

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate March 22, 2021  
Rough Draft

**HILGERS:** Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the forty-seventh day of the One Hundred Seventh Legislature, First Session. Our chaplain for today is Senator Lowe. Please rise.

**LOWE:** Please attain the attitude of prayer. Lord God, we pray for our Governor and for the State Legislature. Please give strength and wisdom to them and guide their decisions and that they may always put you first. As we look to our Governor for assurance and guidance, especially at times of crisis, inspire him and us to speak through him and us. By your power of your Holy Spirit, amen.

**HILGERS:** Thank you, Senator Lowe. Senator DeBoer, you're recognized for the Pledge of Allegiance.

**DeBOER:** Colleagues, please join me in the Pledge of Allegiance. I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

**HILGERS:** Thank you, Senator DeBoer. I call to order the forty-seventh day of the One Hundred Seventh Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

**HILGERS:** Thank you, Mr. Clerk. Are there any corrections for the Journal?

**CLERK:** I have no corrections this morning.

**HILGERS:** Thank you. Are there any messages, reports, or announcements?

**CLERK:** There are, Mr. President. Enrollment and Review reports LB561 and LB88 to Select File. Your Committee on Appropriations, chaired by Senator Stinner, reports LB185 to General File with committee amendments attached. New A bill: Senator Groene, LB40A. It appropriates funds to implement LB40. Hearing notices from General Affairs and from the Nebraska Retirement Systems Committee signed by the respective chairs. Mr. President, an amendment to be printed to LB322 by Senator Williams. That's all that I have.

**HILGERS:** Thank you, Mr. Clerk. Do you have any personal announcements?

**CLERK:** Mr. President, I believe Senator Geist has an announcement.

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**HILGERS:** Senator Geist, you're recognized for a personal announcement.

**GEIST:** Thank you, Mr. Speaker and I just wanted to have the attention of the body because something happened this weekend that I think is really important that everyone know and get to hear. Sometimes things happen that we don't really expect or plan and so, so you can hear it personally, I wonder if Senator Slama would yield to a question?

**HILGERS:** Senator Slama, you're recognized.

**SLAMA:** Thank you.

**GEIST:** Senator Slama, do you have something to tell the body?

**SLAMA:** I do. I ended up getting engaged this weekend. Andrew La Grone asked me to marry him and I said yes, so--

**GEIST:** Thank you, Mr. Speaker. Congratulations, Julie--

**HILGERS:** Thank you, Senator Geist.

**GEIST:** --Senator Slama.

**HILGERS:** Congratulations, Senator Slama. Senator Machaela Cavanaugh would like to recognize Dr. Joe Miller of Omaha, who's serving as our family physician of the day. Dr. Miller is seated under the north balcony. Please rise and be recognized by your Nebraska Legislature. Turning to the first item on the agenda, Mr. Clerk.

**CLERK:** Mr. President, Select File. Senator McKinney, LB14. There are E&R amendments pending.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that the E&R amendments to LB14 be adopted.

**HILGERS:** The question is the adoption of the E&R amendments to LB14. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

**CLERK:** I have nothing further on the bill, Senator.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB14 be advanced to E&R for engrossing.

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**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB14 is advanced. Mr. Clerk.

**CLERK:** Mr. President, LB389. Senator, I have Enrollment and Review amendments.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that the E&R amendment to LB389 be adopted.

**HILGERS:** The question is the adoption of the E&R amendments to LB389. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

**CLERK:** I have nothing further on that bill, Senator.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President. I move that LB389 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB389 is advanced. Next bill, Mr. Clerk.

**CLERK:** Mr. President, LB387. Senator, I do have-- I have no amendments to the bill, excuse me, no amendments to the bill.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB387 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB387 is advanced. Next bill, Mr. Clerk.

**CLERK:** Mr. President, LB22. I have Enrollment and Review amendments, first of all, Senator.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that the E&R amendments to LB3-- to LB22 be adopted.

**HILGERS:** Colleagues, the question is the adoption of the E&R amendments to LB22. All those in favor say aye. Opposed say nay. The E&R amendments are adopted. Mr. Clerk.

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**CLERK:** Senator Williams would move to amend with AM610.

**HILGERS:** Senator Williams, you're recognized to open on AM610.

**WILLIAMS:** Thank you, Mr. President. AM610 comes to us from our Bill Drafting Office. In their review of LB22 after it advanced from General File, the Bill Drafters identified three internal references that could be tightened up for the purposes of clarification. These amendments were developed in consultation with the Department of Insurance. That is because the bill originally comes to us from the Department of Insurance. The amendment makes three small changes. A reference to a subsection has changed to a reference to a subdivision of that subsection. A reference to a subsection has changed to a reference to an official name of the act and a reference to a section is changed to a reference to a subsection of that section. Those are the Bill Drafters' cleanup amendments to LB22. I would urge your adoption of LB6-- or excuse me, of AM610.

**HILGERS:** Thank you for your opening, Senator Williams. Debate is now open on AM610. Seeing no one in the queue, Senator Williams, you're recognized to close. Senator Williams waives closing. The question before the body is the adoption of AM610. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk.

**CLERK:** 37 ayes, 0 nays, Mr. President, on adoption of Senator Williams' amendment.

**HILGERS:** The amendment is adopted.

**CLERK:** Senator McKinney, I have nothing further on the bill.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB22 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB22 is advanced. Next bill, Mr. Clerk.

**CLERK:** Mr. President, LB368. Senator, I have no amendments to the bill.

**HILGERS:** Senator McKinney for a motion.

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**McKINNEY:** Mr. President, I move that LB368 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB368 is advanced. Next item, Mr. Clerk.

**CLERK:** LB369. Senator, I have no amendments to the bill.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB369 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB369 is advanced. Next bill.

**CLERK:** Mr. President, LB100. Senator, I have Enrollment and Review amendments, first of all.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that the E&R amendments to LB100 be adopted.

**HILGERS:** Colleagues, the question is the adoption of the E&R amendments to LB100. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

**CLERK:** Senator Blood would move to amend with AM653.

**HILGERS:** Senator Blood, you're recognized to open on AM653.

**BLOOD:** Thank you, Mr. Speaker. Fellow Senators, friends all, today I bring you AM653 as an amendment to LB100. This amendment takes the language of LB20 as previously amended by the Banking, Commerce and Insurance Committee with their, their blessing and our blessing. In brief, the intent of LB20 is to create more consistent prescription access to contraception. At the hearing for LB20, we had several issues dealing with the original language. The language in AM653 solves all of the issues heard. First of all, the amendment reduces the length of time insurance companies are to pay from 12 months to six months. We talked to both Blue Cross Blue Shield, the State Chamber, and the Insurance Federation and they both have told us that this provision takes them from opposed to neutral. Secondly, we added language that made it very clear that if a company doesn't offer coverage for contraceptives now, they would not be forced to offer it

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under this bill. I believe that takes care of the rest of the opposition that felt we may be violating their religious beliefs, so we just better clarified the language so there would be no question. What this amendment does is allow a patient to get three months worth of contraceptives upfront after a doctor's visit if they mutually agree it is what is best for that patient and their healthcare and a subsequent visit allows a patient to secure six months worth of contraceptives at one time. Insurance typically only honors one to three months of this type of prescription at a time, requiring patients to refill such, such prescriptions multiple times in a year. However, currently 17 states and the District of Columbia allow private insurance plans to prescribe a year's worth of birth control pills. The states are California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New York, Oregon, Rhode Island, Vermont, Virginia, and Washington. In New Jersey and New Mexico, women can obtain six months of birth control pills with private health plans. Also in New Mexico, if the woman is on Medicaid, she can get a year's supply. We decided on a kinder, gentler approach since this is new to Nebraska's insurance companies by only requiring six months at a time. That's all this language does. As I've already mentioned, the small handful of our biggest opponents to the language of LB20 no longer oppose the language as is amended in AM653. I will also add that we've heard from the Fiscal Office that this language is-- as amended would actually have no fiscal impact, so once it passes, it would not carry that fiscal note that is currently on the bill. I'll also note that we did have 54 written comments of support via our comments portal. So with that, I'd urge your green vote on this amendment and then of course, for the underlying bill, LB100.

**HILGERS:** Thank you for your opening, Senator Blood. Debate is now open on AM653. Senator Slama, you're recognized.

**SLAMA:** Thank you, Mr. President, and good morning, everyone. I, I rise today opposed to AM653. I was opposed to LB20 as it came out of the Banking, Commerce and Insurance Committee. I just disagree with the basis of the bill. Birth control is already covered under three-month intervals and I find the six-month requirement as found in LB20 and AM653 to be an unnecessary mandate, so that is why I rise today in opposition and will be voting red on AM653. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Slama. Senator Williams, you're organized.

**WILLIAMS:** Thank you, Mr. President, and I would like to thank Senator Blood for bringing this bill forward. We had the hearing on LB20 on

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March 1 in the Banking, Commerce and Insurance Committee. As Senator Blood mentioned, we did have both proponents and some opposition testimony. Through Senator Blood's hard work and working with the various insurance companies that are-- were concerned, those concerns have now been handled. The bill was voted out of committee 6-1-1 and I would encourage your advancement of this amendment. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Williams. Senator Blood you're recognized.

**BLOOD:** Thank you, Mr. Speaker. Fellow senators, friends all, I want to say that I do respect Senator Slama's opposition, but I would like to point out that Senator Slama did indeed vote for a mandate on Senator Arch's bill last week in reference to telemedicine. So I question why she would oppose this amendment that allows people who are transient in travel for their career to gain access to birth control or those who work multiple jobs and really don't have time to go to the pharmacy, in addition to the people who live in rural areas that may live far away from both their physicians and their pharmacies. It's a matter of convenience. It is only a problematic mandate if indeed the insurance companies say it is and they say it is not. We are not forcing anybody to do something that they don't normally do. We're just allowing them to have easier access. With that, I would yield any time I have back to the Speaker.

**HILGERS:** Thank you, Senator Blood. Seeing no one else in the queue, Senator Blood you're recognized to close on AM653. Senator Blood waives closing. The question before the body is the adoption of AM653. All those in favor vote aye; all those opposed vote nay. Request to place-- there has been a request to place the house under call. All those in favor of putting the house under call vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 23 ayes, 4 nays, Mr. President, to place the house under call.

**HILGERS:** The house is under call. All unexcused senators, please return to the floor and record your presence. The house is under call. Senator Morfeld, please check in. Senator McDonnell, please return to the floor. The house is under call. Senator Blood, we're waiting on Senator McDonnell, would you continue to wait? All unexcused senators are now present. Senator Blood, would you be willing to accept call-ins or would you want to approach it differently? Senator Blood has-- will accept call-in votes. Mr. Clerk.

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**CLERK:** Yes, sir. Senator Pansing Brooks, voting yes. Senator McCollister. You had voted yes, Senator. Senator Flood, voting yes. Senator McDonnell, voting yes. Senator Brandt, voting yes.

**HILGERS:** Record, Mr. Clerk.

**CLERK:** 25 ayes, 11 nays on adoption of the amendment, Mr. President.

**HILGERS:** The amendment is adopted. Mr. Clerk. I raise the call.

**CLERK:** Thank you. I have nothing further on the bill, Mr. President.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB100 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB100 is advanced. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR59, LR60, LR61, LR62, and LR63. Next bill, Mr. Clerk.

**CLERK:** Mr. President, LB101. Senator McKinney, I have no amendments to the bill, Senator.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, a move that LB101 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB101 is advanced. Next bill.

**CLERK:** Mr. President, LB351. Senator, I have no E&Rs. However, Senator Vargas would move to amend with AM603.

**HILGERS:** Senator Vargas, you're recognized to open on AM603.

**VARGAS:** Thank you very much. Good morning, colleagues. This is a friendly amendment that I have spoken to Senator Linehan about prior to filing this. AM603 amends LB137 into LB351. LB137 makes a very simple change to current statute, which would require all licensed childcare providers to report their employees' educational degrees, professional credentials, training, and work history into NECPRS, which is Nebraska Early Childhood Professional Record System. I introduced it last year as LB1206 and there was no opposition to this bill, but with an interrupted and short session, we were not able to



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move it through the legislative process. Very brief background, NECPRS was created in 2013 by LB507, introduced by Senator Kathy Campbell. LB507 created the Step Up to Quality Child Care Act and the creation of NECPRS was one component of the big picture and legislation. NECPRS is operated by the Department of Ed and is essentially a database of Nebraska's early childhood workforce. It includes information about educational degrees, professional credentials, and training completed by early childcare providers and employees. This information is put into the database by childcare and early childhood education providers at no cost to them. It is required to report the information if you are applying to be rated as part of the Step Up to Quality program, but for all other providers, it's optional. NECPRS is beneficial to the state because having the information allows us to ensure that licensed childcare providers are maintaining credentials. The database also gives us a snapshot into the education and training of our early childhood workforce. In 2019, following the establishment of Step Up to Quality and NECPRS, our colleague, Senator Briese introduced and passed LB590, which streamlined the process by which DHHS verified training and credentials of licensed childcare providers. This was a first step towards streamlining the verification process and I want to thank Senator Briese for that. I'd also like to mention that this is no cost to the providers at all. We policymakers do not have a complete picture of who our early childhood workforce is and as a body, we talk a lot about early childhood education and the things we should or shouldn't be doing to ensure our kids are ready for school and prepared to be productive workers later in life, but we can't talk about that without making sure we come up with policy solutions if we don't have the data and information. If we're serious about improving quality early ed to meet our workforce needs, this is where it starts: data. We have to know where our education and training gaps are so we can meet the needs of our childhood workforce and early childhood workforce and in turn, meet the needs of our kids and communities. Just want to mention one thing, the enactment date of this legislation-- I understand that getting providers that haven't been reporting into NECPRS is going to take some time and training. As part of some of the negotiation with the DHHS and Department of Ed, we've included a setout date of June 30, 2023. A thank you to Senator Linehan, Chairwoman Walz, and all the members of the Education Committee for their work on this. Thank you very much.

**HILGERS:** Thank you for your opening. Senator Vargas. Debate is now open on AM603. Senator Moser, you're recognized.

**MOSER:** Thank you, Mr. Speaker. I was wondering if Senator Vargas would respond to a couple of questions?

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**HILGERS:** Senator Vargas, would you yield?

**VARGAS:** Yes, of course.

**MOSER:** Good morning, Senator. Are there requirements for certain levels of education in order to be involved in early childhood education?

**VARGAS:** There are certain licensing requirements to be involved in early childhood education, but this bill does not change or-- any enforcement or review of any of the educational requirements. It's simply meant to be an education database that will collect the information and this information is already being housed and collected by the providers themselves, but be putting it in an existing database.

**MOSER:** So you're not proposing this to be the first step in some requirement in the future--

**MOSER:** No.

**MOSER:** --that certain levels of education or training are required?

**VARGAS:** No, that's, that's not my intention. My intention is that we need some data to get an accurate, and accurate look at our early education workforce. And by having this data, it'll tell us if we actually maybe need to invest more in providing training and support in this space, but without data, it's really hard to make a-- make the case.

**MOSER:** How do you rank early childhood education, whether these current efforts are working or not?

**VARGAS:** Well, I will tell you-- and I won't be the only one to, to, to know this-- early education workforce is in need of more support, I would say, and one of the reasons why we need a better picture into what these educational backgrounds are is what the intention of this bill is. So it, it is, it is not the highest wage of, of jobs and we need to make sure we're just having a, a-- more line of sight and the data we need to support more support in this area.

**MOSER:** OK. Well, sometimes the first thing we do before we try to regulate it is we study it and get the data and then we come back and then we start telling them more how to run their business or how to do whatever it is they're doing and so that was just my suspicion that I

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wanted to find out more about, so-- before we moved on. Thank you, Senator.

**VARGAS:** Thank you.

**HILGERS:** Thank you, Senator, thank you, Senator Vargas and Senator Moser. Senator Groene, you're recognized.

**GROENE:** Thank you, Mr. Speaker. I'm just reading the bill quick or the existing law and I'm trying to figure out why we needed this. I'm sure back when whoever introduced this legislation said well, it's just may. If you read line 25 through 29, any child care or early childhood education provider residing or working in Nebraska may report his or her educational degree and professional credentials held. There was a mechanism in place already for those individuals who wanted to report their educational level, so apparently we didn't get enough out of that, those who want to take jobs away from those who don't have full education or a degree in early childhood, and start mandating because-- Senator Vargas said so we can look at policy into the future, one step at a time, incrementally we go here. So now we went from may to shall report. Why? If there's one profession that's a gift that people want to, want to help little kids and "nurture" them, it's early childhood. If you don't know what this is, it's an incremental step to saying you can't work in early childhood. You can't have a license unless you have a Ph.D. You can't work in unless you have a degree in early childhood education. That closes grandma on the street corner who takes in three or four, five, six kids. That takes the young individual who doesn't have a high school degree that has a natural talent to "nurture" kids for a job. Why do we need to go from may to shall? Senator Vargas, would you answer a question and answer that question?

**HILGERS:** Senator Vargas, would you yield?

**VARGAS:** Yes, so-- I'll answer that.

**GROENE:** Why do we need to go from may to shall?

**VARGAS:** Senator Groene, I don't, I don't think it's that simple. So I just want to remind people the reason why this is a, a necessary bill is we don't have an accurate picture of our early ed workforce. And if we want to make some necessary investments in early ed workforce, which is what we constantly hear about workforce development, we need that accurate picture. So data can help inform--

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**GROENE:** Thank you, thank you. You didn't-- apparently not that simple, so I don't have time to listen to the long answer, but no, this is control. We have all sorts of laws in public education about who can teach our kids and kids end up in prison, kids get molested. What does the degree-- or what does the regulations or what does the government looking down over an occupation-- has it ever improved any of them? Well, it's improved medicine, but why? Why is this necessary? It's control, it's control, so I'm-- stand against AM603. It's not necessary. There's already a mechanism in place if you're proud of your degree and you think because of your degree, you're better with children, fine, report it to the, to the Nebraska childhood or whatever-- record system. I stand in opposition to AM603 and I'll vote for LB351 if AM603 is not adopted. Thank you.

**HILGERS:** Thank you, Senator Vargas and Senator Groene. Senator Clements, you're recognized.

**CLEMENTS:** Thank you, Mr. President. In looking at the testimony of the hearing for this bill and now this amendment, I see-- I was interested in the comments that the HHS Department mentioned, that this is going to impact an additional 2,500 licensed childcare programs that do not participate in Step Up to Quality. They just have a childcare program that's licensed and they have estimated that additional 12,500 to 15,000 employees will be added to this record system and that those childcare programs are going to have to use this computer system to log in all that data. They also estimate that 50 percent or more of their workforce is replaced every year-- there's huge turnover in this industry-- and that some of these-- a lot of these providers are using a different file management employee system and they're going to be mandated to use the state system. And it's surely going to cost them some money to have to-- or at least especially time to log into that and get that information put in. And if 50 percent of their workforce turns over, there's going to be a lot of additional entries and so I'd rather exempt those who are not in the Step Up to Quality program and let them just continue to provide the service that they already do and not step on their toes with this mandate. I'd rather have the may and not the shall. Additionally, I think it's a burden to private industry. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Clements. Seeing no one else in the queue, Senator Vargas, you're recognized to close.

**VARGAS:** Thank you very much, President-- or Speaker. I appreciate the dialog and I hope I answered many of these questions. A couple of things I want to make sure to clarify. This is about making sure we

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have some efficiency. All licensed providers currently have to maintain a set of these credentials in their own paper and file systems. We have an existing online database that will help streamline and-- this efficiency, which is one of the reasons why we want to make sure we're getting an accurate picture of all the educational backgrounds within the system. This does not enroll anybody into the Step Up to Quality system. That's a separate, still optional system. If you want to be rated or have-- be-- take part in that sort of evaluative system, this does not change that whatsoever. You still need to then want to be part of that. That's going to be up to you. This had-- after addressing the concerns of DHHS and pushing the outset date and clarifying Department of Ed's role, there was no opposition. Everybody was neutral. And this is a good bill. It came out of committee last year. It came out of committee this year and we want to make sure that we're continuing to, to get data to make better decisions, which I think is what we normally want to do here. And so with that, I'll ask you to support the underlying amendment, L-- AM603 and also the underlying bill, LB351, because we need data to make better decisions and this, again, is a common-sense bill that will do just that. Thank you very much.

**HILGERS:** Thank you for closing, Senator Vargas. The question before the body is the adoption of AM603. All those in favor vote aye; all those opposed vote nay. There's been a request to place the house under call. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 20 ayes, 5 nays, to place the house under call, Mr. President.

**HILGERS:** The house is under call. All unexcused senators, please, please return to the floor and check in. The house is under call. Senators Wishart, Bostar, and Hughes, please return to the floor. The house is under call. Senator Vargas, Senator Wishart is on her way. All unexcused senators are now present. Senator Vargas, how would you like to proceed? How would you, how would you like to proceed, Senator Vargas? Would you like to accept call-in votes? Call-in votes have been authorized, Mr. Clerk.

**CLERK:** Senator Pahls, voting yes. Senator Wishart, voting yes. Senator Bostar, voting yes.

**HILGERS:** Have all those voted who wish to? Mr. Clerk, please record.

**CLERK:** 21 ayes, 16 nays, Mr. President, on the amendment.

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**HILGERS:** The amendment is not adopted. Mr. Clerk. I raise the call.

**CLERK:** I have nothing further on the bill, Mr. President.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB351 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in fav-- all those in favor vote-- say aye. Opposed say nay. LB351 is advanced. Next bill.

**CLERK:** Mr. President, LB476. I have no amendments to the bill, Senator McKinney.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB476 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB476 is advanced. Next bill.

**CLERK:** LB533. I have no amendments to the bill, Senator.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB533 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB533 is advanced. Next bill.

**CLERK:** Mr. President, LB401. Senator, I have no amendments to the bill.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB401 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say-- a record vote has been requested, Mr. Clerk. Colleagues, a record vote has been requested and the motion before us is the advancement of LB401 to E&R for engrossing. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk.

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**CLERK:** Voting aye: Senators Aguilar, Albrecht, Blood, Bostelman, Brandt, Clements, DeBoer, Dorn, Erdman, Flood, Geist, Gragert, Groene, Halloran, Ben Hansen, Matt Hansen, Hilgers, Hilkemann, Hughes, Hunt, Kolterman, Lindstrom, Linehan, Lowe, McCollister, McDonnell, Morfeld, Moser, Murman, Pahls, Pansing Brooks, Sanders, Slama, Stinner, Vargas, Walz, Williams. Voting nay: none. 37 ayes, 0 nays, Mr. President, on the advancement of the bill.

**HILGERS:** LB401 is advanced. Next bill.

**CLERK:** Mr. President, LB337. No E&Rs. Senator Lowe would move to amend the bill, AM581.

**HILGERS:** Senator Lowe, you're recognized to open on AM581.

**LOWE:** Thank you, Mr. Speaker. AM581 is a very simple change. The Fire Marshal's Office reached out with concerns that the way LB37 was written, we could run into a situation where the fee structure was removed from statute before the new rule and regulation could go through the public hearing process. This could have led to a situation where there was no fee structure in place. AM581 puts in place enough time for that situation not to occur. Thank you, Mr. President.

**HILGERS:** Thank you for your opening, Senator Lowe. Debate is now open on AM581. Seeing no one in the, in the queue, Senator Lowe, you're recognized to close. Senator Lowe waives closing. The question is the adoption of AM581. All those in favor, in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record Mr. Clerk.

**CLERK:** 37 ayes, 0 nays, Mr. President, on the adoption of Senator Lowe's amendment.

**HILGERS:** The amendment is adopted.

**CLERK:** I have nothing further on the bill, Senator McKinney.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB37 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. AM-- LB37 advances. Next bill.

**CLERK:** LB169. Senator, I have no amendments to the bill.

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**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB169 be advanced to E&R for engrossing.

**HILGERS:** Colleagues, you've heard the motion. All those in favor vote-- say aye. All those opposed say nay. LB169 advances. Next bill.

**CLERK:** Mr. President, LB255. No Enrollment and Review. Senator Flood would move to amend with AM680.

**HILGERS:** Senator Flood, you're recognized to open on AM680.

**FLOOD:** Thank you, Mr. President. Members, you'll recall this is the bill that makes \$50,000 available to first responders that serve in line of duty-- that not only serve, but die in the line of duty. On General File, Senator Matt Hansen and I had a discussion about some changes. This amendment is the result of our negotiation on-- between General and Select. You'll see that it adds a couple of different terms to the bill. It adds to first responder or public safety officer, correctional officers, EMS folks that are employed by a nonprofit, so that would bring in the first responders that operate the Good Sam-- Good Samaritan ambulance in Kearney, where they, were they handle all the 911 calls. We were worried that they were left out. It clarifies that law enforcement officer means any member of the State Patrol, county, or deputy sheriff or a member of a police force of any city or village. One of the other things that it does is that it-- a Corrections officer is also defined as a jailer because in a lot of smaller counties, the dispatcher is also the jailer and is watching over the inmates during the middle of the night, so it would include him or her in a situation like that. The original bill had a limitation of five years for a first responder killed in the line of duty. This amendment takes this to three years instead of five years. We kind of met more in the middle on that. It simplifies the process to designate someone to receive compensation. The Risk Manager of the state prescribes a form for the public safety officer to designate a person to receive compensation. If no one is designated or the designated person is not alive, we made it very simple by basically identifying the intestacy statutes so that it conforms with how you would die-- or how you would name your heirs in the event you died without a written instrument like a will. So it also then adds a requirement that if you do file a claim, you have to make that claim under oath in a sworn statement and be subject to the penalties of perjury for a falsified claim. So those are the amendments AM680 to LB255. I want to thank Senator Matt Hansen for working between General



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and Select on this and I'm hopeful that the body will see fit to adopt this amendment. Thank you, Mr. President.

**HILGERS:** Thank you for your opening, Senator Flood. Debate is now open on AM680. Senator Matt Hansen, you're recognized.

**M. HANSEN:** Thank you, Mr. President, and thank you, Senator Flood. I rise just very briefly to confirm this is a friendly amendment. I do appreciate Senator Flood working with me between General and Select. I think this keeps the-- really the heart and soul and the intent of the bill intact and makes some positive changes, including streamlining the procedure. Senator Flood has done a good job of laying out all the new language. So with that, I would just ask the body to support AM680. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Hansen. Senator Groene, you're recognized.

**GROENE:** This is a very well-intended bill. Any time we can help those who lose their lives in my world, a volunteer-- but I wanted to make sure we-- all the record was set straight. There is a federal program called the Public Safety Officers' Benefits Program. It's been around since 1976. If any office-- any public service individual dies, no matter where they work or if they're volunteers-- federal, state, local, volunteer-- they will get a check from the federal government for \$370,376. Not enough if you're 4-- 35 years old and you die and your family has to rely on what's left, but there are life insurance policies. The state of Nebraska mandates that \$10,000 life insurance policy is carried by every city, village for any law-- public safety, so there's another \$10,000. In the federal assistance, if you have children, you get \$1,265 a month per child for education-- for continued education and high-- before-- after secondary education. That's the word I was looking for. Just want to make a point the citizens in the state and, and of the United States have not abandoned or do not value the service these individuals give. There's a lot of money involved. If-- I haven't got all the details, but if you're union or full employee, your pensions are guaranteed. They're upped for your family. There's a lot of benefits and there should be. This is just another \$50,000 and I understand two or three a year, but it's that incremental thing again about spending. Should we, should we look at maybe the \$10,000 insurance policy is not enough? I don't know how many-- haven't had a chance to research it-- how old that is; \$10,000 isn't a lot of money. It might have been in 1965 and whenever they passed that bill, but that's a local issue then and let them decide what life insurance-- we-- I mean, we'll mandate it. We could raise it to \$50,000, period, instead of the \$10,000, instead of a little bit

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here, a little bit there and another program over here and one back in the weeds over there. Let's just raise the life insurance policy next year, a bill, to \$50,000. With two-- we heard two a year average in the state of Nebraska. I would think it would be-- might be more than that, but that life insurance policy premium wouldn't be that much, but then it would be a local issue. Where do you stop? I still think state work-- highway workers and road workers because we have a lot more facility-- fatalities there sometimes than we do in law enforcement and fire, but they're left out. So not fighting this bill. It's not worth it. These are good people, but I just want to let the people of Nebraska know that we have not been negligent on the federal or state level to take care of these individuals if a tragedy happens. This is just more feel-good legislation. Thank you.

**HILGERS:** Thank you, Senator Groene. Senator Albrecht, you're recognized.

**ALBRECHT:** Thank you, Speaker Hilgers, and I'd just like to ask Senator Flood a few questions.

**HILGERS:** Senator Flood, would you yield?

**FLOOD:** Yes.

**ALBRECHT:** I appreciate the amendment that you've brought forward, but I do have a few quick questions. You had mentioned before when we were debating LB255 that you were going to find out how much is the payment of a firefighter or a police officer in the state of Nebraska? A paid employee, how much do they currently receive if they are killed in the line of duty?

**FLOOD:** Well, thank you, Senator Albrecht. I am working to get that information. It is not a uniform amount. It depends on the policies and the insurance carrier for each city. As I'm learning, it's, it's also something that's negotiated by unions and can vary from bargaining agreement to bargaining agreement as to how a line-of-death duty [SIC] is dealt with. So I had hoped to have that information today on the floor. We are finding that it's going to be kind of a chore to assemble it in a short amount of time, so unfortunately, I don't have that for you today.

**ALBRECHT:** OK. How about the volunteers? Have you visited with anyone there?

**FLOOD:** Much the same. In fact, there are so many different volunteer services I have heard and was in-- when I was checking in on this

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question, it's as low as \$1,000 in some departments and that's \$1,000 intended for burial only to departments that are volunteer that are larger, like Kearney, where there's a different benefit.

**ALBRECHT:** OK, thank you. Colleagues, I'd also like to bring to your attention that death benefits-- as a result of an employee death, the widow or widower is paid death benefits for his or her life or until remarriage. Upon remarriage, the widow or widower receives two years benefits in a lump sum. Benefits are calculated at 66 and two-thirds percent of the employee's average weekly wage at the time of the injury if there are no children and at 75 percent if there are children, subject to the maximum or minimum per week. Children are entitled to a percentage of the death benefit until they reach 19 or age 25 if enrolled in the full time at an accredited educational institution or until the end of the actual dependency. Additionally, burial expenses are up to a maximum of \$10,000 paid. I stand before you today as the no vote on LB255. The only way that I would absolutely consider this bill is if it were on volunteers and the reason I say that is because I think that when all of us do our due diligence and find out how much is negotiated in the contracts of paid firefighters, paid police officers, sheriff or State Patrol, along with retirements, I think we'll find that there are substantial amounts of money being paid out and guaranteed to these folks and for that reason, I stand against LB680 [SIC] unless it were volunteer only. Thank you.

**HILGERS:** Thank you, Senator Flood and Senator Albrecht. Senator Erdman, you're recognized.

**ERDMAN:** Thank you, Mr. Speaker. Good morning. I have a question or two for Senator Flood if he would yield?

**HILGERS:** Senator Flood, would you yield?

**FLOOD:** Yes.

**ERDMAN:** Senator, your amendment says you're going to create a State Claims Board according to the statute. Can you explain that?

**FLOOD:** What page of the amendment--

**ERDMAN:** It's--

**FLOOD:** --and line are you looking at?

**ERDMAN:** It is page 2, line 4.

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**FLOOD:** There is already-- let's see here. There's already a State Claims Board.

**ERDMAN:** So that doesn't mean you're creating a new--

**FLOOD:** I'm not creating-- yeah, we're not creating a new one. It's referencing the one that's already in Section 81-8,220.

**ERDMAN:** OK. All right, so we don't have a provision in this amendment or in the bill that says they will have to designate a special or a significant one or two beneficiaries or alternate beneficiaries?

**FLOOD:** Yes, they do have the ability. The State Risk Manager is to provide a form that-- I'm looking for the exact title here-- page 3, line 21, such claims shall be on a form prescribed by the Risk Manager and shall include the name, address, title, or position of the public safety officer. Now that's to receive a benefit. There is a form that you can designate someone that would be promulgated by the State Risk Manager and if you do not list somebody, then it goes under the laws of intestacy to identify the proper heirs in succession.

**ERDMAN:** So it will not be a requirement that one designated beneficiary?

**FLOOD:** Right.

**ERDMAN:** So then the State Claims Board is going to have to-- when a claim is filed or someone has passed because of their activity with a volunteer fire department or whatever the description is, it'll be their job to discover who the beneficiary is?

**FLOOD:** Right. Page 2, lines 26 through 29, "if no person is designated by the public safety officer or if the designated person is not alive at the death of the public safety officer, the compensation shall be paid in accordance with the laws of this state regarding intestate succession."

**ERDMAN:** OK, so the, the committee-- or the Claims Board who's going to do this research, are they getting-- are they on a salary now? Are they FTE now and we don't have to worry about adding a fiscal note to what it's going to cost to discover who these people are?

**FLOOD:** Well, I sure hope not. That would mean there would be a lot of line-of-duty deaths. I don't think that determining the heirs here, if no one is designated, would be as difficult. Obviously, when these things occur, there's a lot of attention paid rightly to the public

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safety officer or first responder killed in the line of duty. I think it would be, would be something that you could research pretty easily through the Department of Health and Human Services Bureau of Vital Statistics to see--

**ERDMAN:** OK.

**FLOOD:** --if they have any--

**ERDMAN:** So if I were--

**FLOOD:** --spouse or heirs.

**ERDMAN:** If I were a person that was killed in the line of duty, this Claims Board wouldn't search out to see who my heirs would be. They would just-- if I didn't have someone designated as a beneficiary, then they would just assume I didn't have a will and move on from there?

**FLOOD:** Well, the first question would be were you married at the date of death and do you have a surviving spouse? And so, yes, you're married and you have a surviving spouse. She would then be eligible to receive the benefit. If your surviving spouse pre-- if your--

**HILGERS:** One minute.

**FLOOD:** --spouse predeceased you, then they would simply look to see what children you have or have adopted. And in your case, you have three boys, right?

**ERDMAN:** Right.

**FLOOD:** And they would be the beneficiaries--

**ERDMAN:** OK.

**FLOOD:** --of the benefit.

**ERDMAN:** So you may want to answer this, you may not. Wouldn't it be far more simple to put a shall have a beneficiary named and an alternate beneficiary?

**FLOOD:** No, it wouldn't because the facts of life are that people fail to name other beneficiaries and people die or predecease the decedent in a lot of cases and then you, you're left with a situation where you can't determine the intent of the person because they're no longer living. So I understand what you're saying. It would simplify the

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process looking at it in a linear basis, but the facts of life are that this stuff happens all the time and anybody--

**HILGERS:** Time, senators.

**FLOOD:** --that writes a will-- oh, thanks.

**HILGERS:** Thank you, Senator Flood and Senator Erdman. Senator Friesen, you're recognized.

**FRIESEN:** Thank you, Mr. President. So when I'm reading through the amendment-- and I'll ask Senator Flood a question in a little bit, but the way I read it as it is written, if a death occurs from-- within three years of an incident-- let's, let's say you go to a fire and at that incidence, you're exposed to some smoke and nothing really happens. Maybe you go to the hospital for a checkup and then suddenly, two years later, you have cancer. And three years later, before the three years is up, you've passed away. Now you also have one year after that to apply for the benefits. How-- if Senator Flood would yield to a question?

**HILGERS:** Senator Flood, would you yield?

**FLOOD:** Yes.

**FRIESEN:** Could you walk me through the process then at that point of how do you prove that that death occurred because of that incident or-- I mean, you've already-- someone has been deceased for a year already or nine months and now you're going to ask them to go back somehow and prove that this incident that happened was the cause of that death. Is that the way this kind of reads?

**FLOOD:** Yes, it is. And, you know, to be honest, I had concerns about setting this at five years. Senator Matt Hansen felt strongly that it needed to be more than one year. We met in the middle at three, and that's how it found its way into the amendment. Here's what I would offer you, is that proving a direct or a cause that links back to the, the death that, that occurred while serving is not going to be easy in a lot of situations if you're a couple of years away from the actual incident. And we know, looking at a couple of different things-- and this wouldn't help a lot of 9/11 responders, but when so many firefighters ended up with terminal cancer after responding to the World Trade Center bombing September 11, 2001, that may be a case that, you know-- and even in this situation, wouldn't even be eligible, but take the case-- and I'll, I'll talk about this. So we had the Norfolk bank robberies. We had four men, three of whom walked

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into a bank and they shot and killed five people in my area, point-blank range. Awful. It was a slaughter. It took them less than two or three minutes to kill those five people inside that bank. Trooper Mark Zach had stopped one of the people ahead of that bank robbery and had checked a gun and read the, the serial number on the gun and, and he ended up taking his own life. There are things that we ask first responders to do that none of us want to do. They walk onto a scene and they deal with some of the most horrific stuff that could possibly happen. I know that many of the police officers that walked in that bank that day saw stuff that they were never paid for, that haunt them to the rest of their life. And the reality is that has a cost. There are people that see some of the most horrific stuff and choices are made down the line as a result of what we ask them to do as first responders.

**FRIESEN:** I under-- I understand what you're trying to say, but how long a time frame do we put on things? I mean, again--

**FLOOD:** Well--

**FRIESEN:** --is there a presumption--

**FLOOD:** I was, I was--

**FRIESEN:** Is there a presumption of--

**FLOOD:** You got to prove cause.

**FRIESEN:** You have to prove the cause. If you can't--

**FLOOD:** You've got to prove the cause

**FRIESEN:** --prove the cause. You're assuming that it didn't cause it and so it's, it's going to be a-- presumption is that you're going to have to prove that those two are correlated to each other.

**FLOOD:** You know, I'll put it this way. I thought about when the coronavirus first happened and it was as scary--

**HILGERS:** One minute.

**FLOOD:** --as scary gets. You call 911, you expect somebody to come pick you up and take you to the hospital. That first responder walks into your house using the best precautions they have. They contract COVID or may-- let's say it's another type of respiratory disease. It's very serious. They start having serious breathing problems. A year or two

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later, things compound and they're no longer alive. If they can prove that they're duty on that day started the process that took their life two years later and they can prove it and they have doctors that can testify to it in a sworn statement-- that's why I added the sworn statement-- then I think you're eligible for this.

**FRIESEN:** OK and that's, that's where I-- sometimes it, it gets a little blurred for me and so I guess-- you know, I have served for 18 years. I've been on the department. I've been there. But again, I want to make sure that what we're doing here is somewhere where we belong. And right now, I'm, I'm still not quite--

**HILGERS:** Time, senators.

**FRIESEN:** --convinced this is where we should be. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Flood and Senator Friesen. Senator Groene, you're recognized.

**GROENE:** Thank you, Mr. President. I wanted to ask Senator Albrecht a question, Albrecht.

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes.

**GROENE:** Would you clarify-- you talked about 66 and two-thirds of the salary and then you said there was a death benefit. What were you talking about?

**ALBRECHT:** This is what the-- on the Nebraska workers' compensation. It's right on the website--

**GROENE:** So, it's--

**ALBRECHT:** --for all employees.

**GROENE:** Thank you. So it's workman's comp-- compensation benefits.

**ALBRECHT:** Yes.

**GROENE:** I didn't catch that when you spoke earlier. I checked-- Senator Flood-- not-- I checked with people who know, the lobby for the rural fire people. There's a state statute that says you have to have a \$10,000 death benefit and it's for everything. Pretty-- that's better than this, that if you are a volunteer, you have to-- you have



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a \$10,000 benefit if you died of a heart attack playing with your grandkids or whatever. Why don't we just come back with a law-- I'll work with you next year and Senator Hansen-- that we just increase that to \$50,000? And then what Senator Erdman was talking about, who gets the money? If it's the grandkids, the kids, the ex-wife, insurance companies are all set up to do that, not the work-- the compensation board-- or Claims Board. Claims Board is every year, we-- I think there's a bill every year that I've been here where somebody-- a highway worker got killed and, and the signage wasn't up right and they get sued. The state does. It's usually for lawsuits is what they handle and then we have an appropriations bill that says-- the Claims Board says we have to pay these claims because we lost in court or made a settlement. Why don't we just let the insurance companies do what they do, raise the pre-- raise the amount the insurance policy has to be, and-- what do you think of that, Senator Flood, if you'd ask-- answer a question?

**HILGERS:** Senator Flood, would you yield?

**FLOOD:** Yes.

**GROENE:** Would you consider that may be a more efficient and effective way to do it and not get our Claims Board into deciding who, who gets the benefits?

**FLOOD:** Well, you know, I agreed because I had expressed some questions in-- on General File to assist Senator Hansen between General and Select and I didn't, I didn't think about rewriting the, the process of getting a beneficiary--

**GROENE:** Thank you. I understand exactly where you're at. You were more worried about the five years and I appreciate you addressing that in your, in your amendment, but-- I'm all for this, but let's just let the-- we have the system set up. It's called insurance industry. Let them buy a policy. Everybody can, but let's do it for the volunteers and then if the city and the union wants to negotiate with the city that they want a life insurance policy because it-- involved in their, in their contract, let them do it. But this just starts another little niche over here-- unnecessary. You know, it's-- watch what you say because this would be a mandate if it-- if we told them there already is a mandate for a \$10,000 insurance policy to the locals, but it would be only fair to do it that way and more equitable because what I've seen from rural fire, volunteer fire, and even the union ones is there's a lot of stress. You get a big grass fire, there's a lot of stress and four or five days later, you might have a heart attack.

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**HILGERS:** One minute.

**GROENE:** How do you prove that? How do you prove that it was caused? But if it's just the general life insurance policy, they'll get paid. It's a nice little benefit. You get cancer, who-- you don't have to claim that it's-- you don't have to go through a bunch of paperwork proving you got cancer because you inhaled something. You were a volunteer and you get \$50,000 because you died. Let the insurance companies do the paperwork. Thank you.

**HILGERS:** Thank you, Senator Albrecht, Flood, and Groene. Senator Erdman, you're recognized.

**ERDMAN:** Thank you, Mr. Speaker. I appreciate that. I appreciated Senator Friesen's questions. I don't know that he got the answer he was looking for, but the issue that he brings up is a valid one and if one contacts-- gets in contact with smoke and has smoke inhalation, spends some time in the hospital, a fire event, and a couple of years later, they get lung cancer-- and they may, may have been exposed to something else in between the time of the fire and when they got lung cancer, but let me be clear on this one. I am very much in support of volunteers and volunteer firemen because without those, no one would respond when I make that 911 call that I have a fire, an emergency and I appreciate them immensely. But I am concerned that this is opening up an, an issue that the board that's going to decide who gets paid and who doesn't is going to have to dig into where the cause was, when it was, and if it was in fact in the line of duty. I think Senator Groene makes an excellent point. We'd be better served by just purchasing a life insurance policy for those people and allow the insurance, insurance companies to handle all the paperwork and do the necessity-- necessary things that are needed to find out how they died or whatever happened. And if they had a life insurance policy, it wouldn't make any difference. So Senator Flood, I think it's important to listen to what those two gentlemen said because I think that could be the solution, rather than putting some board in harm's way, trying to decide who gets paid and who doesn't. The other issue is so if I-- if my family makes an application and it's denied, then what do I do? Can I appeal that to someone? Do I take them to court? How do I decide the real solution there? And that's an issue as well. So right now, I'm not, I'm not in favor of the way it's written. I am in favor of supporting the local volunteers and I would be in favor of doing some kind of life insurance issuance rather than this. Thank you.

**HILGERS:** Thank you, Senator Erdman. Senator McDonnell, you're recognized.

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**McDONNELL:** Thank you, Mr. President. Good morning, colleagues. I, I appreciate the, the discussion. I appreciate the work that Senator Flood and Senator Hansen have put in based on trying to improve this bill. Now I, I know, speaking to my colleagues and, and listening to the, the discussion this morning, that everyone is in favor, as far as I've heard, that this is a, a good bill based on-- we're recognizing the ultimate sacrifice that these individuals will make. Now we start getting into how many a year on the average and, and the cost and then what, what happens with the, the benefit and how do we get it to that, that loved one and make sure it's, it's done correctly? And I think those are all legitimate concerns, but when you start talking about collective bargaining agreements and what one sheriff's department, police department, fire department has versus another, those are different and they're based on that collective bargaining process. And during that process, it could be agreed upon for a two-year agreement, three-year agreement and then you come back and you start that collective bargaining process over. So to, to talk about what benefits individuals are, are getting from their, their local communities, I don't know that. I don't know exactly what every community gives their, their first responders in, in looking at their ultimate sacrifice. But I do know the discussion we're having today with LB205 is that what are we going to do as the state? When are we willing to step forward to recognize that ultimate sacrifice? And we, we have to make sure we understand we're talking about \$50,000 dollars, a one-time benefit. Now these individuals that have made the ultimate sacrifice, either being a, a paid possible firefighter or volunteer or a police officer, sheriff, their family, except in some situations with a pension benefit, is no longer receiving that compensation that that, that person was bringing home to their family prior to this, this tragedy. So I want to make sure that we're not losing focus. There's always ways to improve things. I think Senator Flood and Senator Hansen have, have demonstrated that based on the, the amendment. And there's-- there should be questions and how do we do this and how do we, we make this a better bill, but let's not lose focus on the people that are stepping forward. Just recently, since the last discussion we had on this, this bill when it was on General File, we know there was a firefighter that made the ultimate sacrifice in the state of Nebraska based on fighting a, a, a wheat fire. We also know that there was a police officer in the city of Omaha who, thank God, survived, but was, was shot a number of times in the line of duty. So we know these are dangerous jobs and there's no way to take a dangerous job and, and make it, make it perfect and make it where it's not, not dangerous. We can improve on those, those, those professions, but it's never going to be a, a situation where there's not someone

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put in that situation-- for us-- to make that ultimate sacrifice. So I, I want to concentrate today and again, listen to the debate and let's not lose focus on what we're talking about. We're talking about as a state to step forward and make sure those families, we recognize that sacrifice and that family would have \$50,000 death benefit based on their loved one making the ultimate sacrifice and never coming home again. Thank you, colleagues.

**HILGERS:** Thank you, Senator McDonnell. Senator Flood, you're recognized.

**FLOOD:** Thank you, Mr. President. Members, I-- one thing I want to add is I don't think we've ever really calculated the emergency medical services that we get in this state for free. We expect the Meadow Grove Fire Department to hold bake sales to buy an ambulance. We get way more bang for our dollar with what we have through the volunteer system and even through the paid system. Cities of the first class don't have a defined benefit retirement. We have officers in my community of Norfolk that are working and past 60. It's a dangerous job for these folks to do it and they've chosen it as a career. And so I think when you're tallying up the cost of this bill-- and I hope that we don't ever have to pay a claim out of it, but history tells us we're going to-- let's remember what we get for free from a lot of people and not just on the fire side, not just on the EMS first responders side, but on the, on the law enforcement. I can tell you when the call goes out at 3:30 in the morning in Boyd County and an officer needs backup, it's a state trooper running from South Sioux City, lights and sirens across Cedar and Knox County to get to Boyd County and that's how far your backup is sometimes. And so you've got a Boyd County deputy out there and a department of two handling a situation with State Patrol maybe an hour away. It's not a well-paying job and I guess from where I sit, there's a lot of value to recognizing that those that make the ultimate sacrifice should be compensated something more than they currently get on behalf of the state. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Flood. Seeing no one else in the queue, Senator Flood, you're recognized to close. Senator Flood waives closing. The question before the body is the adoption of AM680. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk.

**CLERK:** 32 ayes, 2 nays, Mr. President, on the adoption of Senator Flood's amendment.

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**HILGERS:** The amendment is adopted.

**CLERK:** I have nothing further in the bill, Senator McKinney.

**HILGERS:** Senator McKinney for a motion.

**McKINNEY:** Mr. President, I move that LB255 be advanced to E&R for engrossing.

**HILGERS:** It's a debatable motion. Senator Clements, you're recognized.

**CLEMENTS:** Thank you, Mr. President. I did vote no on that. I-- the changes were good, except I've always thought that volunteers are who this should apply to, that the paid staff are able to negotiate benefits with union contracts or other employment contracts and I-- then, you know, it's hard to, hard to divide this, I suppose, but I would prefer, prefer to just do the volunteers. We have a volunteer squad in my village and I think I would like to award them, but I'd like to-- the paid ones to negotiate their own benefits. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Clements. Colleagues, the motion before us is the advancement of LB255 to E&R for engross-- engrossing. All those in favor say aye. Opposed say nay. LB255 advances. Turning to General File priority bills. First bill, Mr. Clerk.

**CLERK:** Mr. President, LB281 is a bill introduced by Senator Albrecht. It relates to schools and requires child sexual abuse prevention, instructional programs for students and staff. It was introduced on January 12, referred to the Education Committee, advanced to General File. There are Education Committee amendments pending.

**HILGERS:** Senator Albrecht, you're recognized to open on LB281.

**ALBRECHT:** Thank you very much, Speaker. Thank you, members of the Legislature. I'm pleased to introduce LB281 with AM298, which becomes the bill. I'd like to thank Chairman Walz and the Education Committee for sending this bill to the floor 8-0. I was originally asked to carry this bill by a constituent in my district who personally experienced the pain of child sexual abuse. He had a desire to see it in Nebraska so that other children wouldn't have to experience the pain that he did. LB281 will require that all school districts in Nebraska implement a prevention orientated child sexual abuse program, which teaches students in K through 12 age appropriate techniques to recognize child sexual abuse and make them aware of safe adults that they can go to if they're being abused. It also provides school

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personnel training as a preventative method for helping reduce incidents of child sexual abuse and teaches parents and guardians the signs of child sexual abuse. It empowers everyone involved with the needed assistance, referral and resource information to support sexually abused children and their families. In just four hours each school year, we have the opportunity to educate children on personal body safety education, which might in turn save them from living with the secret of sexual abuse for years. We educate children on tornadoes, fire bus safety, fire drills, Internet safety, suicide prevention, yet we are not currently educating our children about sexual abuse. One in four girls and one in six boys are sexually abused by the age of 18. There are 42 million survivors of child sexual abuse in America. Three million are children, which would fill 46 national football stadiums. 90 percent of the children are sexually abused by someone that they know and trust. Juveniles are the offenders in 43 percent of the assaults on children under age six and the peak age for involving a younger child in sexual behavior is 14. These children are sitting in our classrooms and we have the opportunity to not only stop sexual abuse from continuing, but studies show for many to keep it from happening in the first place. Without educating children in school, most will never get the message on how to speak up and tell someone that they're being abused. There is evidence that the law really works. I've given you a handout with dozens of articles from across America of arrests and/or convictions as a result of the sexual abuse training being taught in school districts across the country. You'll have the handout at your desk and you also have them emailed to you so that you can click on to the link and review it at your leisure, arrests and convictions as a result of the Erin's Law throughout our country. You'll see the story. Sadly, one is out of Nebraska because of a student was taught sexual abuse training after she moved out of our state. She recognized what had happened to her when she lived here and she spoke out and that offered-- that offender was tried a year ago this spring. Districts that teach it see that it works and kids are being saved. Our schools are in a unique position to help young people shape their positive, healthy behaviors, reducing their vulnerability to being sexually abused or assaulted. LB281 will provide a guide vetting programs and outlining developmentally appropriate ways to talk to children about this topic. Lincoln Public Schools has implemented a preventative childhood sexual assault program, and they believe it is making a significant impact. LB281 is also known as Erin's Law, after a childhood sexual assault survivor, author, speaker and activist Erin Merryn. After Erin introduced the legislation-- legislation in her home state of Illinois, the bill was passed in 37 states to date.

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President Obama signed the federal version of Erin's Law under the Every Student Succeeds Act, Glamour magazine named Erin Merryn woman of the Year in 2012, and People magazine named her one of fifteen women changing the world and heroes among us in 2013. Erin came to Lincoln to testify in support of LB281. And Speaker Hilgers, if it's OK, I'll introduce the amendment at this time, LB-- or AM298. Is that OK?

**HILGERS:** The Clerk noted that there is a committee amendment. Senator-- Senator Walz, as Chair of the committee, you'd be recognized to open. You could yield your time to Senator Albrecht, but you would be recognized to open.

**ALBRECHT:** That's fine.

**WALZ:** All right. Thank you, Mr. President. AM298 is a white copy amendment to LB281 that strikes the original language of the bill and replaces it. Except as follows, all other provisions from LB281 are the same. The first change removes instructional from the phrase child sexual abuse prevention instructional program. It changes the grade levels. Such programs shall be implemented in from kindergarten through grade five to kindergarten through grade 12. It requires the curriculum to be evidence-based. References Section 79-879 for the purposes of redefining groom-- of defining grooming. And lastly, add Section 2 to require training to be provided within the framework of existing training programs offered by the State Department of Education. A list of approved training material shall be developed by the department and allows the department to adopt and promulgate rules and regulations to carry out this section. This was done so as to not hamper the current efforts that are already currently in place. This amendment was advanced out of committee unanimously by the committee. Thank you, Mr. President.

**HILGERS:** Thank you for your opening, Senator Walz. Debate is now open on the committee amendments, AM298. Senator McCollister, you're recognized.

**McCOLLISTER:** Thank you, Mr. President. Good morning, colleagues. Would Senator Albrecht stand for a few questions?

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Sure.

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**McCOLLISTER:** Senator Albrecht, a couple thoughts come to mind with the introduction of this bill. First off, would you consider this to be an unfunded mandate on the school systems throughout the state?

**ALBRECHT:** Yes, it could very well be, but there are areas of-- to be explored for funding.

**McCOLLISTER:** However, isn't this the primary function and the duty of the state school board to-- to consider these kinds of regulations, requirements, etcetera?

**ALBRECHT:** No, I believe something like this is that-- is for us as a state Legislature to-- to decide for them. Because if it was something that should have been done long ago and hasn't, it's something for us to consider.

**McCOLLISTER:** Do the school systems, are they obligated to follow the dictates in this bill, LB281?

**ALBRECHT:** Yes, it would-- they would be.

**McCOLLISTER:** I understand. Thank you. Senator Albrecht.

**HILGERS:** Thank you, Senator Albrecht and Senator McCollister. Senator Friesen, you're recognized.

**FRIESEN:** Thank you, Mr. President. I was-- would Senator Walz answer some questions?

**HILGERS:** Senator Walz, would you yield?

**WALZ:** Yes.

**FRIESEN:** Thank you, Senator Walz. And this has to do with the amendments. I thought it probably best to ask you, but we were kind of headed down that path, I think, of unfunded mandates. And in there it talks about they-- the school shall receive that-- it's federal dollars for-- that may come into schools. And my question is, does every school receive this funding or is that limited to certain schools?

**WALZ:** That may be a better question for Senator Albrecht. I don't think every school receives it.

**FRIESEN:** OK, thank you, Senator Walz. Senator Albrecht, would yield to a question.



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**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes.

**FRIESEN:** So I'm going back to the funding portion of it, you know, and I think are leading down to this is an unfunded mandate. And it says to use funds that the federal government sends down to-- to schools. Do-- do all schools receive that funding or what is it currently used for? And-- and is this an unfunded mandate? I guess that's my question and just to make sure that every school receives those funds that they could use it, or are we pushing on unfunded mandates?

**ALBRECHT:** It's my understanding that it's federal funds that are available to some schools, but not all. So--

**FRIESEN:** Do you know what-- what the requirement is?

**ALBRECHT:** I think it would be the larger schools. Again, not sure why some get it, some don't. It's a grant that I guess you just apply for. So, I'm not real sure about that.

**FRIESEN:** OK, thank you. Thank you, Senator Albrecht. So with that, I do look at this as kind of an unfunded mandate and if we can come up with a solution to the funding problem, I'll look at it differently right now. But that's kind of where I was going. It seems like we're-- we are pushing something down again that maybe smaller schools are not as equipped to handle as the larger schools. But these are questions I'll have. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Albrecht, Walz, and Friesen. Senator Linehan, you're recognized.

**LINEHAN:** Good morning, Mr. President. Good morning, Legislature. I rise in support of both the amendment and of LB281. Senator Albrecht has done a great job with this bill and is something we need to do. On the whether it's funded federally or not, my most recent conversations with the Education Committee is that out of the CARES funding, which is federal money, all but four schools in the state of Nebraska qualified. One school didn't get it because they didn't want to do the paperwork. I don't know which one that was. So there is federal funding. It's-- goes back to Every Student Succeeds, which was under Obama, I believe. And the other thing I wanted to mention, this bill has been introduced, or bill like this, was introduced before most of us were here, except I think Senator Flood and Senator Lathrop might recall, and I think it was a Bloomfield bill and it got out of committee, I believe, and to the floor. I could be wrong on that. But

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the Department of Ed came and told the Legislature, you don't have to do this bill, we'll do it. You don't-- we know it needs to be done. And we will put a team together and we will come up with a way to make sure every kid in Nebraska has a-- is told how not to be abused and how to report it. So the Legislature said, OK, we'll trust the Department of Education and at the hearing-- and I don't have because I didn't think this would be an issue this morning, I didn't bring this up here, but at the hearing, we had two women who have retired from the Department of Ed since Bloomfield's bill. They said committee was put together and they started working on it and these two women clearly were committed to seeing this happen. And as soon as the Legislature adjourned for the year, the committee went away and no more work was done. So this is not the first time this issue has been in front of the Legislature. It's first time for most of us. But I think maybe-- maybe Senator Aguilar might remember too. I don't know exactly what year this happened, but I don't think-- this is why we can't leave it to the Department of Ed. They've had like eight years, ten years to do something and nothing's happened. So, again, I would ask for your support for both the amendment and Senator Albrecht's LB281. Thank you.

**HILGERS:** Thank you, Senator Linehan. Senator Erdman, you're recognized.

**ERDMAN:** Thank you, Mr. Speaker, I appreciate that. You know, Senator Linehan, following up on your comments about the Department of Education, they don't do accomplish a whole lot of what we ask them. And back in June of '20, a school district in my district filed some allegations against an employee and it took the department till January 7 to start the investigation-- January 7. Students were being instructed by people who did not have certificates to be in that class, they didn't care about instruction. So when you say the Department of Education doesn't carry through with what they say they're going to, I agree. And Senator Albrecht, I appreciate you bringing this bill and I appreciate the Education Committee advancing it. So when I first arrived here, and Senator Linehan understands what I'm about to say, in the HHS Committee, we had people come in and talk about statutes that have been passed 8 to 10 years and no rules and regulations had been written yet. And so it happens. State agencies sometimes don't carry through with what they're instructed to do or say they're going to do. So, Senator Albrecht, you brought this at the right time. It's time for us to move on and do this. And I can appreciate the fact that you're going to instruct these young people to be aware of their surroundings and what happens to them to share it with somebody. So if the department had done this, we wouldn't be

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talking about this today. So maybe we need to do a review this summer of the Department of Education to see exactly what they do all the time. Education, K through 12, received \$346 million of CARES money. What'd they do with that? That's interesting conversation. We need to understand where it all went. Went to a briefing here a couple of weeks ago and they were going to explain that, it was not much of an explanation. And so what did you do with the money? And so they have plenty of money to do what they need to do, and I'll be voting for AM298 and for LB281. Thank you.

**HILGERS:** Thank you, Senator Erdman. Senator Pahls, you're recognized.

**PAHLS:** Thank you, Mr. President. I just-- I just have a couple of questions, because I just pulled up some information from the State Department, the Nebraska Department of Education, and they do have a number of items dealing with sexual misconduct guidance. They also talk about a bill that was passed, first bill in LB1080 requires student school districts to have particular policies in place before June 20 [SIC] of this year. So it seems like they-- they are involved in some of the issues, maybe not in the issue that you want dealing with children, but they have pretty much of an outline dealing with teachers and their students. So I don't think they have literally put this totally to the side. I do think that since we're bringing this issue up, this would even alert them more to this particular issue. The thing about it to me, it looks like we are requiring a particular curriculum, and I think that we ought to require the department to have a particular curriculum. A number of schools already have this in their curriculum. In fact, comment was made how Lincoln was in support of this. And I looked at the-- they were an opponent as I looked on my gadget. So it's-- and several other educational groups, I know they are not against this concept at all, having been there for 30-plus years. And I do think if the department has let this thing slip by, if it's been brought to their attention and they're not doing anything or have not done anything in this particular area, that it's something that, like I say, they're becoming more aware of it. But I did see where a number of organizations have some concerns about the direction that we're putting this into statute. How many different things do we put in? Do we say, geography? We outlined that, all the attributes of that, the attributes of reading. We do not do that in Legislature-- in statute. So I think we ought to go back to the department. I'm not against this concept. You can't be, to be honest with you. And I have a feeling this bill has legs, so it will move. What I thought was interesting, one of the first comments that Senator made was this was really very important for the schools to be doing this and you cannot deny that. But what I'd like to know, are we requiring all schools?

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Are we requiring the public schools who have lots of children, are we requiring the Catholic schools to do this, are we requiring other Christian schools to do this? Because I can assure you this happens in those schools as much because we have human beings in those schools. So I would feel much more comfortable if we say all schools need to be doing this. Because a little later on, I'm going to explain why I say that. This happens in schools that are not public schools. I know that for a fact and that will be discussed later on in another bill. I appreciate we need to do something like this; but when we put it in statute, I think the curriculum should be allowed to the schools because we know right now there are some schools who are doing this.

**HILGERS:** One minute.

**PAHLS:** Thank you. So let's applaud them and help the other schools do it, but use the department and say, hey, Department of Education, get on the ball. If you're not on the ball, get on the ball. We're sending you a message. Thank you.

**HILGERS:** Thank you, Senator Pahls. Senator Machaela Cavanaugh, you're recognized.

**M. CAVANAUGH:** Thank you, Mr. Speaker. Good morning, colleagues. I am in agreement with some of our colleagues that have spoken this morning, but before I get to the bill itself, I just wanted to make some comments that yesterday was World Down Syndrome Day, and since we were not in session, we didn't get a chance to talk about it. But I thought it was important to mention and to highlight that-- that it was World Down Syndrome Day yesterday and that advocacy around supporting our citizens that have Down syndrome is really important to me and I hope it's important to everyone in the body. And it's something that the Health and Human Services Committee has prioritized, supporting individuals with developmental disabilities such as Down syndrome. Um, I also, since we are talking about education, would like to acknowledge that our public schools have-- especially the school district that I reside in, Westside, has done a phenomenal job of being-- welcoming and embracing to children of all abilities. My daughter, uh, her classmate, he had his birthday on Friday and he has Down syndrome and he very delightfully gave all of the students socks that we're promoting World Down Syndrome Day and she was so thrilled to get this gift from her special friend in kindergarten. And her sister was so thrilled to talk about her special friend in first grade. And I know that Westside has done an amazing job of making sure that these differently-abled children feel included and welcomed in the classroom. There's even a preschool program in

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Westside where children have a buddy that helps them navigate the-- the school day a couple hours a week, a couple hours a day, getting them ready to enter into kindergarten. And it's a wonderful program that teaches children of all kinds of abilities how to be good friends in school, how to help your neighbor, and how to make sure that our special friends with Down syndrome are welcomed and included and not scared about navigating school. So I just wanted to make sure that we were all aware of these amazing programs happening in our public school system. And thank you to the teachers that do such great work every single day. Now to LB281 and AM298, I share some of the concerns that have been expressed today about this being an unfunded mandate. It does require, it says, shall. That they shall-- the Department of Education shall seek federal funds and there's no mechanism if they don't receive those federal funds and there's no mechanism for the schools that currently aren't receiving those federal funds. So there is a concern about additional pushing down of legislation to our school systems and them not being able to adequately fund that, and of course, that always brings us to the dreaded property tax, which is how our local school systems are able to fund programs. And so, if we aren't attributing to this in our General Funds, then I am concerned about this. What this will mean for taxpayers in those school districts that don't have that federal funding or who don't receive the federal funding or don't seek the federal funding, which I-- I agree they should be seeking it, but I'm not sure that it's up to us to be directing that. And how much time do I have?

**HILGERS:** 1:15.

**M. CAVANAUGH:** OK. I do have further questions about this. And I also am curious for the answers to Senator Pahls's questions about if all schools are going to be participating in this important program, and I do think it's an important program. I'm more concerned about the mechanisms in place for funding the programs. I have additional questions and so I will yield my time and get back in the queue so that I can ask Senator Albrecht. Thank you.

**HILGERS:** Thank you, Senator Cavanaugh. Senator Friesen, you're recognized.

**FRIESEN:** Thank you, Mr. President. Would Senator Albrecht yield to a question?

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes. Yes.

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**FRIESEN:** Thank you. Thank you, Senator Albrecht. So, again, I'm just going to kind of clarify things on the mike as I understand them currently. So on page 2, Section 2, it talks about the training required to be offered by the Nebraska Department of Education, is that correct?

**ALBRECHT:** Yes.

**FRIESEN:** OK, and in that it says later on in there, it says the department may adopt rules and regulations to provide this training. Do they or don't they have to provide any rules and regs as far as this training goes?

**ALBRECHT:** Yes, they do have to. It would be the department that would actually choose the curriculum, train the teachers on what they need to do with the parents and the children, and it would be the school boards and the superintendents enacting it.

**FRIESEN:** OK. The way I read the language, though, it says they may develop and adopt rules and regs. So, again, I-- the way I understand it, also schools, the only local portion of this funding would be, they'd have to buy the curriculum.

**ALBRECHT:** Just the books.

**FRIESEN:** The books. OK, thank you. Thank you, Senator Albrecht.

**ALBRECHT:** Thank you.

**FRIESEN:** That does clarify some things for me, but I think we do need to look at the word "may" again versus "shall", but you can look at that for yourself. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Albrecht and Senator Friesen. Senator Machaela Cavanaugh, you're recognized.

**M. CAVANAUGH:** Thank you, Mr. Speaker. Senator Albrecht, would you yield to a question?

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes.

**M. CAVANAUGH:** Thank you, Senator Albrecht. So I know there's been questions about the funding mechanism for this. And one of my concerns is, I will give you a little background before I ask the question. I

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don't know if you're familiar with the Supreme Court, the Nebraska Supreme Court decision of the University of Nebraska v. Exon, where it was decided that the Legislature could not direct the university to do certain things. It was deemed unconstitutional. And my concern with this legislation is that we are directing another agency that has its own elected governing board to seek federal funds. And I just wanted to check and see if you have looked into that to ensure that that is actually constitutional, or are we going to have a situation similar to what we had with the University v. Exon?

**ALBRECHT:** I have not had anyone ask me if it was constitutionally OK to do this. I've been here now my fifth year, and I do know that we do have some mandates that have come through K through 12. And I haven't heard anyone ask that question, but I certainly look into it.

**M. CAVANAUGH:** I guess my concern isn't about directing K through 12 to do something, it's-- it's about directing them to do something without providing the funding for it. We're directing them to seek specific funding.

**ALBRECHT:** Um-hum.

**M. CAVANAUGH:** And I'm just concerned if that's permissible I suppose is the word. But if you haven't sought an answer to that, I will seek an answer myself. Thank you very much, Senator Albrecht.

**ALBRECHT:** Thank you.

**M. CAVANAUGH:** I-- I will vote for the amend-- the committee amendment, but I, at this point in time, I'm not sure that I can vote for the underlying bill until some of those answers are-- are found because I don't want to be-- what is it that everyone likes to say here, unintended consequences of passing something that might not be enforceable or constitutional. So I will probably remain present, not voting for the underlying bill on General File, and we'll see how it proceeds from there. Thank you. I yield the remainder of my time.

**HILGERS:** Thank you, Senator Albrecht and Senator Cavanaugh. Senator Aguilar, you're recognized.

**AGUILAR:** Thank you, Mr. President, and member. I rise in support of AM298 and the underlying bill and I do so because I had personal experience in the fact that I had a great-grandchild that was abused. And I sat through the court trial with her. What those kids have to go through in a trial of that nature is unbelievable. No one should have to go through that. So anything we can do as a body to make it easier

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to recognize these situations, I think we should jump at the chance and move these bills forward. Thank you.

**HILGERS:** Thank you, Senator Aguilar. Seeing no-- no one else in the queue, Senator Walz, you're recognized to close on AM298. Senator Walz waives closing. The question before the body is the adoption of AM298. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk.

**CLERK:** 32 ayes, 0 nays on the adoption of committee amendments.

**HILGERS:** Committee amendments are adopted. Turning to debate on the-- on LB281. Senator Hunt, you're recognized.

**HUNT:** Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. I oppose this bill and I oppose legislation like this that deals with legislating curriculum in Nebraska because I believe those questions belong in the Board of Education. They belong in the Department of Education. And we in the Legislature are not educators. We are not experts in curriculum. And just because somebody makes a bill their priority or they work hard on it, it doesn't mean that it's good legislation or that it's thoughtful or that it's for the Legislature to solve. Like Senator Aguilar, I also have experience with abuse and assault and childhood abuse. And that doesn't mean just because I feel emotional about that topic, that this is where that solution lives. And I'm going to be frank. I'm very disappointed that the Education Committee voted this out unanimously to the floor. When you talk about compromising, that doesn't mean that we like the idea. You know, we certainly support the intention of the bill, but this isn't thoughtful legislation. The original bill wasn't. The amendment made it better. But, really, this is the kind of solution that lives with the Board of Education and the Department of Education and the experts who know a lot about this field and this topic. We know as political people, as members of the state Legislature, that we could legislate all kinds of things about in all the curriculum in all of the state. We could talk about geography, we could talk about reading, we could talk about math, and we could legislate and specify the curriculum down to the nth degree if we wanted to. But we don't do that because that's not what our expertise is and members of the Board of Education are elected, because that is what their expertise is. People in the Department of Education have decades of experience working on these issues, and those are the people who we need to trust to put this training into statute. Some problems with the bill that I could talk about today, we know that the Board of Education is already working on upgrading these standards. It's a very public process. We



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know that it's something that's being worked on currently. And I have questions about whether this includes parochial schools and how do schools that don't qualify for the federal funding from the Every Student Succeeds Act, how are those schools going to fund this programming if they don't qualify for that money? We know that not every school gets to receive that federal funding. And we also know that it's going to cost a lot of money for the schools to cover the costs for this kind of thing. And I-- again, I don't oppose the intent behind the bill, but it requires a district to redirect their existing federal funding and their programming budget to make room for this curriculum. And it's not just the teaching of their curriculum. It's not just, you know, 20 minutes or 30 minutes, a few times to teach this to the kids. It includes classroom instructional time, yes, but it also includes the professional training of teachers. It includes language about parental involvement, that parents have to be educated about this. And so I would ask, how do we know that this is evidence-based? How do we know that it's medically accurate? How do we know that it's age appropriate? How do we know that it's based on existing research and the best possible standards of medical accuracy? That's not something that we understand and know about. That's why we in the Legislature and in Nebraska have to put our trust in the Board of Education, in our Department of Education--

**HUGHES:** One minute.

**HUNT:** --in the school districts, in the school boards that we elect to educate our kids. And that's why I'm not comfortable ever legislating curriculum. And that's a really slippery slope, because a lot of you who know me know the kind of hobbyhorses that I have, the specific interest that I have, and what brought me down to the Legislature and the experience I have working with school boards on curriculum. But that doesn't mean that the solution belongs in the Legislature. We have to be thoughtful and we have to be mindful of what our actual purposes here in the Legislature, and this is not a solution that lives with us. I'm also curious about some of the language in the bill which-- which I can get to on my next turn. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Hunt. Senator Pahls, you're recognized.

**PAHLS:** Thank you, Mr. President. May I have Senator Albrecht for a question or two?

**HUGHES:** Senator Albrecht, will you yield?

**ALBRECHT:** Yes.

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**PAHLS:** Thank you. You stated earlier that you thought this was a significant issue, which I do not disagree with. Are you including the private schools in this bill?

**ALBRECHT:** No, I'm not.

**PAHLS:** If it is a significant issue, I'm surprised you would not want to include them.

**ALBRECHT:** Well, the way I looked at it is, we fund our public schools. We do not fund our private schools. And I did have a conversation with them. They did acknowledge that they have a program based on some things that have happened in their school system. And I felt confident that they were taking care of things to the best of their ability. And I didn't feel that it was the need to do so when we are the ones that fund public schools as a state.

**PAHLS:** Oh, OK. So it's basically just the issue of funding, but you think this is a significant issue that the private schools should be really intent on basically following these procedures, ours, something very close to that. Would that be--

**ALBRECHT:** I mean, if there are-- if there's a call for that, if that's something that would be important to the Legislature to include the whole state, it would be something I would entertain.

**PAHLS:** OK, thank you. Is Senator Stinnis [SIC] in the house?

**HILGERS:** Senator Stinner?

**PAHLS:** Senator Stinner, please.

**HILGERS:** Senator Stinner, would you yield?

**STINNER:** Yes, I will.

**PAHLS:** Thank you. Since you are the Chair of Appropriations, do we give any money to private schools out of our state budget?

**STINNER:** Well, I'd have to think about that. Not directly, but indirectly we have a textbook program--

**PAHLS:** Which--

**STINNER:** --that helps fund a portion of that. There may be one or two other programs indirectly that we fund. I know the Governor has an initiative that needs to get-- or should get passed that deals with

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the Creightons and some of the other private colleges on the upper end for scholarships, so there-- there--

**PAHLS:** Thank you.

**STINNER:** -- is some of that.

**PAHLS:** Yes, I understand that, but I'm really right now concerned with K-12. I was under the opinion on the-- and I may have misread that, but through the textbooks and materials such as that, do we not give around \$3 million to--

**STINNER:** Not presently. I think that's what the bill intends to do, is to bring it to that level.

**PAHLS:** You want to bring it up?

**STINNER:** Yes, from where it's at, I believe that's correct.

**PAHLS:** And that is to help private schools with textbooks, etcetera.

**STINNER:** Yes.

**PAHLS:** OK, so we are giving money to private schools. Thank you, Senator. So, Senator Albrecht, may I ask you a question?

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes.

**PAHLS:** I just heard from the Chair that we do offer private schools money in the area of textbooks, and it's to me, as I can recall, it's several million dollars. See, so we are-- we are giving them some moneys so it seems like that takes away a little bit from your argument that we do not help them out. So we should not have some-- help them with this particular bill.

**HILGERS:** One minute.

**PAHLS:** You see where I see--

**ALBRECHT:** Sure.

**PAHLS:** We do give them money and this is a significant issue. They say this is a significant issue, so let's all get together on this.

**ALBRECHT:** Be happy to work with you between now and Select.

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**PAHLS:** OK, I appreciate that. Thank you.

**HILGERS:** Thank you, Senator Albrecht, Senator Stinner, and Senator Pahls. Mr. Clerk for items.

**CLERK:** Thank you, Mr. President. Resolutions: LR70, LR71, and LR72 by Senator McKinney. Those will all be laid over. New A bills: LB274A by Senator Lowe. It's a bill for an act to appropriate funds to implement LB274; LB376A by Senator Machaela Cavanaugh, appropriates funds to implement LB376; LB561A by Senator Briese. It appropriates funds to implement LB561. And Senator Briese, LB366A. It appropriates funds to implement LB366. Name adds: Senator Wayne to LB8; McDonnell to LB8; Wayne LB12, LB212, LB223, LB237, LB387, LB398, LB407; Flood, LB537; Wayne LR21CA and LB306. Mr. President, Senator Slama would move to recess the body until 1:30 p.m.

**HILGERS:** Thank you, Mr. Clerk. Colleagues, when we come back after our recess, we will pick up with LB281. There are a number of senators in the queue. We will pick up with Senator Bostelman, Senator Machaela Cavanaugh and Senator Hunt. Colleagues, you've heard the motion to recess. All those in favor say aye. Opposed say nay. We are in recess.

[RECESS]

**HILGERS:** 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. Mr. Clerk, please report.

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

**HILGERS:** Thank you, Mr. Clerk. Are there any items for the record?

**CLERK:** I, I have nothing at this time.

**HILGERS:** Thank you, Mr. Clerk. We will proceed to the first item on the afternoon's agenda.

**CLERK:** Mr. President, returning to LB281, a bill originally introduced by Senator Albrecht. Committee amendments were adopted this morning. I do have an amendment to the bill from Senator Pahls.

**HILGERS:** Senator Pahls, you're recognized to open on AM736.

**PAHLS:** Thank you, Mr. President. As you can see, the, the amendment-- I don't know if you have seen the copy of it. Basically, it is

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including all schools. It's very simple, which is my intent, which I started on earlier this morning. I just want to read a section. Nebraska state law now requires all public, private, denominational, or parochial schools to adopt a policy addressing the professional boundaries between students and school employees before June 30, 2021. The point I'm trying to get across, we already incorporate the private schools in other legislature. And I'm attempting to say we need to add those bodies to this current bill. And that's my sole intent. I did go back and I read-- or had my staff find out, we already have in policy regarding appropriate relationships with students and, and teachers. Children subjected to abuse or neglect; report; contents. They have a toll-free number. This is already in statute. There's several other things that this bill incorporates we already have in statute, report child abuse or neglect, etcetera. So we do have some things already in statute, and I am encouraged-- I would encourage my fellow senators to add private schools into this particular bill. Thank you.

**HILGERS:** Debate is now open on AM736. Senator Bostelman, you're recognized.

**BOSTELMAN:** Thank you, Mr. Speaker. I'm going to listen to debate on the AM, but I do support LB281 as it is written right now. I want to read to you what we received over the noon hour from the Arc. It says, I'm writing to express the Arc of Nebraska's support of LB281. Individuals with disabilities have seven times more likely to be a victim of sexual assault than those without disabilities. Talk about sexual violence gives educators the tools they need to have simple, direct, and honest conversations with students about an all too common experience faced by individuals with intellectual and developmental disorders-- disabilities. Sexual violence. Educators are in a, in a frontline position to educate their students about the potentially, potentially stop or prevent sexual violence and abuse. The challenge is they have to educate their students about the potentially-- sorry, the challenge is they have little or no experience talking about this issue with people who have IDD. Also people with IDD are likely to raise little or no-- to raise the topic on their own. They may not know what constitutes sexual violence or how to describe it. In particular, we want to point you towards a strong voice for and a friend of the Arc of United States, James Mader's [PHONETIC] story on NPR. We have consulted with our national and other state chapters of the Arc and they have seen positive results from similar state legislation. While we have-- while we acknowledge the concerns around the funding, we hope that there is an amendment that could address this. Thirty-seven other states currently enact this. Under federal law-- under federal funds, they were specific to fund this purpose or

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this type of education or opportunity. Erin [PHONETIC] specifically testified before Congress to get this funding put in place. We have already identified and required mandated suicide prevention awareness training to staff in our public schools already. That's already in statute. That's already something that's required of our schools to do. And earlier, as mentioned, the Exon case, and it was decided in 1977, never, and I'll repeat never, has there-- has this been applied to K-12 education. So if there was a constitutional problem, why was it not addressed or brought up at the committee hearing and it was not. So I do support LB281 as is written and I'm going to listen on the AM on the debate that may commence on that. So with that, I yield the rest of my time back to the Speaker.

**HILGERS:** Thank you, Senator Bostelman. Senator Machaela Cavanaugh, you're recognized.

**M. CAVANAUGH:** Thank you, Mr. Speaker. Good afternoon, colleagues. I did raise the question about whether or not this was constitutional. And I did a little research over the lunch hour. And I think I got an answer to my question. I am not fully versed in this, so I'm not entirely sure. But I did find a Supreme Court decision for the State Board of Education from I believe it's 19 or 18-- the late 1800s. I apologize. I don't have the year in front of me. But it says that the State Department of Education shall have general supervision and administration of the school system, of the state, and of such other activities as the Legislature may direct. So I do believe that, that Senator Bostelman is correct, that we can direct them to do this. That alleviates one concern that I have. It does not, however, alleviate the unfunded portion of this legislation and requiring them to seek federal funds and not offering if those funds are not given by the federal government, we still require them to do the programming without giving them any state funds. And I think that that's something that we could take care of. We could amend this bill to allocate General Funds if federal funds are not allocated to them. I also-- I support Senator Pahls's amendment as a product of parochial school myself. I think that this would have been a very beneficial program to have. And I think it is really important that we treat all of our students the same. There was conversation this morning around state support of private schools, and we do indirectly beyond just textbooks, provide support to private schools in, in programming with our public schools. If a child attends a private school and has special educational needs that are not met by that private school than their home public school district is required to meet those needs. And we actually do not fund the home district for meeting those needs. So if a child is attending private school and they have perhaps a

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developmental disability, they will get those wraparound source-- resources and educational supports from the public school that is in their home district. And so I think it's important to keep that in mind whenever we're talking about public school and private school and funding that we do-- the public schools' job is to take care of all children in the district, regardless of if they're enrolled in the school or not. Another concern or more question I have, is it's not clear in this draft, in either the amended version or the original version, if this piece of legislation will also include the Youth Rehabilitation and Treatment Centers in the programming. We are currently in the midst of a shift in how we educate the youth that are placed within our Youth Rehabilitation and Treatment Centers. And it was under HHS entirely. It's now a hybrid between HHS and NDE, and it is unclear to me from how this is written, whether or not those children will be offered this programming as well. And I think it's very important to offer this programming to that particular population. Many of them are already victims of assault and abuse and neglect. Really, when I say many, they all are. And, and if we're going to treat our children equally, then we should be considering them as a part of the education--

**HILGERS:** One minute.

**M. CAVANAUGH:** --system. I think that this intends to do something really important, but it still needs work, and I think that there's an opportunity for that work to happen if this body so desires. I appreciate Senator Pahls putting together his amendment to include the other schools. And if the YRTCs are not-- the Youth Rehabilitation and Treatment Centers are not included in this legislation, I would recommend that we do an additional amendment to expand it to cover that youth population as well. I'm not as well-versed on our regional centers. I don't know if the program that's at Whitehall would also fall under this. I would think that at least one of the programs at Whitehall is probably a model for this since they are dealing with youth that are-- have had issues with sexual assault, specifically.

**HILGERS:** Time, Senator.

**M. CAVANAUGH:** Thank you.

**HILGERS:** Thank you, Senator Cavanaugh. Senator Blood you're recognized.

**BLOOD:** Thank you, Mr. Speaker. Fellow senators, friends all, I rise in support of Senator Pahls's AM736 because I believe such an important

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issue should be taken into consideration not only in our public schools, but also in our private and parochial schools. So if we really, truly are making this about the children, then we should not be making exceptions as to which children this actually applies to. But with that said, I'm, I'm still not sure on LB281. And my advocacy for children of sexual assault goes back decades. I was one of the first people to, to help educate people in the early '80s on the Strong Kids, Safe Kids, which used to be the programming that we used for educating our children on sexual assault. But I'm not sure that creating a mandate for our schools is, is what we need to do. And what I think is interesting is so many people that are supporting this bill are usually against all mandates, be it for providing six months of birth control or providing hearing aids for children. So I just-- I think it's interesting that there's certain things we want to mandate and certain things we don't want to mandate. And there's certain things that we want to fund and certain things we don't want to fund. This is a, a mandate that concerns me that it's paid for it in the beginning, but I don't see anything sustainable and I'm really looking for that sustainable number. How do we sustain this program? If it's so important, why have we not found a way to fund that beyond that first year, we're-- there's just an assumption that money is going to be made available to us? And I'm not seeing anything that, that tells me that that assumption is something that we can definitely count on. I do worry that this is government overreach. If we do mandates, why are we doing it for the betterment of Nebraskans? So we talk about-- I know we have LB408 coming down the path here shortly where we're going to try and, and cap school-- schools at 3 percent. So we're going to give them that mandate and we're going ask them not to spend funds. But yet, we're going to keep piling things on like this, and the ones that we did in reference to suicide. Again, all good bills and then the one in reference before suicide, I think, was social studies. So how many financial mandates are we going to put upon the schools and then say, but wait, we have more bills that say you can't spend money. So for me, it's not making sense. So either we're for mandates, against mandates, or there's certain type of mandates that we're for. I'm not really sure because I can't tell because the way people vote on this body to me seems like a lot of flip-flopping. So and I would most definitely support an amendment should Senator Cavanaugh bring it forward, that would include our youth rehab treatment centers, because, again, just like we included private and parochial schools, we want to make sure that all of our children are protected. So for me, the cause is, is paramount. So important. But why are we mandating this and not funding it long term for the schools if it's so important to us? And I'm not sure that this bill is ready for prime time. I know



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that this is Senator Albrecht's priority bill, but I don't know if this is something that we can fix between now and Select. But I really would want to see this long-term funding if we're going to mandate that our schools do this, especially for Sarpy County, our schools and our student load is expanding so quickly because we're the fastest growing county in Nebraska, the more mandates that you pile--

**HILGERS:** One minute.

**BLOOD:** --on top of our schools and then try and put caps in the future on their spending, the harder you're making it for our schools to properly educate our students. Thank you, Mr. Speaker.

**HILGERS:** Thank you, Senator Blood. Senator Clements, you're recognized.

**CLEMENTS:** Thank you, Mr. President. I rise in opposition to AM736. I think it's an unfriendly amendment. This amendment, this provision had no hearing. It wasn't in the original bill. So the private school and parochial school representatives have no chance to testify on this bill or amendment. I think if, if it wants to be added to this kind of law that a bill should be brought next year letting some people actually testify what they think about it applying to public and-- private and parochial schools. And I don't see that there's any funding likely to require more staffing, more training, and there's no funding adding in for the private schools. I was a little bit surprised about talking about the book loan program being a subsidy to private schools. There are about 40,000 private school students, if it would-- that were not-- the public schools are not educating. If they had to educate them at, at \$9,000 per student cost, it would be \$360 million cost to the state. And, and I think so the private schools are saving the state \$360 million and getting a \$3 million book loan program back for that. And government overreach was just mentioned. And I think there is a difference between government overreach for a government sponsored school system and a private school system. It should be a separate consideration. And private school parents are paying property tax, sales tax, income tax that is supporting public schools and they're having to pay tuition on top of that. And so I think especially that this had no hearing offering them a chance to testify that a bill should be brought next year. So I'm in opposition to AM736. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Clements. Senator Machaela Cavanaugh, you're recognized.

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**M. CAVANAUGH:** Thank you, Mr. Speaker. I disagree with Senator Clement's assessment of, of Senator Pahls's amendment. However, if it is this body believes needs to have a hearing, we can always recommit the underlying bill to committee and ask the chair of the committee to hold a hearing on the amendment and then bring it back to the floor. So there, there is a workaround on, on Senator Pahls's amendment and Senator Clements' concerns about that amendment. I would like to reiterate that I went to Catholic school, grade school, high school and university and numerous priests that were at my grade school are on a list. And so as to not be vague, it is a list of pedophiles. There was-- is-- was no longer, I suppose, a teacher at my high school. Who was charged with assault of a student, sexual assault of a student. This is a problem in private schools, just like it's a problem in public schools. To think that Catholic schools that have a very storied history of sexual assaults of children, especially boys by priests, don't need this, shouldn't be a priority, can wait another year is galling. I appreciate what this bill seeks to do. I think that this bill needs some work, needs a little bit more attention from this body. I believe we can all work together on it. It is a goal that we seem to all share. But eliminating certain populations in the education realm from this is not acceptable to me. I wholly support Senator Pahls's amendment, and I would like to see an additional amendment that clearly states that the Youth Rehabilitation and Treatment Centers are also included in this. I think if we took a survey in this body, we would have a horrible outcome of how many of us have some experience or trauma related to sexual assault. We've already heard some of our colleagues talk about this. I don't think there's any question that this is important to the body. I don't think that there's any question that we need to do something to address it. The question is, are we doing it the right way and are we including the right people? And Senator Clements' concerns over funding for private schools is valid. I have those same concerns over all of the schools. We should be funding this if we're going to direct them to do this. There should be General Funds put towards this programming if we are to enact it. Otherwise, we're just forcing states-- or not states, schools and counties to increase property taxes. So voting for this as it is to me, is ultimately voting for a property tax increase. I will be supporting this amendment. I will be present not voting on the bill from General to Select, and I hope that there will be amendments coming that will address the financial piece of this so that I can support it because I'm not going to support property tax increase. I'm not going to support unfunded mandates to our school districts, private or public.

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**HILGERS:** One minute.

**M. CAVANAUGH:** But, but the private schools absolutely, categorically should be included. They are not exempt from the care of our children. They should be held to the same standard. I just wish that we had this kind of programming in Catholic schools when I was growing up. Thank you.

**HILGERS:** Thank you, Senator Cavanaugh. Senator Pansing Brooks, you're recognized.

**PANSING BROOKS:** Thank you, Mr. Lieutenant Governor. Good afternoon, colleagues. Good afternoon, Nebraskans. I am standing in support of AM736 as well as LB281. This came out of the Education Committee unanimously. Part of it is that we discussed this fully and we discussed the fact that, you know, it's clear in the Legislature we don't love mandates. That's true. But there are times when the Legislature has to weigh in and determine what is-- what's necessary and what isn't. We've done that on the Americanism bill last year where we passed the Americanism bill and decided those were issues that the schools must be teaching our children. We have done it when Senator Linehan and I worked together on the reading and dyslexia bill. We said they must teach reading. They must be prepared to deal with dyslexic children. So those are issues that the Legislature needs to weigh in on. And we have to set the balance between setting standards and finding a good medium and not mandating too much, but also having some unification and unity across the state for our children. Senator-- in my opinion, Senator Albrecht brought a reasonable bill to address the issue of child sexual assault. We must protect our kids and I will continue to stand and say that we must protect our children. And that's why I supported this bill. I also support Senator Pahls's amendment as well, because protecting our children shouldn't just be for one group of children or another. It should be statewide to all schools, all children. I, I just believe that we have to-- there are times when, you know, local schools can decide certain things, but on child sexual assault, that, that should not be something where some people say, oh, well, some kids need to be educated on this and other kids shouldn't. This is an issue that is great concern, if you had listened to the testimony that we heard about people coming in and, and the terrible trauma that children had when they felt they couldn't go to somebody, they didn't feel like a trusted adult was available because there was nobody to, there was nobody to speak to. And they hadn't known that they, that they would be believed. So, again, I think it's important to weigh mandates, but when there are issues that are truly helping our children and truly

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protecting our children, I will air on the side of protecting our children every single time. And I hope the rest of this body will as well. Thank you so much, Mr. Speaker.

**HILGERS:** Thank you, Senator Pansing Brooks. Senator Hunt, you're recognized.

**HUNT:** Thank you, Mr. President. Colleagues, I don't support bills in the Legislature that determine curriculum of our schools. I think that we need to let local school boards, school districts, but more greatly, the Department of Education and the State Board of Education to do their jobs as experts in education, subject matter experts in curriculum that they're putting together who have built careers and who have run on issues around building curriculum. When a lot of us in here, we really have to be jack of all trades. Right? We have to know a little bit about issues-- there are thousands of issues that come before us in the Legislature and legislating curriculum is not something that I think is in our purview. To me, it's legislative overreach. And legislation like this really puts lawmakers in a tough spot because, of course, we totally understand the sensitive nature of childhood sexual abuse. We totally support victims and survivors of these experiences. And we totally believe that our students and teachers and parents need to be empowered to protect students who may face this horrible, you know, tragic thing. But we also fall victim in government to a little bit of bureaucracy, right? We're trying in the legislators to solve a problem that belongs in the Department of Education and the Board of Education, where they are solving the problem right now. It has been heavily publicized. It's been heavily talked about in the press that this is something specifically that is being worked on right now. Many other districts in the, in the state already have something like this in place. Omaha does. Bellevue does. Many, many other schools already teach this. Do, do students everywhere in the state need to know this? Do they need to know about things like bodily autonomy, safe touch, consent? Yes, this is an issue that I've really built my political chops on. This is something that is very important for everybody, but this is not the solution for us to find here in the Legislature. In terms of mandates or if this is going to raise property taxes, like, these are arguments that appeal to a lot of us. For me, I don't really care if we ever pass a mandate. Sometimes I think we need mandates. That's what laws are. They mandate people have to do different things. It's not that I'm against this as a mandate for schools, it's that it's not our business in the Legislature to be telling schools what their curriculum needs to be. And that's a position that I've held very consistently in the Legislature. I could have introduced all kinds of bills in the last

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three years in my time here, mandating that kids learn about certain things in, in schools. Instead, I have worked as an advocate with local nonprofits and advocacy groups with school boards and with the Board of Education and with teachers and with the Department of Education, because that's the right channel. That's where the solutions lie. And just because we're in here in the Legislature and we have some power and we have the ability to pass some laws and some mandates and tell schools what they're going to have to be doing doesn't mean that we should. Sometimes the right channel to go through, it's not us. We have other things that we're working on, and this isn't the right solution for us to be finding. So I rise in support of this amendment because given that we are going to discuss this bill that we have at least a few bills dealing with school curriculum in the Legislature this year, all of which I will oppose, this amendment from Senator Pahls does make the bill better. Another reason I support this amendment is, I disagree with what Senator Clement said, which is he opposes this amendment because we didn't have a hearing to allow private and parochial schools to come in and say what they think about something like this. The thing is, we did have a hearing and many public--

**HILGERS:** One minute.

**HUNT:** --schools had the opportunity to come in and say what they thought about it. And look at the committee statement, there are no public schools who want this bill. All of the testimony from public schools who were involved in this bill, whether it's from Lincoln or Papillion or the school boards or all the different organizations that testified on this bill and have reached out to our offices in the meantime, they say that we don't need this. They say this is something that we've already done or more importantly, in satisfying to my purposes in the Legislature, this is something that the Board of Education and the Department of Education is already doing. And you can read the news, you can do a little Google and you can see that that's exactly right. And that these are standards that will be included this year. And I would really hate it if something we were doing in the Legislature mucked up that process, because that is what's going to keep our students safe. It's always the people who are closest to the students who are best equipped to handle what the students' needs are. And colleagues, that is not us. Thank you, Mr. Speaker.

**HILGERS:** Thank you, Senator Hunt. Senator Pahls, you're recognized.

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**PAHLS:** Thank you, Mr. President. I just want to address a couple of things that were mentioned. We talk about government involvement. I heard that from one of the senators. It looks like there was government involvement when we said that all private-- public, private, and parochial schools need to adopt a policy addressing the professional boundaries between students and school employees before June 20 [SIC], 2021. That's government involvement whether you're private or public. A couple of things I'd like to talk about is I know we-- I do not want to take additional money away from the private schools because I do know we, we help them with some degree on books. But here's another avenue I didn't realize until somebody just told me, ESUs which are throughout the state, Catholic schools can utilize those. A lot of times they don't. I don't know if it's because they don't want to be involved with public education, but it's my understanding they have the right and there are a lot of assets with those ESUs that they can utilize. OK, I just-- there's another thing that they do have special ed services, PT/OT, audiology, professional development, invitations are sent to the private schools. They have Title I training. They're always invited to these trainings. And, of course, then we have the Textbook Loan Program. So there is a relationship between the state and the private schools on some of these issues. So I think we need to keep that in mind when we think we're trying to dictate what they should or should not do. To be honest with you, I went in with the idea of talking on this particular issue, on this amendment, and I did tell the senator that I would pull it because she and I will discuss this particular topic between now and Select. I know there are other people who have amendments they want to add. But I've-- since I've already talked to her about this, I am more than willing to stick to that agreement between now and Select and see if we can't iron this out. To me, it's basically a few words that need to be added. Had to reach over. And I was told and I was given an example of what the Catholic schools already doing right now in dealing-- I'm calling-- I think they label it sex ed. They have something outlined in every grade level. And I would assume that probably could pass muster with what we're trying to do, so they may already have it in place, they just-- we have to approach this as a team. So that's one reason why I'm encouraged to hold up until I get more information and talk to the good senator about this on Select File. So I-- at the moment, I will pull AM736.

**HILGERS:** Without objection, the amendment is withdrawn. Mr. Clerk, for an amendment.

**CLERK:** Mr. President, Senator Hunt would move to amend AM735.

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**HILGERS:** Senator Hunt, you're recognized open on AM735.

**HUNT:** Thank you, Mr. President. There's been some talk that the bill would be improved if it had a secure and consistent source of funding. The federal Every Student Succeeds Act is reauthorized for funding through 2021. So that's through this year. And I think that we are talking about LB281 in under the assumption that that federal funding is always going to be replenished, but it's only funded through 2021, through this year. So in the year 2022, which is when LB281 is supposed to be implemented. How is that going to be funded? The funding that's mentioned specifically in the bill, the Every Student Succeeds Act is not funded through 2022. So where is the money going to come from? Well, presumptively, Congress is going to reauthorize the funding, but maybe not, or maybe it will be called something else. Maybe it will be put into a different act or package. If that changes, whether that's in 2022 or in 2026 or in 2031 or 2050, it adds bureaucracy and confusion to the process for school administrators who are trying to find funding for the increased burden that the state puts on them. They already have standardized testing. They already have all kinds of training they have to go through. And I do not want those burdens to be coming from the Legislature. They need to be coming, as I keep saying, from the Board of Education, from the Department of Education, from actual educators. Not that there aren't educators among us, but this is not our wheelhouse. This is not the area of expertise that we have as a State Legislature in terms of offering guidance to students and guidance to school districts and administrators in terms of what our expectations are for student education in Nebraska. Instead of lording over the school districts in Nebraska, the Legislature and members in this body should be cooperating with teachers, school boards, Department of Education, Board of Education, which I have done because I do not want to introduce bills in the Legislature to mandate curriculum. I want to work with the boards and the departments to make sure that the things that we want them to be doing are done through rules and regulations or through internal, you know, guidance and, and curriculum that they adopt. I would be even OK-- I really hesitate to say, but maybe I would be OK with the bill saying something about as part of a larger, you know, development curriculum, students need to learn about child sex abuse or something like that. But the thing is, there's no reason for us to think that school boards and that the Department of Education at the state level is not going to prioritize this because they're working on it right now. And I know that there are members of the Education Committee who didn't know that. So we have people in the Legislature who are preempting something that is outside their purview

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and that isn't really their business to be legislating on when there isn't a reason to do it. So I've introduced AM735. On page 2, line 9, it inserts, quote, If federal funds under the federal Every Student Succeeds Act are unavailable, it is the intent of the Legislature to appropriate funds for curriculum to implement subsections (2) and (3) of this section. Such appropriated funds shall be distributed to school districts proportionally based on the most recently available fall membership numbers. The intention of this amendment is to make sure that if the Every Student Succeeds Act isn't renewed or if the funding is different, or if it's put into a different act, which isn't named in LB281 by the way, that this program can still be funded. And again, public schools, schools that would be impacted by LB281 by this bill did come and testify on the bill and they testified in opposition because they see this as a burden that they do not have the capacity to meet. As members of the Papillion La Vista Community Schools wrote, they said, We believe these types of bills represent legislative overreach and all too often do not include funding or support to effectively carry them out. Furthermore, instructional time is already in short supply, and every time the Legislature mandates new programs or assessments, a significant strain is put on the contact time educators have with students. Nebraska's public schools are already stretched incredibly thin. The pandemic has amplified the issue as public schools have tried to keep their doors open amidst competing interests and intense philosophical differences. It is our belief that each school district's curriculum, graduation requirements, and policy decisions are best determined by those closest to the classroom. Our local school board members are elected by our constituents because our parents and taxpayers trust us to make prudent decisions for our children. Nebraska has a long and proud history of local control with its public schools. Please allow us to carry out the duties and responsibilities that our communities elected us to do. So that's from the Papillion La Vista schools. What strikes me about this testimony is their point about, one, the cost of these measures that are imposed on them by the Legislature without funding. We have to make sure, colleagues, that if we say that childhood sexual abuse is something we want to fight, that we're giving funding to the schools when we're asking them to fight it. And to say nothing about the myriad of bills that get introduced on the floor here that do help things like childhood poverty, like unwanted pregnancies, like parents who don't have the funds to take care of their kids or send them to a good school or have housing security or have medical security or any of the things that they need to actually live a good life. And how a lot of the people standing up for this bill never stand up when it comes to actually helping kids in real poverty who we know are more likely to



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suffer from childhood sexual abuse. And so what we're going to do instead, I guess, is pass this, totally overreach, totally overstep our bounds as a Legislature, step on what the Board of Education and Department of Education is already trying to do and say we know best and then really pat ourselves on the back and say we really did something to help kids. I do think that this is something that will help kids, but it's something that is already being worked on by the Board of Education. And we have to let them do their work. And we have to make sure that the people who are at the table collaborating on policy like this are the teachers and the schools and the schools came out in opposition to the bill because they know that this is already being worked out at the Board of Education level. Like Senator Cavanaugh, I also agree that we need to make sure that this applies to parochial and private schools. I was also raised Catholic and the priest from my parish where I grew up is also on a list. And the list is the list of substantiated claims of clergy sexual abuse of sexual misconduct with a minor. And so that's the Church that I grew up in, and that is a very, very common story in Nebraska, unfortunately. And so if we're going to make sure that we're fighting childhood sexual abuse, we want to make sure that we're targeting that to all the places where it occurs, whether that's YRTCs, or whether that's parochial or private schools or whether that's public schools. But once again, is that really the role of the Legislature here? Let's work on things in the Legislature that are proven through research to reduce poverty, to increase good outcomes for students, and let's let the Board of Education do their work and let's support them in doing that work. Let's support our teachers by making sure they have the resources they need to keep our students safe. And that includes funding. So, colleagues, that's why I introduced AM735. If this bill must go through, which I think it will, because we've been put in kind of an impossible situation. You know, if you don't support this bill, then what does that say about you? To me, it says that you support the process of good government. And we have to let go of the pride and have the emotional courage and the confidence in the work that we do here to let this bill go and say we trust the Board of Education, the Department of Education, to do their job and put this into practice, which, colleagues, they're already doing. And I know that because I work with them. Because that's where these solutions live. Thank you, Mr. President.

**HILGERS:** Thank you for your opening, Senator Hunt. Debate is now open on AM735. Senator McCollister, you're recognized.

**McCOLLISTER:** Thank you, Mr. President. Good afternoon, colleagues. These two amendments, AM735 and AM36-- 736 will apparently be going

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from General to Select and the folks will discuss those amendments. What is interesting to me is the juxtaposition of L-- AM736 with the underlying bill. Logic would tell you that if subjecting the public schools to these requirements is good, well then why not the parochial schools? It seems to me the logic is compelling, and I would hope when we start to consider these bills that we will look at both of, both of these amendments as something to include. The public schools that I've talked to don't really favor this bill. They would rather deal with it themselves, as they have been doing. And so I think the, the need for this bill is perhaps not as quite as much as we may think. Thank you, Mr. President.

**HILGERS:** Thank you, Senator McCollister. Senator Blood, you're recognized.

**BLOOD:** Thank you, Mr. Speaker. Fellow senators, the few that are left in here today, friends all, I'm always curious when the Chamber empties out and I never know if it's because they're not interested in the debate or are they already know how they're going to vote or what the circumstances are. But I always think it's interesting when we lose so many bodies. I always see Senator Aguilar here, though, so kudos to you, sir. You're always such an active listener. I stand in support of AM735. And I-- again, I'm not sure the underlying bill until I see certain amendments come across because I do not like unfunded mandates, especially when it comes to our schools, especially for Sarpy County. And Senator Hunt did me a favor already by, by reading a letter that we received from our school. So thank you for that, Senator Hunt. With that, I'd ask that Senator Albrecht yield to a question.

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes.

**BLOOD:** Senator Albrecht, just a quick question. How important is your party platform to you as a, as a senator to you when it comes to policymaking? Would you say it's paramount? Would you say that it's something you consider? Would you say it's a foundation for all the legislation that you do? How would you look at your party platform when it comes to decisions that you make on this floor?

**ALBRECHT:** Depends on the issue.

**BLOOD:** OK. So I'm going to read something to you. We believe that decisions regarding the education of children properly belong to

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parents and guardians. We reaffirm our beliefs that control of all aspects of public, public education should rest with local school boards, not state or federal agencies. Do you know where I got this from?

**ALBRECHT:** No, I don't.

**BLOOD:** From the Nebraska Republican Party website. So I think-- and thank you for answering that, Senator Albrecht. I didn't warn you that I was going to do that. So I appreciate your honest answer. Thank you. With that, I have, I have grave concerns that we're doing something through legislation that we can do outside of legislation. My freshman year, I had a bill I was very enthusiastic about called the SUNucate bill. Because in Nebraska, your children couldn't take sunblock to schools unless they had a prescription from the doctor. Something they could buy over the counter that prevented one of the most preventable cancers, a child couldn't bring to school because they didn't have a doctor's note. And what I found when I actually worked with the NDE and I worked with the schools is that I could do it outside of legislation. I didn't have to mandate it, that all the schools spoke with me. The Department of Ed spoke with me, the school board spoke with me. And they're like, yeah, this is really stupid. We can allow children to bring sunblock to school. Now, I'm not saying that sunblock and sexual assault are anywhere near the same issue at all. What I'm saying is, is this really something that we need to legislate? Do we need to keep telling our schools how they need to do business? We're interested in their finances. Now, we're interested in the curriculum. I don't know if that's our job because when I was growing up and I watched the Legislature and I listened to the debates on the floor, I heard that it was not our job to regulate what's going on in the schools, with few exceptions. Now, I agree with Patty Pansing Brooks, Senator Patty Pansing Brooks, that we should do everything we possibly can to protect our children. But the question I have is, why do we need to legislate it? Our school boards, our superintendents, our-- the NDE, they're all people that have either been elected or hired to do what's best for our students. Do we not have faith in those people to do what's best for our students?

**HILGERS:** One minute.

**BLOOD:** And if so, why are we not addressing that? So I-- again, I respect what Senator Albrecht's doing. It does put us in an uncomfortable position because nobody's in favor of a child being abused in any fashion. But it's also our job to protect the schools and the curriculum and to do things the right way. And I'm not sure

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that we need to legislate this. I think it can be done outside, just like my SUNucate bill. Thank you, Mr. Speaker.

**HILGERS:** Thank you, Senator Albrecht and Senator Blood. Senator Albrecht, you're recognized.

**ALBRECHT:** Thank you, Speaker Hilgers. And I appreciate all the conversation that we've had. I appreciate Senator Pahls pulling his amendment and talking about it between now and Select. I think it's important to engage in what is already out there with the private schools or the curriculum that, that the other parochial schools may be using. I understand they have a pretty robust one that's gone across the country. So I'd like to visit with him about that. As for AM735, I don't feel that that's a-- an amendment that I can support at this time. I do believe that the money is there, whether it gets funded again or not. I think it's important to know that this is a one-time funding per school to the tune of \$150 to top maybe of \$3,000 for each school. And with that said, there are certainly CARES Act dollars that are out there and available. I know some of the colleges when the CARES Act came out, it's a use it or lose it, use it before the end of the year. Give it back. There are, there are ways to, to look for the money. I'd be happy to visit with it between now and Select. But, but I do believe that funding is out there. If we really want the state of Nebraska to pay for it, you know, I can certainly entertain talking to the Appropriations Committee, and that's just \$7 or \$800 mill-- or \$800,000 taken away from other programs. But I'd be happy to visit with him if you all would like to just pay for the program. I just believe that 37 other states have made this work. There's a resounding number of people that have been taken off the streets because they've hurt our young children. And I do believe it's very worthwhile. So, again, I stand up against AM735 and in support of LB281. Thank you.

**HILGERS:** Thank you, Senator Albrecht. Senator Friesen, you're recognized.

**FRIESEN:** Thank you, Mr. President. Thank you, Senator Hunt, for helping make sure that we pay for these unfunded mandates. One of the things, though, that this bill doesn't quite address or the amendment is the, the time off taken from teaching to attend all these training things. And that's just one thing I wanted to get on the record. When I visited some of my small schools, they, they talk about the being taken out of the classroom and have to attend training instead of being with the kids and actually teaching. So it's just a, a comment that I wanted to make. It's not always just the cost, but when we're

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pulling these teachers out of the classroom, that means there's days off for the kids. And we're not doing what education is supposed to be doing and that's teaching the kids. So with that, thank you, Mr. President.

**HILGERS:** Thank you, Senator Friesen. Senator Walz, you're recognized.

**WALZ:** Thank you, Mr. President. I just wanted to take a minute and talk a little bit about intention and being intentional. When I first started out this year as Education Chair, I made a very, very conscious decision to do my best and gather as much information as I possibly could. To open the doors of communication among schools and school boards and the department and education groups and the Legislature. So at the beginning of the year, I gathered a lot of educational groups, as many as I possibly could, to just discuss and brainstorm a vision for Nebraska and education. And throughout the discussion, we created a, a really strategic vision, I would call it, that included five unified goals, and I've shared those goals with our Education Committee. Those goals are: (1) strong and healthy kids; (2) strong and responsible communities; (3) a strong state economy; (4) to make sure that we had nurturing environments in our schools; and (5) collaboration to foster efficiency and to share our resources as much as possible. So, again, these are goals that evolved through conversations with our education communities, and I believe that they are goals that we could all agree that are important. The reason I wanted to do this was because I wanted to make sure that as we go through the year, we're continuously focusing on the goals of education, those five goals, whether it's public schools or private schools. And when we're making decisions or creating policy, that that policy directly affects one of those goals. I agree with Senator Hunt. I do not like unfunded mandates. And we need to be very, very careful when making policy that might have unintended consequences. Things like that should always be considered. But when Senator Albrecht brought this bill to our committee and we had the hearing on it, that issue was something that we as a committee were intentional about, and we were very thoughtful about it. We had a lot of discussion about this bill. But the bottom line was that that piece of legislation directly affected our number one goal as an education group, and that was to make sure that we have strong and healthy kids in our schools. Again, I am a firm believer in local control. But this issue of protecting children from sexual abuse, was just something that we felt as a committee--

**HILGERS:** One minute.

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**WALZ:** --was important. And it was an intentional decision to bring this forth to the floor and have a debate on it. So with that, I just wanted to give you a little bit of history and I want everybody who's listening to understand that these five goals will continue to be something that we look at when we're creating policy and making decisions for our kids and our education. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Walz. Senator Hunt, you're recognized.

**HUNT:** Thank you, Mr. President. To be clear, I'm not saying I don't like unfunded mandates, some people out here are saying that, that's not my deal. I think we can always find funding for what we want to do. Our budget is always a moral document. It always prioritizes the funding that we say is most important to Nebraskans. And we have the privilege here of being in control of that. So it's not that I have a problem with unfunded mandates because we can find funding for whatever mandate we want to pass through statute. And I don't have a philosophical problem with mandates either. But this LB281 is a mandate and it's probably going to pass. And the funding source that's stipulated in this bill isn't secure. So I'm saying let's find a way to secure that funding, whether it's through the state General Funds or through federal dollars or whatever it needs to be. On page 2, line 6, the bill reads: Funding for curriculum to implement subsections (2) and (3) of this section-- so that's the matter of the bill, shall be from money available under-- shall, so legally, shall is an important word there. The funding shall be from money available under the federal Every Student Succeeds Act, as the act existed on January 1, 2021. As I said earlier, the funding for the Every Student Succeeds Act is only authorized through 2021. This bill goes into effect 2022 and the funding for the federal act is not for 2022. So when we pass this, we're literally passing a bill that there is not federal funding for as stipulated in the bill. So I introduced the amendment to say, and if the funding isn't there, the Legislature will fund it. That way, we know that it's something that can be implemented. Also, I, I have a question for Senator Albrecht. She-- on page 1, line 12, the bill says, "School districts shall include in the program: A minimum of four instructional sessions per school year, with each year's instruction building on the previous year's instruction." So, Senator Albrecht, does this mean four instructional sessions per year for each year, kindergarten through twelfth grade?

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes, I will. And yes, it does.

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**HUNT:** OK, and then it says on line 24, on page 1, it says: A professional training component for administrators, teachers, and other school personnel regarding communicating child sexual abuse prevention techniques to students, effects of the child sexual abuse on children, receiving child sexual abuse reports and disclosures, and mandated reporting. And in Section (g), "A parental involvement component to inform parents about preventative child sexual abuse topics." You said earlier that this is a one-time funding thing. You said this is a one-time funding of this specific amount of money. But when it's going on every year, how is it that we can fund it just one time?

**ALBRECHT:** Well, actually, it's-- I saw several of the binders that come along with this program, and it is every single school year from K-12. There is a booklet that the teachers have, and I'm sure it would just stay in the schools and the information will be taught by our Department of Education. When the teachers have their in-service day, they'll talk about, you know, most all teachers will probably just sign off that they have it done and they've taken the course and that, again, the standards and policies will be up to the, to the State Department of Education to administer. But it is a one-time fee to get the, the information to the schools to, to purchase the curriculum.

**HUNT:** So are you talking about, like, a one-time fee to buy the books and the materials and the--

**HILGERS:** One minute.

**HUNT:** --software, whatever it would be?

**ALBRECHT:** And the curriculum is for the teachers to teach from not every student to have a booklet.

**HUNT:** OK. How frequently do you expect the curriculum to be updated?

**ALBRECHT:** Honestly, it's been going on for quite a long time in many, many schools, and all I can do is take the information that's provided to me. And it's-- there's three different types of curriculum that are out there. If our state of Nebraska decides on one and everybody uses the same thing, I don't know how much more you can update the curriculum. If there's reason to, then I'm sure the schools will decide to, to let that happen and--

**HUNT:** OK, I understand.

**ALBRECHT:** --maybe they will have to spend more.

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**HUNT:** Is that time you say?

**HILGERS:** Ten seconds.

**HUNT:** Oh, sorry. What, to your knowledge, what is the state that has been doing this the longest? You said it's been like many, many years.

**HILGERS:** That's time, time, Senator, but you're next in the queue so you can continue.

**HUNT:** Is it OK if I continue Senator Albrecht?

**ALBRECHT:** Sure.

**HUNT:** Thank you, Mr. President.

**HILGERS:** Yes.

**HUNT:** Thank you, Senator Albrecht. So you said that 37 states in the United States have instituted preventive education like this, and it's been going on for many, many years. Do you know, like, how long maybe the longest would be approximately?

**ALBRECHT:** I, I would say it's probably Illinois, and the actual year it started-- Senator Bloomfield-- let's see I've been here five-- I, I would be guessing I can get an exact year for you, but 2012, maybe sooner.

**HUNT:** OK, so pretty recent. So when we talk about the cost being a one-time cost for the curriculum material, it's been a one-time cost so far because the curriculum is so new. But if, if we're putting this in statute, then that means that this is something that schools are probably still going to be doing decades from now into the future. And when we put something in statute, it's so much more difficult to have flexibility or to make curriculum changes through statutory change, because that's so much more difficult than just the deliberative process that involves the Board of Education, involves school boards. Thank you, Senator Albrecht. That's, that's my last question. And when we want students to be learning material, that's evidence based, that's research based, that's age appropriate, and that the curriculum is that, which, of course, we want this sexual assault prevention curriculum to be, we have to make sure that that's updated to latest standards. And so if Nebraska buys a program that was written in 2010 or 2012 or 2015 or whenever the curriculum was created for Nebraska, we know that we're going to have to appropriate more funds, will not we necessarily, but schools are going to have to pay again to update



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that curriculum when it's necessary. Otherwise, the Board of Education and the schools hands are going to be tied with this outdated curriculum that's not teaching kids stuff that they-- that is relevant to them anymore. It's obsolete. They don't need to know it or it's not really relevant culturally to the time and we're talking like 10, 20, 30 years in the future. And we know that there are curricula in Nebraska that sometimes goes decades without being revisited. We know that there are students in Nebraska that are using books and learning materials that are decades old and that are no longer culturally or historically relevant or accurate. And I don't want that to happen because of this mandate or this curriculum. And that's, again, why I think the solution really needs to belong with the Board of Education. Making curriculum through statutory changes, results in measures that are really difficult to adjust to meet evidence-based practices by educational professionals. The green copy of this bill, as introduced, didn't say anything about, you know, the education being informed by professionals or informed by best medical practices. And when we don't have that included in a bill, you know, we don't know who's going to be ending up making this curriculum, who it's going to be that's in our schools teaching this stuff to our children. And we want to make sure that it's informed by experts and that it's evidence based. And that's why I believe that educators and local school board members are in the best position to make these curriculum decisions. And finally, it's not just going to be a one-time cost because this bill involves paying educator time, which sometimes seems free, but it really isn't. The required educator elements include teaching the four sessions, as I mentioned, on page 1, line 13. And then it also involves attending professional training and it includes a parental involvement component. But there are no specific state requirements--

**HILGERS:** One minute.

**HUNT:** --that are being removed from schools to offset the cost of these new requirements. And so, again, I, I completely agree with the intent of the bill, but I don't agree that it was thought through. And I also think that this is a procedural problem that we need to be careful of in this Legislature, of things like prioritizing bills before they're out of committee or voting bills out unanimously when they have problems or, you know, making sure that the Legislature is working on stuff that's actually the business of the Legislature to do, regardless of how we feel about it personally. I support comprehensive education for students. I support making sure that students know that they are valued, that they are loved, that their bodies are their own, that consent is the thing that has to guide everything they do in life. But I don't support the political animals

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that make up this Legislature telling schools what the parameters of that is going to be. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Hunt. Senator Hunt, you're next in the queue, but you only have your--

**HUNT:** I'll waive that.

**HILGERS:** Oh, Senator Hunt, waives the opportunity. Senator, Senator Day, you're recognized. Senator Day waives the opportunity. Seeing no one else in the queue, Senator Hunt, you're recognized to close on AM735.

**HUNT:** I'll just, I'll just say, so the intention of this amendment is to once again make sure that we have secure funding in place for the parameters of this bill. I never support legislation that determines curriculum, whether that's civics education or financial literacy or child sexual abuse prevention. Those solutions to me do not belong in the Legislature. We have, we have other overarching stuff that we work on. And then we trust our educators and our Department of Education and school boards to implement specific policy like this, because we are political maniacs in here, we are driven by forces and motivations that are not always in the best interest of children. And if they were in the best interest of children, we would vote differently on a lot of other bills. Given that this is a priority, that this is passing, I understand the reality, we need to improve this bill. One way that we can do this is to make sure that the funding is secure. The Every Student Succeeds Act, which currently funds LB281, expires this year. It may be renewed. It may not be. If it expires, we want to make sure that this bill is going to be funded. The language of the bill, as, as amended with the committee amendment, also says that the: Funding for the curriculum to implement the bill will be from money available under the federal Every Student Succeeds Act, as the act existed on January 1, 2021. Well, colleagues, as the act existed on January 1, 2021, didn't include funding for any year beyond 2021. So if this bill is going to be implemented in 2022, there's no funding written into this bill for it. We've got to find it somewhere else. That's what I seek to do with this amendment. It says: it is the intention of the Legislature to appropriate funds for curriculum to implement subsections (2) and (3) of this section. Such appropriated funds shall be distributed to school districts proportionally based on the most recently available fall membership numbers. Another thing that we could do to improve this bill is to change where it says, "as the act existed on January 1, 2021" on page 2, lines 8 and 9. To add some language about if the act is renewed, then it would also be applied to

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this legislation. This is what I'm talking about. We shouldn't be amending and fixing legislation on the floor. It should have been in good shape. And this bill's not in good shape. And now we have to do the work on the floor to make it right. And I promise to work with Senator Albrecht and Senator Pahls, Senator Walz, anybody else who's interested over the-- between General and Select to get that right. But given that we're doing this, it's probably going to pass, although I do not think it should and I will be a no vote, we do want to make sure that it's actually able to be implemented. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Hunt. Question before the body is the adoption of AM735. All those in favor vote aye; all those opposed vote nay. There's been a request to place the house under call. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**ASSISTANT CLERK:** 18 ayes, 3 nays to go under call.

**HILGERS:** The house is under call. All unexcused senators, please return to the Chamber. The house is under call. Senator John Cavanaugh and Senator Wayne, please return to the Chamber. The house is under call. All unexcused senators are now present. Senator Hunt, I understand you've asked for a roll call vote in reverse order.

**HUNT:** Reverse, thanks.

**HILGERS:** Question before the body is the adoption of AM735. A roll call vote in reverse order has been requested. Mr. Clerk, please call the roll.

**ASSISTANT CLERK:** Senator Wishart voting yes. Senator Williams, Senator Williams not voting. Senator Wayne not voting. Senator Walz voting yes. Senator Vargas voting yes. Senator Stinner not voting. Senator Slama voting no. Senator Sanders voting no. Senator Pansing Brooks voting yes. Senator Pahls. Senator Murman voting no. Senator Moser voting no. Senator Morfeld. Senator McKinney voting yes. Senator McDonnell voting no. Senator McCollister voting yes. Senator Lowe voting no. Senator Linehan voting no. Senator Lindstrom voting no. Senator Lathrop. Senator Kolterman voting yes. Senator Hunt voting yes. Senator Hughes voting no. Senator Hilkemann voting no. Senator Hilgers voting no. Senator Matt Hansen, Senator Matt Hansen voting yes. Senator Ben Hansen voting no. Senator Halloran voting no. Senator Groene voting no. Senator Gragert voting no. Senator Geist, Senator Geist voting no. Senator Friesen voting no. Senator Flood voting no. Senator Erdman voting no. Senator Dorn voting no. Senator DeBoer

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voting yes. Senator Day voting yes. Senator Clements voting no. Senator Machaela Cavanaugh voting yes. Senator John Cavanaugh voting yes. Senator Briese. Senator Brewer. Senator Brandt voting no. Senator Bostelman voting no. Senator Bostar not voting. Senator Blood voting yes. Senator Arch. Senator Albrecht voting no. Senator Aguilar voting no. Senator Friesen voting yes. Senator Wayne voting yes. Vote is 16 ayes, 24 nays, Mr. President.

**HILGERS:** The amendment is not adopted. I raise the call. Returning to debate on the bill. Seeing no one in queue, Senator Albrecht, you're recognized to close on LB281.

**ALBRECHT:** Thank you, Speaker Hilgers. Appreciate the-- this-- all the conversation on this bill. And, you know, when I started working with this, actually, it was asked of me four years ago to carry the bill right after Senator Bloomfield actually had, had it in committee, but it never made it out of committee was the story. And if it was the story that it didn't make it out because the state was going to work on it anyway and hasn't, that's all the more reason to take a look at that, because there's been an awful lot of time that's passed. And I didn't feel that four years ago was the time for me because I had other priority bills. And I know that we only get a few. So this is certainly a bill that I've been looking at for some time. And I do appreciate the Education Committee doing all that they did to get this to the floor and found the sense of urgency that it has. And Senator Hunt, I believe, you know, you're right in saying that, you know, I have it written in there that the federal dollars are available, but they are available every year. They re-up these. And quite frankly, President Biden, along with President Obama, were the ones that enacted this and felt very strongly. So I can't imagine them defunding a program like this. But with that said, there still are going to be schools out there that might not be able to qualify. But again, you know, I will certainly work with you and Senator Walz to-- I mean, I, I believe that there are a lot of mandates that are already out there that maybe we aren't checking on to find out how those are, are working. But there's-- if there's money to be had through the schools for this program, it is something that I really feel strongly about. So if I have to visit with our Appropriations Committee and find out, we have a lot of CARES money, whether it's at the state level or at the school level, where it's going to come from will be for this body to decide. But I just think that this is a very important bill for the children. And I, too, know of, of families that have dealt with this for a long time and could never talk about it with someone, never took it to the, to the point that it needed to be discussed. And there are, are still perpetrators out there. And I would like them to be able to

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talk to someone. Again, I just ask for your green vote on LB281 with the amendment, which makes it the bill, which is LB298 [SIC] that was previously passed before lunch. So thank you for your time.

**HILGERS:** Thank you for your closing, Senator Albrecht. The question for the body is the advancement of LB281 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk.

**CLERK:** 32 ayes, 1 nay, Mr. President, to advance the bill.

**HILGERS:** LB281 is advanced. Mr. Clerk, for items.

**CLERK:** Thank you, Mr. President. New A bills: LB473A by Senator DeBoer, it appropriates funds to implement LB473; LB452A is by Senator McKinney, it appropriates funds to implement LB452. An amendment to be printed, Senator Day to LB639. New resolution (LR73), Mr. President, signed by the membership expressing the Legislature's condolences to the family of Dr. Joseph Stothert. That's all that I have, Mr. President.

**HILGERS:** Thank you, Mr. Clerk. Next bill on the agenda.

**CLERK:** Mr. President, LB572, a bill originally introduced by Senator Halloran. It's a bill for an act relating to the Livestock Brand Act; it amends numerous sections; defines and redefines terms; changes recorded livestock brand requirements; changes and provides fees; provides duties; provides penalties. The bill was introduced on January 19 of this year, at that time referred to the Agriculture Committee. The bill was advanced to General File. There are Agriculture Committee amendments pending, Mr. President.

**HILGERS:** Thank you, Mr. Clerk. Senator Halloran, you're recognized to open on LB572.

**HALLORAN:** Thank you, Mr. Speaker. Good afternoon, colleagues. This is what everybody has been longing for all day long. I've been asked repeatedly, when are you and Senator Erdman going to have your epic battle on this issue? And first, let me say out of the chute, I don't think this is going to be a battle. And it's, it's going to be a lively conversation, a cattle chute. But this is, this is an important bill to a big part of the industry, agriculture, particularly beef production, is a huge part of our economy in Nebraska. LB572 proposes a series of revisions to the Nebraska brand law. I'm going to briefly walk through the main provisions in my opening, but would urge you to consult the committee statement for detail. First, LB572 would

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expressly authorize the brand committee to begin offering electronic inspection as an alternative to physical brand inspection. The bill would provide for cattle that are identified by nonvisual identifiers such as EID to be enrolled with the brand committee. The option of e-inspection holds promise in reducing costs and inconvenience to the industry and the brand committee. Secondly, as introduced, LB572 would propose a substantial reworking of inspection fee provisions of the brand law. Most prominently, the bill would recognize the registered feedlot fee as an audit fee rather than a true inspection fee. Although the bill would continue to indirectly tie the amount of the registered feedlot fee to the inspection fee rate, the resulting annual audit fee changes in the introduced bill are intended to more closely match the actual cost to the brand committee to implement. Coupled with the registered feedlot fee changes, the bill would temporarily reduce the per head inspection fee currently at \$1 per head within a statutory cap of \$1.10 per head. Until July 2023, the bill reduces the inspection fee to 95 cents per head. After that point, the bill would provide for an increase in the statutory cap to \$1.50 cents per head. In effect in combination with the original proposed registered feedlot fees, the bill would reallocate inspection program fees to more closely reflect the true cost of brand inspection services provided to the various livestock sectors. However, there are further fee changes proposed to allow the brand committee to diversify its revenue base and reduce pressure on inspection fees. These include, one, an increase in the statutory caps for brand recording from the current \$100 to \$150 and the brand renewal fee from a current \$50 paid every four years to \$200. The statutory maximum for both of these were last adjusted in 2002 and are largely well below the fees charged in other brand inspection states. Number two, authorization for the brand committee to recover actual mileage cost in place of the current travel surcharge. Number three, to encourage more timely notice of requests for inspections, the bill would authorize the brand committee to collect a charge of \$50 for inspection requests with less than a 48-hour notice. The encouragement of advance notice of when inspection services are needed would help the brand committee more efficiently schedule its inspection resources. Next, LB572 would partially address an emerging issue with the growing use of backgrounder lots. LB572 proposed a limit exemption to the requirement for inspection of cattle arriving at a registered lot, not moved directly from the point of purchase. The exemption would apply to feedlot-owned cattle sent to a backgrounder lot where 100 percent of the cattle in the background lot are owned by the registered feedlot. In that circumstance, the potential commingling of feedlot-owned cattle with cattle owned by others is not an issue. Finally, LB572

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would classify a series of violations of brand law provisions as infractions enforceable via citation. Those sections amended and the violations are listed in the committee statement. Thank you, Mr. Chairman.

**HUGHES:** Thank you, Senator Halloran. As Chairman of the Agriculture Committee, you're welcome to open on AM410.

**HALLORAN:** Thank you, Mr. Chairman. The committee amends-- the committee amendments strike two major provisions from the bill. First, the amendment omits the revisions to the registered feedlot fees and will essentially retain current law and current policy. I anticipate a lot of detailed discussion on this when we get to Senator Erdman's amendment to follow. The revisions in the original bill were brought to address perceptions among some in the feeding industry that the brand law, particularly brand inspection, is increasingly archaic and unnecessary expense and burden on the feedlot sector. However, this part of the bill received the greatest pushback during the hearing. The prevailing perception is that rather than pitting one sector against another, the best policy in the curr-- is the current one, that all sectors benefit from the brand inspection and should share in its cost. The original bill would have resulted in a loss of about a half a million dollars annually in registered feedlot fees that would have had to been made up in part through an increase in physical inspection fees. Because the feedlot fee revisions are not retained, the amendment does not change the statutory cap in the physical inspection program. The amendment does expand the temporary reduction in inspection fee to 85 cents per head, which will result in a two-year reduction of about 15 percent for all sectors, including the feedlot sector. Under current budget assumptions, the Budget Committee is projected to end the year with a historically high carryover balance of just over \$3 million. The amendment will deliberately result in bringing down an excessive cash fund balance to around \$2.2 to \$2.3 million over the next biennium. After which the brand committee will be free to revise the fee within the \$1.10 per head cap and will also have additional brand recording and other fee revenue authority to cash flow. Next, the amendment strikes provisions providing for an exemption from the inspection for cattle received from a backgrounder until certain conditions are met. Provisions in the bill were included only as a placeholder. Another bill I introduced, LB571, would have provided a more comprehensive resolution of the backgrounder issue, and I had intended to incorporate that into the bill in place of the original backgrounder provision. While we were unable to reach agreement on LB571 at this time, I'm hopeful to continue to work with the industry over the interim to reach a

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solution on the backgrounder issue. The amendment makes a handful of other technical revisions that are discussed in the committee statement. I would urge the adoption of the committee amendment and the advancement of LB572. Thank you, Mr. Chair.

**HUGHES:** Mr. Clerk.

**CLERK:** Mr. President, I now have amendments to the committee amendment. Senator Erdman would move to amend with AM484.

**HUGHES:** Senator Erdman, you're welcome to open on AM484.

**ERDMAN:** Thank you, Mr. President, and good afternoon. Let's start with this is ag week and how appropriate it is we're talking about an ag issue on ag week. And Senator Halloran, I don't know if you want to admit this, but this is probably not a friendly amendment. And we had a hearing on LB614 and numerous people came in and testified against it. The majority of those were registered feedlots. So let me give you a definition or an explanation what a registered feedlot is. A registered feedlot is a feedlot who registers with a brand committee and pays a one-time annual registration fee to register their feedlot and their cattle do not have to be brand inspected when they leave that facility. So a registered feedlot will have cattle transferred in from a sale barn or other destination that has been inspected. Some of those have been inspected. And when they get ready to ship those out, they do not have to have a physical inspection, but they pay for an audit fee. And when the bill came to the floor, the brand committee submitted a fiscal note. And as most agencies who come with a fiscal note and they don't want the bill to pass, they make it exorbitant so that it looks like it's a bad idea. And so in the information that the brand committee submitted, they had indicated that feedlots turn their feedlot two times a year, which is not accurate. Several of the people who have registered feedlots testified at the hearing. They turned their feedlot two and a half times. So the advantage for a registered feedlot are many. And in my opinion, they already are getting a sweet deal. And when I arrived in North Platte for one of the workshops that Senator Halloran and the Ag Committee put forward, and I will say this, the Ag Committee worked very hard this summer getting all the parties together to talk about and negotiate something that would make sense. When I arrived at that hearing, I discovered that the people with the registered feedlots were not interested in any way, shape, or form about negotiation. And I say that because their first shot out of the box was they did no longer want to pay a dollar per head registration fee. They wanted to pay ten cents. And now you have to remember, they're turning that feedlot two and a half times. So if



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they pay a dollar and you turn the feedlot two and a half times, that's 40 cents a head. And they were whining about the 40 cents being cost prohibitive. So I'll just share this with you, if their margins are so slim that 40 cents a head is going to make a difference to them, they need to be in a different field and a different agricultural pursuit. No one can tell that close. The advantage that the registered feedlot people have is they don't have to have them inspected. They don't lose that shrink to have them inspected. They can ship day or night any time they want with a certificate written by themselves and they can ship outside the brand area or to another state as long as the terminal market. Those are the advantages that the registered feedlot people have that no one else has. There are probably 100 registered feedlots in the state of Nebraska, and I would contend today that there's probably 6, maybe 8 who are talking to us about the exorbitant cost of 40 cents a head and the other 92 or whatever there is are completely satisfied with being a registered feedlot. So at the sake of doing something negative for the 90, the 6 have spoke up and said, hey, we need to have a reduction in the 40 cents. Now the fiscal note that they put forward and the brand committee said that if we are going to inspect these cattle that we don't currently inspect, we're going to have to hire 22 more full-time people and 11 part-time people. And I call your attention to a paper, a handout I gave you. And it says-- at the top it says LB614, the corrected fiscal note. So the brand committee contended that if they did inspection of all the cattle at the RFLs, they would lose another-- they would lose \$641,000 because their expenses would exceed their revenue. I'm here to tell you that when those cattle go to a terminal plant in Nebraska, more often than not, those plants already have a brand inspector at the plant. So they would be able to inspect there and they could pay the dollar just like everybody else. What this amounts to is that you have a lot of people that have a lot of money that don't want to pay anything and so they're trying to push this down on the calf-- cow-calf operator. This is the big guy against the little guy. All right. So in that fiscal note that I presented to you, the registered feedlot has a two and a half times turnover, not two times like their fiscal note said. That would result in another 2.665 million head being inspected. They claim that 425,000 head already come into the feedlot that had been inspected prior at some other location. So I subtracted the 2-- the 4-- the 425,000 from the 2 million 265 and I got 2,240,000 head that were currently be inspected at a dollar a head. So if you do the math 2.24 million times a dollar is 2.24 million. And they claim-- in their fiscal note, they said they collect \$1,066,000 on an annual basis from registered feedlots and when you look at their fiscal note, they said that the DAS recognized

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that they collected \$109,505 a month. And so when I did the math, \$109,500 times 12 is \$1,314,000. So the fiscal note is not even-- they can't even tell how much money they're collecting. So I contend if they hired 10 more full-time employees, not 22, and if they hired 5 more part-time employees, not 11, that their total cost for, for employment would be \$919,540. And they're going to collect another million 174. So they're going to net another \$254,000 if they inspect, inspect every head that leaves the registered feedlot. So their fiscal note didn't make any sense. Their argument doesn't make any sense. And I got an email today and it said-- here is one of the things they said: We've got to get over this us versus them. That the current brand program is perpetuating and find a way to unify our state. Now when we had the hearing on LB614, there was a representative from Darr feeding company at the hearing and when he was closing up his remarks, he made this statement and this pretty much sums up exactly what these registered feedlots think. He said: We should not be paying you. You, the brand committee, should be paying us. And I thought about that for a minute, I thought, how arrogant can one possibly get to come to a hearing that's asking what your opinion is on a bill and they stand up and say, you should be paying us. That's what we're up against when we're negotiating with these RFLs. And so removing the RFL status that's been in place for a number of years is the right thing to do because it helps the cow-calf operator. And what they're going to do is they're going to shift more of the responsibility of supplying the revenue to the little guy, to the cow-calf operator. And the RFLs are continuing to drive down their expenses because they will not be happy until their costs are zero. And that is not good for the industry. When they actually mean what they say, when it's not us against them, we will have a better brand law. But right now it's us against them. And they don't know it's we. Because if we do not have cow-calf producers, we do not need a feedlot. And if we don't have a feedlot, we don't need cow-calf producers. So it's all of us working together to promote beef as the best-- as the biggest industry in our state. So that's why I brought this bill. And as you'll see in, in AM484, all it does is strike the provision that it grants the RFLs the right to do the things that they currently do, and they have to adhere to the same laws that everybody else contends with. So basically what I said earlier is exactly right. It's us against them. It's the big guys against the little guys. And it's time for us to get over that and start everybody paying their fair share. Thank you.

**HILGERS:** Thank you for your opening, Senator Erdman. Debate is now open on AM484. Senator Brandt, you're recognized.

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**BRANDT:** Thank you, Mr. Speaker. There's a lot of people here we need to thank. Let's start off with the Ag Committee, Senator Stinner, and Senator Brewer. We had a lengthy hearing last year. It was apparent in committee this bill wasn't going to go anywhere. And thanks to Senator Halloran, who saved the state about \$5,000 by volunteering to be the mediator for the brand working group. So we had four meetings this last summer, usually three to four hours. And we met at the state fairgrounds and Mid Plains Community College in North Platte. This brand working group was a committee of about 25 people from across the state. And I'm sure you're watching now. Thank you, everybody, for doing that. It was a lively discussion. A lot came out of, of that committee. And then we had a hearing this year and a lot of those people showed up for the hearing. And I know the committee spent a lot of time going through this. Rick Leonard, he spent a lot of time putting this together. Thank you, Rick. Ashley Kohls, this is a hand out here. We tried as best we could for people that do not understand what the brand committee is, please read this from the Cattlemen. We are handing out a map. You should have gotten it by now. Everything to the west of the dark line is in the brand area. Everything east of that dark line is not. So I think those of us on the Ag Committee can answer a lot of your questions. We're going to try. Senator Halloran and myself and the others. I would urge your support on AM410, which will become the bill. And I would say, right now I would be against AM484. Thank you.

**HILGERS:** Thank you, Senator Brandt. Senator Flood, you're recognized.

**FLOOD:** Thank you, Mr. President. Members, I am in opposition to AM484 and I am doing my best to, to really try and understand what Senator Erdman is trying to accomplish here. Let's say that you have a feed yard and you've got capacity for 10,000 cows, you'd right now, if I understand Senator Erdman, I'm going to ask you a question here in a second. If I had 10,000 cows capacity in my feed yard, right now under the existing law, I would pay \$10,000 a year in brand inspection fees as a feed yard. Is that correct?

**HILGERS:** Senator Erdman, would you yield?

**ERDMAN:** Yes, I would. Senator Flood, the only way you would have to pay \$10,000 is if your feedlot was a registered feedlot. If you're a feedlot, you do not have to sign up to be a registered feedlot. If you have signed up to be a registered feedlot and you had a 10,000 head capacity, it would cost you \$10,000.

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**FLOOD:** So let's say I'm a registered feedlot, I have 10,000 head. But the reality is there's about 30,000 different individual cows that go through my operation a year. If we adopted AM484, would my costs go from \$10,000 to \$30,000?

**ERDMAN:** No, your costs would go if-- do you own the cattle--

**FLOOD:** Yes.

**ERDMAN:** --or you're just feeding for someone?

**FLOOD:** Let's say I own all the cows.

**ERDMAN:** If you own the cattle, your cost would be a dollar a head or \$30,000--

**FLOOD:** If I'm feeding for someone else--

**ERDMAN:** --if you have 30,000 head.

**FLOOD:** --if I'm feeding for someone else, what would be my-- and each individual cow is somebody else's?

**ERDMAN:** They would pay the dollar.

**FLOOD:** Right.

**ERDMAN:** Dollar per head.

**FLOOD:** So every point to the system where ownership actually changes, the dollar applies.

**ERDMAN:** Correct.

**FLOOD:** So in, in the situation where the feedlot owns all of the cows and they're a registered feedlot and help me understand the difference being registered and unregistered.

**ERDMAN:** Did you say help me understand the difference--

**FLOOD:** Yes.

**ERDMAN:** --between registered? It's, it's a decision that the feedlot operator makes. He registers with the brand committee and says, I want to be a registered feedlot, pays a one-time annual fee of a dollar a head for the capacity of the feedlot. He can ship those cattle any time he wants day or night without having inspection. He can write his

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own shipping orders and he can ship outside the brand area as well as outside the state.

**FLOOD:** And if you're unregistered, what-- not registered, what would be the advantage? You don't--

**ERDMAN:** If you're, if you're not a registered feedlot and you're going to ship cattle to slaughter or outside the brand area or outside the state, they have to be inspected-- physically inspected before they leave.

**FLOOD:** Thank you very much. I appreciate that. I am getting my hands around the issue. One of the, one of the questions I have, first of all, is should this be a voluntary system? I know that's not the, that's not the amendment that we have in front of us, but I have had no one in Madison County ever ask me to be-- to have our county placed in the brand inspection area. In fact, when I'm in Tilden and Meadow Grove and Newman Grove and Battle Creek and I talk to producers, this issue comes up because it's something that's been in the news. And they, they say things like, thank God we're not in the brand inspection area. With technology the way it is, I would think that a lot of this could be voluntary. How much theft are we really dealing with? And with a feed yard, we have big fences, they're all the same spot. It isn't like they're spread out over hundreds of acres. There is a difference between the ranch and a feed yard. And of course, my proximity to Cuming County, I drive past a lot of feed yards every day that I decide to drive to Omaha because they are up and down Highway 275 from Wisner to West Point and everywhere in between. I just don't think that raising the--

**HILGERS:** One minute.

**FLOOD:** --brand inspection fee or-- well, essentially, you're, you're-- on the-- in the example we talked about with a 10,000 registered feedlot capacity number, the likelihood of that registered feedlot owner under this amendment, their liability would go from \$10,000 a year potentially to \$30,000 a year. And that's a sizable increase. And I don't support it. I think it's too much. I don't know that we're getting the value for that. And as somebody sitting in Madison County, I question whether we need a brand-- a, a mandatory brand inspection area and a mandatory policy. So I oppose AM484. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Erdman and Senator Flood. Senator Stinner, you are recognized.

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**STINNER:** Thank you, Mr. President. I am opposed to AM484 on a lot of different levels. The first one, level at-- and, and one of the-- you're going to hear a lot from me about branding, because I believe that this bill was, was really the impetus for these bills are actually came out of the Appropriations Committee. The Appropriations Committee has had an ongoing battle or certainly conversations about sustainability and merits of the request. And I will go through the chronology at some other time. But in terms of looking at this, of course, Senator Erdman argues that his number of 10 and 5 is better than the industry number of 22 and 11. So that drives a heck of a lot of costs and that drives a heck of a lot of numbers that says are we going to produce an additional \$250,000 of revenue or is it actually negative like the fiscal note shows? So let's talk about the registered feedlots for a second. These people are the most vocal and they're most vocal because over a million dollars in fees and they pay an audit charge four hours to five hours every quarter for maybe one or two people to come in and audit them. And they write a check for \$50 or \$100,000 depending on capacity. And they're saying, you know, we're subsidizing this to validate that, to validate the subsidy. I have testimony from the director and he said it costs about a buck 25. And I do have other commentary by the director that said it's actually \$1.33. So somebody has to be subsidizing different parts of it. And right now, the registered feedlots based on what we heard from the opening comments, \$500,000 is the subsidy amount by the registered feedlot. So they are providing \$500,000 to the industry to lower that buck 25 back down to the dollar. The other subsidy, which you'll hear about later, is from the brand side of things, the registration and recording of branding. Now currently, it yields about \$500,000. It costs about a hundred to a hundred and a half. So that, too, is subsidizing what we're doing in branding. The other thing that I'm going to talk a lot about is the cost to the industry. The cost to the industry, based on the, the numbers associated with this, we have expenditures, and I'm going to read this from the fiscal note, of \$5.8 million. That's the expenditures, approximately the same cost in revenue, which is the cost to the industry. Under Senator Erdman's bill, he's going to add cost to the industry. And you'll hear me talk about where is the threshold where we say, oh, we need to really do a cost benefit of this. This amendment is a-- and I just love it when Senator Groene said this is a bad bill. I kind of smirk every time he says it. This is a bad bill, this is a bad amendment. This is trying to get back to I have to register feedlots because of their arrogance and they need to pay their fair share. Believe me, they're paying their fair share. They are subsidizing. So what-- I think what, what we're going to get down to is a discussion, a discussion about how

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much burden, how much tax do you want to tax a portion of this industry and what's fair and making--

**HILGERS:** One minute.

**STINNER:** --our state competitive with Kansas, with Oklahoma, with Texas. That's going to be the discussion. Thank you.

**HILGERS:** Thank you, Senator Stinner. Senator Williams, you're recognized.

**WILLIAMS:** Thank you, Mr. President. Good, good afternoon, colleagues. When, when Senator Erdman said his amendment would be an unfriendly amendment, I would say that is an understatement from, from my standpoint. But I do appreciate the fact, Senator Erdman, that you recognize that this is National Ag Week and it's also right after there's meat on the menu, which I hope everybody enjoyed that this, this past weekend. We have a lot of disparity to talk about concerning the, the brand commission and the brand issues in our state this afternoon. As we start that discussion, which will start on Senator Erdman's bill, but then will, will continue, remember the purpose when the brand commission was established back in 1941. The whole purpose of this is to find stolen cattle, find those estrays that are, that are out there. And remember these numbers. Last year, there were 3,756,000 inspections and there were 820 estrays found. And by the way, none of those, not one of those was found through a registered feedlot. Remember those as we go forward with this discussion this afternoon. Not a lot of us sitting around here want to engage in a discussion about a brand bill and the brand issue. It's not all that exciting. And you can tell a lot of the people left here this afternoon and pretty soon you'll start seeing why. But I will tell you, this is simply too important an issue for us not to pay attention to and to attempt to find a long-term solution. And I applaud Senator Halloran for bringing the parties together. That is not easy to do when they don't agree on this issue. You would like to think that the livestock industry would be united on this issue, but they are clearly not. In fact, this is one of the most divisive issues that we have in the cattle industry today. Cow-calf operators, registered feedlots. Other feedlots that are not registered feedlots, the dairy industry, packing facilities, and then we have the issue of which side of that line you are on, either on the brand side or out. The current brand program, as I stated, was put into place in 1941, a lot has changed, as you might imagine, since that time. Think about what technology has done. Think about the number of cattle that we now have in our state compared to the 1940s, the new slaughter facilities, larger feedlots,

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new and improved markets that have happened. We're not talking the same animal anymore, but we are talking about our state's number one industry. Nebraska ranks number one, as you know, in beef exports valued at over \$1.3 billion each year. We rank number two in cattle and calves on hand with over 6.8 million head in our state. So agriculture continues to be vital for us. In cash-- in fact, cash receipts from farm manufacturing contributed more than \$21 billion to Nebraska's economy in 2018, one in four jobs in our state. Now we've got five counties, and when we rank them by Ag sales that are the top five, that's Cuming County, Custer County, Lincoln County, Dawson County, and Platte County.

**HILGERS:** One minute.

**WILLIAMS:** You know why I care about this? Two of those counties are in my legislative district, Custer and Dawson. Senators Groene, Ben Hansen, and Moser cover the other three counties. Our farmers really are geared to feed the world and so are our ranchers. Agriculture is number one in our state, but when we think about the legislative districts and the brand issue, it's a little bit different. We only have six senators that their entire district is in the brand area. In addition to myself, that's Senator Lowe, Groene, Brewer, Senator Erdman and Senator Stinner. There are four other senators that part of their legislative district is in the brand area, the rest of it is outside of that. Those are Murman, Gragert, Briese and Hughes. So we've only got 10 out of our 49 senators that this issue seems--

**HILGERS:** Time, Senator.

**WILLIAMS:** Thank you, Mr. President.

**HILGERS:** Thank you, Senator Williams. Senator Halloran, you are recognized.

**HALLORAN:** Thank you, Mr. Speaker. It's, it's been said several times on the floor, so this is not something new, but I always thought that the cattle industry was one industry. All right? When I went into this with the task force, Senator Brandt and I led, led the discussion and we had all of the players there. We had at least, we had two representatives from every group. We had two representatives from registered feedlots, we had two representatives from cow-calf to ICON. We had dairy there, we had Cattlemen there, which represented basically all interests. We had auction houses there, and we had some great open, candid discussion. And it was an-- excuse me, and it was quite civil. And it was a long overdue discussion. But I'd have to say



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I went into that task force conversation a little bit naive because I, I had this delusion that it was one industry, right? It was a cattle industry. Well, I soon found out that, you know, that's not necessarily true. And that's bad on me, I was naive. But everyone has their, has their self-interest. And that's understandable, right? The registered feedlots have their self-interest, cow-calf as well and so on. But you know what, not one of those groups can live without the other, and I don't think anyone here would disagree with that conclusion. They're very highly co-independent upon each other. Cow-calf guy needs to have somebody that he can send his yearlings to once they have them fattened up and sent on, sent on to market when they reach market weight. The feedlots, they need to have the cow-calf guy to provide them the yearlings. The packers, well, guess what? They need both. And the auction houses, much of the market goes through the auction houses. So it's a very, it's a very co-independent--codependent industry, but they don't often enough act that way. I think we're blowing this a little bit out of proportion. I know it's not small money when we talk about it in the total. But when we talk about the alternative for registered feedlots, when we talk about the alternative of having to inspect them each time there's a call for them to go to market with a pot load of cattle, there's going to be what's called shrink, right? Maybe that's been mentioned already some. I had-- maybe I missed that. But there's a thing called shrink, and it is what it is. You put those animals under stress, and there's going to be stress when they have to be checking their brands when they're loading them up to go to market. They're going to shrink in weight, and when they shrink in weight, they lose money. Or the operator lose money, right? Because they're paid on weight. So I can make an argument that what we're dealing with with the registered feedlots and charging them an audit fee is a pretty cheap alternative to having those animals go through the process of shrinking if they're put through the process of brand inspection each time they're loaded up for market. I don't want to get bogged down into this tit for tat between the various interest groups. I'm not sure this is the time on this bill to dive into the question about whether or not there should be an alternative to the current brand law. I think that's something that we're, that we're intending to look at in the interim. But this is not the bill to do that. This bill provides some changes, necessary changes in the brand law that are, some of them, are very much overdue. And I think it's just important for us not to get bogged down with issues outside of that.

**HILGERS:** One minute.

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**HALLORAN:** And, you know, the turf, the turf war may go on for years, but I think it's part of-- Senator Brandt, I think, would agree with this. He's, he's the, he's Vice Chair in the Ag Committee, I think he would agree with this. I think there's some hope that we can bring the parties together and look at this issue. But it's not something I believe the legislation-- as legislators, as a body should be deciding on beyond the scope of what is in this bill. Thank you, Mr. Speaker.

**HILGERS:** Thank you, Senator Halloran. Senator Erdman, you're recognized.

**ERDMAN:** Thank you, Mr. Speaker. It-- I listened to Senator Stinner, sounded like he got his linebacker voice up a little bit, and that's OK. I was wondering if he would yield a question or two.

**HILGERS:** Senator Stinner, would you yield?

**STINNER:** Yes, I will.

**ERDMAN:** Senator Stinner, you made a comment about they're paying for this audit fee and they're paying enough when they have to pay for that. Do you understand the privileges that being a registered feedlot affords the registered feedlot what-- above and beyond the audit fee?

**STINNER:** Yes, I do.

**ERDMAN:** Can you enumerate some of those? Can you explain a few?

**STINNER:** I think that the registered feedlots are a special classification of which this bill is going to deal with. That special classification acknowledges commerce. Commerce has to do with the constant shipment of cattle out of registered feedlots, and most of the time it's in the middle of the night for the shrink, for the, the fact that it's cooler at night, for the fact that they have to hit a window of time at the packing house. So that's commerce. What this bill does is it eliminates the prospect of my guys in western Nebraska who are five, six miles-- five, six hours away from the packinghouse of doing the loading because they have to wait till the brand inspector comes and it's light enough to see the brand.

**ERDMAN:** OK. So, so you're saying that it won't impede commerce. Do you know if there are feedlots in the Panhandle who ship to the same slaughter plants that these registered feedlots do and do brand inspecting?

**STINNER:** Yes.

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**ERDMAN:** OK, so I don't buy your argument-- I don't buy your argument that it impedes commerce because those other feedlots are able to accomplish the same thing. They maybe do a better job of planning. So what other advantages would you say the registered feedlot has?

**STINNER:** Well, you know, you may not buy my argument, but there's testimony in here that absolutely hits those points on point. The other argument is, is that your quarreling with the Fiscal Office is 22 and 11, coming from the Brand Commission, who is more informed, certainly, than you are and I am. So I'm going to take their numbers and I'm going to use their numbers to analyze this.

**ERDMAN:** OK. Let me, let me read something to you here. This is from the fiscal note. This is from your ever-important smart Brand Committee. The assumption we used in this projection is that the feedlot turns two and a-- two times. In the hearing, we had several feedlots testify they turned two and a half times. All right? In the, in the fiscal note, they say they collect 1,666,000. In the fiscal note it also said they said they collect 105,550 a month, 109 times 12 is 300-- 1,314,000. So if you're going to trust the fiscal note put together by this ever popular correct Brand Committee, those numbers should match up and not be different. That's a problem. And so when I said it takes half as many inspectors as they projected in their fiscal note, what I projected was some of these cattle will be inspected at the terminal when they arrive there. So they won't have to have another employee go to the feedlot, if that feedlot delivers in the state of Nebraska, where there's already an inspector, they will be inspected there and they won't need another employee. So I don't know that I'm not far off with 10 and 5, rather than 22 and 11. Can you-- do you understand what that means?

**STINNER:** I will take a more informed decision by a more informed body that's involved in it, as opposed to some logic that we're trying to formulate on the floor.

**ERDMAN:** Tell me where I missed that when the numbers are not right.

**STINNER:** Well, your numbers obviously are deviations from what the Fiscal Office and the Brand Commission--

**HILGERS:** One minute.

**STINNER:** --have indicated.

**ERDMAN:** Well--

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**STINNER:** I am suggesting to you that--

**ERDMAN:** OK.

**STINNER:** --you and I are not an authoritative source to make that decision.

**ERDMAN:** What I'm telling you is I read the fiscal note and they said they're collecting \$1,066,000, and the DAS says they're collecting \$1,314,000. That's not my idea. That's not my numbers. That's the DAS's and the committee's numbers. Those are different by 30 percent. How do you rectify that?

**STINNER:** I don't know. I'll have to look at the fiscal note to try to determine if there's another category that they're picking up.

**ERDMAN:** Thank you.

**HILGERS:** Thank you, Senator Stinner and Senator Erdman. Senator Groene, you're recognized.

**GROENE:** Thank you, Mr. President. I stand in support of LB572. Senator Halloran did an awful lot of work for a little bit of nothing at the end result. But I'm, I'm against AM410-- or not AM410, AM484. The heart of this bill is that at \$1.10 they're, they're charging a fee more than anybody should be paying, feedyard or the cow-calf people there. They collect about \$5.6 million a year and, and they get over \$3 million in reserves. That's what I said on the floor before, there's no such thing as a lid. When we give governments a lid, we say you have a tax rate of \$1.05 or your max is 50 cents, or your fee is \$1.10. Because any time in government a lid becomes a floor. There's no reason to brand inspection fee is at \$1.10. It should be in this bill that brings it down 85 cents for a couple of years, so they, they are forced to spend down their reserves before they build a huge monstrosity of an office complex somewhere. So the, the bill is good. It puts some, it's a tax cut, I guess, or a fee cut. But this is dangerous ground when you take on sides here. In Lincoln County, I think Senator Williams pointed out we're the third-largest ag county in the state, largest railyard in the world and we got a few other things that are pretty nice out there. But I got cow-calf and I have feedyards, I have both in Lincoln County. And, and out there, folks, in Europe in our feudal system people had coat of arms. I'm telling you, that brand is a coat of arms in western, in western Nebraska. They are very proud of that. You just drive around the countryside and a lot of their, their gates to their ranches will have their brand

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somewhere on, on the gatepost. So when you start talking about getting rid of the brand, it's you know, it can come to shooting. But I do believe it eventually should be voluntary. And if we're going to charge a fee, let's charge it to the packer. Ag people, we're kind of funny. We're the only ones that pay taxes when we sell something, everybody else collects it when you buy it. But I guess we're just used to that. So I'd love to see the packers pay a fee because they're making \$1,000, \$1,500 ahead up to that much during the COVID, while the rancher and the feedyard guy is lucky to make \$100 to \$200 on a head. So I wanted to give a shout-out to my constituents. There's a-- you might have heard we're building a-- the ranchers and the cattle feeders got together in Senator Stinner's and Williams' area, in my area and down in Senator Hughes's area and they're building new packing plant. It's going to be producer-owned, where those profits are going to stay locally and it's going to be called sustainable beef. And they're building it in North Platte, 875 employees, most mechanized modern packing plant in the world. A lot of skilled paying jobs, high-paying jobs. So beef is king in Nebraska. It is the number one product. And if we can get a new packing plant, it's going to add added value to the corn farmer, where his basis disappears because he doesn't have to--

**HILGERS:** One minute.

**GROENE:** --ship it a long ways. So but the basic bill and the what I-- why I can't support Senator Erdman's amendment is, I think Senator Stinner pointed out, our revenues are overflowing now from the brand. I think a better amendment would be take everybody down to 40 cents, then the cow-calf guys would be treated fairly too, and per head. But that would take another two years of study and still they wouldn't get along. But I support LB572 and I just absolutely can't support AM484. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Groene. Senator Kolterman, you're recognized.

**KOLTERMAN:** Thank you, Mr. President. Good afternoon, colleagues. I'm not sure where I'm going to be on this bill. It's, you know, six years ago when I started out here, I was on the Agriculture Committee, and we talked about brands back then. And I think at that time the Brand Commission was in disarray and we allocated some money so that they could operate more efficiently. They went through a change in management. And from what I've seen, the management is doing much better. But I was wondering if Ben Hansen, Senator Ben Hansen would answer a couple of questions for me.

**HILGERS:** Senator Ben Hansen, would you yield?

**B. HANSEN:** Yes.

**KOLTERMAN:** Senator Hansen, are you aware that your district ranks number one in cattle on feed in the state?

**B. HANSEN:** Yes, I did.

**KOLTERMAN:** Are you also aware, do you know, do the cow-calf producers and the feedlot people in your district pay a brand inspection fee?

**B. HANSEN:** No, they do not.

**KOLTERMAN:** Thank you. I think that points out, if you look at this piece of paper that was passed out, talks about the Nebraska brand area, and it's, it's got a line of demarcation on it, I believe. I think that that says it all. Because in eastern Nebraska, some of the largest producers of beef, they don't pay this brand inspection fee. It's outdated. And what, why, what makes up that line? It's just people that can appeal in and appeal out. We've received several messages from, from constituents, not necessarily constituents of ours. We got a bill from a gentleman by the name of Jack Lawless from Gottsch Cattle Company. And he's got feed yards and in both sides of the, of the brand area and outside the brand area, as well as in other states. He's got 200 employees. And I'm just going to read a couple of things from his bill. Everybody should have received this, but I'm going to point out a couple of things. He says, the brand act is an example of an outdated business model that fails to meet the needs of producers like us, especially at the time when our industry is facing greater change and uncertainty, first bullet point. Second bullet point, now is not the time to add additional fees and barriers to our ag industry. The third point is, beef producers like Gottsch Cattle Company are treated differently than our colleagues who operate north and southeast Nebraska. Even through their operation-- even though their operations look and act like ours, any legislative proposal should be focused on eliminating barriers instead of our own borders that put one producer at a significant disadvantage over another, you know, depending on where they operate. And finally, he says, while the brand act may have served a purpose when it was formed in 1941, the simple fact is the inspection fees no longer make sense in today's business climate. I'm not an expert by any means. I don't understand brands. I do know that there is a passion about branding, but at the same time, I want to continue to see our state grow and prosper, especially when it comes to livestock production. I, I was really

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happy to see that North Platte is going to have a, a meatpacking plant. I just, I wonder, though, if they'll have TIF involved in that or if they'll use incentive packages. With the rest of that, I'll yield the rest of my time to Senator Stinner.

**HILGERS:** Senator Stinner-- Senator Stinner, 1:22.

**STINNER:** Thank you, Senator Kolterman. I did, I was remiss in thanking the Agriculture Committee for all their hard work as it relates to LB572. Having those hearings all summer long was quite a task. And for that, I, I do appreciate it. I said that I kind of feel responsible for that.

**HILGERS:** One minute.

**STINNER:** I brought LB1165 last year, that basic-- that did never, and I am not an advocate, and I want to be on the record, for eliminating branding. You need that site identification in the large pastures. I've done pasture counts in my career, I know how important it is. I know the culture behind it. So I never, ever intended to-- I was going to move that to the Department of Ag and then make it voluntary for branding, or for the enforcement piece of this thing and the inspection piece. So that started this discussion and it was lots of different groups coming together, lots of them in the same side of the issue, lots of them against that issue. So that created quite a testimony. And to read the testimony, you get varying opinions. But I am not going to even talk about LB-- the Erdman amendment. I do want to get back on the mike and talk about the chronology of why we are--

**HILGERS:** Time, Senator.

**STINNER:** --where we are from an appropriations standpoint and--

**HILGERS:** Time, Senator.

**STINNER:** --keep it to a numbers standpoint. Thank you.

**HILGERS:** Thank you, Senator Stinner and Senator Kolterman. Senator Williams, you're recognized.

**WILLIAMS:** Thank you, Mr. President. Good afternoon again, colleagues. And I'm going to start spending a little time talking about the underlying bill and, and what I think is important about the Brand Commission and the brand areas in our state. You know, we've had, as I mentioned earlier, the brand laws went into effect in 1941. Since that time, the boundaries have moved a little bit, but the boundary has

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caused a great division among livestock producers, depending on which side of the boundary you're on. Livestock producers currently on the west side of the brand inspection area pay a dollar a head for an inspection fees, and yet those producers on the east side of the line pay no fees at all for brand inspection because they're not in the brand inspection area. For instance, Senators Ben Hansen and Moser have some of the very large feedlots and producers in their counties rank at the top or near the top of cattle on feed. Their constituents do not pay a brand inspection fee for their operations. They are lucky, by the way. Those that are in my area do pay that dollar. And in many cases that amounts to \$50,000 or more than, in several cases, \$100,000 a year. That is a significant competitive disadvantage. In fact, we have some people, and one of them is in my area that owns feedlots on both sides of the line. That's just simply unfair. Think about if it was a manufacturing plant in Broken Bow manufacturing syringes like they do at BD and being charged an extra fee for doing that compared to the BD plant located in Columbus that wouldn't be charged that. You'd say the same thing. If it was my bank on one side of that line and Senator Clements' bank on the other side of that line and we had fees that they did not have, that would be unfair. Looking ahead, and I know Senator Stinner is going to talk about this, currently the Brand Commission's budget is \$6 million a year. Now, as I mentioned earlier, there are 3,756,000 inspections done, and out of that, 820 estrays were were found. Again, none of them feedlots, but they were found. Most of them, in fact, virtually all of them were not stolen livestock, they were just across the neighbor's fence. And when they went through the sale barn, they were found. But think about that, we're spending \$6 million to find 820, that's \$7,500 for each animal found, which is like four to five times the value of that cow or that steer or that heifer. That just simply makes no sense. As we move forward, I have some questions that I will be posing to Senator Halloran that we will be talking about a little bit, just to gain more knowledge and more insight into this issue. But for now, I would encourage your red vote as we get to it on Senator Erdman's amendment. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Williams. Senator Erdman, you're recognized.

**ERDMAN:** Thank you, Mr. Speaker. Let us, let us be clear what a brand inspection is. It's a verification by a third party of ownership. That's what it is. And Senator Williams uses those big numbers about what it costs those feedlots. Let me say it again, so you don't miss it, it is 40 cents a head. All right? It may be \$100,000, but it's 40 cents a head. He also said they only discovered 820 strays, and if you



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ask the Brand Committee, they will tell you they do a poor job of keeping track of all those animals they straightened out when they got mixed up in the feedlot or in the pastures. That number is far greater than 820. But that's the number that the RFLs want to use because it makes it look worse for the Brand Committee. That number is far greater than that. I was wondering if Senator Albrecht would yield to a question.

**HILGERS:** Senator Albrecht, would you yield?

**ALBRECHT:** Yes, I would. Thank you.

**ERDMAN:** Senator Albrecht, do you ship cattle into the brand area in the summertime?

**ALBRECHT:** Yes, we do.

**ERDMAN:** Do you brand your cattle?

**ALBRECHT:** The ones that are shipped out, yes.

**ERDMAN:** And why do you do that?

**ALBRECHT:** So we can find them.

**ERDMAN:** Have you ever, have you ever come up short of cattle when you've brought your cattle back home?

**ALBRECHT:** Ah, yes, on occasion.

**ERDMAN:** And what has happened when that happened?

**ALBRECHT:** One of our family members, they actually found the animal up in South Dakota. So that was nice. And we've had issues mostly, I guess, with them crossing over fences and we end up getting them back. But there was one other incident that we didn't. So but you--

**ERDMAN:** OK.

**ALBRECHT:** --normally call the brand inspector and they try to find them for you.

**ERDMAN:** OK, so if you hadn't branded your cattle and they got to the North Dakota-- South Dakota sale barn or wherever else, you may not have gotten them back, would that be true?

**ALBRECHT:** Yes, it would be.

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**ERDMAN:** OK. Thank you. So you see what I said? This is a thirty part-- third-party verification of who owns the cattle. And the registered feedlot people have a lot of advantages for being registered. That's why they do it. And it's 40 cents a head. And when I went to that first workshop in North Platte and walked in there and they put their proposal forward, and this is one of those things that Senator Williams said, Senator Halloran brought these people together, he did bring these people together in one room. But they didn't come together to negotiate anything. And it's because the only way you can negotiate with those people is if you agree with them. And their first proposal that day was they wanted to pay, instead of one dollar, they wanted to pay 10 cents. And so if you used the scenario of two and a half time turn, that would lower their actual audit fee from 40 cents to 4 cents. So they would lose \$500 million or more, \$500,000 or more to the Brand Committee. Now someone has to make that up. And who makes that up is the cow-calf operator who pays the dollar a head. So the industry needs to be combined and one unit, us together, not we and them. And so the reason for LB614, is to bring this issue to the forefront and let them understand the significance of the advantages they have for being a registered feedlot. And don't let those big numbers scare you when they say they pay \$100,000 or \$200,000 a year. It's because they have a 100,000--

**HILGERS:** One minute.

**ERDMAN:** --head feedlot. Did you say time?

**HILGERS:** One minute.

**ERDMAN:** OK. So they have a 100,000-head feedlot is why they pay \$100,000. And so if they turn their feedlot three times, their cost even goes down less than that. And so it's an opportunity for everybody to pay their fair share and for the cow-calf operator to be on the same level playing field as the RFLs. So I encourage you to vote for AM484. Thank you.

**HILGERS:** Thank you, Senator Albrecht and Senator Erdman. Senator Erdman, you have your close remaining. Senator Halloran, you are recognized.

**HALLORAN:** Thank you, Mr Speaker. I'm not going to take a lot of time with this. And the last time I spoke, I'm not sure I made myself clear on where I stood on Senator Erdman's AM484. But as has been pointed out, we worked in good faith with representatives of various sectors of the cattle industry in Nebraska over the interim. It would, I

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believe, be a breach of trust with those who participated in the working group this interim to allow LB752 [SIC] to be used as a vehicle to eliminate the RFL program. With all due respect to my good friend, Senator Erdman, I have to oppose this amendment. It's not to say that it can't be a subject matter that we pursue down the road here shortly, but not, not to be written or attached to LB572. Thank you, Mr. Speaker.

**HILGERS:** Thank you, Senator Halloran. Senator Dorn, you're recognized.

**DORN:** Thank you. Mr. Speaker, thank you for the conversation this afternoon. I, as one of the, I call it the cattle producers, in the legislative body, I welcome the opportunity to get up and speak a little bit. First off, I would really like to thank the Agriculture Committee, especially Senator Halloran and them, for leading this charge and leading this conversation. The two years I've been up here sitting on Appropriations and the Brand Committee-- the brand structure coming through Appropriations and their funding, you find out how important it is to that segment of the industry. And I've also found out over the years that if you really want a good conversation with somebody, oppose somebody that really is supported to branding or be-- tell them you're really supporting branding when they are or not, and you will sit there and have a long conversation, because this is very important to a lot of people on both sides of the aisle. And the one thing we as farmers sometimes, I think Senator Halloran phrased it a little bit, we, we have a hard time getting together and coming to sometimes a common point. We are very passionate about what we do. And one dollar on this is why I sit here today and I go, the average price of a slaughter animal today is \$1,500, give or take, \$100 or \$200, and we're here today arguing about \$1. But if you're on the one side of the fence where you're paying that or not paying it, that one dollar is critical to you or whatever. Also would really want to congratulate Senator Groene and the people out at North Platte that came up with that proposal for the sustainable beef plant. That is something that I think that we should more often be talking about here, because we have one of the greatest industries in our state is the cattle industry. And that plan out there will have a greater benefit to our cattle industry here in Nebraska than most of the discussion here that we're having today on the brand. I don't know if that's as passionate an issue, though, as this is. I wanted to bring up one thing, and this happened several years ago down in our area. We are not in the brand area. I live south of Lincoln. We had an, an episode that happened here about four or five years ago, there was some cattle brought to the local sale barn that were sold that were stolen. And if it wouldn't have been for the fact that they did not have a brand, but

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there was a sheriff deputy during the night, a distance away from the sale barn that happened to see a pickup with a loaded stock trailer go by and thought that was kind of odd in the middle of the night. He the next day he called around, found out that there was a sale at our sale barn, contacted them, they investigated it. They did arrest the guy for trying to sell stolen cattle. Now, that doesn't happen in the brand area. My son, though, just like Senator Albrecht's family, they do take cattle out to the brand area. They take cows out there. First year my son took them out there, didn't know anything about the brand and that if he wanted to go take them home that fall, he had to have a brand on them. Found out the hard way. No, you have no brand on them. Since then, we are one of the few people probably in the eastern part of the state that does have a brand. My son has a registered brand. Those cattle that go out there are branded. And this last year there was an issue out there where they came up short at the end of the year within two to three weeks. They got notification several different times that, no, there was-- some of your cattle is still out here, and they could tell by the brand. So like I said, it is a very, very important part. I know Senator Stinner tried talking a little bit about, I call it the--

**HILGERS:** One minute.

**DORN:** --financial aspect of the brand. When those people had the hearings, when we had the hearings last year on the two bills, on some of the bills for that, they were very, very informative of how the brand structure, how it's changed over the last three or four years. How the Brand Committee, how their fees, how they're operating, they are trying to, I call it, become more modernized. They're trying to have incorporate the EIDs, which part of this bill does. They are also upgrading technology. For years, they've gone out and recorded everything on, on, on a paper on that way, and when they got back to the office, they uploaded it. They're getting that stuff up to date. There are changes happening that I think will make the brand structure and that brand part a lot better. But I think that I will not be supporting AM484, but I will be supporting LB572. Thank you.

**HILGERS:** Thank you, Senator Dorn. Senator Groene, you're recognized.

**GROENE:** Thank you, Mr. President. My good friends, Senator Williams and Stinner are ribbing me a little bit about TIF. But let me tell you where they're building this plant. They're, North Platte installed a new sewer plant, 10, probably over 10 years ago, and they filled in the old sewer lagoons. The packing plant we built on those old sewer lagoons, and I would consider that a blighted area because nobody has

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offered to build any houses there next to the sewer lagoon. So and then it's an accretion area along the river where they got to backfill about five feet of, of dirt. So it is sub-- substandard. So this politician can justify this TIF for this packing plant because it is going to fill an old vacant spot out by the airport and out by the sewage plants. And it's a good community working together, the city and the investors and the livestock owners. So anyway, no, I'm-- we're very proud of it. We're very proud of their effort, that these individuals from all over the, the western Nebraska are going to be co-owners of this plant. And it's going to really be a big boon for agriculture and a message to the corporate and Brazilian-owned packing plants, you've got competition in town, guys. So it's the way free enterprise should work. Thank you.

**HILGERS:** Thank you, Senator Groene. Seeing no one else in the queue, Senator Erdman, you're recognized to close on your amendment.

**ERDMAN:** Thank you, Mr. Speaker. I just had-- Senator Halloran asked if I had ran a vote card on this one. I said I had not. But anyway, the point is this, I bring to your attention the advantages that these RFLs have. This is something that needs to be addressed. Until they understand that it's we, and not us and them, we will never get over this hurdle. And the discussion today brought that to the forefront. And so as we move forward to make a better bill, a better brand law, we need to understand what we're doing and it's for the good of everyone. And Senator Lowe and I have in the past been the only two on a bill before, so it's not unusual for me. And I believe that's probably what I have, maybe one or two votes. So I will work on this over the interim to set up some kind of a mechanism to inspect cattle at the slaughter plants in Kansas and Colorado, as well as make sure we have inspectors at the plants here so they don't have to inspect at the plants. So I'll be working on that. And with that said, Mr. Speaker, I would withdraw AM484 and bring it back next year. Thank you.

**HILGERS:** Without objection, the amendment is withdrawn. Mr. Clerk, for an amendment.

**CLERK:** Mr. President, Senator Erdman would move to amend with AM686.

**HILGERS:** Senator Erdman, you're recognized to open on AM686.

**ERDMAN:** Thank you, Mr. President, Mr. Speaker. I appreciate that. OK, changing gears now, Senator Halloran, I'm going to be, I'm going to be on your side. Understanding that what I was trying to do is not going

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to happen, we need to make LB572 as good a bill as we possibly can make it. So it has come to my attention that the people who are selected, who are appointed by the Governor to serve on the Brand Committee have not been subject to confirmation by the Legislature. It appears to me that most every other agency of the state that has someone appointed by the Governor comes to the Legislature for confirmation. And so what the AM686 does is just exactly that. On the front page of the amendment, page 1, it just says the, if the, if the member is appointed by the Governor, it will be subject to confirmation by the Legislature. Very similar to what we do with Game and Parks and all those other agencies that the Governor appoints someone. So that is very simple, straightforward. When a vacancy is, is-- happens on the Brand Committee, they'll, they'll be confirmed by the Legislature. The other issue that I want to bring forward is in the bill it talks about EIDs, electronic identification, and I think it's very important that we also have a penalty if someone messes with takes a, a EID off of an animal or removes it or changes it from one animal to the other. There needs to be a penalty for that. And on the second page, starting at line 20, under Section 31, it says any person who commits such a thing is a Class III felony. And so consequently, we're putting some teeth in the language that shows that it's important that we understand that that can happen. And if it does, that is going to be the penalty. That's pretty straightforward and a brief description of what the amendment does, but I believe it makes the bill better. And I would ask you to adopt AM686. Thank you.

**HILGERS:** Thank you for your opening, Senator Erdman. Debate is now open on AM686. Senator Brandt, you are recognized.

**BRANDT:** Thank you, Mr. Speaker. I stand in support of AM686. What Senator Erdman-- thank you for bringing this. This was somewhat of an oversight by the Ag Committee in that we have, it's a Class III felony to alter a hot brand or a cold brand. And this just equates if you tamp-- intentionally tamper with an EID tag to defraud, it makes it a Class III felony. So it's pretty much the same across the board. And the second part is we approve a lot of appointments now as the Legislature, and I fully support that the Brand Committee appointments should go through the Legislature. With that, I would encourage your green vote on AM686 and then AM410, which becomes the bill. Thank you.

**HILGERS:** Thank you, Senator Brandt. Senator Halloran, you're recognized.

**HALLORAN:** Thank you, Mr. Speaker. Thank you, Senator Erdman, for bringing this bill, and it was an oversight on our part at some level.

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Dealing with the EIDs, it is, as Senator Brandt pointed out, making a parallel with the, with the issues centered around if you mess with a hot brand, right? The penalties assessed to that. That puts-- it's a parallel language for this, for the EIDs, electronic tags. And as regard to the confirmation of appointments to the, to the Brand Committee, I marvel at the fact that it's gone this long before that, this issue was addressed. It seems logical, only seems logical that, that the Ag Committee would confirm the appointments to the Brand Committee. So again, thank you Senator Erdman, for bringing this. I'm in full support of AM686. Thank you, Mr. Chair.

**HILGERS:** Thank you, Senator Halloran. Seeing no one else in the queue, Senator Erdman, you are recognized to close on your amendment.

**ERDMAN:** Thank you, Mr. Speaker. I'll be brief on that. I believe it's a commonsense approach to fixing and making the bill better at-- it appears that the work that has been done by the Ag Committee is outstanding. I am not opposed to LB572, I just thought that we needed to have a conversation about what RFLs are and the privileges that they enjoy. And so that was the reason for my last amendment, the first one. This one here just makes sense and makes the, the brand bill better. And I've had several people comment and ask me to do this. And I appreciate the Ag Committee being able to bring this forward, and I'd ask for a green vote on AM686. Thank you.

**HILGERS:** Thank you, Senator Erdman. The question before the body is the adoption of AM686. All those in favor vote aye; all those opposed vote nay. Call of the house-- there has been a request to place the house under call. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 16 ayes, 6 nays to place the house under call.

**HILGERS:** The house is under call. All unexcused senators, please return to the floor. The house is under call. Senator Friesen, please check in. Senator Wayne, Senator McCollister, Senator Slama, please return to the floor. The house is under call. Senator Erdman, we're waiting on Senator Wayne and Senator Slama, how would you like to proceed? Senator Erdman, I'm sorry, did you say proceed? OK. With machine vote, is that what you said? Thank you, Senator Erdman. The question before the body is the adoption of AM686. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk.

**CLERK:** 36 ayes, 2 nays on the amendment.

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**HILGERS:** The amendment is adopted. Raise the call.

**CLERK:** I have nothing further on the bill, Mr. President.

**HILGERS:** Continuing debate on the committee amendment. Senator Williams, you're recognized.

**WILLIAMS:** Thank you, Mr. President, and good afternoon again. Senator Halloran, I do have a couple of questions for you. And again, thank you and all of the Ag Committee for the time that you have spent on this. It's clearly not my intent to ever want to end the brand inspection or to get rid of the brand inspection. I've got livestock producers, just like Senator Groene talked about, that are very passionate about that. But what I am interested in is finding a model that works and will accomplish three goals. One is to unify our state's number one industry; one is to lower fees for all livestock producers; and third, to remove red tape and streamline the process. I'm not convinced yet that LB572 will accomplish these goals, but I would like to hear your thoughts on those goals and what LB572 does to those goals.

**HILGERS:** Senator Halloran, would you yield?

**HALLORAN:** Yes, I would. Thank you, Senator Williams. Those goals, I'm not sure those goals were the initial goals for the working group to begin with. We had some issues that we were trying to resolve and some issues we knew we weren't probably going to be able to resolve, but, but it lent itself to a healthy discussion on, on the specific issues at hand. So run through those again one at a time for me, and I'll see if I can address those, Senator Williams, if you would.

**WILLIAMS:** Well, part of it, Senator Halloran, goes to-- I'm not sure we will solve these goals at this point, and especially being on the floor. What I will get to eventually is what I'm, I'm hoping that could be some next steps and what your thoughts are on, on next steps. Do you have any thoughts on if we pass LB572, where do we go from here?

**HALLORAN:** Well, I'm not sure. I'm not sure that I'm all that excited about another working group, and I say that simply because I, I'm not sure that a working group is going to come to the conclusion that we need to come-- that needs to be, needs to be resolved on that issue. Right? I think we can do it on a smaller scale than we did this last time. It was, it was a pretty major undertaking. But I think we can bring in the major players, maybe one representative from each, do an



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interim study on it. But I'm not going to do the magnitude that we did with this last one. But I think that the issue is important enough to be addressed.

**WILLIAMS:** I have one thought on that that I would throw out and hope that could be considered. I have a feedlot operator that operates in Dawson County that also operates in Kansas.

**HALLORAN:** Um-hum.

**WILLIAMS:** And has talked to me at some length about the Kansas model. Kansas, in many ways is very similar to Nebraska in the number of cattle on feed, the area around. And they have a system that has currently been working very well that costs a significant amount less than the \$6 million to operate. And he has extended an invitation to any or all of us that would like to come down there this summer to take a look at that program. Is that something that you and maybe other members of the Ag Committee might want to participate in?

**HALLORAN:** Certainly, I take every opportunity I can go to Kansas. [LAUGHTER] That's a yes, Senator.

**WILLIAMS:** Thank you, I appreciate that. I did have one other question that deals with back to the issue of registered feedlots. And if I'm understanding LB572, the intent is to go from a per-head charge for the registered feedlots to more of an audit structure. And I wanted to just read a little bit of, of your testimony--

**HILGERS:** One minute.

**WILLIAMS:** --and your opening. Thank you, Mr. President. At the, at the transcript-- the transcript of the hearing where you talked about that. And it says, while the current registration fees are tied to a per-head inspection, this is not a true inspection fee, since the animals are not physically observed. The fee is only applied to the one-time feedlot daily inventory, and the effective fee for the animal is less than half that of the inspection of what it would be. Now we get to the important part. Additionally, the fee currently raises far more than it costs to carry out the audit program. LB572 would recognize the registration feedlot fee as an audit fee rather than a true inspection fee. And then it goes on to say, although the bill indirectly ties the amount to the inspection fee rate, the annual audit fee is intended--

**HILGERS:** Time, Senator.

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**WILLIAMS:** --to more closely match the actual cost.

**HILGERS:** Time, Senator.

**WILLIAMS:** Thank you, Mr. President.

**HILGERS:** Thank you, Senator Halloran and Senator Williams. Senator Gragert, you are recognized.

**GRAGERT:** Thank you, Mr. Speaker. Well, I wanted to stand as the one of the new members of the Ag Committee and give you a little of my perspective in how this brand inspection issue hits me. As it's been pointed out on the floor in the 40th District, the line happens to go right through the 40th District, and more specifically, cuts right through Knox County. So, you know, the, the line, as I stated, it runs right through there. And I have individuals that are in the brand inspection area, individuals that are right outside the brand inspection area. And so to say, there's some for it and some against it. But I believe this does create a great disadvantage with having this line to not only the producers, but also the livestock market, markets within and outside the, the brand inspection area here in Nebraska. I believe Nebraska should maybe explore what I heard in the hearing, the brand inspection concept or model in Kansas, which is a volunteer basis, on a statewide basis. I believe that this may be a win-win for Nebraska as it keeps the brand inspection and more importantly, it would unify our state. So I guess that's where I'm at after coming into this. I'm certainly not new to the brand inspection area living up in Knox County and, and listening to both sides of it. But again, after going through the hearings and hearing the pros and cons to the brand inspection, I really think, I really think we should explore. And I think Chairman Halloran, which him and some of the other Ag Committee members have spent hours, I think that's what LB572 may be, is a compromise to try to, try to get the cattle producers, whether it be cow-calf fare or feedlot operators, all coming together, working together on this. And, and less-- and more unity. And that's what's really important, and I hope we get out of this. So I'm full support of LB572 at this time, knowing and hoping that, yeah, this definitely isn't the answer or the cureall, but it is, I believe, a step in the right direction and, and the result of a lot of hard, long hours. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Gragert. Senator Stinner, you are recognized.

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**STINNER:** Thank you, Mr. President. I just want to start with reading into the record my experience from the appropriations side of things in kind of a chronology. So you get an idea of where, where we're at from an appropriations standpoint, where we're at from a cost standpoint, and why I'm pushing so hard to try to figure out a way to move forward with branding that makes sense for the industry and keeps us competitive. In 19-- or 2015, LB85 was passed. The increased brand inspection fee from 75 cents to \$1.10. We're at a dollar. They moved to a dollar right away. And interestingly, the statutory increases in recognition of increased costs for a records automation project, agency actually made no request from '15 to '17, but accumulated those dollars that are now in their cash funds. The inspection fee, interestingly, was immediately moved from 75 cents, not incrementally, but immediately to a dollar. In the summer of 2016 and audit issued highly critical of the agency's practice, including the allocation of comp time beyond the agency's established policy. Brand Committee director and deputy director resigned. In September 2016, budget requests submitted for '17 to '19 bienn-- biennium included a request for \$216,000 for the automation project, \$739,000 for an additional 12 FTEs. In January 2017, new director is hired. In June 2017, Brand Committee budget is finalized, including an additional \$216,000, so we did grant that. And in the funding of the automation project, additional funding for staff was not approved because when we started digging into it, they had plenty of vacancies to fill before we granted them the 12 FTEs. In August 2017, the director resigns and acting director approved-- is appointed from within the agency. In the fall of 2018, agencies submit a \$510,000 deficit budget request for '18-19, including \$435,000 for staffing expenses related to hiring 5 FTE staff, \$75,000 for the payment of, of comp time. As we dug into that, we actually det-- in subsequent discussions, we actually found and determined that \$228,000 of that was a request that was identified as Nebraska Interactive for the automated project cost. Agency submits a budget in the fall of 2018, requesting \$310,000 for 4 full-time staff to handle supervision of the IT automation project. Four full-time FTEs to handle the automation project once it's in place. That's \$310,000 permanent cost associated with this. Now, normally in business, when you take on tech, technology project, you try to bend that cost curve. And I think a lot of us in business, we put in technology hoping that we could do that, and find out that the cost of carry of that technology is just as expensive and actually accumulates additional cost. But also in that request was \$280,000 for the automation implementation and tech hardware. We spent over a million dollars of funds to put this automation project in place. Interestingly, \$44,000 for--

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**HILGERS:** One minute.

**STINNER:** --agency uniforms, 371,000 and 5 FTEs were asked for to alleviate overtime and comp time. In February 2019, agency states in the budget hearing that it has moved toward-- forward with the automation and staffing plans cost exceeded its '18-19 spending authority. It also noted that it was moving forward for the electronic identification planning, so they exceeded their, their appropriations. Interestingly, March 2019, LB660, brought by Senator Brewer, and I had a discussion. I said we got to start controlling costs in this, in this, in this commission. But in any event, we approved at that particular time \$120,000 for a chief investigator position normally covered by the director. And the director has to have special training to become an investigator, and the director said--

**HILGERS:** Time, Senator.

**STINNER:** --ah, let's hire somebody. Thank you.

**HILGERS:** Thank you, Senator Stinner. Senator Erdman, you are recognized.

**ERDMAN:** Thank you, Mr. Speaker. So I listened to Senator Stinner, and I appreciate his explanation of what happened there. Let's be clear on what happens going forward with this amendment and LB572. They're asking to change the way we identify animals, and one of them is the EID tag and some of those new methods of determining ownership. If we don't pass this, then the current bill, the current statute says that they will collect a dollar from every cow-calf operator and a dollar from every feedlot that's registered, a registered feedlot. So this amendment will change it to 85 cents. And I believe it's the goal of the Ag Committee to use up some of their rainy day fund and drive down the cost, and Senator Williams is talking about driving down the cost, and they want to reduce it 15 percent. That's kind of a significant decrease and that will be for two years to see how that works. So this bill has some advantages. This bill brings us up to speed to where we should be, the avenue that we're trying to work to get to. It takes a while to get there. And so as we talk about all of those things that happened in the past, they're in the past. But moving forward, we need to make sure that we have the tools necessary to move forward and do the things that the Brand Committee says will be more efficient going down the road. And I believe that with the electronic identification, if it's done right, may very well accomplish that. That doesn't prevent people from branding. I think people will still continue to brand because it is identifiable from a distance, and a lot of those

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things don't work out in the pasture and out in the open range. And so I'm in support of AM410 and also LB572. The Ag Committee brought these people together this last summer and spent many hours negotiating something that would be workable for everyone. And as we've seen in the committee meeting that I was at, that's not going to happen. And I think this is their best opportunity that they could possibly come up with. I appreciate Rick Leonard's efforts on this, as well as Senator Halloran and all the Ag Committee, because this wasn't an easy assignment and they carried it out. And I appreciate their hard work and I'll be in support of both AM410 and LB572. Thank you.

**HILGERS:** Thank you, Senator Erdman. Senator Williams, you are recognized.

**WILLIAMS:** Thank you, Mr. President. And would Senator Halloran yield?

**HILGERS:** Senator Halloran, would you yield?

**HALLORAN:** Yes, I will.

**WILLIAMS:** Thank you, Senator Halloran. I was, when I was on the mike last time before I ran out of time, I was reading from the transcript. And the last sentence of your testimony on this matter said: Although the bill indirectly ties the amount to the inspection fee, the annual audit fee is intended to more closely match the actual cost of the Brand Committee to implement. Do you think that that is being accomplished with LB572, that it's the audit fee would be the actual cost of performing that audit?

**HALLORAN:** Well, Senator Williams, I believe if you look at the, at the audit fee, one-time audit fee and you look at the turn in a registered feed yard, two, two and a half times, probably closer to two and a half times, as we heard in testimony previously, getting it down to 40 cents per head if it were on a per-head basis, their audit fee divided by the number of head on two and a half turn, 40 cents I think is getting pretty close to it. Now we could have started off, we could have started off at 50 cents and, and at two, two and a half turn, it would have been 20, 25 cents. I think that's getting below, below the cost of doing the audit at that level so--

**WILLIAMS:** My, my concern with that, Senator Halloran, is, is being a banker and hiring auditors that come into our bank on a regular basis, several of the feedlots in my area are paying in excess of \$100,000 a year. For now what you're saying, you're saying through your testimony is the actual cost of doing that. And what I am told is that auditor

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may be there two or three hours on a quarterly basis, and that doesn't relate to a per-head fee or anything like that. That's, that's when we are hiring auditors in our business, we are generally hiring them on a, a fee basis that ends up being on an hourly-type basis. And I was, I was thinking when I read your testimony, that's where we're going with, with this. But it doesn't appear that that's quite what LB572 does. Is that a fair--

**HALLORAN:** The best laid plans of mice and men. That's probably right, we probably didn't achieve that.

**WILLIAMS:** OK, thank you. And, Mr President, I will conclude here and yield the balance of my time to Senator Stinner. But I do think, again, I appreciate Senator Halloran and the Ag Committee. We do need to find a solution here that helps unify our state on this dividing issue. Yield the balance of my time to Senator Stinner.

**HILGERS:** Senator Stinner, 2:02.

**STINNER:** Thank you, Senator Williams. I'm going to continue on with this chronology that I'm trying to build for the record. In March 2019, as I said, LB660 was passed and signed by the Governor that added \$120,000 operating costs for a chief inspector investigator for the branding committee. In June of 2019, Brand Committee budget is finalized for the '18-19 deficit request and the '19-21 biennium. Adjustments included the deficit request of \$510,000 in the budget, and that \$510,000 also was added to their budget for '19-20. But no increase was made for 2021. And actually we put no increase in there and waited for the potential for a deficit request. It is the intent of the Legislature, is what we added, that the Nebraska ban-- Brand Committee--

**HILGERS:** One minute.

**STINNER:** --shall prioritize the successful completion of electronic band-- brand document and reporting system project; and two, the sustainable use of cash fund revenue provided by the existing statutory fee. The request from an appropriations standpoint at that one time before we made adjustments with \$6,158,000. Now be mindful the average revenue over a five-year period of time is 5.3. So you were going to spend down your cash. The problem is, is when we put the scenarios together and we said, OK, you're going to spend this cash down, we understand these one-time costs. What's the ongoing cost? Give us a budget that's sustainable. We didn't get it and so an LR was put together. And here's the analysis that you need to keep in mind,

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in '14-15, the actual spending and the actual revenue, the cost of the industry--

**HILGERS:** Time, Senator.

**STINNER:** --was \$4 million. Is that my--

**HILGERS:** Time, Senator.

**STINNER:** Thank you.

**HILGERS:** Thank you, Senator Halloran, Senator Stinner and Senator Williams. Senator Stinner, you are next in the queue, so you can continue.

**STINNER:** OK, but keep this in mind. The burden to the industry was \$4 million in '14-15. Look at the fiscal note. We're now approaching \$6 million. This committee didn't take on the expense side of things. They looked at what can we do from a revenue standpoint and spending down the accumulated cash funds. And I actually applaud that. But the commission doesn't need this bill to actually lower the fees on their own. They can go from a buck. They haven't even gone to a \$1.10. In fact, when they did-- and I will say that Director Widdowson did a great job, a very commendable job, and I don't have a problem with him at all. But I also indicated, hey, if you're going to break even, you need to go to \$1.10. You understand that, based on the appropriations? And he kind of shook his head. I don't know if he agreed or if he was thinking more in terms of this bill. But he knew his numbers this time. For two years, three years, we couldn't get anything out of that. So we go from \$4 million to \$6 million, that's a 50 percent increase in a period less than, less than 10 years. Do you think that gets my attention as a business person? Shouldn't it get the attention of the people in the industry, no matter how you spell it? Whether you go for a fee or whether you, whether you hit him right in the face with the actual \$1.10, it's a burden to the industry. When you compare and contrast that to your competition in Kansas at \$280,000 for branding, when you go to Oklahoma, they don't have it. When you go to Texas, that has huge pastures, they have branding there. They have inspectors basically in the sale barns. That's how they do it. So we had this LR, right, and I'll read you a little bit about the LR. And because it was a joint LR and a joint hearing with the, with the Ag Committee, and what we asked them to do and we challenged them to do, is give us an idea about this electronic side. What was that going look like in cost savings? Give us an idea about, you know, revenue versus, versus the expense. That didn't work. So then I brought

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LB1165, which basically said, OK, we're going to go to volunteer branding and we're moving branding over to the Ag side because it supports itself. I said \$500,000 is \$150,000 to support it. You know, it, it actually is a revenue producer. But in this bill, what we've created is more fees to allow them to continue to spend money. Now, will they? Well, they continue, I mean, look at the track record. We got to get a grip. This is a true cost to the industry that makes us not competitive, and that's not what we're about. So I'm going to play umpire with you. I'm going to look at this bill, 4-- 400 percent increase in one fee called, called the brand registration. That's the potential. Now, they didn't put it all in here. But when we give them permission to go from 50 bucks to 200, creates a million dollars more that they can spend without ever coming back to the Legislature. A million dollars, that's strike one. Strike two is a 50 percent increase in cost. That cost drives what they have to do in revenue and then we change also, and we do make some changes in fees and I get that. But we also change the travel, 120-- \$120,000 is what it cost travel right now and we're going to go to charging them directly 57 and a half cents like DAS.

**HUGHES:** One minute.

**STINNER:** I'm OK with that. But guess what? That gives them over \$300,000 more to spend. That's a cost to the industry, folks. Somebody has to put together some kind of rational explanation to me of how an agency, which I'm hard-pressed to find another comparable agency that inside of 10 years increased their spends by 50 percent. We have throttled back every agency. And you can tell me, what is the logic of a 400 percent potential increase in recording fees? That doesn't even make good sense. Like true conservative people that are on there, how could you do that?

**HUGHES:** Time, Senator.

**STINNER:** Thank you.

**HUGHES:** Senator Kolterman, you're recognized.

**KOLTERMAN:** Thank you, Mr. President. My colleague is on such a roll, I'm going to yield my rest of my time to Senator Stinner.

**HUGHES:** Senator Stinner, 4:50.

**STINNER:** Thank you, Senator Goldman, I'm going to try to get off the wall right now. But I will tell you that I would like to, to read some testimony. But let's talk about, you know, fees and burdens for the



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industry and comparative advantages and disadvantages. And I think we talked about registered feedlots enough. I'm just talking about a total industry and a total number and a containment of cost. And the fact of the matter is, is we gave them the permission in this Legislature to go up to \$1.10 for an automation system. Now, I expected it to come back down now. They did curtail the number of full-time equivalents from 100, and it looks like 80 or 90, so they made some changes to kind of fit what we were really pressing them into doing. But what do we do? I mean, just add \$100,000 for salary increase in health insurance, you're over \$6 million. So you've given all of these guys a break. You pulled that finger right out of their eye, but then you came around and sucker punched them with fees. And the logic behind this, this is what really got me, and I'm reading this thing. Really? We're going to make it comparable fees for branding with other states and we're going to spread the cost across the state. So if you're outside the branding area and you got a brand, guess what? You get to subsidize these folks. That don't even sound fair. The other thing is we're going to make it comparable with outside the state. Really? If that's the analysis, I'm going to ask you to pass a cigarette tax that's comparable to the other side. We'll use the revenue, put it in the health care cash fund and we'll cure cancer, if that's the logic we're using. Three strikes, you're out. Increasing costs for the last 10 years, we've got to have cost containment. We got to realize the efficiencies that they talked about. And now we're going to move forward in another technological process that we think is going to save us additional dollars. Hasn't happened yet. These are just numbers, folks. Just numbers, but now we're up to \$6 million. Really? From \$4 million to \$6 million. And we've accumulated cash, which means we probably overcharged a heck of a lot of folks. Let's roll that thing back. And Senator Groene said 40 cents, OK, we'll do that. But you better know what you're doing. The revenue has to equal. For sustainability purpose, revenue has to equal the expenses incurred. And expenses are driving the fees. So in order to pass something to really make sense, you've got to address expenses. That wasn't the, that was not what the Agriculture Committee had to address. I get that. But from my perspective, from my perspective as Appropriations Chair, that looks at agency after agency after agency, and even though it's a cash-funded agency, there still has to be integrity in those numbers. There still has to be sustainability in those numbers. So at \$1.10, we generate about \$5.6 million in fees. Still not there, still not there.

**HUGHES:** One minute.

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**STINNER:** Let's start talking about competitive advantage and actually the LR that we, that we prompted. The frustration that I've had has caused me to take a look around, say what do other states do? So you got Kansas over across the border, they got a voluntary deal. They went to voluntary, nobody has had a problem. Let's talk about the fact is that we went, on the LR we asked how many investigations this year have you conducted and how many prosecutions? Sixty-six investigation, zero prosecutions. And it's a \$6 million hurdle for this industry. Hurdle, barrier, tax, whatever you want to call it. It makes it very, very difficult for my Nebraska feeders, who are actually probably in the best shape of anybody in the industry because of the ethanol situation, to compete with a Kansas that has no--

**HUGHES:** Time, Senator.

**STINNER:** --extra fee.

**HUGHES:** Thank you, Senator Kolterman and Senator Stinner. Senator Erdman, you're recognized.

**ERDMAN:** Thank you, Mr. President. I appreciate that. I want to share a story with you. It may be relevant, it may be not. Years ago, I had some people come into my yard and we were trying to negotiate the price to do sugar beets, to hoe sugar beets. And as the conversation went, I kept getting louder and louder and louder, and my son Philip was about 10 years old and he said, Dad, these people can hear you, they just don't speak English. So the point was, I could hear Stinner real well, Senator Stinner come through loud and clear, I didn't need much of a microphone. But the point is this, Senator, you need to understand, if you vote against AM410 and LB472 [SIC], that the current legislation that's in place at a dollar plus all the other things that are there are going to continue. If you want the fees to be lowered to 85 cents, then you need to vote for these two, this amendment in this bill. Simple as that. Moving forward, that's what we're trying to do. So I get what all you said, I understand all that. But the point is, if you want to continue as we are, that's exactly what's going to happen. So I would encourage you to vote for these two, this amendment and this bill, because it does lower the fees. Thank you.

**HUGHES:** Thank you, Senator Erdman. Senator Stinner, you're recognized.

**STINNER:** Thank you. Mr. President. I just wanted to get on very, very shortly because we need to vote this. I am going to vote red. I'm going to find out if my red button works because it's seldom ever

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punched. And I'm voting that way because we've already passed a budget for these folks in Appropriations. We've already passed that. I think we have to really kind of set our satchel down and say, what's driving cost, and is it fair to this industry to continue to try to pass-- pacify them in some fashion? And I have done it in Appropriations because I should have set the satchel down a long time ago at \$5 million or \$4 million or whatever that number is. But we need to take a hard look at our competitive or lack of competitive advantage. We need to take a look at why we're charging or allowing a fee to go up by 400 percent, which is unbelievable to me. And I'm OK with fees, believe me, I've voted for fees. But this isn't something I'm going to vote for. We've already got a budget passed for the branding committee, committee and commission. So I would encourage everybody to vote red, and let's take another hard look at cost and cost containment and where we go from here. Thank you.

**HUGHES:** Thank you, Senator Stinner. Senator Halloran, you're recognized.

**HALLORAN:** Thank you. Need to point out that this is not general funds that we're talking about when, when Senator Stinner is speaking about the budget. This is a self-funded program. It's up to the producers, whether they're at a level of satisfaction with the, with the fees that are being charged or not. So this is not costing the General Fund a nickel. This is self-funded. Thank you, Mr. Chair.

**HUGHES:** Thank you, Senator Holloran. Seeing no one else in the queue, you're recognized close on AM410. Senator Halloran waives closing on AM410. You're-- so then the question before the body is the adoption of AM410 to LB572. All those in favor vote aye; all those opposed vote nay. 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.

**CLERK:** 27 ayes, 4 nays-- 28 ayes, 4 nays to place the house under call.

**HUGHES:** The house is under call. Senators, please record your presence. The unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Groene, would you check in? Senators Geist and McDonnell, the house is under call. Senator McDonnell, the house is under call. Senator Halloran, McDonnell-- Senator McDonnell is the only one absent, do you wish to go in, continue or wait? Very good. Senator Halloran, do you wish to

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proceed or wait for Senator McDonnell? Proceed? There's been a request for a roll call vote in regular order. Mr. Clerk.

**CLERK:** Senator Aguilar voting yes. Senator Albrecht voting yes. Senator Arch. Senator Blood voting no. Senator Bostar not voting. Senator Bostelman. Senator Brandt voting yes. Senator Brewer. Senator Briese. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Day voting yes. Senator DeBoer voting yes. Senator Dorn voting yes. Senator Erdman voting yes. Senator Flood voting yes. Senator Friesen voting yes. Senator Geist voting yes. Senator Gragert voting yes. Senator Groene voting yes. Senator Halloran voting yes. Senator Ben Hansen voting yes. Senator Matt Hansen not voting. Senator Hilgers voting yes. Senator Hilkemann voting no. Senator Hughes voting yes. Senator Hunt voting yes. Senator Kolterman-- I'm sorry, Senator, voting no. Senator Lathrop. Senator Lindstrom voting yes. Senator Linehan voting yes. Senator Lowe voting yes. Senator McCollister voting yes. Senator McDonnell. Senator McKinney not voting. Senator Morfeld voting yes. Senator Moser voting yes. Senator Murman voting yes. Senator Pahls. Senator Pansing Brooks not voting. Senator Sanders voting yes. Senator Slama voting yes. Senator Stinner voting no. Senator Vargas voting no. Senator Walz voting yes. Senator Wayne. Senator Williams voting yes. Senator Wishart voting no. 30 ayes, 7 nays on adoption of committee amendments.

**HUGHES:** The amendment is adopted. Senator Halloran, you are recognized to close on LB572. Senator Halloran waives closing. Colleagues, the question before us is the advancement of LB572 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

**CLERK:** 26 ayes, 4 nays, Mr. President of the advancement of the bill.

**HUGHES:** Mr. Clerk for items. I raise the call

**CLERK:** Just one, Mr. President. A new resolution, LR74 by Senator Aguilar, that will be laid over. In addition, name adds. Senator Lindstrom to LB194. Mr. President, Senator Friesen would move to adjourn the body until Tuesday, March 23, at 9:00 a.m.

**HUGHES:** Colleagues, you've all heard the motion. All those in favor say aye. All opposed say nay. We are adjourned.