proud of the work that the Natural Resources Committee does. We don't all agree on that Natural Resources Committee. [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CARLSON: We work hard together, and we try to put out bills that we think deserve to be debated on the floor. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Carlson. Senator Schilz, you are recognized. [LB57]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. I have to agree with Senator Carlson when he talks about the importance of property tax and making sure that these counties remain whole. When you look at these counties and you look at the situation that they're in, you say that \$45,000 isn't a lot of money. But some of these communities, that's \$45,000 that's not there for roads, not there for education, not there for any of the other things that counties have to do. Counties are very limited in how they can raise funds and bring in revenue. They don't have the same type of tools that municipalities have and the state have. It's all property tax. And I don't know if anybody has noticed, but they aren't making any more land. You get what you get, and you've got to make things work with what you've got. So any time somebody comes in and takes part of that out or changes it, it can be a pretty big deal. Look at counties like Arthur County, Nebraska: 500 residents or so, lot of valuation. But I'm telling you, when you take this much money out of those things, it makes a difference. It makes sense that we should ask these questions. It makes sense that we should find some ways to make sure that the counties are kept whole. It's a very important part of this bill. The other part of it, I'd have to say, the other side of it, to make sure that the NET's monies are being spent as they were deemed to be spent, I think is also important, and I don't see the issue of making sure that the board has some say in what happens to those lands as they go forward. When you look at that, you want to make sure that if somebody...that a grantee, if they've received this land and they want to turn around and sell the land to somebody--remember, now this land is probably going to have an easement on it, some sort of an easement, conservation easement, something--I would think that the NET would want to make sure that those people that are buying that land have the wherewithal to take care of the maintenance, have the wherewithal to continue to use that land in the same fashion in what that money was granted for. I would think NET, the Nebraska Environmental Trust, would want to make

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sure that their dollars were spent wisely. I think it's one of those things that there should always be accountability to public funds, wherever they are used. And if you're really for enhancing the environment through Nebraska Environmental Trust funds, then let's make sure that those are protected all the way through. And let's make sure the Nebraska Environmental Trust does have the money that they can have. It's not saying they can't partner with anybody. They can partner with anybody they like. The question is, is then does that partnership continue on because those dollars are still involved there? Or once that money goes out the door, we don't worry about it? That's what we're talking about. I can tell you this: When money goes out my door, I worry about where it goes and what it does and to make sure that it does what it's supposed to do. That's what I see the first part of this bill, or whatever part of the bill that this has now become, that's what it does. And once this is in place,... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR SCHILZ: Thank you. Once this is in place, then, when NET does this and goes out and grants money to folks and those folks take it and sell it, it will pass the smell test. Nobody will have to worry about it because there won't be any issues, there won't be any questions. And I would think that the NET would want that--to know that they're doing the right thing with the money--and to have that to help them, to strengthen their integrity, to help them move forward, and to show that they are doing everything that they were supposed to do all along. Thank you very much, Mr. President. [LB57]

SENATOR COASH: Senator Campbell, you are recognized. [LB57]

SENATOR CAMPBELL: Thank you, Mr. President. Would Senator Carlson yield to a question, please? [LB57]

SENATOR COASH: Senator Carlson, will you yield? [LB57]

SENATOR CARLSON: Yes, I will. [LB57]

SENATOR CAMPBELL: Senator Carlson, I was noting, on the committee statement and review for us, that the Nebraska Association of County Officials testified in a neutral position. And we've had so much discussion about counties. Could you tell me why or what they said in that neutral position? [LB57]

SENATOR CARLSON: I really...I don't recall exactly what they said. There are some counties that wouldn't have a problem with what we're talking about, and there are other counties that do. And I'm thinking that, on this particular bill, they decided to take a neutral position because they have counties on both sides of the issue. And that may not be a very good answer, and I'm going to find out. [LB57]

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SENATOR CAMPBELL: Thank you, Senator Carlson. That was primarily my question, and I too will try to follow up with NACO. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Campbell. Senator Larson, you are recognized. [LB57]

SENATOR LARSON: Members, I'd like to thank you guys all for paying attention to this issue and the importance of what we've been talking about this morning and into this afternoon. I know Ducks Unlimited and the lobby has been working extensively to make changes to this bill and have called many of you out to talk about this bill. And I have been working with Ducks Unlimited and the city of Lincoln as well, who has also expressed concerns. And there will be a floor amendment coming up after, hopefully, we defeat the bracket motion that both Ducks Unlimited and the city of Lincoln are okay with, it's my understanding. So with that, I hope that would alleviate many of your concerns regarding LB57, as they've obviously talked to those that have raised concerns. I would ask that we vote red on the bracket motion so we can get to the amendment that has been agreed upon by the interested parties. And it also takes into account what Senator Schilz was trying to do on Select File, and these groups wish to do it on General File instead of Select File, that's okay. Hopefully, we can continue, as I said, to move this on. I think the amendment is good public policy. It's good for transparency and government accountability, which I think is something that we all take extremely seriously in this body and something that we have to continue to work towards in all things, whether that's transparency in the appropriations process, which I know the Appropriations Committee will have a bill coming up, introduced by Senator Conrad--LB629, I think--that it continues to shed light on government transparency and accountability. And I think LB57 does things...does that as well. So as I said, there is an amendment coming very soon that all interested parties have signed off on. Again, I would ask you to vote no on Senator Haar's bracket motion because of this, and hopefully, we can move forward with LB57. Thank you. [LB57 LB629]

SENATOR COASH: Thank you, Senator Larson. Senator Conrad, you are recognized. [LB57]

SENATOR CONRAD: Thank you, Mr. President. And I had a chance to visit with my staff and pull together some research in regards to the question Senator Carlson posed to me earlier. And just for the record, I think it's important to note, when you look at ag land valuation for Clay County, which was the subject of the questions, it equates to over \$862 million, and that brings in a total of about \$12,288,387 in property tax revenue just on that ag land valuation, which the \$45,000 in potential lost revenue that Senator Carlson noted is less than three-tenths of 1 percent of that. So I stand by my statement that, indeed, that is not a significant amount of money in the grand scheme of things. But let me also further clarify the point: If proponents of this legislation put

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forward any--any--fact on the record that even one penny of these public funds was being misappropriated, abused, or otherwise utilized in a nefarious fashion, then it's a different question. Then, indeed, it's a different question. But there is yet to be any example of misuse or misappropriation of even one penny of public funds. So I stand by my earlier statement that I think that it's inappropriate for the body to move forward in changing state law. This isn't a game. This isn't a joke. We are changing state law on the potential loss of, maybe, three-tenths of 1 percent for one county. Let's get back into the realm of the real. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Conrad. Seeing no other lights, Senator Haar, you are recognized to close on your motion to bracket. [LB57]

SENATOR HAAR: Mr. President, members of the body, my motion to bracket it until April 5, 2013, for a couple days--right now, you know, people are rushing around, trying to make agreements to make this work better. April 5 would give us time to do a good job on that, if it's to be done. I do have a question though around...again, this seems to be circling--as somebody called it, "fowl" play--around Ducks Unlimited, that they sometimes sell the land and they make a profit. And the implication is, I suppose, that then they're richer because of that. But I want to talk about something from my...Ducks Unlimited has a Revolving Habitat Fund. So, Senator Larson, if I could ask...well, I'll wait with that. The Revolving Habitat Fund is a tool used by Ducks Unlimited to restore and protect vital wetlands and associated habitats across Nebraska. It is my guess, and I think we need an answer to this: If they sell land after they have improved it, returned it to wetland in this case, does that just go into their coffers? Or doesn't it, more likely, go into the revolving fund that they can use to do even more conservation? Again, we've demonstrated that these conservation dollars bring money. These conservation easements and so on, or purchases, bring economic development to Nebraska in terms of big money. Now I don't know this for sure and, I suppose, this would be a good question to ask. But if counties are losing \$45,000 and they have a bunch of hunters that come in and spend their money, you know, is there a plus or minus to that? For sure, it would bring more than \$45,000 of economic development, I would assume. Perhaps it's a net benefit, I would assume, as well. So I know people are working on some amendments on that right now. I guess I'm also a little bit offended that, you know, if all the lobbyists on this issue say it's okay, we should go ahead with it now. I think, overall, this is a bill that's unintended...it will hamper the activities of the Nebraska Environmental Trust. And I will listen if, in the next few days, a comprehensive solution that we can all agree on comes up. That's why I think the bracketing makes sense for two days, so that we can do a good discussion instead of rushing in and out, trying to get all the lobbyists to agree on something or other. It's up to us to vote on this, not the lobbyists, and I think we should all remember that. We all work with lobbyists, I believe, but it's up to us to vote. And so, in closing, I would like to say one more thing and, Senator Chambers, I hope you won't be offended by this. But you're the best debater, but I think Senator McGill has a better voice when it comes to singing. (Laughter) So

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thank you very much. [LB57]

SENATOR COASH: Thank you, Senator Ken Haar. [LB57]

SENATOR HAAR: I'd like to have a call to the house. [LB57]

SENATOR COASH: Thank you, Senator Haar. There has 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. Record, Mr. Clerk. [LB57]

CLERK: 34 ayes, 0 nays, Mr. President, to place the house under call. [LB57]

SENATOR COASH: 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. Senators Janssen, Nordquist, Ashford, and Lautenbaugh, please return to the Chamber and record your presence. Senator Janssen, please check in. Senator Lautenbaugh, the house is under call; please return to the Chamber and record your presence. Senator Ashford, please check in. Members, the question for the body is, shall LB57 be bracketed until April 5, 2013? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk. [LB57]

CLERK: 8 ayes, 29 nays, Mr. President, on the motion to bracket. [LB57]

SENATOR COASH: The motion to bracket is not adopted. I raise the call. Members, we now return to discussion on LB57 and the committee amendment. Senator Larson, you are recognized. [LB57]

SENATOR LARSON: As I said, members, if you could please hold with me as Bill Drafters is finalizing an amendment that we have come into agreement with the interested parties that have voiced opposition, in terms of the city of Lincoln and Ducks Unlimited, that works to alleviate their concerns. So it will be an amendment to the committee amendment. I think this is an important amendment that helps LB57 and helps those that get grants, that do the good work with the land that Senator Haar has talked so much about, while, at the same time, offering government accountability and transparency. Hopefully, members can come to see that LB57 is good public policy and that, by working with all the interested parties, we are moving forward, helping the Nebraska Environmental Trust. And I'd still be happy to sit down with Senator Haar, if he's interested, going to Select File, if he has specific amendments that he wants to make. I'd be happy to sit down with him and talk to him about those, and we can work on those and possibly come to an agreement there as well. I know he's very passionate about the subject and rightly so. I think he has demonstrated his passion and his knowledge of the subject, and I respect that. We, obviously, have had policy

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differences, and that's something that, you know, we all have policy differences in this body. And hopefully we can move forward with LB57 as the amendment comes down from Bill Drafters, and we can work with it from there and move forward. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Larson. Senator Chambers, you are recognized. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President, members of the Legislature. I'd like to ask Senator Tyson (sic--Larson) a question or two. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Senator Larson, which university did you graduate from? [LB57]

SENATOR LARSON: I went to Georgetown University. [LB57]

SENATOR CHAMBERS: Did you take any math? [LB57]

SENATOR LARSON: Not since high school. [LB57]

SENATOR CHAMBERS: You took math in high school? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Did you take addition and subtraction? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: How much is 33 minus 29? [LB57]

SENATOR LARSON: Four. [LB57]

SENATOR CHAMBERS: Where were those four votes? Because there were eight people not voting, so there were enough people here to have given you 33 had they chosen to vote that way, is that correct? [LB57]

SENATOR LARSON: There were enough, yes. [LB57]

SENATOR CHAMBERS: And they didn't. Why do you think they didn't, since you told

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me that you had 33 votes? [LB57]

SENATOR LARSON: I think that, for cloture, there will be 33 votes there. [LB57]

SENATOR CHAMBERS: But there weren't 33 at this point. [LB57]

SENATOR LARSON: You know, that's something that members have their own agendas. I can't speak to the members of the Legislature. [LB57]

SENATOR CHAMBERS: Now when you mentioned you had talked to some people who were representing Lincoln, were these officials from Lincoln? [LB57]

SENATOR LARSON: Excuse me, I missed your question. [LB57]

SENATOR CHAMBERS: You said that you had been talking to those who represent the interests of the city of Lincoln. Did you say something to that effect? [LB57]

SENATOR LARSON: Yes. The Lincoln officials that have expressed concerns about LB57, we worked with them to try to alleviate their concerns about the bill. [LB57]

SENATOR CHAMBERS: Did you talk to the Lincoln officials? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Which ones? [LB57]

SENATOR LARSON: I'm not sure what their names are. I think one lady is the director of the parks, and I think the other one is the city attorney. I forget their names. I apologize to them. [LB57]

SENATOR CHAMBERS: So you talked to employees but not elected officials. [LB57]

SENATOR LARSON: I would guess that they were employees and not elected officials, yes. [LB57]

SENATOR CHAMBERS: So then I would have misunderstood you if I thought you meant elected officials, and I'll acknowledge that. I was thinking of officials in the traditional sense of the word. Did you talk... [LB57]

SENATOR LARSON: I'm sorry that the... [LB57]

SENATOR CHAMBERS: No, it's not on you. Did you talk directly to these two individuals? [LB57]

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SENATOR LARSON: Yes. They were outside and I talked directly to them. [LB57]

SENATOR CHAMBERS: And what did they tell you, that they favor the bill now? [LB57]

SENATOR LARSON: I'm not going to say that...I can't...they didn't specifically say that they were in favor. They said that the amendment that we were working on alleviates their concerns. [LB57]

SENATOR CHAMBERS: And once their concern was alleviated, they then would be in favor of the bill going forward? Is that what they said, or they didn't go that far? [LB57]

SENATOR LARSON: I don't think they necessarily said that, per se. I think it kind of goes back to the same situation that the Nebraska bankers and Land and Title had. They had some concerns with the bill, with conveying the deeds and things of that nature. [LB57]

SENATOR CHAMBERS: Okay, I... [LB57]

SENATOR LARSON: And once we solved their issues,... [LB57]

SENATOR CHAMBERS: Okay. [LB57]

SENATOR LARSON: It's not necessarily they're in favor; they're just... [LB57]

SENATOR CHAMBERS: I heard you earlier say that you took care of the concerns of the title insurance people and the bankers, and now you've taken care of the concern of two Lincoln employees who, we can presume, were reflecting what the officials of Lincoln are concerned about. Then why is there still opposition to the bill? [LB57]

SENATOR LARSON: I think... [LB57]

SENATOR CHAMBERS: Lincoln, apparently, was not the only opposition, nor the bankers and title insurance people, is that true? [LB57]

SENATOR LARSON: Bankers and title insurance weren't in opposition to the bill; they just had specific concerns. Just because organizations are satisfied with the bill doesn't mean that certain senators don't have the prerogative to oppose the bill, and that is each senator's prerogative. They don't have to listen... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR LARSON: ...to the organizations that are out there. They listen to their

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conscience, and they vote the way they please. [LB57]

SENATOR CHAMBERS: They listen to their conscience, is that what you said? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Who are these people who you said listen to their conscience? [LB57]

SENATOR LARSON: Every senator in here, I think, votes with it. [LB57]

SENATOR CHAMBERS: Pardon me, but, "ha." Senator Larson, there is now no opposition to the bill, is that your understanding? [LB57]

SENATOR LARSON: We alleviated the concerns of Ducks Unlimited and the city of Lincoln, so I... [LB57]

SENATOR CHAMBERS: Here's the question I'm asking, because you take too long: There is no opposition to the bill, is that your understanding, yes or no? [LB57]

SENATOR LARSON: There's obvious...I would say there still currently might be opposition within the body. So for me to say that there's no opposition would not be true. [LB57]

SENATOR CHAMBERS: Have you talked to those people in the body who are opposed to the bill? [LB57]

SENATOR LARSON: Excuse me? [LB57]

SENATOR CHAMBERS: Have you talked to those in the body who are opposed to the bill? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: And they... [LB57]

SENATOR COASH: Time, Senators. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers, Senator Larson. Senator Lautenbaugh, you are recognized. [LB57]

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SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. I haven't said anything all day and so, here we are, killing time. And I always enjoy...well, that's overstating it. I sometimes enjoy when Senator Chambers starts talking about the rules and whatnot. And I noticed we had a call of the house and he just explained that, you know, he always votes for call of the house and never for cloture and something else. But, I mean, you know, I think we should be judicious with our call of the house and limit them to the greatest extent possible because, sometimes, you know, you don't get what you want. You make somebody put out their cigar prematurely, and then we end up in here, talking at the mike. So here we are, killing time on a bill, waiting for an amendment and so, I guess, we'll kill some time on this. I do support this bill. I remain in support of this bill. And I understand that people do get passionate, from time to time, on various bills, and sometimes you never know which one is going to incite passion. I can remember, back in the day, we spent several mornings talking about roadside trapping. And people kept saying, well, why on earth are you spending so much time talking about roadside trapping? Well, in relatively short order, it wasn't about roadside trapping anymore. It had strayed into some other issues and some other philosophical issues and some approaches of, you know, when we should and when we shouldn't step in and tell people that they should not do something they otherwise want to do. So, sometimes, we can wander far afield, it seems like, and, sometimes, that's our job, especially when we're here, just trying to spend a little time and wait for an amendment to come down. So to my son, who has a baseball game at 6:00, I'll apologize in advance, because it appears we're going to be here through that. So we'll, hopefully, DVR that or tape it, I should say, and see how it comes out. Oh, I guess I would yield the rest of my time, since I've already complained about the call of the house, which was really the only thing I had to add to this today. I suppose I could talk about the committees because, every once in awhile, we do like to whip up on the committees. I've been guilty of it a time or two. Earlier in the session, I mean, I was outraged that I couldn't get a hearing on a bill. And time went on and time went on and, finally, it was time for the hearing, and I couldn't be there that day to introduce the bill. So it's funny how things work out, and it was good that the Chairman didn't rub my nose in that too much. But the bill is still out there so maybe we'll get another chance to talk about it. But I would caution us to not spend too much time on the floor criticizing the work of the committees unless there's something that has really gone awry. A lot of times, opposition does not come forward until something gets to General File. A lot of times, people don't think something is going to go forward, and then it ends up on the floor and we're stuck talking about it and opposition comes out of the woodwork. Sometimes, people change their position on a bill. I don't have any doubt that the committee that put this forward did a good job and a thorough job and considered this bill very carefully. I don't believe it came out unanimously, so there was obviously discussion about it in committee. And the committees are not a committee of the whole. The committees have a limited number of members, obviously, and not everything is going to occur to every committee that may occur to all of us when we all get together out here and, perhaps, have people sending us in notes or whatnot or e-mails start rolling in or we become

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aware of a bill and start raising issues on it. So every time we have questions that are not readily answerable by the proponents of a bill, I don't think that means the introducer has not done his homework or the committee has not thought about it sufficiently. [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR LAUTENBAUGH: I think--thank you, Mr. President--I think we're doing what we're supposed to do, which is ask questions and inquire and bring our own perspectives to bear on whatever legislation there is out there before us at the time. So I think this has been an unremarkable debate, and I don't mean that critically; I just mean this is the kind of thing that happens from time to time, and we're working it out. I would have been fine passing this on to Select File and working it out in between, and we do that frequently. We did that last week on a bill that I opposed in its form, confident that it would receive major changes before Select, dealing with juveniles. And we do that, and it's not always bad and it's not always wrong, and I was prepared to do that on this bill. If we're going to work it out this afternoon, that's fine. We're not always going to have time to do that and, sometimes, you do have to make a leap of faith and let something advance and work to make it better in between the two rounds of voting. So I don't want us to take away from today that we are just never going to do that anymore. [LB57]

SENATOR COASH: Time, Senator. [LB57]

SENATOR LAUTENBAUGH: Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Lautenbaugh. Senator Dubas, you are recognized. [LB57]

SENATOR DUBAS: Thank you, Mr. President. I've had a conversation with Senator Larson and told him that the...and I've seen the amendment that's being worked on and will come down shortly. And while I understand that there is an agreement by some of the lobbyists and Senator Larson, I've told him my concerns still remain, in that, you know, I want to continue talking to him about those concerns. And this is my own personal concern. This isn't being driven by an particular special interest group or what have you. It's just property rights are...it's just an issue that I feel very strongly about, and I'm still not convinced that what is being proposed in LB57 will be a benefit for property rights nor will it be a benefit and strike a blow for accountability and transparency. I'm not opposed to those things. Those are things we should all strive for in government. But I don't see that this particular bill will get us where we're at, especially since all the things that are proposed in the bill, as far as the language, is already being put forward in the individual contracts based on the individual merits of each grant application. So, again, NET had...the Environmental Trust Board has addressed many of the concerns that have been raised over the last several years with

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land sales and transfers and conservation easements and involving the federal government in land ownership. I believe they've tried very judiciously to address those concerns and make changes into their practices and what goes into the contracts. So, you know, as I said, I told Senator Larson I still have real concerns about the direction that this bill is going. You know, individual landowners should have that ability. If you have a willing buyer and a willing seller and they're willing to sit down and work things out through a contract, I don't have an issue with that. But when you are putting statute in place that is requiring that same type of activity or procedure across the board, that's where my concern comes into place. Early on in my legislative career, some more senior senators warned me about be careful what you put in statute because statute applies to everybody across the board. And if you can address something through a rule and a regulation change rather than through implementation of statute, that's the direction you want to go. And I've really taken that to heart and I've worked on a lot of issues where that's the direction I have tried to go first. Is there a way a particular agency can address a concern that's been brought to me or that I've become aware of on my own? Is there a way that that can be addressed through a change in their rules and regulations procedures versus statute? Because, again, rules and regs are much easier to change and modify to the particulars of that moment rather than through statute. You have to wait until the Legislature is in session. You have to go through hearings. It's a much more time-consuming option as it should be. But, again, I took their words to heart: Be careful what you put in statute because that is policy for the entire state to comply with. So, you know, I still am not comfortable with the direction that the bill is going and I'm still struggling. I'm still willing to have conversations with Senator Larson to see if there's any common ground that we can meet on. But at this point in time I just can't get myself to support the bill. And I guess we'll see where the full Legislature decides to go with the amendment and the bill. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Dubas. Senator Chambers, you're recognized. [LB57]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I was in a high-level discussion. I'd like to ask Senator Dubas a question because I may have misheard what she said. Senator Dubas, did you say that when this amendment, whatever it is, comes down you will support the amendment and the bill? [LB57]

SENATOR DUBAS: I said I know that the amendment has been agreed to by many people. It doesn't take care of my concern for private property owners, although I was a part of the conversation out in the Rotunda and I said I would back off aggressively going after it. And this would just be my own personal concern that I would present to the body. [LB57]

SENATOR CHAMBERS: Okay. Thank you. I just wanted that clarification. Members of the Legislature, Senator Lautenbaugh expressed some degree of annoyance because a

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call of the house was made. You know he was joking when he said somebody might have to put out a cigar because you can't smoke in the building. You have to learn when people are just saying things but they don't really mean literally what they say. He is paid to be up here just like I am. We're not paid much. When our pay is broken down on an hourly basis, we make \$5.76 an hour. Nevertheless, we are paid. He's paid to be here. He's irritated. That's what happens with young folks. They're too impatient at the wrong time. Be impatient for a reason and not because you have to do your job, especially when not only did you volunteer but you actively sought it. Spent money to get it. Then after you got it, why be annoyed that you have to do it? If anybody could be annoyed, I am that person. But I knew what I was getting into and I adapt my thought patterns, my mental processes, to put me in good stead to do what it is that confronts me. And I'm not going to let anything outside of me go inside of me and harm me. When the young cub, as I refer to Senator Lautenbaugh, watches the old bear a bit more, he may be able to absorb some of my methodology and understand which things are worth being annoyed about. Now he may be annoyed with what I'm saying now but so what. He said we're wasting time, passing time, which we are. So we will say what we think we ought to say in order to pass that time. But this is not the first instance when I've helped facilitate what was being done by those that I oppose. I oppose what they're doing. I oppose what they're doing to the Environmental Trust. But that is not my issue. I have very big issues that touch my interests more directly than this Environmental Trust. And there have been other people discussing this bill and trying to defend the trust. Many of the issues that I have to speak for will not have this many people. So when an issue has people on one side who are more or less capable and people on the other side who are more or less capable, then they can battle it out. My issues generally do not fall into that category and my issues don't cost a lot of money. I'm not constantly trying to plunder the public till to get money for... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: ...special-interest groups and special-interest activities. Come in here when we don't have money offering a bill with a fiscal note for \$3 million. I don't do that. If I did it, your eyebrows would go all the way up into your hairline. But you're accustomed to each other doing that. You all spend the money around here, not me. And when you all take a lot of time, then the time is taken and there's not the same reaction to it as when I take a lot of time. And I'm kind of glad because I've said again and again that I don't need a lot of company or any company, and I will do what I think needs to be done. I will not be deterred. I will not be bargained with. I will not be threatened off or anything else. [LB57]

SENATOR COASH: Time, Senator. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. [LB57]

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SENATOR COASH: Thank you, Senator Chambers. Senator Ken Haar, you're recognized. [LB57]

SENATOR HAAR: Mr. President, members of the body, I've only been in the Legislature four and a half years, but in that time I've seen a number of attempts to take money from the Environmental Trust, to tie their hands and just basically, you know, I'm not sure if it's do away with the trust but to totally take over that function by the Legislature. So any time a bill comes up that involves the Environmental Trust I am very suspicious, and that's my gut reaction and that's what I'm paid to be here to do, is to follow through and represent those things that concern my constituents and that concern me. So we hear there's an amendment coming. I may vote on this amendment. I probably will not vote for the bill itself. But there are some issues that are still unresolved. And if it does go to Select File, we still have that opportunity to ask all the questions and make sure this in no way harms the Environmental Trust or the job that they can do. So I have some questions for Senator Larson at this time. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HAAR: Okay. I'm want to get back for a minute to this revolving habitat fund that Ducks Unlimited has. Do you know if perhaps this concern of, you know, selling land and then they make a profit on it, and do you think this is probably where that money goes or do you have any knowledge where that money goes? [LB57]

SENATOR LARSON: I know in the past the Environmental Trust has given out revolving fund grants to organizations, Ducks Unlimited being one of those organizations, that can then go in and in turn buy additional land. [LB57]

SENATOR HAAR: Okay. So indeed the money doesn't just go into their nonprofit coffers; it goes into an environmental purpose or a conservation purpose. [LB57]

SENATOR LARSON: It's my understanding when the board in the past has approved revolving grants that, yes, the nature of the revolving grant would say that the organization would have to spend that money subsequently on more land or things of that nature. [LB57]

SENATOR HAAR: Was that in the Environmental Trust's contract with them or did they just out of their good heart do that? [LB57]

SENATOR LARSON: It's my understanding when the trust was giving out these revolving grants, it was in the contract. I might be wrong and you'd have to ask the trust themselves. But it's my understanding that it was in their contracts that they couldn't just

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put it into their general fund per se, that they had to continue to use it for a trust-like mission or something of that nature. [LB57]

SENATOR HAAR: Okay. How do you see this issue involved with the permanent conservation easement debate that we have an ongoing debate year after year? Do you think it addresses that in any way? [LB57]

SENATOR LARSON: LB57 after the amendment that we continue to work with, with Ducks Unlimited and the city of Lincoln, I don't know if it addresses the permanent conservation easement that much. The amendment will state that... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR LARSON: ...that the trust board can't deny approval to something that was originally outlined in the contract. So the amendment or what LB57 will eventually look like I don't think, as long as these organizations put in their original grant contract that they intend to put a permanent conservation easement on it, I don't see those stopping under LB57. [LB57]

SENATOR HAAR: Okay. So really this is not an answer to the permanent conservation easement question. It really doesn't address that. And just for the record so this doesn't set a precedent or anything like that in the permanent conservation easement argument. [LB57]

SENATOR LARSON: I think what it does do though with the permanent conservation easements is to encourage any grantee that is going to get a permanent conservation easement to be very forthright. [LB57]

SENATOR COASH: Time, Senators. [LB57]

SENATOR LARSON: Thank you. [LB57]

SENATOR COASH: Senator Conrad, you are recognized. [LB57]

SENATOR CONRAD: Thank you, Mr. President. Good afternoon again, colleagues. I just wanted to note some similar considerations for the record as my colleague Senator Haar did previously. I noted my first time at the mike at the outset that I have great concerns over any piece of legislation that seeks to tinker with the Nebraska Environmental Trust. And that's for a variety of policy and legal reasons but primarily because that trust was created in a really a sacred bond by a vote of the people. And so any time that we move in and tinker with that, it implicates those votes that our citizens put forward. So I think that's a good reason to start out skeptical and cautious when it comes to small or large changes regarding the Nebraska Environmental Trust. I've seen

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some language of the amendment that is being contemplated and I think that it is a serious attempt at compromise and consensus and more completely seems to codify the existing policy and practice which again is really not at issue according to the record, proponents or opponents. So that seems to be a good step in the right direction. I'm looking forward to looking at the amendment language, will probably vote to that to try and improve the legislation. But I still have concerns with LB57, as Senator Dubas noted, and the direction that it takes, particularly when proponents have yet after a full day of debate put forward a sound public policy basis for why we need to make these changes in state law. I will continue to listen to the debate, appreciate everybody who's worked on these difficult and important issues in a serious manner. But, again, I caution the body to let's not continue down this path when it comes to a continual tinkering with the Nebraska Environmental Trust and the good work that it does all across our great state and that is widely supported by our citizens for a good reason. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Conrad. Senator Chambers, you're recognized. [LB57]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, I'm fighting the temptation to get into the main debate. But I want to ask Senator Larson, if he's here, a question or two. Oh, he stepped out. I don't know, maybe Senator Nelson can...I mean, Senator Carlson can answer this question. [LB57]

SENATOR COASH: Senator Carlson, will you yield? [LB57]

SENATOR CARLSON: Yes, I will. [LB57]

SENATOR CHAMBERS: Senator Carlson, are you aware of the nature of this amendment that everybody is mentioning but nobody is describing? [LB57]

SENATOR CARLSON: Yes, I'm aware of it. [LB57]

SENATOR CHAMBERS: To whom...are you a part of that activity in crafting this amendment? [LB57]

SENATOR CARLSON: To a limited extent. [LB57]

SENATOR CHAMBERS: To whom are you all who support that amendment pandering and groveling to? [LB57]

SENATOR CARLSON: I'm not pandering to anyone. There are people that are very interested in the amendment that you might say they're cooperating. [LB57]

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SENATOR CHAMBERS: But I say groveling also. You didn't say you're...are you groveling? [LB57]

SENATOR CARLSON: Nobody is groveling. [LB57]

SENATOR CHAMBERS: So you're neither pandering nor groveling. [LB57]

SENATOR CARLSON: No. [LB57]

SENATOR CHAMBERS: Why is it felt necessary to satisfy the needs or the wishes of whomever is affected by this amendment? [LB57]

SENATOR CARLSON: Well, that's fortunately or unfortunately the process of legislation, you compromise. [LB57]

SENATOR CHAMBERS: So this...was it known that this particular group, whoever they are, had these feelings of opposition or doubt about the bill before now? [LB57]

SENATOR CARLSON: I would say yes. [LB57]

SENATOR CHAMBERS: Why was no effort put forth before now to do something about addressing those concerns if you know? [LB57]

SENATOR CARLSON: Well, there was some effort put forth and then you make a decision whether or not you believe those concerns have been satisfied. And if other concerns come up in the process of debate, that's what changes things and that's what's happened here I would believe. [LB57]

SENATOR CHAMBERS: So then the negotiating team on your side did meet with...who are these people who are going to be satisfied with this amendment? What interests? What group? What persons? [LB57]

SENATOR CARLSON: Ducks Unlimited is one. [LB57]

SENATOR CHAMBERS: They're the villain in all of this, aren't they? [LB57]

SENATOR CARLSON: Well, you say so because they kill ducks. [LB57]

SENATOR CHAMBERS: Well, but here...I meant without that because you like them for that. But I thought I heard you talking about and Senator Larson how Ducks Unlimited will get this land, then sell it and get some money and not give it to the trust but put it someplace else and buy some more land. You said that about Ducks Unlimited. I heard you. Didn't you say that? [LB57]

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SENATOR CARLSON: I believe I did. [LB57]

SENATOR CHAMBERS: And now you're capitulating to Ducks Unlimited. Is that true? [LB57]

SENATOR CARLSON: No, I'm not. [LB57]

SENATOR CHAMBERS: Well, how are you satisfying Ducks Unlimited with this amendment that you say is coming down? [LB57]

SENATOR CARLSON: Because it's not my bill and it's not my final decision. [LB57]

SENATOR CHAMBERS: So then you don't know whether this amendment will satisfy them. You have not been that deeply involved in putting it together. [LB57]

SENATOR CARLSON: I listened to them say that this would satisfy them. [LB57]

SENATOR CHAMBERS: And who are the "they" you listen to? Was Senator Larson one of them? [LB57]

SENATOR CARLSON: Yes, he was... [LB57]

SENATOR CHAMBERS: Thank you. [LB57]

SENATOR CARLSON: ...with Ducks Unlimited. [LB57]

SENATOR CHAMBERS: Thank you. Senator Larson. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR CHAMBERS: I'm patient. I said you have to learn when to be patient. I'll be patient until Senator Larson arrives on the scene. And I'm not going to hum the tune for Jeopardy. Duh duh duh duh-duh duh duh duh. I know the tune. You thought I was bluffing. Is there somebody here who would volunteer to tell me about this amendment? Then I will just...is this my third time, Mr. President? [LB57]

SENATOR COASH: Yes, it is, Senator. [LB57]

SENATOR CHAMBERS: Then I'm going to have to wait unless somebody will give me time. I think Senator Larson is getting crafty. [LB57]

SENATOR COASH: One minute. [LB57]

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SENATOR CHAMBERS: Senator Larson, we got one minute. Step more lively. And I think he will answer the question. May I pose the question, Mr. President? [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Senator Larson, what concessions are you making to Ducks Unlimited by way of this amendment? [LB57]

SENATOR LARSON: As you'll see in the amendment, we took out what Senator Schilz was working to do. We took out "lease" to where they wouldn't have to come every time they operated a new lease. And we also took out "encumbrance." The next thing we did was to help the city of Lincoln... [LB57]

SENATOR CHAMBERS: But one thing before my time runs out, you are capitulating to Ducks Unlimited though. Is that correct? [LB57]

SENATOR LARSON: No. [LB57]

SENATOR CHAMBERS: See, you know my time is out. Okay. He wins that one because he played his cards right and I lost. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Senator Ken Haar, you're recognized. [LB57]

SENATOR HAAR: Mr. President, I would give my time to Senator Chambers if he'd like. [LB57]

SENATOR COASH: Senator Chambers, 5 minutes. [LB57]

SENATOR CHAMBERS: Thank you, Senator Haar. Thank you, Mr. President. And I guess after all, good things do happen to bad people on occasion. I'm not the bad person. I'd like to ask Senator Larson another question or two if I may. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Senator Larson, when you mentioned Senator Schilz, is this what he was talking about trying to do if the bill got to Select File? [LB57]

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SENATOR LARSON: It's very similar to what Senator Schilz was trying to do. There were a few other things in there that... [LB57]

SENATOR CHAMBERS: Okay that's...okay. Now here's what I want to ask you. Obviously it was known that Ducks Unlimited had objections to what this amendment is trying to address. Is that true? [LB57]

SENATOR LARSON: What AM676 was trying to address or the amendment that will be coming? [LB57]

SENATOR CHAMBERS: The numbers don't mean anything to me. Let me rephrase the question. Did you know that Ducks Unlimited had objections to the bill the way it was drafted? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: And this amendment is designed to meet those objections, is that true? [LB57]

SENATOR LARSON: It is designed to come to a common ground with all interested parties. [LB57]

SENATOR CHAMBERS: There are parties other than Ducks Unlimited who will be addressed by this amendment? [LB57]

SENATOR LARSON: Yes, the city of Lincoln as well. [LB57]

SENATOR CHAMBERS: Well, let's forget Lincoln because you said that you'd capitulated to them already. But now this amendment had to include Ducks Unlimited. Is that correct? [LB57]

SENATOR LARSON: Ducks Unlimited is okay with the amendment that will be coming, correct. [LB57]

SENATOR CHAMBERS: And you knew about their objection and you knew about Lincoln's objection before now. Isn't that correct? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: What didn't you just go ahead and accept what it was they said needed to be done to the bill without waiting until now? Was there a reason for that? [LB57]

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SENATOR LARSON: I think...I'm not sure. We had had limited conversations with Ducks Unlimited up until this point. And once discussions started, the discussions continued at a more fervent pace, we'll say. [LB57]

SENATOR CHAMBERS: Okay. [LB57]

SENATOR LARSON: And we... [LB57]

SENATOR CHAMBERS: So pardon me about interrupting but my time that I was yielded. The discussion itself is what brought us to the point we've reached now where minds that were not meeting are coming to a meeting point now. Is that correct? [LB57]

SENATOR LARSON: Yes. The discussion on the bill brought those added discussions out. [LB57]

SENATOR CHAMBERS: And prior to the discussion, those minds had not met, had they? [LB57]

SENATOR LARSON: Very limited, in a very limited basis. [LB57]

SENATOR CHAMBERS: So in a lot of...in some instances the extended debate is necessary and serves a worthwhile purpose because it shows the conflicting or warring parties that there is a middle ground where they can meet. [LB57]

SENATOR LARSON: I would agree with that. [LB57]

SENATOR CHAMBERS: But it takes a while sometimes to bring the warring parties to that point of realization. Would you agree? [LB57]

SENATOR LARSON: At times, very much so, Senator Chambers. [LB57]

SENATOR CHAMBERS: Could that happen on bills that you have no part to play in and other people on their bills are trying to reach a similar accord through extended debate? [LB57]

SENATOR LARSON: I would say so, yes. [LB57]

SENATOR CHAMBERS: And from this point onward due to your experience, and you're a person who learns from experience having gone to George Washington University...or was it Georgetown? Well, anyway, George is in it somewhere. You learned from your experiences. You will not begrudge people in the future for engaging in extended debate in hopes that they can arrive at a meeting of warring minds... [LB57]

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SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: ...in the same way that you benefited from extended debate on your bill. You won't begrudge others this opportunity, will you? [LB57]

SENATOR LARSON: No. [LB57]

SENATOR CHAMBERS: Senator...thanks. That's all I have to ask you, Senator Larson. We can all learn. I learn constantly. I'm learning about my colleagues as I listen to their debate, as I ask them questions, as I hear their responses, and I observe the strategies that some people utilize. Because in instances such as this one, there is no strategy. Things are just going along. Things are being thrown together as time passes. And fortunately, for their side, they seem to be overcoming opposition. As far as the other people who continue to oppose the bill, you are still confronted with the question of how strongly you support the Environmental Trust. [LB57]

SENATOR COASH: Time, Senator. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Senator Brasch, you are recognized. [LB57]

SENATOR BRASCH: Thank you, Mr. President, and good afternoon, colleagues. I do serve on the Natural Resources Committee and there have been questions that have come about on where we got to, to be here today discussing this bill. And I do have a printout of the transcript and it was quite a lengthy 57 pages that I won't read all of. But looking at the testimony, Senator Campbell had questions about Larry Dix's neutral position. And as I pulled up the transcript and looking here what...from Larry Dix, he did say that they have...it says here...he came in neutral, he thanked the committee, he thanked Senator Larson, and he said that they are certainly always concerned about taxation issues in counties. And he adds that because they've been involved in this--this meaning the questions about property taxes, the Environmental Trust--he said that there are always concerns about the tax base. And he said that for counties, the tax base does affect the school districts. And I'm reading, quoting him, school districts, the NRDs, the ESUs, and everyone else in the county who participates on behalf of those taxes. And then he also goes on to add during his testimony, he says, "And most of these projects are outside of the city limits and so the one thing that it does is it puts more traffic on those county roads and it puts more burden on the law enforcement and some of these folks." So there is a natural tie between the concerns the county have, loss of funding. And he also adds that...he says, "But I appreciated Ducks Unlimited stepping forward because over the years we've worked with them and identified I think what everyone has determined as an issue here." So this is not arbitrary. This is an

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ongoing issue that LB57 tries to address. And Larry continues, "And so we stand ready to serve in the role as representatives of county government to help the committee and any of these senators going through this process" moving forward. So that is Larry. And then the other testifier, again 57 pages of deliberation here, is Mark Brohman who is the director with the Environmental Trust Fund, and he adds in his neutral testimony about the amount of funds and that he also explains that, for an example, he said well, "...just round numbers, like \$300,000. We'll take this money and we will go buy property that has wetlands on it. We'll restore the wetlands, put an easement on it, and then sell it to what they call conservation buyers." So that is the loop, the ongoing loop here. And he...Mark also goes on to explain that, over 20 years there's a couple hundred thousand acres across the state of Nebraska that have been affected by this process, the tax rolls, the environmental fund. It gets turned over to the federal, and then the federal takes it off the tax rolls. So that is the dilemma here that LB57 tries to address. I also had one more point I wanted to... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR BRASCH: ...address, is that in all of our testimony...and the one from Farm Bureau, a woman came to testify, and that would be Tanya Storer from Cherry County. And she also explained in her testimony about the negative impact, that it can have and sometimes does have on ag land, where she explains that it's not leveling the playing field. And I've lost the page here. But where a private individual has to compete for land against a public fund, entity, or a trust, that those dollars are not in private pockets as readily available as it is to the federal government or others buying this agricultural land. [LB57]

SENATOR COASH: Time, Senator. [LB57]

SENATOR BRASCH: Thank you. [LB57]

SENATOR COASH: Thank you, Senator Brasch. [LB57]

SENATOR BRASCH: Thank you. [LB57]

SENATOR COASH: Senator Lautenbaugh, you're recognized. [LB57]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. And in the interest of continuing to work on the amendment, I will donate the rest of my time to Senator Chambers if he'll have it. [LB57]

SENATOR COASH: Senator Chambers, 4 minutes 47 seconds. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator Lautenbaugh.

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Members of the Legislature, I'm so glad for this opportunity. I have energy. When I'm not allowed to expend it, then that's what gives me a problem. And I'll be 76 years old in July. I'm the oldest thing on this floor. Look around at these people, the ones who are still here, and consider those who are lounging and resting in their offices. Youngsters! And they are going to wear me out? I'm like one of those football players who the more times he gets to carry the ball the stronger he becomes and the weaker becomes the opposition. But we are trying to facilitate something here this afternoon. And if Senator Larson is here, he...oh, Senator Larson is on his way I believe. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Senator Larson, going back to the discussion we were having about Ducks Unlimited, and I'm leaving Lincoln out right now, originally you were opposed to what it was Ducks Unlimited wanted, otherwise you would have conceded it to them right away and taken it out of the bill. Is that correct? [LB57]

SENATOR LARSON: There were clear differences between where I was and where they were at that time. [LB57]

SENATOR CHAMBERS: And you agree to go along and mollify them at this point in the hopes of having a better chance of advancing this bill. Is that bluntly correct? [LB57]

SENATOR LARSON: I think working with them we made good policy changes that make LB57 a better bill. [LB57]

SENATOR CHAMBERS: And initially you didn't think these changes were so good in terms of policy. Isn't that true? [LB57]

SENATOR LARSON: Not necessarily. I think after talking to them, as you said, the extended debate brought out discussions between all interested groups, and through those discussions we've come to an agreement that this is good public policy. [LB57]

SENATOR CHAMBERS: That explanatory statement will make it possible for you to answer this question yes or no now, the fact that it was this extended debate that brought you around to the position you're taking now. Here's the question. Initially--that means prior to this discussion--you did not think that Ducks Unlimited's position was good policy, did you? [LB57]

SENATOR LARSON: Their original position was, in my opinion, not good public policy. [LB57]

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SENATOR CHAMBERS: And now you feel that by conceding to them and their wishes, the bill has a better chance of advancing. Is that correct? [LB57]

SENATOR LARSON: I don't think the amendment as drafted I conceded to all their wishes. We found common ground in the middle. And I do hope that with that common ground that I think is so important in working with a number of groups, that this bill can now go forward, yes. [LB57]

SENATOR CHAMBERS: I spoke prematurely when I said your having gone to George Washington made it possible for you to learn from your experiences. But you still are unable to acknowledge what has happened, so I won't belabor that point. You kept using the term transparency. What is it about the work of this trust that is not transparent? First of all, what do you mean by transparency? [LB57]

SENATOR LARSON: I think the work of the trust I think is transparent in the fact that all their documents are obviously open to the public. [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR LARSON: When we refer to transparency, it's referring more to the transparency of the state...the dollars that are being expended by the trust. We want to make sure that the trust has the ability to continue to track those dollars and have at least... [LB57]

SENATOR CHAMBERS: Well, how do you know how those dollars are being spent if there's not transparency so that you know? In other words, how do you know if you don't know? And if you do know, how can you say it's not transparent? [LB57]

SENATOR LARSON: I think we know that the trust doesn't have the ability to continue to track those dollars in the sense that they want to have the ability to approve or to sell, exchange, or transfer that land. And therein lies the transparency. [LB57]

SENATOR COASH: Time, Senators. [LB57]

SENATOR LARSON: Thank you. [LB57]

SENATOR COASH: Thank you, Senator Larson. Mr. Clerk, you have an item on your desk. [LB57]

CLERK: Mr. President, Senator Larson would move to amend the committee amendments with AM871. (Legislative Journal page 880.) [LB57]

SENATOR COASH: Thank you, Mr. Clerk. Senator Larson, you are recognized to open

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on AM871. [LB57]

SENATOR LARSON: Thank you, Mr. President. AM871 is the amendment that I put in that is an agreement that I have reached with interested parties. I think that it does alleviate the concerns that Ducks Unlimited has shown and the city of Lincoln. First of all, in both Sections 7 and 8, it restricts it to nonpublic grantees. So any public grantee essentially would not be encumbered by this. Also, it goes through and it says the...in what we were working with, it says that a grantee shall not sell, transfer, or exchange the land unless it was already approved by the original grant. So if the original grant said that they had the authority to do X, Y, or Z, they don't need to come directly back to the board to get reapproval if their grant already gave them approval to do such thing. You'll notice that we take out "lease" and "encumbered" of things. It focuses on sale, transferred, and exchanged so organizations won't have to come get board approval for leasing or encumbering the ground. Also the...it says approval shall be granted if the sale, lease, or transfer or exchange is consistent with the purpose of the original grant. So these are the main highlights that are changed in AM871. Again, it was brought about by a hardworking discussion with senators as well as members of the lobby, and hopefully we can move forward with this. Thank you, Mr. President. [LB57]

SENATOR GLOOR PRESIDING

SENATOR GLOOR: Thank you, Senator Larson. Members, you've heard the amendment to the committee amendment. We now move to floor debate. Senator Ken Haar, you're recognized. [LB57]

SENATOR HAAR: Mr. President, members of the body, I understand there's another amendment being drafted right now. And it's really important to see this before a vote happens today. I don't think we can wait till Select File to look at this next amendment. Going ahead with the bill now, in my opinion, and you probably all know where I'm coming from, is the old thing of putting lipstick on a pig at this point--not to offend anybody in agriculture, but it's a bad bill--because the Nebraska Environmental Trust has done so many good things and gotten so many good reports. And we could go through all those reports, all the newspaper reports to show you what a great job they've done. And I still haven't heard anything, frankly, that the trust can't do right now that this bill is going to...you know, this bill will make them do certain things but they're doing many of these things right now. We had a bill earlier in the session on fracking, and the Commission on Oil and Gas was not putting forth rules and regulations. And so by kind of...the purpose of that bill in committee I thought was to threaten them to the point where they would get it done. But in this case I'm really confused because the trust is doing what this bill asks to be done. And so we just want it perpetuated and we can't tie the hands of any future Legislature anyway. So we'll look at the amendment when it comes through. I just wanted to tell you a little bit more about actually what happens to money that goes...some of these...oh, here it is. Okay. Ducks Unlimited revolving

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habitat fund celebrates the completion of three projects. And in each of these three projects, one in Nebraska, part of the approach was that DU acquires high-priority parcels of habitat from willing sellers--nobody is forced to sell, willing sellers--and then develops and implements a restoration plan in cooperation with numerous partners. The conservation easement is secured on the property to permanently protect restored habitat and guaranteed long-term benefits for the waterfowl and other wildlife species. Lastly, the property is sold to a conservation buyer with proceeds from the sale reinvested in future projects. So Ducks Unlimited doesn't get this money and run away with it; they reinvest it in future projects. And so as we talk about this and see the amendment, and if it passes and goes to Select File, we are going to ask all the other questions because I will not put lipstick on this pig if it in any way restricts the work of the Environmental Trust. They've shown over years and there have been many attacks, including the one several years ago to take half their money for seven years. And we fought that one back, and I think the support is still there. If this needs to become a more public issue, I'm sure we're willing to do that as well. Again, just to let you know, the work of this group is not to accumulate vast bank accounts; it's to restore habitat for waterfowl. And last weekend, my wife and I and my cousin and her husband were up to see the cranes, and then we went up to the Calamus Outfitters... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR HAAR: Thank you...and to see the birds. And we saw lots of birds and we spent quite a bit of money on that trip. And so these conservation activities give Nebraska a wonderful opportunity for tourism. We met people at Calamus Outfitters that came from Minnesota, they came from Florida, they came from Connecticut. They all came to see what we have to offer in Nebraska in terms of bird watching. And so this is a very important issue as we look to developing tourism in Nebraska. And I applaud the work that Ducks Unlimited does to enhance that. Thank you. [LB57]

SENATOR GLOOR: Thank you, Senator Haar. Senator Chambers, you are recognized. [LB57]

SENATOR CHAMBERS: Mr. President, members of the Legislature, I ought not to have read this amendment because I'm looking at the structure of it. But before I go into that, I'd like to ask Senator Larson a question. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR CHAMBERS: Senator Larson, who formulated the language of this amendment? [LB57]

SENATOR LARSON: Well, a lot of the language is very similar to what AM844 had. We added in the language of a nonpublic grantee both in Sections 7 and 8 and then came

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to the agreement to take out lease and encumbrance. [LB57]

SENATOR CHAMBERS: Okay. But before we get to that, you got a copy of your amendment in front of you, correct? [LB57]

SENATOR LARSON: Yes, sir. [LB57]

SENATOR CHAMBERS: In line 8, why do you make reference to a contract as though the contents of a contract would be written into the statute? It seems to me that it might be more appropriate to state it as a policy, something like no nonpublic grantee shall be authorized to, and then mention these things. And then when you get down to line 12 you strike "without" and put "unless the board gives prior written approval." Then you don't make any attempt even to put into the statute anything about a contract. You're talking about the policy according to which the board is going to act in these situations. You don't have to do it by restricting them to how a contract is written. You don't have to continue standing because I can't offer an amendment to an amendment. When all this work is being done, I know that people don't look at language the same way that I do. And I know people might feel that however bunglesome the language utilized is, if somebody can gather what is intended, then that's good enough. But I really don't think it is. I really don't believe that there should be a reference to a contract. There may be other things in this amendment that I think ought to be rewritten, but it's not my bill. I'm just putting things into the record. There has been extended debate. Senator Larson has pointed out that the differing sides, at least some of those who were involved in the differences, came together and the result is this amendment. But it still is not, in my opinion, crafted the way it should be. I don't think there should be a reference to the contract. Then as I turned the thing over, there is another statement about what the board shall require in the contract. Just state as a policy what types of transactions may and may not be entered into. And if there is an exception, then point out that this is the general policy unless. Then you state the exception and you don't say that the board must include in a contract. I don't think that is sound legislating. And those who want this bill can feel fortunate that I'm not looking at the merits of the legislation itself or I would make you go to cloture because I could take eight hours by myself... [LB57]

SENATOR GLOOR: One minute, Senator. [LB57]

SENATOR CHAMBERS: ...just on the technical aspects of this bill, the types of ideas that are expressed, then the language selected to express those ideas. The matter is serious. For those who support the trust, it is grave. And I'm just offering what I'm offering because I'm a member of the Legislature. I'll put my light on, Mr. President. Thank you. [LB57]

SENATOR GLOOR: Thank you, Senator Chambers. Senator Larson, you are next in the queue. [LB57]

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SENATOR LARSON: Just quickly to address Senator Chambers. Senator Chambers, I'd be more than happy to work with you personally between now and Select to make the bill read in a better fashion that you would be more comfortable with that still is able to do what the intent of the bill is. I know that you in the Legislature have continued to offer a number of floor amendments to make the language read better, and I'd be happy to work with you on that. That is why Senator Schilz originally offered the amendment to be on Select File so we wouldn't have these issues. Interested parties wanted it done on General File, therefore, we find ourselves in the situation that we're currently in. So I'd just like to express to Senator Chambers I'm more than happy to work with you on the exact wording at the beginning on line 8 if he should choose to do so. Thank you.
[LB57]

SENATOR GLOOR: Thank you, Senator Larson. Senator Chambers, you are next in the queue. [LB57]

SENATOR CHAMBERS: Mr. President, members of the Legislature, I think the bill should be killed. Until I am satisfied that this thing is going to be enacted into law, I'm not going to go through the effort, put forth the effort, to rewrite it. There are 48 other people in here. They can read. But if they have no concern about it, then it's going to fall to me to do it. I'm working on LB613. You all contrive these monstrosities that are embarrassing to the Legislature and then you know that I'm going to do the heavy lifting and the hard work, so you just sit back and go to sleep and wait for me to do it. And unfortunately up to now because I'm a member of the Legislature I feel an obligation, but it's a self-imposed obligation. I'm going to paraphrase what President Obama before he was president said in response to a question: that's above my pay grade. I'm not paid to do this. But I've taken it as my responsibility to try to see that wise, just, intelligent legislation is put on the books and the opposite is defeated. This is the opposite. But I don't know if there's enough will or sense in the body to do what they ought to do with it. You make these agreements with these lobbyists. You oblige yourself to do certain things and take positions without having read the legislation. Don't they tell you the devil is in the details? Well, I'm the devil. I look at the details. Why don't they say the angels are in the details? Because you all are the angels. You sit back and wait for God to do things and you trust God to do things. But being the devil, I know more about your God than you do. And I know that he told you to get up and boogie if you want something to be done. But you won't. But it needs to be done. So why should I make it my obligation? People don't look for a high level of legislating to come out of this body. The bar is very low and it's low for the people in this Legislature who ought to feel a responsibility. I bet there are lawyers who would not craft a petition as carelessly as legislation which becomes the law is crafted. Maybe they would. Maybe that's why they don't win cases if they don't win. But why? If people on this floor have got training in doing certain things, they don't bring that training here and bring it to bear on what it is we're doing. Where is the sense of pride? Where is the sense of obligation? I don't see

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it. The legislatures are ridiculed all over the country because of the simpleminded stuff that comes out of those legislatures. Then when people publish it and say believe it or not, such-and-such a legislature enacted this into the law. And people mock and scoff. But they shouldn't because they're the ones who sent you here. They feel that you represent them. So when you operate in a slapdash, careless fashion, they knew that's what you were about and that's what they wanted. But the people in my community wanted something more. [LB57 LB613]

SENATOR GLOOR: One minute, Senator. [LB57]

SENATOR CHAMBERS: But there are very difficult, complex issues confronting the people in my community. So they sent me down here. Do you know why they sent me down here instead of somebody with more ability than I've got? I'm from the shallow end of the gene pool in my community. The people with the real ability don't have time to waste down here. So they sent somebody they could spare and I'm that person. But even being the one who was sent here because the community can spare him still have a higher standard than what is utilized here. And why can I say it? Because it's true and you know that it's true. You don't think that if you read this the way I read it, I don't mean with my attitude and my outlook on life, just reading the language, do you think it makes sense to try to... [LB57]

SENATOR GLOOR: Time, Senator. Thank you, Senator Chambers. Senator Chambers, you're recognized again. [LB57]

SENATOR CHAMBERS: And I know nobody else is going to discuss this. And there's no way an amendment to an amendment can be amended. So I don't have to offer an amendment here. I'm just pointing out some of the flaws and maybe that's all that I'll do for a while. And then with you knowing what the flaws are, you'll pass it anyway. You don't have any pride. The master race? Superior to me and my kind? And that kind of stuff is still written in books, is still talked about in classrooms, that black people are inherently inferior to white people. How in the world am I going to feel inferior and know my place when I'm in an operation like this where in all of my inferiority, the little bit that my poor, pitiful, struggling brain, flawed and enfeebled by being exposed to lead in my community while I was growing up, with all of those intellectual defects, with all of the genetic inferiority, I see things written in your language that you either don't see or you don't care about. You had some of the best minds in the Legislature working on this, the best minds in the lobby working on it, and this is what you come up with, the best you can come up with. You ought to be ashamed of yourselves. But I'll tell you why you're not ashamed. You're not paying attention. You don't know how bad it is because you haven't read it. Why haven't you read it? Because you don't care. Which is worse, not caring and, therefore, letting it go by or being too dumb when you read it to see it? Am I miffed? Yes. Am I annoyed? Yes. Why should I be annoyed? You know what I used to say? But I've become older and I've become mellower. I used to say I'm at fault. How

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can I expect somebody with a thimble full of brains to produce a bushel basket full of sense? But I don't say that anymore. I'm mellowed out. I'm a nice guy. But there's something in me like that something in Galileo who would not let him say that the earth does not move, that it is the center of the solar system. But they tortured him. The Catholic Church tortured that man, the church which has the truth. And when his bones started to separate from the joints because they had him on that wheel, he said, it doesn't move, the earth does not move. And that's all they wanted to force him to say. So as they started to loosen the wheel and he relaxed and the bones went back into place, the joints and tendons were in their proper relationship, that knowledge that he had of the truth asserted itself and he said, but it does move. While I'm being tortured, you can force words out of my mouth but you cannot alter the truth that I know; and given the opportunity, I will speak that truth. Sometimes I get so irritated that I will say I'm going to let this silliness go. But then there's something in me that won't let me do that because you all aren't the ones who are suffering. The public is the ultimate loser. With all this talk of transparency so that the public knows, the legislation written is not well written. It does not say what is meant and it does not mean what it says and it's done in a way that's not proper. We've got somebody, I'm looking at him now, who was on the State Board of Education. [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR CHAMBERS: What kind of qualifications do you have to have for that? Shouldn't you be concerned? But you're not. Former professors in here. Where is the concern? Well, it's not their issue. Little parochial minds dealing with little parochial issues. And we're supposed to be state senators. We're supposed to be examples. These young people who sit around here listening to us, what do you think they go away from here with? If they go to the Legislature or do something in their life, you think we're the examples they want to follow? I don't read. I don't pay attention. I don't know how to do what I'm there saying I'm supposed to do, day after day after day. Sometimes I think you all are lucky that I'm here and other times I think you'd be lucky if I were not because nobody would call attention to... [LB57]

SENATOR GLOOR: Time, Senator. [LB57]

SENATOR CHAMBERS: ...what a sloppy job is being done here. Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Chambers. Seeing no further senators in the queue, Senator Larson, you are recognized to close on your amendment to the committee amendment. [LB57]

SENATOR LARSON: Thank you, Mr. President. As I said, we've been working hard for a long time on this bill and I can understand certain concerns. Obviously more than

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happy to sit down with anybody between now and Select File to work on this if it's deemed to need more work. Hopefully we can move forward with it right now, and I'd appreciate a green light on AM871. Thank you. [LB57]

SENATOR GLOOR: Thank you, Senator Larson. Members, the question before us is, shall the amendment to the committee amendment to LB57 be adopted? Those in favor vote aye; those opposed vote nay. Have all voted who care to? Senator Larson, for what reason do you rise? There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; those opposed vote nay. Record, Mr. Clerk. [LB57]

ASSISTANT CLERK: 32 ayes, 0 nays to go under call, Mr. President. [LB57]

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. Senators in the Chamber please record your presence if you're here. Senator Christensen, please return to the Chamber and record your presence. Senator Larson. [LB57]

SENATOR LARSON: I'll proceed, and I'd like a machine vote. [LB57]

SENATOR GLOOR: Senator Larson, we've already had a request for a roll call vote. Regular order, Senator Chambers? The question is, shall the amendment to committee amendment to LB57 be adopted? Roll call vote, regular order, Mr. Clerk. [LB57]

CLERK: (Roll call vote taken, Legislative Journal page 881.) 34 ayes, 1 nay, Mr. President, on the adoption of the amendment. [LB57]

SENATOR GLOOR: The amendment is adopted. Items for the record. Raise the call. [LB57]

CLERK: Mr. President, I have a priority motion. Prior to that, however, amendments: Senator Schilz to LB57 to be printed. Reference report. And Revenue reports LB90 and LB251 to General File. Enrollment and Review reports LB299 to Select File. (Legislative Journal pages 881-883.) [LB57 LB90 LB251 LB299]

Mr. President, Senator Chambers would move to reconsider the vote just taken with respect to AM871. [LB57]

SENATOR GLOOR: Senator Chambers, you're recognized to open on your motion for reconsideration. [LB57]

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SENATOR CHAMBERS: Thank you, Mr. President. I had thought about just letting the thing be added to the bill. Then I could have discussed it and I could have offered an amendment to it if I wanted to because it no longer was an amendment to the amendment. It was the part of the amendment and I could start all over again. But I decided to do it this way because I want to demonstrate that I'm not going to be gotten rid of very easily and I'm not going to be silenced on these issues when it comes to how we legislate. When people are in very heated discussions that they call negotiations, there is an endgame that each side would like to reach. And when they come to some kind of an arrangement of the kind that we have in the amendment that's before us now, they are not concerned about the language used to express it. And I will tell you all why: because you let others do your work for you. The senators that...let me before I go too far, I'd like to ask Senator Larson a question or two. [LB57]

SENATOR COASH PRESIDING

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Senator Larson, which senators actively participated in putting the language to this amendment? [LB57]

SENATOR LARSON: As we said, Senator Schilz worked extremely hard and I over the lunch hour to place that amendment on the Select File with the hopes of demonstrating our willingness to work on it and make sure all the language was correct for Select File. After that, with conversations and discussions because of the heat of battle, as you've said, we started having discussions with the lobby, and I worked directly with members of the lobby on the language and the amendment. [LB57]

SENATOR CHAMBERS: All right. Somebody's hand or somebody's typewriter put words on paper. Whose hand put the words on paper, the words that comprise this amendment? Whose hand wrote these words? [LB57]

SENATOR LARSON: AM871 was my amendment and it was something that I worked on, so I'll say they were mine. [LB57]

SENATOR CHAMBERS: Did you write the words on page 1 of this amendment that are found in line 8 relative to this contract? Did you write those words? [LB57]

SENATOR LARSON: We were amending... [LB57]

SENATOR CHAMBERS: Not we. [LB57]

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SENATOR LARSON: ...AM844, so if that... [LB57]

SENATOR CHAMBERS: Not we. You said you did it, so I don't need all that. Did you write the words in line 8? [LB57]

SENATOR LARSON: The board shall require in a contract between the board and a nonpublic grantee? [LB57]

SENATOR CHAMBERS: Yes. Did you write those words? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Why did you put "in the contract" in that sentence? Why did you select those words? [LB57]

SENATOR LARSON: They were in the original amendment AM844 and when we drafted... [LB57]

SENATOR CHAMBERS: Okay. Wait a... [LB57]

SENATOR LARSON: ...AM877 (sic)... [LB57]

SENATOR CHAMBERS: Who wrote that amendment where this language about the contract first saw the light of day? Who wrote those words? [LB57]

SENATOR LARSON: Again, it was a compilation between myself, my staff, to make this amendment work. So... [LB57]

SENATOR CHAMBERS: Were there lobbyists involved? [LB57]

SENATOR LARSON: The original...since AM871 was added into other amendments, I can't say that lobbyists were involved because... [LB57]

SENATOR CHAMBERS: Okay. [LB57]

SENATOR LARSON: ...we were just adding into amendments that had already been drafted. [LB57]

SENATOR CHAMBERS: Here's what I'm getting to. And before I get to that, they say success has a thousand fathers; failure is an orphan. A lot of people may have had a role in this but they probably will all run for cover now. When you went to the university, and I won't give the name because I don't want to mix it up, did you take any English literature? [LB57]

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SENATOR LARSON: Yes. I had an excellent Shakespeare class. [LB57]

SENATOR CHAMBERS: Did you read anything from the philosophical or metaphysical poets--John Donne, William Blake, and those kind of people? Or they were outside your bailiwick. [LB57]

SENATOR LARSON: They were...the class focused on Shakespeare. [LB57]

SENATOR CHAMBERS: One of them...well, Shakespeare wouldn't be the only thing in English literature. Had you ever heard words similar to this? It was called...it was about a tiger. Tiger, tiger, burning bright in the forest of the night. Had you ever heard those words before? [LB57]

SENATOR LARSON: No, I haven't. [LB57]

SENATOR CHAMBERS: Well, anyway, the guy wrote it, and then he went on to say about this tiger: Did he smile, his work to see; did he who made the lamb make thee. Had you ever heard that? [LB57]

SENATOR LARSON: No. [LB57]

SENATOR CHAMBERS: Now do you smile, your work to see, in this amendment that we're looking at now? Does it make you smile with satisfaction? [LB57]

SENATOR LARSON: I think the amendment is a good compromise that will lead to good public policy. [LB57]

SENATOR CHAMBERS: And sometimes compromise is not necessarily a good thing because it could mean that everybody forsook part of their principles. That's what a compromise can mean also, can't it? [LB57]

SENATOR LARSON: It could, yes. [LB57]

SENATOR CHAMBERS: And when you compromise a principle, it means you give up that which you believe in order to obtain something else. Isn't that true? [LB57]

SENATOR LARSON: It could, yes. [LB57]

SENATOR CHAMBERS: And that could go to this statement that nobody likes to have applied to himself or herself about the end justifying the means. If the end is sufficiently desirable, then any means you use to achieve it become justified. You've heard of that, haven't you,... [LB57]

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SENATOR LARSON: I've heard of it. [LB57]

SENATOR CHAMBERS: ...and that that is not a morally defensible position? [LB57]

SENATOR LARSON: I've heard of that. [LB57]

SENATOR CHAMBERS: Okay. Now the end that was desired by you and the other people who were involved in this negotiation that resulted in this amendment, was some kind of arrangement where both sides give up something and both sides get something, is that true or is that false? Or is it neither true nor false? [LB57]

SENATOR LARSON: I would say that all interested parties worked to find common ground. I'm not going to say that either of us had to compromise our principles because I don't think that's the case. I think we found common ground in common language that everybody could agree on. [LB57]

SENATOR CHAMBERS: But you are the author of this language so they assigned you the task of setting or compressing the agreement you arrived at into this language that we have before us. Am I to understand that to be the case from what you've said earlier about having written the language? [LB57]

SENATOR LARSON: Yes. The language is partially mine, and then obviously we built off the committee amendment as well. [LB57]

SENATOR CHAMBERS: So when something was taken up to the Bill Drafter, you had written out what we see here that's underlined in this amendment that I'm talking about now. Is that true? You wrote that language? [LB57]

SENATOR LARSON: Yes. It comes from me, my staff, legal counsel of Natural Resources. [LB57]

SENATOR CHAMBERS: Not you and your staff and legal counsel. You. Or are you modifying that now and saying that when you told me you wrote it, that didn't mean just you alone; there were people working with you such as your staff and legal counsel who put this together. [LB57]

SENATOR LARSON: Many people worked on it. I take responsibility for it since it was my amendment, Senator Chambers. [LB57]

SENATOR CHAMBERS: But you did not write this, did you personally? Your hand did not write this. Your fingers didn't touch the keys whether it's on a word processor or a typewriter. [LB57]

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SENATOR LARSON: Bill Drafters, if you want to get that technical, were the ones that actually stroked the keys and wrote the amendment. [LB57]

SENATOR CHAMBERS: So were they formulating this amendment or were they writing what you gave to them? [LB57]

SENATOR LARSON: They were writing what we gave to them, but... [LB57]

SENATOR CHAMBERS: And I want to know who wrote what you gave to them? Was it you, or your staff and your legal counsel and you? Why is it so difficult? If somebody I was working with had written something, I'd say they wrote it. What is there to hide? [LB57]

SENATOR LARSON: Senator Chambers, I wasn't trying to hide anything. I was trying to take responsibility for the... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR LARSON: ...amendment that I offered. Obviously you know as well as anything in this process we work with our staff and committees to try to ensure that the amendments are as clean as possible. So if I misspoke and you took it that I wrote the amendment completely by myself, I apologize for that. But... [LB57]

SENATOR CHAMBERS: You don't have to apologize. [LB57]

SENATOR LARSON: ...but I was just trying to reiterate that since it was my amendment that I was taking responsibility for that amendment. But as we wrote through it, obviously, we had help from or I had help from staff and legal counsel and others. But it was my amendment so I was taking responsibility for it. [LB57]

SENATOR CHAMBERS: And I know my time is up. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. You are next in the queue. Senator Chambers, you're recognized. [LB57]

SENATOR CHAMBERS: Thank you. Mr. President, when this person who spoke now said he wants to be called Francis, nobody called him by anything other than Francis. When Cardinal Joseph Ratzinger said he wanted to be called Benedict XVI, nobody other than myself continued to call him Joseph Ratzinger. So we allow people to determine how they want to be addressed. So because I'm old school, some people are high tech, some are low tech, and I am no tech. There's a song a guy said, call me a relic, call me what you will; say I'm old fashioned, say I'm over the hill. And maybe so.

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But can I be told where I'm to speak in the language that I prefer, which is I'm next in line rather than the queue. May I be excused from the queue? I may not. Very well. I guess that's another thing they put in while I was not here to upgrade and advance the Legislature. We're not careful about how we craft the laws that are going to govern the people but we're very great sticklers for saying in the queue. So I will accede to that. My turn in the queue has arrived. So Senator Larson and I may continue our Q&A. I presume I'm allowed to refer to Q as a letter rather than one of those foreign words which Americans fall all over themselves trying to make use of so that if we have somebody in the balcony from Normandy--What do they call Normandy now?--then their eyes will come wide open because they've been told what a rural, backward place this is; and lo and behold they said queue. Wow! Wait till I go back to Paris and tell them that they said queue. So maybe I should upgrade my vocabulary. But I wonder how many ordinary people on the street that I talk to would know what I'm talking about. And I don't want to lose, as some poet said, the common touch. And he wasn't talking about reaching out and grabbing people where you shouldn't. But don't forget where you came from, don't forget who you are, and don't forget your roots, and don't because you come around certain people who are what in the old days they called "siditty" or elitists that you are going to pretend that you are like them. They don't accept it. They would respect you more if you are what you are because you can't get away from it. There was...and we're just passing time this afternoon. There is a publication in Omaha called The Reader, and they did what they call an April Fool edition. And they put a picture, a representation, an image of me in a tuxedo. And they acknowledged that since it would never be seen in real life, they had an artist to render it. And it was so effectively done that I think I'm going to make some copies and give them to my colleagues, and you can throw darts at it if you want to or you can just look at it in admiration of what it took the artist... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: ...to possess to do something like that. Would that the artistry employed to put together that representation of me could be brought into this Chamber and we would take as much time in crafting legislation as the artist took to make a drawing that might elicit a smile. And my job that I've undertaken is to lay on us and stay on us until we take some pride in what it is we're doing. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Senator Chambers, you're recognized. [LB57]

SENATOR CHAMBERS: And this is my last time before I close, right? Thank you. Those of us from the shallow end of the gene pool at least know how to count to three. And I can count to 33 also. He's gone. (Laughter) Members of the Legislature, I don't think I'm going to offer any amendments to this bill. I'm not going to try to improve it. I'm

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going to ridicule it. I'm going to taunt. I'm going to scoff. And remember this, I didn't bring the bill here. I didn't offer the amendment. You put it in front of me knowing the way I am. They say don't hold a red garment in front of a bull. The bull doesn't care anything about red; I don't know how they determine it, but he's color blind. You could put a green something and that would look red. What the bull pays attention to is what's being moved and the action of the matador, the killer--the killer. There are some bulls, maybe nature decides that it's time to bring about a bit of fairness, who will distinguish between the matador and cape that is being waved or if they put a little cloth on a stick. And this bull will not go for the cape, this bull goes straight for the matador and the matador is not expecting the bull to do that because every bull behaves as every bull behaves and every bull before this one has behaved in a certain way. But this one was different. And that horn winds up piercing the matador's body. There are ways to distract people. Illusionists do it all of the time and they do it effectively because they know that people are going to see in the sense of perceiving and being aware whatever moves. That which moves is what draws attention. But to the perceptive bull, the movement of the cape means nothing because he looks at the one who is causing the cape to move. Charlie McCarthy did not talk; Edgar Bergen provided the words. The puppeteer is the one that I look for, not the puppet. And there are some puppeteers who put together this language. And they put together language without being concerned at all about how we ought to legislate. If you're going to put restrictions on how action is to be taken by a legal entity, then the language should be written in the form of a policy; not trying to write a specific contract. And it would be so easy to do it the right way. All of those years all of us spent in school, even if we were not good students, something stuck in our head. We were given grades in grammar. What good does it do to teach our children if it's not going to mean... [LB57]

SENATOR GLOOR PRESIDING

SENATOR GLOOR: One minute. [LB57]

SENATOR CHAMBERS: ...any more to them than what our learning that we obtained means to us. If when the time comes to put into practice what we supposedly learn, we forgot everything we learned, what is the value of education? I guess you hope that some few are going to pay attention. They're going to not only retain what they're taught, they're going to analyze it, understand it, and make it a part of how they think and do things. And when that is done, then you have people who come up with inventions, with creations that advance society. Some do it through technology and material creations, others nourish what some people refer to as the spirit or the intellect. [LB57]

SENATOR GLOOR: Time, Senator. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. [LB57]

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SENATOR GLOOR: Thank you, Senator Chambers. Senator Chambers, there are no other members wishing to speak. You're recognized to close on your motion to reconsider. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. And I would amend that to say, in my opinion "not wishing to speak," maybe they wish to speak but they dare not. But remember this, we're just here passing time. You all going to sit like knots on a log, but I can't. I cannot, because we still are a legislature. While we're in session, we should be active. And whether anybody else is or not, I shall be. And I will leave a record of what it is that I talked about and what I thought was important. And I'm going to put forth that effort. As my colleague, Senator Kolowski, who is also my colleague on the Learning Community, saw me futilely attempt to do--f-u-t-i-l-e-l-y, it was futile--futilely tried to do with those people on the Learning Community. Always the objector; always talking about what our true role is and how we're not delivering. How nothing that we have done is so important that if it were erased anything of consequence would be lost. And maybe that's how we could judge the value of what we do. If everything that we've done and said is taken away, would it make any difference in the world? Would it make any difference to anybody? Probably to somebody, because if a butterfly sets foot on a wave in the ocean, then the whole universe is changed forever, nothing remains the same, because that which the butterfly touched is not the same. That which is touched by what the butterfly touched is not the same because it's not touched by what was originally the toucher before the butterfly touched it, and all the way through the universe. All those countless stars in the galaxy. All of those galaxies that cannot even be accounted now. How do I know there are all those galaxies? I don't know, but people say so. People who are supposed to understand such things. People whose word is accepted. So all of that is so. But to indicate how unimportant it is, if it's not so, what will change? If the sun is not as many millions of miles away from the earth as has been stated, will the sun's heat be any less? Will its light have no effect? We say what we think; we speculate, we hypothecate, and by agreement we accept certain things. But then if somebody comes along and says, but it may not be like that, like a Galileo, then what you do, you stretch him on the wheel until he says what you want him to say which is what everybody else says, but it doesn't change a thing. It doesn't even change his mind. Because of the weaknesses of human beings and what excruciating pain can make us do, some of us, words will come out of a person's mouth that the person does not believe. But the words I'm saying here today don't reach that depth. They're just ordinary matters that I'm discussing, mundane matters, such as distinguishing between trying to dictate what goes into a contract and establishing a policy relative to the limitations on the actions that certain entities are allowed to place within the confines of the law. That's not deep; that's not metaphysical. But I can't even persuade my colleagues to do that. [LB57]

SENATOR GLOOR: One minute. [LB57]

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SENATOR CHAMBERS: So this amendment will be added to that bill, because you're not going to vote for reconsideration and I know it. But I'm going to do what I think I ought to do. How many of you think that if a panther were offered wings so that he could fly, he would refuse them? I think he would accept them. But a panther will never be given wings, so a panther will never fly. But here's the question that you need to dwell on, Senator Waterman...Watermeier, excuse me, I've been...I slipped, because there's a time I was going to use that, but I did it in advance. If a turtle lost its shell, would it be homeless or would it be naked? (Laughter) Or would it be both, or would it be neither? That's what philosophers spend all their time talking about. That's why their hair gets long and their beards get long... [LB57]

SENATOR GLOOR: Time, Senator. [LB57]

SENATOR CHAMBERS: ...because they don't shave or cut their head. They don't care what they look like because they got all that stuff going around in their head that nobody cares about except them. [LB57]

SENATOR GLOOR: Time, Senator Chambers. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. [LB57]

SENATOR GLOOR: You withdrew the motion, Senator? [LB57]

SENATOR CHAMBERS: (Inaudible.) [LB57]

SENATOR GLOOR: So ordered. Seeing no objections. Mr. Clerk, further amendments. [LB57]

CLERK: Mr. President, Senator Ken Haar would move to amend the committee amendments with AM876. (Legislative Journal page 883.) [LB57]

SENATOR GLOOR: Senator Haar, you're recognized to open on your amendment to the committee amendments. [LB57]

SENATOR HAAR: Mr. President, members of the body, more lipstick on the pig. This makes the bad bill a little bit better. What it does is that it says that the trust either has to take action within 45 days or a request would be approved...would be deemed approved. And then Section 9, on line 5, would say that since the board meets only quarterly that they could participate and vote by telephone, conference call, or videoconference. And what this does would be to expedite either the approval or denial of any projects that the NET has to deal with. So that's the amendment. Thank you. [LB57]

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SENATOR GLOOR: Thank you, Senator Haar. Members, you've heard the opening on the amendment to the committee amendments. We now move to discussion. Senator Larson, you are recognized. [LB57]

SENATOR LARSON: Thank you, Mr. President. I've talked to Senator Haar about this amendment. I do not see any problems with it in terms of affecting the intent of LB57. I understand his concerns in terms of the timing that the number of board meetings currently can cause when it comes to land acquisitions and land sales and things of that nature. So I rise in support of Senator Haar's amendment because I think it will allow the board to meet more often in terms of being able to meet via teleconference to approve such things. And by doing...by enabling them the ability to meet via teleconference I think that easily means they could meet within the 45 days of a request. Thank you. [LB57]

SENATOR GLOOR: Thank you, Senator Larson. Are there other senators wishing to be recognized? Seeing none, Senator Haar, you're recognized to close. Senator Haar waives closing. Members, the question is, shall the amendment to the committee amendment to LB57 be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted who care to? Record, Mr. Clerk. [LB57]

CLERK: 30 ayes, 0 nays, Mr. President, on the adoption of Senator Haar's amendment to the committee amendments. [LB57]

SENATOR GLOOR: The amendment is adopted. Mr. Clerk. [LB57]

CLERK: I have nothing further to the committee amendments at this time, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Mr. Clerk. We move to the committee amendment. Are there senators wishing to be recognized on the committee amendment? Senator Chambers, you're recognized. [LB57]

SENATOR CHAMBERS: Mr. President, members of the Legislature, you know I can't let this bill go without having a few more words to say on it. I'm tempted, since this amendment has become a part of an amendment, to offer an amendment and dare you to adopt it and tell you if you adopt it, it shows how foolish you were to adopt the first one. But I'm not going to offer that amendment. There's a song, Senator Price, based on something you and I touched on that says: yield not to temptation, for yielding is sin. And do you know what those letters mean to me now? S-I-N? Syria, Iran, North Korea. Now that America is getting out of Afghanistan and Iraq, they can take time and give attention to what Israel wants them to do in terms of attacking Iran, what the so-called rebels in Syria wants America to do in terms of giving them military help and eventually

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putting people in Syria as they blundered into Iraq and Afghanistan. And then doing provocative things to North Korea; and if there is an attack or anything construed as an attack by North Korea against South Korea, the president of South Korea has already said she'll meet force with force because America will be drawn into it. And America has over 25,000 troops on the ground in South Korea now. And there they will be on the ground, more young people, men and woman, in wars they didn't make because old men make wars and young people fight them. And they'll be told that they're fighting for freedom. No, they're not. And people dare not say those things. But that is the truth. So when you hear the word "sin" think of Syria, Iran, and North Korea. And remember what I'm telling you, and you can pretend not to like it and that's fine, and when you talk about all these people who have been in uniform and what they fought for, I don't think they fought for that at all. I don't think it's in anybody's mind...any soldiers' mind, I'm fighting for freedom of speech, freedom of religion, states' rights, let the federal government govern interstate commerce. That's what they...that's not on their mind, in my view. But that is the line that they are sold. It's the thing they must be told so that they won't feel like everything they're being done is for no reason at all. And the ones who weave those lies are the ones who wear suits and sit in this country making decisions and moving little objects on maps that represent real people who are going to die. Oh, when we get to those license plates, I'm going to talk about black soldiers during the Revolutionary War, the War of 1812, the promises made that if you'll fight for this country, you'll get your freedom. As soon as the fighting was done and the battle was won, back into slavery. Every time. And I'm going to talk about some of the military blunders. I'm going to talk about Custer. I'm going to talk about George McClellan. [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR CHAMBERS: I'm going to talk about a famous Navy guy who did some very stupid things and got a lot of sailors killed because of his stupidity. We're going to have the chance to talk about many, many things. For as the Walrus said, "The time has come, the Walrus said, to talk of many things: of ships, of shoes, and sealing wax, of cabbages and kings and other things." Thank you, Mr. President. [LB57]

SENATOR GLOOR: Thank you, Senator Chambers. Senator Ken Haar, you're recognized. [LB57]

SENATOR HAAR: Mr. President, members of the body, I have a question for Senator Larson. [LB57]

SENATOR GLOOR: Senator Larson, would you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HAAR: Okay, we've gone back and forth with amendments and so on. Could

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you describe for me now what you see as the difference in where this bill started this morning. [LB57]

SENATOR LARSON: I think there is a number of good things from what we started off on. I understood the concerns that the city of Lincoln had. That is one difference, that nonpublic grantees because of, obviously, there would be very important projects that they may be doing, like the Antelope Valley Project or whatnot, so that is one important difference. Also, two things that were taken out... [LB57]

SENATOR HAAR: I'm sorry, go back to that, just...what's the difference then? You mentioned Lincoln. But what's the difference? I need to get these down. [LB57]

SENATOR LARSON: Oh, nonpublic grantees won't be affected by LB57. Another difference from what the committee amendments and AM844 had this morning would be that it's focusing only on the sale, transfer, or exchange. We took out lease and encumbrance. Obviously, and I can understand the concerns that a number of individuals had that having to go back to the trust for every time you leased out your ground to have somebody put up hay, I understood where that would be a concern, so therein lies a difference. And then, obviously, the amendments that you brought are what I would say, another difference that offers a good constructive use to the bill because it gives the board the ability to meet over a teleconference and the board has to approve these things within 45 days to ensure that we're not holding up too many land deals by having to wait until the next board meeting. Another difference which is outlined in the amendment is that anything that's outlined in the original grant, such as something that says that the grantee intends to buy the land, do X and do Y and exchange it to Y, if the board preapproves that in the grant application, they don't have to come back to get approval, which I can understand that. If the board approves it once, why would they have to approve it again. And the sentence on AM871, such approval...that talks about approval shall be granted if a sale, transfer, or exchange is consistent with the purposes of the original grant. And I think therein lies the main differences in the bill from what it was this morning. And I think they're all changes that continue to work and make LB57 good public policy. [LB57]

SENATOR HAAR: And the tax portion in Section 7? [LB57]

SENATOR LARSON: The tax portion in Section 7 also applies to the non...we put the nonpublic grantees are also exempt in that portion as well. But for the most part, the tax portion stands as is. But again, we took the nonpublic grantees out of that. [LB57]

SENATOR HAAR: Okay. And then what is...how is this different now? The bill as amended, how is it different than what the NET does right now? [LB57]

SENATOR LARSON: It's very similar to what the NET does, as is what the original

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introduced... [LB57]

SENATOR GLOOR: One minute. [LB57]

SENATOR LARSON: ...the original committee amendment was very similar. Obviously, right now, the NET in their grants, I believe, has "encumbered" and "encumbered and leased" in their current contracts. So LB57 actually takes that out. It doesn't mean that the NET, it doesn't...it doesn't mean they can't put those in their contracts if they see fit. But we are, essentially, ensuring a certain base level of things that I think add accountability and transparency. But, obviously, I think the committee amendment, what was originally proposed, was almost word for word what the trust was currently doing. We changed it a little bit and if the trust still wants to put "lease" and "encumber" in their contracts, they'll be more than welcome but they... [LB57]

SENATOR GLOOR: Time, Senators. [LB57]

SENATOR LARSON: Thank you. [LB57]

SENATOR GLOOR: Time. Thank you, Senator Haar, Senator Larson. Senator Chambers, you're recognized. And, Senator, this is your third time based upon our discussion on this bill and the committee amendments earlier in the day, Senator. [LB57]

SENATOR CHAMBERS: Mr. President, members of the Legislature, Senator Haar's question was appropriate. But I'm still looking at the amendment that had been adopted and wondering what is going to be the final form of this bill. Now we're discussing the amendment to the bill. So, if this amendment is adopted...let me ask a question of Senator Larson. Or Senator Carlson, he can answer this question, if he will answer. [LB57]

SENATOR GLOOR: Senator Carlson. [LB57]

SENATOR CARLSON: Yes, I will. [LB57]

SENATOR CHAMBERS: Senator Carlson, we, the Legislature, has adopted that amendment that we were waiting for from upstairs and that amendment was added to the committee amendment, correct? [LB57]

SENATOR CARLSON: Correct. [LB57]

SENATOR CHAMBERS: And what we're discussing now is the committee amendment, correct? [LB57]

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SENATOR CARLSON: Yes. [LB57]

SENATOR CHAMBERS: And if this committee amendment is adopted, then that becomes a part of the bill, correct? [LB57]

SENATOR CARLSON: Yes, it does. [LB57]

SENATOR CHAMBERS: And we'll then not be discussing the committee amendment but the bill itself. [LB57]

SENATOR CARLSON: This really becomes the bill. [LB57]

SENATOR CHAMBERS: Right. And anything that is in that bill is subject to amendment? [LB57]

SENATOR CARLSON: Correct. [LB57]

SENATOR CHAMBERS: Thank you. I agree with what Senator Carlson said. So this might be my third time speaking on this amendment, but it's not my third time speaking on the bill. We haven't gotten to the bill yet. And what I can do is offer amendments to everything that will be in the bill. I could even fashion an amendment to undo the thing that was offered earlier and adopted, but I'm not going to do it. When I was talking about temptation, Oscar Wilde said the way to get rid of temptation, Senator Wallman, is to yield to it. However, I will not yield to the temptation to do any crafting of amendments to this bill. And I think what the proponents have done is to wear down those who are opposed. There's only so much I can do without getting into what the lawyers would call the merits of the bill and I'm not going to do that. I'm going to let those who are opposed to the bill carry their own load today and see how well they do it, because we're going to be here for almost half of the session and some things that we do set the tone for what is to come. And I will have an idea about how far those who say they support something are willing to go. Whether it's something that I agree with or disagree with is irrelevant at this point. I'm learning. I'm like one of those computers that might be able to imitate how a brain works by you feeding certain things into it and it's given the capability to do with what you fed into it what you cannot even do with your brain. So I'm observing, I'm paying attention, and I'm learning. And as I stated, I want to see how this bill turns out. Senator Larson, Senator Carlson have done the best that they could...and although I don't think it was that good, it is good enough to get what they wanted. And if it's good enough to get what you want, then that's quite good enough. Thank you, Mr. President. [LB57]

SENATOR COASH PRESIDING

SENATOR COASH: Thank you, Senator Chambers. Senator Karpisek, you're

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recognized. [LB57]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. I'd like to yield my time to Senator Ken Haar. [LB57]

SENATOR COASH: Senator Haar, 5 minutes. [LB57]

SENATOR HAAR: Thank you, Senator Karpisek and members of the body. I'm just trying to kind of get my mind a summary here. When we dealt with fracking with the Oil and Gas Conservation Commission, they weren't doing something and we wanted them to do it, so we said either you do it with rules and regs or we're going to put it in the law books. Now here we find that the Nebraska Environmental Trust is really doing everything we want them to do. So, Senator Larson, what...if I could ask him a question, please. [LB57]

SENATOR COASH: Senator Carlson, will you yield? Oh, Senator Larson. [LB57]

SENATOR HAAR: Larson. [LB57]

SENATOR COASH: Excuse me, Senator Larson, will you yield? [LB57]

SENATOR HAAR: We're all getting tired. [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR HAAR: So if they're already doing what we want them to do, what does this really add to the how...you know, to the safety or whatever, or transparency, if they're already doing what, you know, this bill is about. [LB57]

SENATOR LARSON: I think...as you said, you know, how different is it from what they're currently doing, and there are subtle differences. But I think it comes back to what I said earlier in the debate that this truly is...the current board are practicing good practices in what their doing in terms of things similar to LB57. Hopefully we as a body...or most of us will agree what the current board is doing are good practices. It is my attempt to put those good practices in statute because I think as boards change, or as administrations change, we need to make sure that those good practices are continued. And to me the best way to do that is through statute. [LB57]

SENATOR HAAR: Okay, well, thanks for the answer. I just feel that if we start doing this now to every commission, every board, we're going to have law books...well, I guess we don't do that anymore, we just put it on electronically, but we're going to have a lot more megabytes of statute out there. When I was on the Lincoln City Council, one time we were dealing with an issue and it was obvious that the board was going to vote

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positively and yet somebody stood up and argued for that issue very vehemently and finally one of the board members, Curt Donaldson, said, sir, can you take yes for an answer? And I feel that we're kind of in this one saying, you know, you're already doing it, can we take yes for an answer, leave them with flexibility. So just for the record, I want people to know that the board is doing what we want it to do. And I think we shouldn't clutter up the books. I intend to vote "no" on this. Thank you very much. [LB57]

SENATOR COASH: Thank you, Senator Haar. Seeing no other members wishing to speak, Senator Carlson, you're recognized to close on the committee amendment. [LB57]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. We've had a long conversation, long debate. AM676, with the amendments that have been adopted, still does two things. First of all, it requires that a plan, after a grant and after property is purchased, there be a plan for the replacement of lost property taxes. I think that's a worthwhile portion of this bill. Secondly, it requires that a nonpublic grantee obtain written permission, trust board approval before changing property, before selling, leasing, transferring, or exchanging property. And that's what is included in AM676, along with the other amendments that we have passed today. And I would ask for your support. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Carlson. Members, you've heard the closing to the committee amendment, AM676. The question before the body is, shall AM676 be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted who wish? Mr. Clerk, please record. [LB57]

CLERK: 28 ayes, 2 nays, Mr. President, on the adoption of the committee amendments. [LB57]

SENATOR COASH: The committee amendments are adopted. You have an item, Mr. Clerk. [LB57]

CLERK: Mr. President, I do. Next motion to the bill. Senator Chambers would move to indefinitely postpone. Senator Larson, you have the option to lay the bill over or take the motion up at this time. [LB57]

SENATOR COASH: Senator Larson. [LB57]

SENATOR LARSON: I'll take it up. [LB57]

SENATOR COASH: Senator Chambers, you're recognized to open on your motion to indefinitely postpone. [LB57]

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SENATOR CHAMBERS: Thank you, Mr. President and members of the Legislature. It's so good to be here. I am enjoying this afternoon. I am learning a great amount from what has happened this afternoon. But I'll tell you what I hope some of you all have learned: what the lobbyists are able to do in terms of setting the agenda and moving this body to do what it wants to do. I was down in my office attending to my affairs. Then I heard something up here that made me come up here and it had to do with a bracket motion and somebody said that if you allow the bracket, that in effect kills the bill for the session. And so I was going to come up and say something about the process and that there's more than one way for a bill to wind up being killed. Then I listened; then I got involved, and it became necessary to cooperate with my foes to allow time to elapse so that the lobbyists could have their way. And you know why I did it? It's an object lesson. Just like when I sued God. The purpose was to show that the courthouse doors are open to everybody and nobody can be stopped at the door. And I had people come to my place in Omaha, the barbershop where I used to work, come down here to my office in the Legislature and ask me, why would you file a lawsuit like that? I said, what good is a song if nobody hears it; what good is a book if nobody reads it? And they say, what do you mean by that? I explained about the constitution of this state saying that the doors of the courthouse, I'm paraphrasing, are open to everybody for any grievance, a man it said, may have in terms of his goods, his rights, and so forth. And so I would be asked, well, why couldn't you say that? I said, don't you think that has been said many times before? They would invariably agree. I said, and if that's what I said, would you be here interviewing me right now? Would you come from Nova Scotia to interview me? Would you come from Poland to interview me? There were long articles written in languages I don't even know how to read. Two long ones, one of them was in Germany, I think that Senator Carlson brought me something that he saw in Germany. And can you imagine not only his shock and his amazement, but maybe a reluctant sense of pride that somebody from not only America, not only Nebraska, but his fellow laborer in the Legislature had a full page article in a large German newspaper. Now I don't know if he speaks German, but I speak for myself, I could read "Ernie Chambers" and "gott" g-o-t-t, I figured that mean "god." Other than that, it was just words, letters on paper. But I've got all of that. There is a way to do things in the form of an object lesson that will carry more weight to a person's mind than if you just say it. So I could tell you how the lobbyists, as we move deeper into the session, are going to take control and you would ho-hum. But now you know why you listen, because you have seen it and you've been a part of it. What we did this afternoon was based on what the lobbyists wanted, not the senators, because the ones who want this bill had already rejected everything that the lobbyists made them capitulate to. They capitulated, they groveled, they gave ground because of what the lobbyists said. It wasn't because of what Senator Haar said. It had nothing to do with anything that I said, or anybody else, Senator Conrad, the others who spoke. When the lobbyists speak, and that reminds me of an old commercial that you all are probably too young to remember. There was an old gramophone, I think that's what they call it. It was a box with something like a megaphone sticking out of it and they played records on it and they showed a little Bull Terrier sitting in front of that

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gramophone. And you know what the words under that picture was? His master's voice, his master's voice. When the lobbyists speak, that is the Legislature's master's voice. And what the lobbyists want, the lobbyists get. There was capitulation. There was pandering. There was groveling. Not because of persuasive convincing arguments. But the lobbyists cracked the whip and said, you better do this. Why do you think I brought up Ducks Unlimited? That's all that I heard of as a reason for this bill, all these wicked things that Ducks Unlimited is doing. Then I have to help my foes get you all to sit here and give the lobbyists enough time to fashion the document of shame. They all wear the scarlet letters, period. Capitulation, groveling, pandering. C-G-P. Capitulation, groveling, pandering. There were scarlet letters. And I watched it unfold this afternoon. And it troubled me in a way because I had hoped that in my absence for four years the Legislature as an institution would have grown, would have matured, would have developed a sense of pride and respect; would not let the Governor, the Attorney General, or the lobbyists run roughshod over the Legislature. What happened this afternoon? Why have we been here as long as we have? But you know what I'm going to show? That I can get my pound of flesh from the Legislature too. I'm not talking about the merits of the bill. I'm going to just use motions and discussion and show that I can get time like the lobbyists got. And you fell for it, hook, line and sinker, and this is not even April Fool's Day. That was yesterday, I think. But it could be today. And is there pride on anybody's part other than mine? Because I knew what was going on while it was going on. I tried to hint to you as directly as I could with all those questions I was asking young Senator Larson, about why is it that something that was so objectionable when you started was something that you capitulated to? And why is it good policy now when it was not good policy then? And it was not persuasive argument that changed their mind. They wanted the bill to move. And the lobbyists apparently have so much sway that they said if you don't do it my way, this bill is going nowhere. So they went the way the lobbyists wanted them to go. And do you think other lobbyists are not going to be quick to learn what it takes to control this Legislature? [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: But they don't control me and they know it. And I'm not going to be able to derail what they did, because I'm not even going to try. If I would read what you all have put together and voted for, I could take time just offering amendments that have nothing to do with delaying for the sake of delay. You take far too many words to say a lot of nothing, a lot of nothing. And Senator Haar was correct about cluttering the statutes. This will clutter the statute books in a way not only that is unnecessary, but really is inexcusable. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Members, you've heard the opening to the motion to indefinitely postpone. Those wishing to speak: Senators Carlson, Wallman, and Chambers. Senator Carlson, you're recognized. [LB57]

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SENATOR CARLSON: Thank you, Mr. President. Members of the Legislature, Senator Chambers referred to his lawsuit and talked about something I brought back to him from Germany. So now you're going to hear the rest of the story. Margo and I were in Europe on a tour. We were in Austria. And I was looking out the window of our little chalet and snow-covered mountains. Margo was in getting ready to go to dinner. I turned on the TV and tried to flip to a channel that I could understand, that spoke English. And all of a sudden, there was Senator Chambers' picture on the TV as big as life. And I yelled at Margo, get in here. And by the time she got in here, his picture was gone. I said, Senator Chambers was just on TV. He was not. I said, yes, he was. And she tried to flip through the other channels thinking that she could find it and she had trouble believing me. I said, his picture was on there and it covered the whole screen and I wouldn't miss him anyplace. I wouldn't miss his picture anyplace. (Laughter) So, two days later we're in the airport in Germany ready to get on the plane to come home and it's a Sunday and the Sunday edition is out. And we were walking around, there was a young man sitting there reading his paper and he had the paper open and there was Senator Chambers' picture big as life in that Sunday paper. And Margo saw it at the same time and she asked the young man, do you speak English? Yes. Well, what's this about? And he looked and he kind of smiled and he said, well, it looks to me like this senator is suing God. And I thought, you have got to be kidding. And so he got kind of a kick out of that. And of course we bought the paper so that we could show our other people that were on our tour and I went around saying, this is my colleague from the Legislature. And I didn't say it out loud, but I'm thinking to myself, in whom I am not well pleased. (Laughter) And then we brought it home to him. So, that's the rest of the story and, obviously, I'm not supportive of his motion to indefinitely postpone LB57. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Carlson. Senator Wallman, you're recognized. [LB57]

SENATOR WALLMAN: Thank you, Mr. President and members of the body. Alle uber Deutschland, all for Germany. And Senator Chambers, you're truly famous worldwide and my relatives are in Germany and they come over here sometimes in the summer. And so you're known over there for sure. And I'm against indefinitely postponing this bill. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Wallman. Senator Chambers, you're recognized. [LB57]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, aside from what the bill is doing that would cripple the Environmental Trust and clutter the statutes, I am very disappointed with the drafting. An old gentleman named Terry Carpenter had said he didn't have any concern about what any newspaper said against or about him as long as they spelled his name correctly. And that German newspaper

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did spell my name correctly. I had some articles that were sent to me written in Japanese, which naturally I couldn't read, but I could read my name, and from Finland, and other places in Europe. I was even invited to a conference in Italy where they had people from all over the world talking about this notion of whether or not there is a god. And they wanted me to come because people had heard about what I was doing. And there are people who said in stronger words than I've ever used that all this bosh about there being a god is just that. But the approach that I took was unique. And they would have paid my way. But I will not fly above the ocean; I will not get on a boat and sail on the ocean; and if you look at what has been happening to that cruise line called Carnival it certainly is not a carnival for the people on it, but they've converted it into a circus. So I did not wind up going to that conference. But anything that I think will make the point that needs to be made is what I will offer. I don't like the way this bill is drafted. And my motion is to indefinitely postpone it, which if it's voted for would kill the bill. And I don't expect that to happen. But I cannot overemphasize the fact that the Legislature passes laws. Laws tell the public what they can and what they cannot do; what they may and may not do. We of all people should be careful with language. People say sticks and stones may break my bones, but words can never hurt me. First of all, words on their own can hurt. But words can cause thy bones to be broken with sticks and stones. The one who controls language controls everything. The one who gives names to things controls everything because people begin to think about the object which has a name in the way that that name suggests. If there's what these mystery writers and people like Stephen King and Edgar Allan Poe wrote, I don't know if they would be called "horror writers" or exactly what, but they would point out that as long as you don't name what it is you're talking about it, describe it but don't name it, then people's own imagination will conjure up what puts them in the greatest fear and they will give an identity to what you have described. But once you name it, you confine it, you restrict it, it can be dealt with in a way that anything else can be. There are people who write fiction... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: ...who can teach more about human nature, the working of the mind, than all the writings of the scientists, the psychologists, because people, first of all, are not going to pay any attention to what those people write. But they will get caught up in a novel. And before you know it, that novel becomes more real to them than the world around them. They will be in a darkened room and they're afraid but nothing is in that room in the dark that wasn't there when the lights were on. But because of what has been done to that person's mind, they now are afraid of something that is not in that room, but in their mind. Only a novelist can do that. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Senator Bloomfield, you are recognized. [LB57]

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SENATOR BLOOMFIELD: Thank you, Mr. President. There has been, through the amendments that have been on LB57, a change in the language that I'm not wild about, but not to the point where I'm not going to support the bill, though I will be opposed to the indefinite postpone move; and the bill will go forward, hopefully, less perfect than I would have liked it, but hopefully it will go forward. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Bloomfield. Senator Chambers, you're recognized. [LB57]

SENATOR CHAMBERS: Well, "Johnny," since I'm the only one opposing it now, it will go forward, because I'm not the one who will take it to cloture. But if I were to get involved in the bill itself and what it does, you can believe that's what it would take. And they would have to show me 33 votes. And they'd have to show it to me again on Select File, if it got there. And they show it to me again on Final Reading. I believe what I believe, in a committee, on General File, Select File and Final Reading. Why do you all give up so quickly? We only have 90 legislative days that we have to be strong, a mere 90 days, a half year by the calendar. And we cannot endure that? Think about people who are put in prison with no charge and are abused, as at Abu Ghraib, controlled by the Americans, American military people of whom you all are taught you are to be proud. America wanted to impose some sanctions on Russia because they violate human rights. But when American representatives do it, they're heroes. They call it a war crime to defile the corpse of a combatant. Yet American Marines proudly take pictures and videos of themselves urinating on the corpse of a fallen combatant. That's America. That is what happens to these young people. Before you glorify war, think about the fact that you're taking some young people who have experienced nothing and they go into the military as a way out. And you throw them into one of the most unbearable situations that any young person can be put into: killing when they've never killed before, having somebody trying to kill them when they've never experienced that. Anybody that you look at could be somebody who is going to try to take your life. And then when they go crazy, they're told by their commanding officer, don't seek help because you're weak. So they don't seek help and they come back here shattered and broken. And then we talk about license plates. The VA hospital here does not give proper care for these men and women. And we talk about license plates. And you think that I'm going to be afraid to say to hell with these license plates. Do something for the men you pretend and the women you pretend to be respecting. I get calls from the families of veterans who can't even get their wounded, not only in body, but mind, into the VA hospital for treatment. And we're going to argue about license plates, but we're going to argue about them for eight hours because I will see to that. And we're going to argue about something of substance. Assemble an emblem created by people who have thoughtlessly sent thousands of young men and women to die in countries whose language they don't understand. And we're going to give a license plate and that makes the record even. You are going to take bits of ribbon and metal and stick it on a jacket and that's supposed to atone for the fact that this person has no limbs or only has

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remnants of limbs that are unusable, in wheelchairs, deformed, defaced, debased, degraded, not even viewed as human beings... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: ...and we're going to talk about license plates. I bet if I offered a resolution condemning the way these veterans don't get the proper treatment, it wouldn't pass here because you're patriotic, wearing flags, saluting the flag. And what does it stand for? What is behind all of that? And when you talk about men and women at war, do you think about war and what it does? You know who some of the strongest antiwar people are? Generals, because they know what war is about and they know what they have done and they know the blunders that are made. And if somebody said, patriotism is the last refuge of scoundrels. [LB57]

SENATOR COASH: Time, Senator. Time, Senator. Senator Crawford, you're recognized. [LB57]

SENATOR CRAWFORD: Thank you, Mr. President. And I will not talk about license plates right now. I just wanted to rise to express my concern about the bill. I expressed it earlier and I appreciate the efforts of my colleagues to bring forward amendments to address some of the concerns. But I still think, fundamentally, we have a bill that puts into statute something that is not necessary, because as I understand from what I've heard in the floor debate today the board is currently addressing the concerns that have been raised about property taxes through the contracts and agreements with the contracts, and they have the authority to do that in their decisions about to whom to grant contracts. And so we already have given the board the authority necessary to address the concerns that are raised about property tax. And it appears, from what I've heard on the floor today, that they are currently acting responsibly with that authority that we have given them. And so I don't think it's a good idea for us to pass this bill at this time if we see that the board is acting in a responsible manner and has been responsive. And I still think that the second section of the bill is really more restrictive than the current language, the current language which indicates that the executive director is able to approve some of those land deals and now we're saying the board. And I appreciate the effort of Senator Haar to make that section of the bill more usable if this bill should pass by adding allowances that that discussion could be done by distance and allowing other provisions such as that. But I just don't feel that we as a Legislature should pass this bill, adding these restrictions on the board when it appears, like I said, from all that I have heard today, that the board is acting in a responsible manner. It seems to me this is a kind of bill that we would offer as a threat to hang over the board if they were not acting responsibly and we would start the process on a bill like this and say, you know, this is what we'll pass if you don't act responsibly. But it seems strange to me for us to be in this process of passing this bill if, in fact, they have made changes and have been responsive to this concern about property tax and they

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have been attentive in contracts and land transfers to address the concerns that were raised about making sure that counties have the resources that they need. I appreciate that concern. And I know that property tax is a very valuable resource to counties. And so I appreciate that concern that is raised by those who are proponents of this bill. But I don't see this bill as a necessary tool to protect that concern, given what I've heard on the floor today. And I share the concern of many of my colleagues about passing a bill that clutters the statutes or adds restrictions on a board that may have unintended consequences. So any time we add language, we have to be very careful about not only adding new restrictions that then the lawyers for the board and the lawyers dealing with these contracts need to read and interpret and consider in each of those contracts and grants. But we also have to be wary of potential unintended consequences that may come from that new language that we've added and haven't really... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CRAWFORD: ...taken time...hadn't really thought of what some of those unintended consequences might be, but sometimes that's hard to tell at the beginning. And it's when the statute rolls out and the people on the ground are the ones that have to make these statutes work. So I see our job as state legislators to do our best to give people in our agencies and our local governments and our commissions and boards power-effective tools that they can use. And it's important that we keep those tools effective and it's important that we provide as much local control and as much discretion as we can to those local governments and boards and commissions to do their job unless they're not doing their job, in which case it's, obviously, our responsibility to hold them accountable. But from what I've heard today it appears... [LB57]

SENATOR COASH: Time, Senator. [LB57]

SENATOR CRAWFORD: ...that they are doing their job and that we should not pass this bill. Thank you. [LB57]

SENATOR COASH: Thank you, Senator Crawford. Seeing no other lights, Senator Chambers, you're recognized to close on your motion to indefinitely postpone. [LB57]

SENATOR CHAMBERS: Thank you, Mr. President. Senator Crawford, almost you persuade me to get involved in the merits of this bill. And they're going to move it. But between now and the time it comes up on Select File, I'm going to look at it and do some serious thinking and consider whether or not my offering an object lesson would be more important than my being concerned as I say that I am about the quality of legislation that comes out of this place. Now, if the lobbyists can make them run upstairs and get me to help them get the time to get what the lobbyists want back down on the floor, then why are not they interested in taking what I might offer that would improve the bill? But I don't really want to improve it. I want it in all of its foolishness and silliness

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to go on out there and show what this Legislature this session is about. And this will be exhibit A. And I will not do like that on other bills. I'm going to work, and I'm continuing to work on LB613 because you're going to have that tax study and that bill is going to be enacted into law and I think it ought to be written better than the way it is now. And I'm going to work on it. But this particular thing, I had believed that there were enough people in this state who can contact senators about the importance of that Environmental Trust to defeat this bill. This is bad legislation. It's bad policy, bad grammar, bad syntax and one of the statements is self-contradictory. And I might talk about that on Select File, because I say again, they're going to send the bill over there, but will it make any difference? Not at all, because the lobbyists approve of it. And whatever the lobbyists approve of, the senators approve of. There's no analysis given to this kind of legislation. All of these restrictions being put into the statute, they wouldn't want that in anything else. When Senator Carlson brings up his water bill, you're not going to see all this stuff put in restricting what the people involved in that are allowed to do. You're not going to see it. You're not going to see it in any other bill where rural interests are involved. And that's what's involved with this bill. People like to say there are no rural versus urban issues. Yes, there are. And they're not going to go away because people on the floor say this is not a rural/urban issue. Look at the ones talking, look at the other issues they stand for, they're all together in a little clump all the time. I named them the other day. Look at the ones who support this bill. What do they call them in that movie, The Usual Suspects ? You all won't say it here. But they don't mind openly and notoriously clumping together to force this kind of stuff on the Legislature. But if the rest of the senators are weak-kneed enough to accept it, I don't know if it was Barnum or one of those fellows, but he said, if you see a sucker, bump his head. And one of those fellows said a sucker is born every minute. I think he understated it. Every second. And some of them are in this Legislature and the lobbyists know who you are. You think they respect you? They laugh at you, they mock you, and they talk about how lucky they are that everybody in here doesn't do like I do. [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: I'm serious about this motion. But that doesn't mean you're going to vote in favor of it. But I am going to get a vote on this one so that the record will show that I did what I could to stop it and save the Legislature from itself. That won't happen. There's a certain category of person: he and his money are soon parted. And there are some of those in this Legislature, and the lobbyists know who you are. Mr. President, I want to...I'll ask for a call of the house, then I want a roll call vote. [LB57]

SENATOR COASH: Thank you, Senator Chambers. There has 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. Record, Mr. Clerk. [LB57]

CLERK: 31 ayes, 0 nays, Mr. President, to place the house under call. [LB57]

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SENATOR COASH: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return and record your presence. Those unauthorized personnel please leave the floor. The house is under call. Senators Nordquist, Lathrop, and Howard, please return to the Chamber and record your presence. Members, the question before the body is, shall the motion to indefinitely postpone be adopted? There has been a request for a roll call vote. Mr. Clerk, please read the roll. [LB57]

CLERK: (Roll call vote taken, Legislative Journal page 884.) 13 ayes, 26 nays, Mr. President, on the motion to indefinitely postpone. [LB57]

SENATOR COASH: The motion is not adopted. I raise the call. [LB57]

CLERK: Mr. President, I have a priority motion. Senator Chambers would move to recommit LB57, I presume to the Natural Resources Committee, Senator. [LB57]

SENATOR COASH: Thank you, Mr. Clerk. Senator Chambers, you are recognized to open on your motion to recommit. [LB57]

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, I'm serious about this motion also. Senator Carlson mentioned that he's proud of what his committee has done and that's all right. People have gone after the committee for advancing the bill, which I have not done. But it's obvious that there was much more work that needed to be done. Right now there remains work that needs to be done. And if I would offer amendments, I would show you what needs to be done. And if those who support this bill would read it and understand the language that they use, they would know there is more work to be done on this bill. But let me go right to the horse's mouth and see whether what I'm saying is true or not. I'd like to ask Senator...oh, he's there...Senator Larson a question. [LB57]

SENATOR COASH: Senator Larson, will you yield? [LB57]

SENATOR LARSON: Yes. [LB57]

SENATOR CHAMBERS: Senator Larson, is there more work that needs to be done on this bill in your opinion? [LB57]

SENATOR LARSON: Well, I'm happy with the language as it currently is. But if you have a specific language... [LB57]

SENATOR CHAMBERS: No, here's all I'm asking. [LB57]

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SENATOR LARSON: ...I'd be more than happy to... [LB57]

SENATOR CHAMBERS: I'm asking for your opinion about the bill. Is there more work, in your opinion, that needs to be done on this bill to get it into the form and shape it should be in before being enacted into law? [LB57]

SENATOR LARSON: Senator Chambers, as I said, as it currently stands I'm pleased with how the bill is, but I'm more than willing to work with any interested parties. [LB57]

SENATOR CHAMBERS: Then let me ask it a different way. You don't think there's any more work that needs to be done on this bill, is that true? [LB57]

SENATOR LARSON: I'll have the same answer. I'm pleased with the form in which this bill is currently in, but I'm more than happy to work with any interested parties if they have specific language that... [LB57]

SENATOR CHAMBERS: Thank, thank you. And members of the Legislature, with that ringing endorsement by Senator Larson, I think my point was made. If there is something that I believe is all right, I will say yes. If I think it's not, I will say no. Let me ask Senator Larson another question. Senator Larson, does Senator Schilz have an amendment pending? [LB57]

SENATOR LARSON: He...I guess he currently does, yes. [LB57]

SENATOR CHAMBERS: And you're going to oppose that amendment, aren't you? [LB57]

SENATOR LARSON: I would. I can't speak for Senator Schilz, but I would guess that he'll pull his amendment since we dealt with it on General File already. [LB57]

SENATOR CHAMBERS: Is Senator Schilz in the Chamber? Mr. President, if Senator Schilz is here, I'd like to ask him a question. [LB57]

SENATOR COASH: Senator Schilz, will you yield? [LB57]

SENATOR SCHILZ: Yes. [LB57]

SENATOR CHAMBERS: Senator Schilz, do you think the bill needs any additional work? [LB57]

SENATOR SCHILZ: There is a couple more things that I would like to see come in on Select File, but the majority of the bill does what I think the bill needs to do, yes. [LB57]

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SENATOR CHAMBERS: So you do have amendments pending that you intend to offer? [LB57]

SENATOR SCHILZ: Yes, but not the one that is there. Senator Larson was correct in that I will be pulling that amendment. [LB57]

SENATOR CHAMBERS: So you're not going to offer any additional amendments yourself? [LB57]

SENATOR SCHILZ: That depends. I may, I may. There's a couple things on some of the tax issues and things that I want to flesh out before Select File. [LB57]

SENATOR CHAMBERS: Thank you. Members of the Legislature, do you think that I spoke the truth when I said this bill is in need of additional work? You know that it's true. They know that it's true. Why can they not admit it? Because this bill is not being dealt with honestly. What shame can there be to acknowledge that a bill needs additional work and that you're going to do the additional work? They cannot even admit that. Cannot even admit that. And they want you, Senator Bloomfield, to continue voting for a bill that they know needs additional work. And you'll vote for it. Twenty-five or 26 people voted against killing it, so they at least want to keep it alive, but that's a long way from 33. And by the time we come back to this bill, I may have had an epiphany, I may have had a conversion. I may be like old Saul on the road to Damascus when he became Paul. He was struck from his horse and when he woke up he was a new man. And woe be to all the sinful practices and practitioners on the face of the earth. The earth has not recovered from imposter Paul yet. The world would be better off if he had remained Saul, but he changed. So maybe this bill would be better off if I could stick to what I said earlier about letting a bad bill go on through as an object lesson. Should the public be shortchanged in order to make an object lesson? Probably not. And if I see flaws in the bill, ought I to do what I can to correct them? I ought to because the word "ought" signifies an obligation, but not anything that's binding. And maybe I will. But this bill ought to go back to committee. Look at all the things that are wrong with it, that were wrong with it, and now they've got you all voting for what the lobbyists insisted be put into the bill and what the lobbyists insisted were things that were not acceptable at the outstart because they did not represent good policy, but now they are good policy. And because we sometimes show ourselves to be lemmings, we're following behind as a Legislature and now the fact that I used the word "we" is that collegial "we" because I'm a part of the Legislature, but I definitely don't agree with the course this bill is taking. I don't agree with the process. I don't agree with the bill. And those who are opposed to it, I don't know how far they are going to go in their opposition. But now the bill is before us. The only kind of amendments that could be offered by me are the kind that I've restricted myself from offering. So I have to offer motions and that's what I'm doing, to have an opportunity to discuss other things and the bill. But the other things that I discuss are, in my opinion, pertinent to the overall discussion. I'm looking through all of

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this at the Legislature as an institution. And who is going to dictate to the Legislature what ought to be done? I wouldn't even be this upset if the senators bungled and stumbled their way to the present shape of the bill, because it was senators who bumbled and stumbled their way to the original thing that was put out here to us. But when it comes to us, we have the obligation to work to make it what it ought to be if we agree with it. But I don't agree with it. I did suggest one thing and that amendment that you all adopted that reduced to trying to dictate what should be in a contract what really ought to be a matter of policy if it's going to be done. It should be a policy statement relative to what is not to be done by this board; that the board may not authorize, but you don't even say it like that, no nonpublic entity is authorized to sell and do all these other things unless there is permission given in advance for that to be done. So what are they saying? That if the board has given permission for it to be done, and they do it in writing, then it can be done anyway, that's what the amendment says. Even with the language that I gave, I was just trying to say it better, but it doesn't make sense; I'm just saying the nonsensical thing in better language. What that amendment says is if the board gives agreement to it in writing in advance, then it can be done. So why are you even putting it into the statute? The board can nullify what you put into the statute. The board must be... [LB57]

SENATOR COASH: One minute. [LB57]

SENATOR CHAMBERS: The board must do this based on the statute, however, the board can nullify it if they want to. That's insane. Something to be insane simply means it's not in accord with the principles of right reasoning. It doesn't mean you're going to pick up a hatchet and go down there and split Senator Watermeier's head. See, he's not listening to me. If he was, he'd have ducked. He doesn't care. He's numb. But at any rate, consider what the language is that you're putting in this bill that you're voting for. Thank you, Mr. President. [LB57]

SENATOR COASH: Thank you, Senator Chambers. Mr. Clerk, you have items?

CLERK: I have two amendments to be printed, Mr. President. Amendment to LB158, Senator Seiler; LB23 by Senator Coash. (Legislative Journal pages 884-885.) [LB158 LB23]

I have a priority motion. Senator Christensen would move to adjourn the body until Wednesday morning, April 3, at 9:00 a.m.

SENATOR COASH: Thank you, Mr. Clerk. Members, you've heard the motion to adjourn. All those in favor say aye. Those opposed say nay. We are adjourned.