

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate March 22, 2022

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

**HILKEMANN:** Good morning, Lord. It's an honor to come before you again this morning in prayer and probably what might be my last time to open this body in prayer. Lord, we thank you for the four-day weekend to help restore our souls, body and minds. Today we look at the agenda before us, all the bills, the filibusters, the late night. And Lord, we ask for the gift of stamina and endurance. Lord, we look at those bills and they involve the budget. They involve taxing policy. And Lord, I would say, grant us wisdom. Coming up, Lord, we have issues, life issues; Second Amendment rights, social justice. And Lord, we ask for courage. There are many verses that you give us in the New Testament, far too many for me to quote this morning that exhort us to persevere to finish the race, to hold strong. So, Lord, today help us to finish this session strong, but more importantly that we finish well and above all, that the decisions that we make will be honorable to you. In your name, we pray. Amen.

**HUGHES:** Thank you, Senator Hilkemann. I recognize Senator Geist for the Pledge of Allegiance.

**GEIST:** Join me, as we say the pledge. 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.

**HUGHES:** Thank you, Senator Geist. I call to order the forty-fifth day of the One Hundred Seventh Legislature, Second Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

**ASSISTANT CLERK:** There's a quorum present, Mr. President.

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

**ASSISTANT CLERK:** There are, Mr. President. On page 818, after line 4, insert: Senator M. Cavanaugh requested a point of order. The M. Cavanaugh requested point of order was not recognized by the Chair. Additionally, on page 853 before line 2, insert: Amendment(s) - Refile in Journal. Senator Morfeld refiled his amendment, AM2997, found on page 802 and withdrawn on page 812, to LB773. That's all I have, Mr. President.

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

**ASSISTANT CLERK:** I do, Mr. President. Your Committee on Appropriations, Chaired by Senator Stinner, reports LB1014 to General File with committee amendments. Additionally, your Committee on Enrollment and Review reports LB1011 to Select File with E&R amendments. And Senator Hughes would introduce LR343. That'll be laid over. That's all I have at this time, Mr. President.

**HUGHES:** Thank you, Mr. Clerk. Senator Stinner, for an announcement.

**STINNER:** Thank you, Mr. President. Members of the Legislature, I have in my hand a yellow copy of the ARPA bill as proposed by the Appropriations Committee. We will be passing it out. There is lots and lots of detail as it relates to the ARPA and the decision making that the Appropriations went through. So the pages will be passing that out. I think ARPA may be scheduled for tomorrow, so that will give you an opportunity to take a look. If you have questions, ask any of the committee members or come back and ask-- ask me about any item that you have a question on. Thank you.

**HUGHES:** Thank you, Senator Stinner. Mr. Clerk, we'll now proceed to the first item on the agenda.

**ASSISTANT CLERK:** Mr. President, LB1013, introduced by the Speaker at the request of the Governor. It's a bill for an act relating to the Cash Reserve Fund; provides and eliminates fund transfer provisions; repeals the original section; declares an emergency. The bill was read for the first time on January 13 of this year and referred to the Appropriations Committee. That committee placed the bill on General File. There are both committee amendments, as well as a floor amendment from Senator Lathrop pending, Mr. President.

**HUGHES:** Thank you, Mr. Clerk. Senator Stinner, would you like to give a brief recap of the committee amendment, please?

**STINNER:** Yeah. Thank you, Mr. President. Members of the Legislature, LB1013 and AM2001, which is actually the bill, contains recommendations by the Appropriations Committee as it relates to certain items in the Cash Reserve. One of the things that I have mentioned from time to time, the Cash Reserve is a dual-purpose reserve. It serves certainly as an economic stabilizer for, for the state's budget, but it also serves as a one-time source of funding for different projects. And a list of those projects, initiated some by ARPA, some initiated by the Governor, some initiated by the

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Appropriations Committee, are listed in your budget book. And with that, I would ask that you vote green. Thank you.

**HUGHES:** Thank you, Senator Stinner. Senator Lathrop, if you'd like to give us a brief recap of your amendment, FA80.

**LATHROP:** Yes, I would and thank you, Mr. President. Colleagues, good morning. I hope you had a good and restful weekend and you're prepared for the week ahead. I have an amendment on this committee amendment for the purpose of discussing the Department of Corrections, corrections reform, and related subjects. I have gone through and on Wednesday and Thursday of last week, we spent a good deal of time going through sort of a statement of the problem, the process from CJI, the options that came out of that process and I've gone through each of the 21 points. We have some more time to spend on the topic today. I look forward to talking to you more about those issues, and I will go on to my first opportunity to speak when that's available to me.

**HUGHES:** Thank you, Senator Lathrop, and you are next in the queue.

**LATHROP:** Colleagues, I-- thank you, Mr. President. Colleagues, I appreciate that some of you were on the floor and some of you were not on the floor. Maybe you left last week early to go home or maybe you were in your office getting other work done. Perhaps you had your TV on. You might not have. I just want to kind of go back and do a little bit of what are we talking about again to refresh your recollection or for those of you who were not here or not on the floor to hear our-- my opportunities at the microphone over the last couple of session days, I think I'll go through a little bit what-- a statement of the issue. And then we can talk about the CJI process and talk a little bit about LB920. So the, the reason I believe we have a, find ourselves at a crisis-- and it's not a surprise that we are in a crisis. This has been obviously coming toward us since the last time I served here. I stood on this floor and talked about overcrowding long before I was ever term limited and here we are. We entered into an overcrowding emergency on July 1, 2020, almost two years ago. We, we are in an overcrowding emergency because we are beyond 140 percent of design capacity and we amended the bill, I think in 2015, to require the Governor to declare an emergency if we did not get below 140 percent of design capacity or at any point in time when we're over that number. We're actually at 152 or 3 percent of design capacity. We have people sleeping at Diagnostic and Evaluation. They're at 355 percent of design capacity. And for those of you that don't know what D&E is, as it's generally called, Diagnostic and Evaluation Center,

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that's your first stop. So if you get sentenced to the Department of Corrections, the first place you're going to go to is D&E if you're a male. When you go to D&E, an evaluation is done. It's hard for them to do them in a timely fashion because there are so many people and once it's done, they don't have a place to put them. So they put them in little cots on the floor at-- in a common area of D&E and as a consequence, we're at 355 percent of design capacity. What's that mean in terms of overcrowding, because this is the most overcrowded facility. D&E literally has people sleeping on the floors. And when we were understaffed, we didn't even have enough people to guard them properly. And we're still understaffed. I'll talk about staffing at least once on my-- in my opportunity to speak. But the fact that we are at 152 percent of design capacity tells you-- tells us that we are in an overcrowding crisis and we don't solve that problem, colleagues, by building or improving our capacity by 700 beds. We would spend \$270 million getting 700 beds and still be in an overcrowding emergency. It doesn't make sense. We have an issue that we need to fix. And it is-- it is not difficult to do this work.

**HUGHES:** One minute.

**LATHROP:** Other states have done it. It has been led by conservatives. It is a conservative movement. President Trump was responsible for the First Step Act, far more aggressive than this bill. And when you hear people talk about, well, this is like the California thing, it's not, it's not. This is a relatively modest set of proposals that we're going to be talking about. It's not opening the gates of the Department of Corrections and letting inmates free that shouldn't be out. We are in an overcrowding emergency, and the only proposal, the only proposal to make or address that situation is LB920, which contains the CJI options. We went through those options last week.

**HUGHES:** Time, Senator.

**LATHROP:** I'm happy to answer-- thank you.

**HUGHES:** Thank you, Senator Lathrop. Senator John Cavanaugh, you're recognized.

**J. CAVANAUGH:** Thank you, Mr. President. Thank you, Senator Lathrop, for starting the conversation. And again, yeah, it was, I think, a long week last week and when we got to the end, we were talking about a lot of these things, and I think some people maybe could use a refresher. But one of the things Senator Lathrop handed out a handout that showed the projections of the population without any sort of

reform and then against building a new prison. And I was trying to find it here. I must have misplaced it, but essentially there was still a gap between our capacity on that with a new prison versus the projected population growth. And so the bottom line is, even if we build a new facility, it doesn't solve the projected population crunch that we have going forward unless we make some kind of reasonable reforms that will actually bend that curve and decrease the total number of people going into custody. And Senator Lathrop just talked about D&E, which is the Diagnostic and Evaluation Center, which is where people go their first entry into the Department of Corrections. And as he said, it's somewhere close to 300 percent over capacity and there's a number of reasons for that. Obviously, the people have-- they go there, they get evaluated and determine what level of custody they should be placed in, which facility they should go to and then obviously the crowding in the other facilities backs up into D&E because people get sent to D&E from county facilities once they are sentenced. Some people do their entire sentence at D&E, particularly people doing shorter sentences on lower-level offenses, Class IIIA, Class IV felonies, because what happens is they get arrested, they spend all of their pretrial time in custody, which can be six months, and then they have a trial or they plead and they get sentenced. And on a Class IV, if you get sentenced to the maximum, which is two years and you've already done six months, you got about six months more to do with good time and you get to D&E and by the time you get there, you have less than six months left and you serve the entire sentence there, which means you're not getting into any programming, which is-- Class IV felonies are the types of people that-- drug offenses, low-level theft offenses that we're looking-- we specifically want to get into some of that programming. But so that's what I wanted-- I wanted to talk about quickly the number between operational capacity and average daily population. So our operational capacity, we are currently at 121 percent of operational capacity. Well, in the last census, which is again this NDCS quarterly population summary from the last quarter of last year, October 20-- October to December 2021. On that particular census, the operational capacity was 4,554 people and our average daily population was 5,548. So just about 1,000 people over operational capacity, about 2,000 people over design capacity. And then I-- if you go down to the page 2, you can see what the highest level, most serious offense for which people are in custody. Then you have the homicides, sex offenses, assaults, robberies, weapons, restraint and you get down, drugs; 770 people are in custody of the Department of Corrections on drug-related offenses as their most serious offense, which means that is the offense for which-- that it's not that they had drugs on them and they were also convicted of a

robbery, that they had drugs on them and they were also convicted of a weapons offense, those are individuals who are only in on a drug-related offense or a drug-related offense and something less than that, which I don't have a suggestion, but that is--

**HUGHES:** One minute.

**J. CAVANAUGH:** --thank you, Mr. President. And then theft offenses; 235 individuals in on theft offenses, which of course, includes third-offense shopliftings and other property-related thefts. That's about a 1,000 individuals are in custody on those two offenses alone as their most serious offense. So those are not crimes of violence. Those are not crimes against individuals. Well, a theft offense is against individual, but it's not an act against-- a physical act against someone. And so when we're talking about reasonable reforms that can help us alleviate the population, addressing some of those, those level of offenses that are putting people into custody that are potentially spending all their time at D&E is a reasonable action we can take to help alleviate the growing population in our prisons and to help alleviate the problems we have with getting people services when they're in custody.

**HUGHES:** Time, Senator.

**J. CAVANAUGH:** Thank you.

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

**BLOOD:** Thank you, Mr. President. I would yield any time to Senator Lathrop.

**HUGHES:** Senator Lathrop, 4:53.

**LATHROP:** Thank you, and thank you, Senator Blood. I want to go back to that handout that I gave you, for those of you that see me. The one with, with the lines where we started this conversation middle of last week, which is a graph that shows the actual population and our projected population. The dashed line represents the JFA projections. The JFA projections, that's a, that's a for-real group. They were brought in by the Department of Corrections and Director Frakes, in some questions in front of the Judiciary Committee, acknowledged that that's still an accurate projection of our prison population. And you will see that, that red line, which is the one I'm going to talk about for a little bit. That red line represents operational capacity. Operational capacity, by definition, and I say definition in our

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statute, is 125 percent of design capacity. Design capacity is the blue line. For a long time, you will see that the red and the blue line are flat while the black line is moving upward. Those are the, what I'll call the Heineman years when we added no capacity to the Department of Corrections. And after the line stops being flat and starts moving upward, those would be the Rickett years when this body, when the Governor proposed and this body appropriated money for additional capacity. Each one of those lines that, as the line moves up, each one of those is us adding additional capacity. And the last lurch in that red line represents the addition of 700 more beds, with the Governor's proposed prison and closing the Department of Corrections. Now what I'd want to do is take a moment to talk to you about what we've spent making those lines go up. And if you look at this chart, the one thing that strikes me and perhaps you is, it looks like we're chasing the black line with the red line. In other words, we're trying to build our way to the black line and make that red line go up and intersect the population or the population projection by trying to build our way out of this. And I want to tell you what we've spent trying to do that. In 2019, we added capacity to the Community Corrections Center, Men's Community Corrections Center in Lincoln. That added 100 beds and cost us \$1.5 million and it added \$250,000 to our operational expenses. Other words, you've got to hire people to man these places, right? The second line, it represents additional capacity at the Community Corrections Center in Lincoln for women. We added 160 beds at the cost of \$17 million and an increase in our operational expenses of \$1.8 million. In 2020, we also added 100 beds, minimum-custody beds to NSP. Those 100 beds cost us \$5.8 million and the cost-- the operation-- the increase in our operational expenses were \$665,000. In 2022, we will have two, two projects completed.

**HUGHES:** One minute.

**LATHROP:** One is the RTC critical healthcare beds. That will, that will come at an expense of \$75 million. It will add 64 beds and cost us \$3.5 million a year in operational expenses. And we will have the 384 beds also on the Lincoln Corrections Center campus, high-security beds. This place appropriated the money. Did you say time? Three hundred eighty-four beds at the cost of \$49 million and it will add to our operation expenses \$3.7 million. In total, the cost to raise those lines before we get to the proposed prison, \$148,500,000 with an addition--

**HUGHES:** Time, Senator.

**LATHROP:** --annual operating expenses of \$10 million. Thank you.

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**HUGHES:** Thank you, Senator Lathrop. Senator McCollister, you're recognized.

**McCOLLISTER:** Good morning, Mr. President. Good morning, colleagues. Good to be with you on this rainy Tuesday morning. Senator Lathrop made the point that many states have undergone the CJI process, and in fact, that's true. A fact sheet from Pew dated July of 2018 indicated that 35 states have reformed their sentencing and current-- correction policies through the Justice Reinvestment Institute, a public-private partnership that includes U.S. Department of Bureau of Justice Assistance, the Pew Charitable Trust, the Council of State Governments, the Justice Center and the Crime and Justice Institute and other organizations. Although reforms vary from state to state, all aim to improve public safety and control taxpayer costs by prioritizing prison space for people convicted of serious offenses and investing some of the savings in alternatives to incarceration that are effective at reducing recidivism. Some states have even engaged in more than one reform effort. Justice reinvestment policy generally fall into four categories: sentencing laws that instruct courts on how to sanction convicted defendants, release laws that determine the conditions for inmates, departure from prison and supervision, supervision laws that guide how those probation parolees are monitored, and oversight laws to track the progress of these charges. In the years since the wave of reforms began, the total investment and imprisonment rate has dropped-- get this-- 11 percent while crime rates have continued their long-term decline. That is sure true in Nebraska. In 1980, we had 1,400 in our prison system. And now, 42 years later, what do we have? We have 156 percent of our people in prison and we have a serious overcrowding situation, worst in the country. Other states have engaged in this very process. How about Louisiana? Certainly not a liberal state. Two years ago, Louisiana adopted landmark criminal justice reforms that have safely reduced the state's correctional population. The bipartisan policy changes receive widespres-- widespread support, earning endorsements from a diverse coalition that included the state's district attorney association-- that sounds good-- business and faith leaders and community advocates. Along with the report released in July, the state announced savings attributed to the reforms of \$17.8 million for fiscal year 2019. By statute, 70 percent, or 12 million-- \$12.4 million will be reinvested in state corrections initiatives and local programs that aim to reduce reoffending or support crime victims. The remaining 30 percent, or \$5 million, will be returned to the state general fund. Isn't that great, we can actually save money, send money back to the General Fund by enacting some of these changes? Continuing. These reinvestments follow



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the \$12.2 million in savings from the first year that reforms began to be implemented. The state reinvested \$8.54 million of that amount in victim services, community incentive grants and strategic investments for the Department of Corrections. Among the \$1.25 million in victim services disbursements, \$750,000 went to establishing what is known as the Family Justice Center in Baton Rouge--

**HUGHES:** One minute.

**McCOLLISTER:** --to offer resources, services in a safe environment to victims and survivors of domestic-- domestic violence and sexual assault. That's Louisiana. We also see Ohio has undergone this very same process and they've saved money. So I think we need to recognize that this is-- this is not a left-wing conspiracy, that criminal justice reform time has come to Nebraska and we need to move forward. Thank you, Mr. President.

**HUGHES:** Thank you, Senator McCollister. Senator Lathrop, you're recognized.

**LATHROP:** Thank you, Mr. President and colleagues. I want to take up where Senator McCollister just left off. So you've heard me for three days now describe the problem that we're in an overcrowding emergency. That was declared by the Governor. This problem is longstanding, longstanding and we've been kicking the can down the road. You've heard that we brought CJI in. You've seen that we've tried to build our way out of this over the last eight years. We've spent \$150 million and we've increased our operation expenses by \$10 million adding capacity, or we will by this summer when these other two places open up. And Senator McCollister just made a really good point and I hope you were listening that other states that have done this have done-- have solved the overcrowding or the growth in their prison population. They have saved money and they have not sacrificed public safety. I struggle in this body with this challenge. I can put facts in front of you. I can give you data that shows the problem. I can give you a data-driven set of policies that provide a solution. Those same data-driven policies that provide a solution save us money, they solve the problem and they do not impact public safety. One of our first responsibilities, one of our first responsibilities as senators here is public safety. And when CJI came into Nebraska, when CJI came into Nebraska, I said in a press conference with the Governor that public safety would be our North Star in this process. We are not going to do anything that would sacrifice public safety. I have data, OK? I have data. I can talk to you about any one of these proposals, why-- why they are supported by the data and how they do not sacrifice

public safety. And I'm up against talking points. I'm up against rhetoric and talking points. And this morning, before we get to noon and go to cloture, I'm going to talk about that data and I'm going to begin by taking you back to the process. I don't have to explain to you why we brought CJI in. We are in an overcrowded emergency and we're at 153 percent of design capacity. We have a problem. We have a problem. CJI was brought in, by the way they've been in many other states. CJI was brought in at the invitation of all three branches of government. Senator Hilgers and I signed a letter on behalf of the Legislature, the Governor signed on and the Chief Justice signed on. The CJI process is generally referred to criminal justice reinvestment, and I think that's-- we should take a moment to pause and talk about what justice reinvestment means.

**HUGHES:** One minute.

**LATHROP:** It has, it has a purpose. It is to examine your corrections population, your criminal justice system and determine what you can do to sentences, to your sentencing structure. Who goes to prison, how long they stay and how soon are they released? You make reforms under the Justice Reinvestment Initiative process and you take those savings and invest them in more effective ways to reduce crime in your community. That can be programming. It can be substance abuse treatment, but by definition, we are going to look at sentences, change some sentences and who gets sentenced and for how long and take the savings from that process and invest it in other ways. You look like you're about to say time.

**HUGHES:** Time, Senator. Thank you, Senator Lathrop. Senator John Cavanaugh, you're recognized.

**J. CAVANAUGH:** Thank you, Mr. President. So I appreciate what Senator Lathrop was just saying about the idea here is about investment. And it's not about an attempt to be more lenient. It's not an attempt-- and it would certainly-- we're not making any suggestions that would make Nebraskans less safe. The objective here is to find what our goal is, which is decreasing crime and looking at proven projects, programs that have worked in other states to decrease recidivism, improve outcomes for individuals who have been incarcerated, decrease crime overall through that type of investment, through investing in things like programming, drug and alcohol treatment, mental health treatment, finding out, getting to the root cause of some of these crimes. We're not going to be able-- through programming alone, you're not going to be able to solve all these problems, but through locking people up, you're not going to be able to solve all the problems either. And if

you only pick this one path where we incarcerate people at higher and higher numbers, we are going to continue to increase the cost of that incarceration and get a diminishing return on that investment and the cost is going to increase. I wanted to talk about briefly one portion of the-- what's suggested in LB920, which is, this creating a space in which people are going to be-- have more parole eligibility. And we've talked about this a lot of times, but it is a confusing subject matter so I'll try to give you a concrete example. So an individual is sentenced to a term of years for an offense of, say, a IIA felony. So a IIA felony carries a potential penalty range of zero to 20 years. And the judge can impose a sentence of anywhere in that range. And currently, the judge could impose a sentence of 19 to 20 years. The 19-year sentence gets cut in half with good time to, well, nine and a half years, I guess. And the, the other sentence, the 20 years, gets cut in half to ten years, which means that the 19 year is a parole eligibility window of time. So after serving that, that sentence, the person is eligible to get placed on parole. They're not guaranteed parole. They don't-- they get an opportunity to go in front of the Parole Board, but many times the, those first attempts are denied, but they have to be parole eligible based on time and then they have to demonstrate their eligibility through successfully completed programming and good behavior. So that when we have those sentences that are very-- have a very small parole eligibility window, we don't, we don't create an incentive for someone to fully take advantage of the programming within, in the facility within the Department of Corrections. And we don't have a time in which they're on supervision in the community because what parole is, is the time in which somebody is still in under supervision. So under this, the suggestion the bill LB920 has, a sentence could not be a 19 to 20. The sentence would be something like a 10 to 20, meaning that a person would have a parole eligibility date after five years-- after they've served five years of their sentence and completed their programming and done the things they need to do to be granted parole. And then once they are on parole, so if they get parole at the first eligibility date, which is five years, their remaining time in their sentence, which is that 20-year number cut in half to 10, is another five years. They would be on parole-- they'd be on supervision by the Department of Parole for five years. So they're not completely free from the supervision and constraints of the Department of Corrections.

**HUGHES:** One minute.

**J. CAVANAUGH:** They still have to check in. They still have to go to meetings. They still have to do whatever programming is asked of them. And as I've talked about many times, they are subject to being

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returned to the Department of Corrections to custody if they screw up, if they have a new law violation, and in many cases, if they have a technical violation. And so that change is one that just gives the potential for parole, supervised release, which is a program that has shown benefits that gets people incentivized to take advantage of the programming within the Department of Corrections and gets more people into programming once they get out, as opposed to just coming straight out of custody and into the community without any step down in supervision, without any requirement that they take classes or go to programming. And that--those type of stepdown supervision does help decrease recidivism, does help get better outcomes, which are the things that we want out of our cred-- corrections system. And so this is one of those--

**HUGHES:** Time, Senator.

**J. CAVANAUGH:** Thank you, Mr. President.

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

**STINNER:** Thank you, Mr. President. Members of the Legislature, I am, obviously, for LB1013 and the attached amendment. And Senator Lathrop obviously is-- presented us with another floor amendment, but I will be opposed to that. But really, what I wanted to talk about today is to call your attention to the change that we did to the General Fund financial status. And if you want to look at your green sheets, what you have is another column in the financial status, and it is the zero rate that I had talked about in our briefing as it relates to our tax bill that's coming up. So based on a zero rate, if you look across, in the out-year, there is a positive \$64 million. And the Governor had asked me what number is appropriate for tax legislation and so I did that calculation based on a zero rate. But I also indicated at that time that we would have a, a Cash Reserve more than the 16 percent, certainly \$3-400 million over that. Actually we said \$400 million over that as an added buffer and added protection as you move out over the three-year period of time to get the tax relief. So that was, that was a indication on my part that numerically we could make this work and it makes some sense to do. The second thing that I also indicated was I want to have safeguards. There has to be some way, as we go out, especially on real estate, that we don't get ourselves into a fiscal bind based on spikes in assessed valuations. That was put in place actually in LB1107. We demanded that a 5 percent cap be there. We think we can handle a 5 percent cap because the growth of revenue nominally is about a 5 percent rate. But we can't handle a 10 percent

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rate, rate increase, which I do have a schedule that shows several years where we were above 10 percent. That 10 percent, if we were at a billion dollars, is \$100 million in the first year of the biennium and \$100 million in the second year of the biennium. It's \$200 million impact. So I would like to have that safeguard put in place. The other stress test that you have to go through as you look out, out over the future and you're doing something as it relates to revenue is, what happens if you have a revenue shortfall? And I can just point to the 13.5 percent and the 10.5 percent that we have as revenue spikes. And those were due to stimulus. That is the highest rate ever to the second high-- third-highest rate ever. So that's what we're living on right now. That's how we rebuilt the Cash Reserve. That's how we're spending some of that down as a one-time expenditures. But if it could go up, I can tell you that it can also go down. So one would have to say that if revenue actually does go down 10 percent, so you're at \$6 billion up here and all of a sudden, you hit a downdraft and you got 10 percent decline, you're at \$5.4 billion. That's what you have to protect yourself with. That is the circuit breaker that we need to have that says, if we get a downdraft, everything is put on hold till we restore that revenue back up. Those are the two extreme cases that we're trying to protect ourselves. Now, everything, based on the numbers that I see based on where inflation's at--

**HUGHES:** One minute.

**STINNER:** -and all the rest of that, I think that the plan will work as designed. But my fears are as we go out for 20, 30, 40 years and not put in safeguards, we're asking for a big, big problem. And I think as senators, we have to look out over the future, understand what we've done and protect, certainly protect the fiscal stature of this state. Thank you, Mr. President.

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

**WISHART:** Thank you, Mr. President. I will-- I want to add to what Chairman Stinner has been discussing. My office on Monday went through and compiled. And frankly, we just stopped when we got to 7 billion. We compiled and added up all of the requests that have a price tag on them that this body has brought this year and we just stopped at \$7 billion. Seven billion dollars was brought before this Legislature to spend. This whole weekend, I have been concerned in thinking through the fact that we are making decisions this week and next that could potentially set our state up for the future Legislature walking into the situation that I know all too well my freshman year, where we are

a billion dollars in the hole. Colleagues, this-- we are having an international crisis right now. There is a war going on and the countries that are at war are some of the largest exporters of fertilizer. I don't think people realize that the United States is a net importer of fertilizer. We cannot stand on our own two feet in terms of our capabilities right now of producing one of the most critical products for feeding the world. And the decisions we're making right now with our budget are very concerning to me when we're looking into the future at a global crisis that's going to last for many years in terms of critical, critical supply chain needs that we are not self-reliant in terms of producing in this country and are going to hit farmers harder than anyone else. We should absolutely be leaving this session with a healthy Cash Reserve. And when I'm looking at our Cash Reserve, I'll tell you the way that I look at it, because it's the same way I look at my savings account. Sure, we have \$1.4 billion in the Cash Reserve. That's not unobligated, colleagues. We just passed a bill that says the Legislature shall build a canal. So take \$500 million out of there right away. That doesn't count; \$500 million is obligated out of that Cash Reserve. So minus that, you're at about \$900 million. Add \$300 million that we've obligated for the next project. That bill is coming due at some point so minus \$300 million out of the \$900 million. This is, this is what we're making decisions on right now. And when I look at the other requests that are coming out of the Cash Reserve, that adds on to it. All of a sudden, what may look like \$1.4 billion in our Cash Reserve is obligated down to a couple hundred million dollars and then we wash our hands of it and we walk away and we say, good luck to the next Legislature. If you all recall, the reason we didn't have to raise significant amount of taxes our freshman year when we had a billion-dollar revenue shortfall--

**HUGHES:** One minute.

**WISHART:** --was because of our Cash Reserve. And we are on the precipice right now as a body of making decisions that obligate that Cash Reserve down to a couple hundred million dollars and those bills come due. We've committed to them. So these next two weeks, we have to make decisions, and they're tough decisions. They're ones that our Appropriations Committee makes all the time. Do I like everything that's in this budget? No, I don't. But I'm one member, and we're all compromising on this. And in the end, what matters more than anything is the fiscal stability of our state as we're looking at an international crisis going on right now. And I believe, thank goodness it's raining, but also I believe a significant portion of our state is also in a drought.

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**HUGHES:** Time, Senator. Thank you, Senator Wishart. Senator McKinney, you're recognized.

**McKINNEY:** Thank you, Mr. President. I rise in support of FA80 by Senator Lathrop, and I rise again to continue the discussion that we took up last week on criminal justice in this state. And, you know, I just hope that, you know, we all understand that we could vote to build a prison today, which would take a substantial amount of time, but our prisons will still be overcrowded. So in all honesty, I think all parties, all sides need to come to the table and figure this out because regardless if you support the prisoner or not, and if we care about being humane and humanity, we have to do something about our overcrowding crisis. We can't just point the finger to Russia and Europe and say, Vladimir Putin is inhumane and he's a horrible person. If we elect to do nothing, we're pretty much the same people because our prisons are overcrowded. They're inhumane. Something needs to be done. Medical needs are not being met. All these things are not being met, so we can either be hypocrites or we could do something, and that's just the bottom line about this. There's many individuals inside of our prisons that, you know, in my opinion, I think they've taken the steps to show that they deserve a second chance. A lot of you all should go inside of our prisons and meet with the Circle of Concerned Lifers or the Community Action Program and things like that, and really understand where those individuals are coming from. And they're all remorseful and have taken on the, you know, accountability portion that a lot of people talk about. They know they're not perfect, but what they have been doing since they've had the time to be inside, they have all, not all, but a good portion of them have decided to chart a positive path and not only for themselves, but for the rest of those individuals inside. And just to say you're a horrible person, I don't agree with that. Stand up and say either you're for second chances or you're not. There's some people that the one time they made a mistake in life, they ended up in prison. So does that person not deserve a second chance? There's some people in there that went to jail when they were not even 18 or barely 16. Does that person not deserve, deserve a second chance? And you could be tough on crime, we're not going to let a lot of horrible people out and all this rhetoric that, you know, is just political talking points at this point because you're obviously ignoring the data. You're obviously ignoring the rest of this nation. You're obviously ignoring, you know, bipartisan support to, you know, change the trajectory of our criminal justice system in this country. So either we're going to be hypocrites or we're going to actually do something meaningful this session, but I'll just tell you if you're, if you're starting point is just

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building a prison to get out of this, I'd just like to tell you that don't stand up and say Vladimir Putin is a horrible person and he's inhumane.

**HUGHES:** One minute.

**McKINNEY:** We're all going to be inhumane and horrible people if we don't elect to do something about our criminal justice system. So we either, we either are hypocrites or we're going to do the right thing this session. And if you oppose LB920, bring some good-faith amendments that actually don't take away completely from the bill but are in good faith. If you're just dropping amendments just because the police or the county attorneys want you to, that's not good faith because they're not talking to Senator Lathrop and they haven't talked to me. So let's have a real conversation about it. Thank you.

**HUGHES:** Thank you, Senator McKinney. Senator DeBoer, you're recognized.

**DeBOER:** Thank you, Mr. President. Good morning, colleagues. To those of you who have been saying either on the microphone or in private that the issue of a new prison and sentencing reform are separate questions, what we do about the overcrowding crisis and the new prison are separate questions, I ask you, what are we going to do about our overcrowding crisis? If you say they're separate questions, does that mean that you say we should do something about this prison issue, but not the overcrowding crisis? What is the solution to our overcrowding crisis? Sticking our heads in the sand and pretending it's not happening isn't working. It's getting worse. We've been asking this question for a number of years now, and we're not getting any answers. We continue to ask the question. It's like we're mute and no one hears us. What is the plan? How do we make any headway at all on our prison overcrowding crisis? Look, if you're someone who thinks it's OK to put folks, are sentenced into an overcrowding situation because they deserve it. I hear that a lot. I hear people say, I don't care about overcrowding because the folks in prison deserve it. They deserve these conditions. It's part of their punishment to be treated as inhumanely as possible. We don't care. They have it too easy as it is. Some people have said that to me, and I'm here to tell you that even if you think that, even if you think that any violation of the criminal code-- well, except the ones that maybe you do, like speeding or jaywalking or something like that, but-- but the other people's violations of the criminal code, if you think that anybody who commits one of those violations needs to be treated as inhumanely as possible, I'm telling you right now you should still care about the overcrowding



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crisis. If you care about public safety, you should care about the prison overcrowding crisis. If you care about the working conditions for men and women who feel called to do a very difficult job, but do it anyway despite being mandatory overtime three or four times a week for many years, if you care about those working men and women, you care about prison overcrowding. If you care about sending people out of prison better than they came into prison, then you care about the prison overcrowding crisis. And yes, if you care about being tough on crime, then yes, you still care about the prison overcrowding crisis because sending folks to sit in this overcrowded prison for a number of months or years without any programming is not tough on crime.

**DeBOER:** One minute.

**HUGHES:** In fact, what that does is it helps encourage crime. We are making them better criminals when we put them into an overcrowded situation where they are not having any incentive to get out of prison by doing their programming. They have no incentive for parolling when they have flat sentences. You've heard that from us time and time again. That is not tough on crime. Tough on crime is wanting to change the crime, eliminate the crime, get rid of the crime. Being tough on crime means making people commit less crimes. The way we make people commit less crimes is we give them an incentive to rehabilitate themselves. We teach them how to be better people. We get them to stop committing crimes by showing them the way how to do that. And if we are at 355 percent of capacity--

**HUGHES:** Time, Senator.

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

**HUGHES:** Thank you, Senator DeBoer. Senator McCollister, you're recognized.

**McCOLLISTER:** Thank you, Mr. President, colleagues. With no vision, the people perish. Says that in the good book. And that's the message from Senator DeBoer, and we have no plan. I think we need a plan if we are going to deal with this prison overcrowding issue. I was so hopeful when the three branches of government came together, engaged CJI to go through this process and figure out ways that we can maintain public safety at reduced costs. A win-win proposition, but it still hasn't happened. And then we have a Governor that's in the newspaper casting dispersions on the process. We really need to move this process forward so we can maintain public safety and reduce costs. We have to recognize that 95 percent of the people will be coming out of our

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prison system. They are a human resource that we can tap and utilize. We need them in Nebraska, with 1.8 percent unemployment and 60,000 jobs that need to be filled. Also, we can save money. When it costs \$50,000 to put somebody in our prison system, high-security prison system, we could, we can do that far better with less restrictive and less costly ways to deal with some of the issues that people-- some of the crimes people have committed. And this is not rocket science. Indeed, not. Thirty-five other states in the country have gone through this process, and they have in fact showed that you can maintain safety and reduce cost. So we really need to go full speed ahead on this process. I was attracted to the First Step Act that was done through the federal system. Of course, this is Justice Reinvestment Nebraska. First Step Act reduced the size of the federal prison system population while maintaining public safety. The initiative intent was to reduce recidivism, improve public safety, shift resources to more cost-effective solutions. That's a good thing. What are some of the ideas that they're proposing? Limit the use of consecutive sentencing, stacking. Reduced mandatory consecutive sentences for multiple firearm convictions by eliminating a stacking provision which previously resulted in 25-year mandatory minimum, 25-year mandatory minimum. LB920 limits the use of discretionary consecutive sentences to cases in which aggravating factors are present. Doesn't that make sense, colleagues? Increase release opportunities for an aging population. Senator McKinney and I talked about this last week. Does it really make any sense to put some 60-year-old person that's been in jail for 40 years for a crime and who isn't a public risk anymore? Makes no sense to me. Expand Bureau of Prisons early release pilot program to more facilities and increased eligibility for people 60-plus to be placed in home confinement upon serving two-thirds of their sentence. LB920 creates a parole release opportunity for people 70-plus who have served at least ten years of their sentence. Finally, reduce mandatory minimum sentences and limit incarceration for drug offenses. Expand safety valve, allowing judges to depart from mandatory minimums for low-level, nonviolent drug convictions when they are minor--

**HUGHES:** One minute.

**McCOLLISTER:** --they are minor criminal records. Time?

**HUGHES:** One minute.

**McCOLLISTER:** Thank you. Reduce the length of mandatory minimums for certain drug offenses and modified, and modify the types of prior convictions that lead to enhanced penalties. Finally, retroactively apply a fair sentencing act, allowing people incarcerated for certain

drug possession offenses to petition for sentence reduction. These are the kinds of things we need to do in Nebraska. Smart justice, smart justice, maintain public safety and reduce costs, and all taxpayers should like that. Thank you, Mr. President.

**HUGHES:** Thank you, Senator McCollister. Senator John Cavanaugh, you're recognized and this is your third opportunity.

**J. CAVANAUGH:** Thank you, Mr. President. So while I was kind of going through parts of LB920 last time I was up and I saw Senator Lathrop handed out this flier that-- handout that shows a few things. The second page shows the expected-- LB920 is expected to slow and nearly flatline prison growth. So the projection by, I think, 2030, I'm not sure-- I guess the out-projection is 7,327 individuals without LB920 and 6,232 with LB920, which is more than 1,000 people that we're no longer incarcerating. It has the savings of \$10 million annually, which is really probably an underestimation, including the cost of building a new prison. The one thing I-- so I was looking here at LB920 and listening to Senator McCollister talk about the suggestions. And I've talked a little bit about parole and I was talking about the parole eligibility date change last time, which is, of course, the-- when somebody is sentenced to a range of years, say, a 10 to 20, their parole eligibility is after they serve their 10-year sentence, which with good time, is half of that, so five years. And then they are on supervision for the remaining five years of that sentence. And so they're still in supervision. They have to go through programming. They have to stay out of trouble. They have to stay in contact with their parole officer. And then we have people who when they're on parole, a number of them being returned to custody for technical violations. And I've talked about this a couple of times where we've had about 50 percent of the parole-- people returning to custody as a result of a parole violation or as a result of technical violations, not necessarily new law violations. And I bring that up again because if you look at LB920, I think it's actually AM2286, on page 55, there's this part that-- talking about creating a pilot program to establish technical parole violation residential housing program. The purpose of this program is to provide accountability and intensive support for individuals on parole who commit technical violations without revoking their fully, them fully back to prison. The pilot program shall provide a structured environment for selected individuals on parole who have committed technical violations. The purpose shall be based upon a therapeutic communal-- community model. Participants in the program shall at a minimum be required to take part in counseling, educational and other programs as the department deems appropriate to provide community services and to submit to drug

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and alcohol screening. An individual on parole shall not be placed in the pilot program until the Division of Parole Supervision has determined the individual is a suitable candidate, candidate in accordance with policies and guidelines developed by division. Basically, what this is saying is, this is a program, a pilot program that will help solve this problem of these individuals being sent back to prison for technical violations. So it's another, it's a stepped-up approach, meaning that once somebody is out in the community, they, you know, are out. They have their own place to live usually and can make some of their own decisions, though still under the obligations and requirements of the supervision of parole. But if they have a technical violation, which again can be a failed drug test, which is they test positive for a controlled substance, have a relapse or they miss a meeting or they're not keeping up with their programming, that's a technical violation that then they-- rather than send them back to the prison, they get required to go to this transitional housing program and--

**HUGHES:** One minute.

**J. CAVANAUGH:** --have more rigorous supervision, which of course, then gets you-- gets them actually taking advantage of the programming. We want them to take advantage of having-- making progress still and not upsetting the progress they've made in terms of getting a job, reconnecting with their family and their community. So this is a step in the right direction to cut down on those number of people were sending back, which is about 20 to 30 a month of individuals that are being sent back to the Department of Corrections for technical violations of their parole. So LB920 would increase people eligible for parole and increase the supervision for individuals on parole in a number of ways, which gets us better outcomes, gets us closer to what we actually think the criminal justice system should do, which is help people decrease recidivism, decrease crime and get better outcomes for our society at a lower cost overall; saves us money, gets better outcomes. That's what we're going for here, and that's, that should be the--

**HUGHES:** Time, Senator.

**J. CAVANAUGH:** Thank you, Mr. President.

**HUGHES:** Thank you, Senator Cavanaugh. Senator Wayne, you're recognized.

**WAYNE:** Thank you, Mr. President and colleagues. What a wonderful day. I wasn't going to even talk today until later on today, but I started reading the ARPA budget and I know we're going to spend a lot of time on that. And then I started hearing about healthy cash reserves and making sure we don't transfer a lot of money. But I just want to remind everybody out of the \$500 million cash transfers, none of it went to Lincoln or Omaha. Over \$300 million for trails, lakes and recreation, water and golf courses. But here's what really got me today because the paper reported and everybody kind of, I think, misled the body, all with the Appropriations Committee did for ARPA. If you read Section 37, page 28, we thought north and south Omaha was getting \$150 million, at least that's what I was told. But if you read the real language, the distribution is \$50 million to qualified census tracts in a metropolitan class north of Dodge Street, no less than \$50 million to south Omaha and then up to \$50 million in the rest of the state. One, that wasn't my bill, so the committee expanded on that bill when it came to urban, but every rural bill the committee did not expand on to include urban. But what kind of disappoints me the most is, I continue to be lied to about what's going on with this. And I'm using the word "lie" because reporters were told last week north Omaha was getting up to-- north and south Omaha were getting up to-- were going to get \$210 million. That's just not true. It's not true. And now I'm going to spend a little time talking about the split between east Omaha and directly south and north Omaha. To compare south and north Omaha to be the same is beyond disrespectful and borderline racist. To split them equally is borderline racist, if not racist at all. South Omaha has been historically working-class white individuals, and in fact, McDonnell and former Senator Scott Lautenbaugh, and I can go down the list, all were in south Omaha up until maybe the last 20 to 25 years. I would say 1998 probably is when the shift started to occur. To compare that to north Omaha since the '60s, since the '50s, since redlining, is damn disrespectful. And for that to be signed off on tells me this committee-- and I'm going to say it and people can get offended and I don't care if we go to battle over this, the rest of these bills-- that black people don't mean anything. That the struggles that we have went through in north Omaha are just the same as the qualified census tract in Hastings. Notice the language changed, media. It's no longer north and south Omaha; it's qualified census tracts across the whole state. We can get up here for the next four hours or however long and talk about prison reform and all that, but it doesn't matter unless the state invests in the communities that are overly populated in our prisons and nothing in this budget and nothing in this appropriations ARPA bill tells me anything differently.

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**HUGHES:** One minute.

**WAYNE:** There are things in the ARPA bill that will give us a clawback provision and I'm going to start with the small business meat processors. We can have that conversation plenty of time tomorrow because you can't use overtime and extra expenses as your justification when they testified at the damn hearing they had record profits. That's no longer impacted business or industry. That's a lawsuit waiting to happen, if not filed by me. You can't say it's an impacted business when they testified at the hearing to record profits. It's not lost revenue, nor is it a small business impacted. What study was done for Hastings CTQ, or qualified census tract?

**HUGHES:** Time, Senator. Thank you, Senator Wayne. Senator Wishart, you're recognized.

**WISHART:** Thank you, Mr. President, and I know that we will be discussing ARPA tomorrow. But I will respond to some of the conversations that are going on today in terms of ARPA since we've handed out the packet here. Colleagues, we have the opportunity to debate this tomorrow, and the Speaker has been clear, if you want changes to occur in the, in the ARPA package, then bring an amendment and make the changes. These are the suggestions that our Appropriations Committee went forward with using a very fair model in which not every one of us in Appropriations got what we wanted. But the reality is, there's \$4 billion worth of asks for ARPA and \$1.4 billion to spend so there are tough decisions to make. And everyone tomorrow is going to have to make them and recognize how tough it is when you want to fund something and it means you have to take it away from funding someone else. Our Appropriations Committee has done more for qualified census tracts in this ARPA bill than a lot of others across the country when you add it all up together. Affordable housing, money goes to economic development in qualified census tracts. Senator Wayne has an incredibly compelling argument, and frankly, he's one of the few senators who actually brought a bill that directly invests dollars in his community and so he can make that argument. And if the rest of the body decides that they want to take the \$150 million, \$70 million of which goes to the entire state, \$40 million of which goes to north Omaha and \$40 million goes to south Omaha, if they want to take that \$70 million and put it just in north Omaha, that's the conversation we have tomorrow. And people will have to articulate why somebody who lives in a poor community in other parts of the state is, is not going to be receiving ARPA. That's, that's the conversation that will have to be had. In terms of our process, so you all understand how fair it was with the decision

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making, our chairman very specifically told us after we have hearings that reflect the different sort of tranches of money that come through from the federal level, whether it deals with communities that were negatively economically impacted, public health, premium pay, water infrastructure, after every one of those series of hearings, he gave us a scorecard. And he said, I don't want you talking to anyone else. I don't want you talking to lobbyists or even each other. I want you, in the quiet of your office, to go through and score how you think these ARPA funds should be utilized. There wasn't negotiations or deal-making. This was done as fair as you could do it. And then what he did was said, if anything, get seven or more members of the Appropriations compelled to support this issue that the Governor brought, then it meets, it meets the, the standard of us--

**HUGHES:** One--

**WISHART:** --taking it up and deciding.

**HUGHES:** One minute.

**WISHART:** If it gets six or more Appropriations Committees that say yes, this should be ARPA, then we take it up and we negotiated. And that's what you have before you, colleagues, and now you get to decide. All of you get to decide. You get to bring amendments and say, no, I want more money for the north Omaha project. Here are the projects that we, I can clearly articulate will increase jobs and well-being in this community and, and compel the Legislature to make that decision. But it comes out of somewhere else. It comes out of somewhere else and that's the tough decisions that everybody is going to have to make tomorrow. Thank you.

**HUGHES:** Thank you, Senator Wishart. Senator Pansing Brooks, you're recognized.

**PANSING BROOKS:** Thank you, Mr. President. So I'm back at FA80, Senator Lathrop's amendment. I want to talk about the fact that we continue to want to pay for a prison without and ignoring how we got here. And yes, CJI came in. That gave us a lot of hope that people would look at how we got here so we don't keep making mistakes. You know, the definition of insanity is to keep doing the same thing over and over again and that's what we're doing. I want to relate it to a Nebraska treasure that's here in our state. I hope you've all been to the Harold Edgerton Explorit Center that's in Aurora, and I got to know about it because our son did a National History Day project. They ended up winning a national award on Harold Edgerton and his

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high-speed photography and what he did for the war and for other parts of manufacturing. The value of Harold Edgerton is the fact that he produced high-speed, high-speed photography which let numerous entities, numerous businesses, the, the national government understand factory lines and assembly lines and be able to take high-speed photography that would capture any moment of the production of a widget, the Remington rifle, bombs and flash bombs at any single moment of their-- either their detonation or anything that happened. Hopefully, you've all seen the picture of the bullet piercing an apple in slow motion, and he's truly amazing and that, that center is amazing. What he added to, to our world and our country is an ability to look at the process, to stop the process anywhere on a, on an assembly line and see where things are going wrong. That's what CJI has presented to us, an ability to look at the process and see what's been going wrong. We know we have overcrowding and we know the issue at the end. That's like when he worked with Remington that people knew that the Remington wasn't shooting straight. So with his high-speed photography, they could figure out what was going wrong. Well, CJI is like that high-speed photography. It looks at every step of prison reform within the prisons to see what's going wrong, and what came out was sentencing reform and programming. We've continued to talk about sentencing reform and programming since day one that I came into the Legislature eight years ago. And now what we've learned from CJI, among others from the various other studies that we've had, is that it's simple math. We're just going to be looking at simple math. The admissions has gone down 21 percent since 2011. It's gone down 21 percent. On the other side of the equation, the prison population has gone up 21 percent since 2011. So the, the, the-- sorry, the structure that we use is admissions plus time served equals the population of the, of our corrections.

**HUGHES:** One minute.

**PANSING BROOKS:** So admissions plus N, that's the unknown number, equals prison population. Well, if the admissions have gone down 21 percent since 2011, but the population has gone up 21 percent since 2011, what's the issue? The issue is sentencing reform and I'll get into all those issues. We've been talking about them ever since we've, we've started talking about this days ago, but the issue is what N equals and N equals the amount of time served and that is going up significantly and causing additional issues with our overcrowding process. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Pansing Brooks. Senator McCollister, you're recognized and this is your third opportunity.



**McCOLLISTER:** Thank you, Mr. President and colleagues. Senator Wayne talked about north Omaha at his-- on his time at the mike, and I had an opportunity on Saturday to tour north Omaha with Preston Love. It's a fascinating history of north Omaha. After the Civil War, countless numbers of black citizens, new citizens, came to north Omaha and started businesses, had doctors, lawyers, full array of small businesses in north Omaha. And for the next 80 years, 80 years, that was a thriving, thriving community. Full array of businesses, opportunities and some cultural issues or cultural opportunities that were fantastic. But of course, that changed along about 1960 with the Civil Rights era and a lot of the people that populated that area of north Omaha moved into other parts of the community. But, so I'm anxious to hear Justin and-- Justin Wayne's, Senator Wayne's bill that will be coming up shortly. Senator Lathrop passed out justice, reinvestment, crime rates fact sheet; fascinating, truly fascinating. From 1980 to 2019, national violent crimes dropped by 37 percent. In the same time frame, national property crime rates declined 61 percent. Once again, I remind you in 2000-- or 1980, Nebraska had 1,400 people in our prison system. Now we have 5,500 and this is at a time when crime rates were dropping. We also talked about what other states are doing. Georgia: since enacting JRI in 2012, crime rate has decreased by 29 percent, arrest rate has decreased by 12 percent. South Dakota: since enacting JRI in 2013, South Dakota, not a liberal state, crime rate has dropped 3 percent; arrest rate has decreased by 19 percent. Utah: since enacting JRI in 2015, crime rates have decreased by 26 percent, arrest rates have decreased by 19 percent. Oklahoma: since enacting JRI in 2017, crime rates have decreased by 2 percent, arrest rates has decreased by 6 percent. So colleagues, once again, federalism works. We just simply need to look at what other, other states have successfully done. Maintain public safety and reduce cost and also doing a better job with those people that are incarcerated who have been convicted of a crime. They are a human resource that we need to better utilize, so. Mr. President, I yield the balance of my time to Senator Lathrop.

**HUGHES:** Senator Lathrop, 1:30.

**LATHROP:** Well, thank you. I'm going to get on the mike momentarily and talk about what the CJI options would do to our average daily population and talk a little bit about substance once again, with respect to this process. I just want you to recall or keep in mind, colleagues, that the information that I'm going to--

**HUGHES:** One minute.

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**LATHROP:** --provide is data that CJI teased out of different databases here. So when they came into Nebraska at the invitation of the Governor and others, they went through corrections data. They went through the justice system, which is our district court filing system. They went through probation parole. They looked at basically the last ten years and then they met with the group and shared that data. And that again is on the Judiciary Committee website if you want to look at it, if you're at home and you're listening. You can see the data that supports each one of the options that we'll be talking about. This is, this is information and the fact that we are in an overcrowding emergency, the fact that we have a crisis at the Department of Corrections, I cannot-- can no longer be in dispute.

**HUGHES:** Time, Senator.

**LATHROP:** Thank you.

**HUGHES:** Thank you, Senator Lathrop. Senator Machaela Cavanaugh, you're recognized.

**M. CAVANAUGH:** Thank you, Mr. President. I yield my time to Senator Lathrop.

**HUGHES:** Senator Lathrop, 4:55.

**LATHROP:** Thank you, Senator Cavanaugh. I provided you with two handouts. I want to walk you through one, so if you'll look at all that stack of things on your desk and find this one with a graph on the front of it, it's about three or four pages long. I want to talk to you about this handout. So I asked the folks at CJI to provide me with two, two sets of data. One set of data, I'll call the, the, the projections with the status quo. And the status quo would be making only those things that we would refer to as consensus item changes. And I, I want to say this without being disparaging in the least, but recognizing that Senator Geist and I are on-- have a different perspective on the way forward. The first page represents the amendment Senator Geist has filed to LB920. The second page represents what kind of changes would we get out of LB920 if we passed it. And I want to walk you through that. When, when they prepared this, I asked them to give Senator Geist's numbers the benefit of the doubt and use conservative numbers with respect to the projections on the second page, the LB920 projections. So if you look at this graph, the blue line represents the JFA projections, right? Look on the back page. We've been through the JFA projections. You know what they are. That's our population on its way to 2030. Right? That number is, if we don't

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do anything, is going to be 7,327 inmates. The red line represents the changes that are found in the amendment to LB925 by Senator Geist. Those would be consensus items. I've generally referred to them as not affecting sentence length, things that are aspirational; expand problem-solving courts, things like that, have a system probation officers, those kind of things. They will, between now and 2030, have the effect of reducing our population-- according to their projections, not mine-- by 143. OK? So that you see what we're talking about in terms of the alternatives, 143. So do they have an effect? They have an effect. It is nominal. By contrast, on page 2 of this handout, colleagues, you will see the expected change to the average daily population as projected and calculating in the effect of LB920 or what I would call the CJI options, including changes to some sentence structures. It will have the effect of reducing our average daily population by nearly 1,000 inmates by 2030. And when you reduce the population, when you reduce the population, of course, you don't need to build that many more prison beds because if we do nothing, we'll be needing 1,300 more beds, right? The next page shows the estimated costs avoided by passing LB920 between now and 2030. So the calculation shows how many millions of dollars we save between now and 2030 and these costs are a conservative estimate. And they, they're not assuming we don't build the prison. They're-- these are the operational or what I call the marginal cost--

**HUGHES:** One minute.

**LATHROP:** --of adding additional inmates. That number, according to the fiscal note, somewhere around \$11,000. So if we divide the population by our budget, our budget by our population, it's about \$49,000. If you add one person, that's a hard cost of \$11,000, right? Using that marginal increase in cost per inmate as a measure for what we will save in operational expenses by passing LB920, you will see we'll save more than \$10 million between now and 2030. Anybody, anybody getting that we're saving money and we're not sacrificing public safety and we're solving an important issue facing the state? The, the third page shows that by the end of 2030--

**HUGHES:** Time, Senator.

**LATHROP:** Did you say time?

**HUGHES:** Time, Senator.

**HUGHES:** Thank you, Senator Lathrop. Senator McKinney, you're recognized.

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**McKINNEY:** Thank you, Mr. President. I'm still rising to talk about, you know, multiple, multitude of issues. You know, I was thinking when Senator Wayne said, you couldn't compare south Omaha to north Omaha, I would agree. And the perfect example of this is just ride down North 24th Street and ride down South 24th Street if you need a picture. And also, you know, thinking about this budget, unless something changes, we're able to amend it or whatever else, pretty much it just says that \$50 million is OK for north Omaha out of almost \$2 billion that we have to work with this year. I just don't agree with that. I find it unacceptable, disrespectful and a lot of other words. Everyone stands up and say, we care about your community and we want to help and we want to do this and we want to do that, but when things are put on paper, it doesn't reflect those words at all. And for forever, my community has been fed up with lip service from all sides. Come election time, oh, we need people from north Omaha to vote. You know why people from north Omaha aren't necessarily opt to vote or whatever? It's because for forever, people have come in our community and promised roses and given us dead dandelions. All these promises and nothing. All these plans for years and nothing. And that's why we've asked for what we asked for because it's time to do something, something meaningful. Nothing that just, oh, we gave you something, you should be happy. No, we're not happy because we need more than that. We need a lot more. I got a call the other day from a gentleman that's in prison and he's innocent, asking, hey, man, you think that bill going to pass to, you know, give me a chance to have my day in court to make my case again? And I'm like, bro, I hope so. I hope. You know, whys, mys, could understand that. We have a-- if you talk about public safety and we point fingers at Russia about inhumanity, is it humane to have a man sitting in prison who didn't do it and we all know he didn't do it, but nobody wants to support the bill because you're scared of police and county attorneys? Is that humane? Stop being hypocrites. Public safety isn't locking up an innocent man for 20-plus years because you're scared of the county attorney is going to do a mailer on you or something or its election year and you don't want bad publicity. I think it would be good publicity to free a-- give a-- even if he doesn't get free and in the bill doesn't even allow-- it, it just gives him a chance. But no one cares. Just like it just seems like no one cares about my community and this individual is from my community. But it's OK to support bills and proposals to invest almost a half a billion dollars into a prison. That's where y'all want people from north Omaha to go. That's your investment in the north Omaha is a prison, not economics, not into people. Stop standing up and being hypocrites and saying we're concerned about public safety when we have an innocent man sitting in prison and we

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don't have the political will to pass a bill to give them a day in court. Stop standing up and saying we care about your community, but only offer us crumbs.

**HUGHES:** One minute.

**McKINNEY:** If you really care, show it, not in your words, but in your actions and then I'll believe you. But right now, I don't have faith in this body to actually care about north Omaha, whether it's, one, giving an innocent man a chance in court, also being open to passing some, some reforms to decrease our population, and a third, invest in dollars that are meant, if you read the guidelines, for communities like north Omaha. Thank you.

**HUGHES:** Thank you, Senator McKinney. Senator Pansing Brooks, you're recognized.

**PANSING BROOKS:** Thank you, Mr. President. So I, I really can understand what, what Senator McKinney is saying and I appreciate his perspective. He's, he's very wise in so much of what he says. I also want to go back a little bit to my discussion about one of our Nebraska heroes, Harold Edgerton. Again, they have the Harold Edgerton Explorit Center. You should be visiting that if you haven't in Aurora, and he was one of the heroes that they credit with ending World War II. Does anyone know that? I hope you do. He created this high-speed flash photography and because of that, they were, they were able to create flash bombs. And the flash bombs that worked before would not trigger a picture so they didn't have an understanding. Those flash bombs were used to figure out where troops were. Well, Harold-- Harold Edgerton was able to connect the photography to the flash. And so what happened is they flew over Normandy and they found out, because of Harold Edgerton, where the Germans were so that they could-- so that-- so that they could come and attack Normandy. He's a true American hero, but a great part of what he did helped us understand the process in so many different things. You know, if we were having the overcrowding crisis and we're doing everything possible such as programming, sentencing reform, all the things that Texas has done, I'd be totally in favor of building a new prison. If we could, if we could know that we are dealing with justice in the best way possible, fairly, equitably making sure that our sentences were fair and reasonable, then I'd be totally in favor of building the new prison. But this is like saying, OK, I think Senator McKinney mentioned dandelions. You have a bunch of dandelions on your property and so instead of putting fertilizer on them or weed killer, you just buy new property. That doesn't make any sense, and it doesn't make any sense

to build a new prison without dealing with the underlying problems. And the underlying problems include sentencing reform, mandatory minimums, indeterminate sentences. We've talked about all of those things and being able to get people out and supervised rather than having them jam out because when they jam out, they are way more likely to recidivate and to come back into the system and of course, add to the population. CJI has given us some methods to look at the causes of this overpopulation, but rather than looking at the causes, we want to put on our blinders and say, we're just going to build a prison. That's that, to heck with what's happening, to bad for the taxpayers because we're going to make these decisions irrespective of the fact that this increases property taxes to continue to build prisons and not deal with the underlying issues. So for the people that are really concerned about property taxes, you should be calling your senators and saying, why are we doing this in a way that makes no sense, that costs more, that a conservative state like Texas is not doing? But I guess I think we must believe that we have way worse people here than in Texas.

**HUGHES:** One minute.

**PANSING BROOKS:** We have way higher crime rates that should be dealt with in much more stringent and a longer method without programming. Let's do the work to make sure that the people that come back into our communities are safe for people to come back into our communities. That they aren't just tossed away, that they jam out and then come out without the programming that they need. This is foolish. This is a waste of tax dollars to do it this way. Let's get the programming, the sentencing reform and then build the prison if we need. Thank you, Mr. President.

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

**M. CAVANAUGH:** Thank you, Mr. President. I yield my time to Senator Lathrop.

**HUGHES:** Senator Lathrop, 4:55.

**LATHROP:** Thank you, Mr. President. Senator Cavanaugh, thank you for the time. I had a chart here and I loaned it to a media guy, and now I'm standing here without it. But I want to go back to-- yes, thank you. I want to go back to the second to the last page of that handout I was talking about. So by the end of 2030, LB920 has estimated to avoid more than \$55 million in cumulative costs to corrections.

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Colleagues, we're in an overcrowding emergency. We're at 153 percent of design capacity. We cannot build our way out of this. The \$150 million we've spent on more capacity hasn't made a difference, hasn't made a dent in our overcrowding emergency. We must address overcrowding and it makes no sense to build a new prison before we have figured out what the trajectory is or the growth rate of our prison population. The process from CJI was data driven. It's not people shooting from the hip. It's not people making stuff up. It's not rhetoric. It's not campaign stuff. It's data from people three branches of government invited into the state to help us solve an overcrowding problem. The data demonstrates what effect those options would have on our population, the money we would save, and take a look at the other handout I gave you, which is also missing. But if you saw my desk, it's covered in paper and the-- one of the handouts that I provided you-- I'm going to borrow that, Senator Cavanaugh-- or Senator McCollister-- is this one entitled Justice Reinvestment in Crime Rate Fact Sheet. So you may have heard this characterized as something that will increase crime rates, make, make the communities less safe. So we have a problem. We have a, we have a solution. We have a way to save money. And the last argument you will hear is crime rates are going to go up if we pass LB920. Well, take a look at this data because these guys have been in conservative states and done projects like this in conservative states and what has happened as a result? Nationally, crime rates have declined over the last 40 years. From 1980 to 2019, national violent crime rates have declined by 37 percent. In the same time frame, national property crime rates declined by 61. This decline has been attributed to improved technology for the police and strategies, personal security habits, demographic shifts, changes in drug markets and increased access to treatment and services in communities. Incarceration, which researchers have found is responsible between 6 to 25 percent of the crime decline. The national crime decline continued into the first half of 2020. However, the trend began to shift upward after COVID-19 pandemic hit, the second part of that year. The recent spikes--

**HUGHES:** One minute.

**LATHROP:** --across the nation for both property and violent crime can be attributed to a number of factors, including changes in law enforcement practices, increased homicides, other consequences of public health crisis the nation has experienced. JRI states-- Justice Reinvestment states Georgia, since enacting their JRI reforms in 2012, crime rate has decreased 29 percent; arrest rates by 12. South Dakota: crime rate has decreased by 3 percent; arrest rates decreased by 19. Utah, passing JRI in 2015: crime rates decreased by 26 percent; arrest

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rates decreased by 19. Oklahoma passed JRI in 2017: crime rate decreased by 2 percent; arrest rates decreased by 6. The individual state data is attached to that sheet. There is only one bill that has been offered--

**HUGHES:** Time, Senator.

**LATHROP:** --that will make a difference. Did you say time?

**HUGHES:** Time, Senator.

**LATHROP:** Thank you.

**HUGHES:** Thank you, Senator Lathrop. Senator Wishart, you're recognized and this is your third opportunity.

**WISHART:** Thank you, Mr. President. Colleagues, I want to turn your attention again to the green sheet and I do encourage all of you in the morning when you're looking at the agenda to also look at this green sheet because it gives you a picture of where we are fiscally after the votes that we have on different pieces of legislation. To walk you through a process again from an Appropriations perspective, we chose as the committee this year to look at everything holistically. We have \$4 billion worth of assets when it comes to ARPA. This is a deficit budget. It's not a, our main line budget. We passed that last year. So typically with deficit budgets then, we generally speaking don't do a lot of new initiatives. Those are passed last year in our biennial budget. And so for the deficit, what we chose as the committee, since we're doing a lot of work in ARPA and allocating those federal dollars this year, that as a committee, we would be-- we would put forward to the floor, in terms of General Fund appropriations, a very skinny budget, leaving over \$400 million for the floor, for this legislative body to decide in terms of General Funds what we want to use those funds for. Do you want to use the \$400 million for revenue cuts? Do you want to use part of the \$400 million for the north Omaha project? Do you want to use the \$400 million for other General Fund obligations and needs of the state? \$400 million, colleagues. I haven't done specifically the analysis on this, but I've talked with some other Appropriations Committee members and if I were a betting person, I would bet that we left, as an Appropriations Committee, more money for the floor than the last 20 years of Appropriations Committee combined in terms of how much we left to the floor. I think one of the issues going on is the fact that many of us came into this Legislature-- our legislative careers as freshman senators in a massive revenue shortfall. And what that means is for



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the past four years, we hardly passed anything in terms of General Fund obligations. Any bill that had a fiscal note, we call it death by fiscal note, it couldn't get past Final Reading, we have been working on such a tight budget that I think it's easy to forget that what we do in the Appropriations Committee is our baseline budget, and this body has the ability to pass legislation out of other committees and spend General Funds money. And we left over \$400 million this year to do that. If you have issues you care about and you have brought a bill and it has a fiscal note, you have \$400 million to consider. You can bring a bill that has a fiscal note, and if you are compelling enough to 48 other senators, then that bill can pass. And if it has a fiscal note, then it's part of our budget at the end of the day. And as an Appropriations Committee, instead of all of us saying, well, we're going to fund this exactly how we want to fund it, we said no. What we will do is we will leave this for the floor in terms of General Funds. We will--

**HUGHES:** One minute.

**WISHART:** --leave \$400 million for the floor for this Legislature to determine and prioritize what they want to utilize those dollars for. So I want to remind you again, in the morning when you come and look at your agenda, look at that green sheet because every time we pass legislation that has a General Fund impact, it will impact this green sheet and you'll have less money on the General Fund to spend. And that's the next couple of weeks, that's the negotiations we have to have in terms of money. And my hope and my call to this Legislature is that we make them wisely for the future fiscal prosperity of the state. Thank you.

**HUGHES:** Thank you, Senator Wishart. Senator Pansing Brooks, you're recognized and this is your third opportunity.

**PANSING BROOKS:** Thank you, Mr. President. So again, I'm back to the equation that CJI, that CJI created that if we-- the maximum is if you look at admission's plus time served, that constitutes the Nebraska Department of Corrections Systems population. So pre-COVID, the minimum sentence was up 25 percent, 25 percent. If you look at the minimum and maximum, we've already talked quite a bit about determinant and indeterminate sentences. But no matter what, pre-COVID, that minimum sentence was up 25 percent. So our goal is to just put people in prison, keep them there longer. And that's fine if that's what people want to do, but that's not necessarily the most dangerous people. We know that a large portion of the people in prison are people with property issues or small drug issues. So what we have

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to look at is the proportion of the maximum sentence longer than five years has gone up, up. And the minimum sentence for drug offenses is greater than the minimum sentence for person offenses, offenses against people. Why would that be? The minimum sentence for drug offenses, Nebraskans, is greater than the minimum sentence for person offenses. So are we arresting the people we're scared of, people that commit crimes against the person, or are we arresting the people we're most mad at, the drug offenders? Again, we need to look at the mandatory minimums. Those people sentenced with the mandatory minimum are not eligible for probation. There's no good time earned for a mandatory minimum sentence, for any part of the mandatory minimum sentence. So again, if we want to continue to have mandatory minimum sentences, indeterminate sentences, the stacking of sentences, that's our choice. But then, taxpayers, we're just going to keep building and charging you for new prisons. Rather than getting smart on crime, we're lazy on crime. That's what we're doing right now. I think it's, it's lazy to continue to build a new prison without addressing the sentencing reform and the programming within our prisons. It's a lot easier to continue to build than to look at what the issue is, what the underlying problem is, and the underlying problem continues to be these sentences that are mandatory minimums, the sentences that, that are in-- that are indeterminate sentences and determinate sentences. And the sentence is that, that-- where we continue to stack rather than allowing them to serve time at the same time. So the mandatory minimum admissions have more than doubled. We know that to be true, that was something that came from CS-- CSI since 2011.

**HUGHES:** One minute.

**PANSING BROOKS:** Thank you, Mr. President. So if we-- and there's a large variation in the use of mandatory minimums within counties. These are issues that are costing the taxpayers money. And the problem is that many people on the floor don't want to try to wrap their heads around these laws. Many people on the floor think it's just easier, build a prison and we don't have to deal with the underlying issues like making sure that people are released so that they have supervision. So they're at their parole eligibility date, they are able to have had enough programming to be safe enough to go out in the community. Instead, we keep them in. We give them maybe a little bit of programming their last year or offer it. And then they say no thanks because we don't want any post-release supervision, so they jam out. This is--

**HUGHES:** Time, Senator.

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**PANSING BROOKS:** --not smart. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Pansing Brooks. Senator Walz, you're recognized.

**WALZ:** Thank you, Mr. President. I yield my time to Senator Lathrop.

**HUGHES:** Senator Lathrop, 4:55.

**LATHROP:** Well, thank you, Senator Walz. Colleagues, when I was last on the mike, we were talking about the effect or the absence of any effect on public safety in those states that have done justice reinvestment. And I, I feel a little bit like I'm shadowboxing because I don't really have anybody who's saying these are bad ideas. Nobody's standing up to say this doesn't work or it will sacrifice public safety. So in some sense, I'm anticipating arguments that people will say or make, and, and that's fine. I'm happy to do it. But one of the things that, that we heard when bills were introduced on this topic was, well, crime rates will skyrocket. You'll have problems. Look at what's happening here and look at what's happening there. In fact, in fact, we aren't adversely affecting public safety and we will improve public safety. You know, for a generation, for a generation, polis-- politicians were elected talking about being tough on crime. And of course, you were either tough on crime or you were soft on crime. And to be soft on crime meant that you, you had some notion that sentences didn't need to be as long. Perhaps you wanted to get rid of some, something, but people would get slapped with that label. And the champions of tough on crime would talk about it throughout a campaign and then go to their legislatures and to the Congress and pass laws that, that made sentences worse; longer mandatory minimums and the like. And that's exactly why we find ourselves where we're at today. The seed-- the justice reinvestment initiatives that conservative states have done, that conservative states have done, recognize there's a way to get more bang for your taxpayer dollar in another way, and it's called smart on crime. And when we brought CJI in, we were talking about smart on crime. We were talking about what do we need to do to stop the growth in the prison population and address overcrowding? And that is smart on crime. We've been through this process, a data-driven process, colleagues, and the options that have come out of this have come from Nebraskans. CJI did not come to Nebraska with the list of things that they're trying to shoehorn into our criminal code. These are ideas that came out of the working group. Now, some of them were embraced by the entire working group, and some of them were not, but all of them have data to support them. All of them have data to support them and it saves money, it improves public

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safety, it resolves the overcrowding emergency in time, and it doesn't sacrifice public safety. I hope you will take a moment to look at this handout that I provided you or both of them because we are in a crisis. You know, I tried cases for many years. I've been a trial lawyer for 40 years and I've been in front of judges and I've been in front of juries. And once in a while--

**HUGHES:** One minute.

**LATHROP:** --this may come as a surprise to you, once in a while, somebody will fall asleep during one of my trials. And whenever that happens, I speak up a little louder, so people wake up. It's-- it's kind of weird when that happens and you look over and one of your jurors is dozing off or the judge is dozing off after lunch, and I have to speak up. And now I feel like I need to yell, yell about this stuff, because my jurors are falling asleep. And I realize I've been talking about this for a long time, colleagues, but there is a problem, a solution. There is money to be saved and better outcomes to be achieved. I look forward to the next time on the mike. Thank you.

**HUGHES:** Thank you, Senator Lathrop. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, a priority motion. Senator Wayne would move to recommit LB1013 to the Appropriations Committee.

**HUGHES:** Senator Wayne, you're recognized to open on your recommit motion.

**WAYNE:** Thank you, Mr. President. I'm going to ask some members from Appropriations a real basic question, so I'll start with Wishart, followed by Vargas, followed by McDonnell and then we'll just work through Appropriations. And it's a-- it's a really, really basic question. The question is, according to my calculations, we have 1.1 in ARPA, 1.04 in ARPA. We had roughly \$725 million extra in General Funds, and we had another-- we'll just call it \$1.7 billion between cash and ARPA, not, not including General Funds, but if we include General Funds, it's a little more than that. It's almost \$2 billion, according to the budget report. So my question, would Senator Wishart yield to a question? I'll give her time to come over. Will Senator Vargas yield to a question?

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

**WAYNE:** We'll start with Senator Vargas while she has time to walk over.

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

**VARGAS:** Yes.

**WAYNE:** So out of the \$1.85 billion of we'll call it extra revenue, do you feel that north Omaha receiving a guaranteed of one--\$110 million is fair and equitable? And I want to couch that with the racial lens and a historical lens of redlining 75-- Highway 75 and discrimination.

**VARGAS:** \$110 million is what we put in. There is more that we can and should do.

**WAYNE:** Senator Vargas, I asked a simple question, which is do you feel that that is fair based off of the Appropriations recommended-- recommendations? Do you feel that is fair and equitable?

**VARGAS:** The Appropriations recommendations, just like every other committee, is a variated process. I don't think many of the conversations we have on every issue is fair and equitable. We're trying to debate a lot of different things. We have to get to a way we get five votes in committee.

**WAYNE:** I understand that, Senator. I'm not talking about your committee. I'm talking about you personally. You, as Senator Vargas, do you feel that's fair and equitable?

**VARGAS:** I think we need to do more to make it more equitable for every single community right now, which includes north and south Omaha.

**WAYNE:** Thank you, Senator Vargas. Senator Wishart.

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

**WISHART:** Yes.

**WAYNE:** Again, the question is based on the historical context of Highway 75 discrimination. Now we can add prison, justice reform and the recent articles. Out of the \$1.8 billion of extra dollars we have, do you feel \$110 million guaranteed to north Omaha is equitable and fair?

**WISHART:** I don't think it's fair to be spending \$500 million on a prison and not investing in the communities in which a lot of people are incarcerated and coming out of those communities incarcerated, no.

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**WAYNE:** Not to be difficult, the question is the appropriation amount of \$110 million that the appropriators put out, do you feel that is fair and equitable only \$110 million out of \$1.8 billion going to north Omaha?

**WISHART:** I think what the committee did in terms of ARPA is incredibly fair and equitable.

**WAYNE:** Thank you. Senator, Senator McDonnell.

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

**McDONNELL:** Yes, I'll yield.

**WAYNE:** Should I repeat the question, are you, got the gist of it?

**McDONNELL:** I got the gist of it. So the, the \$210 million that we set aside, roughly 20 percent of the ARPA funds for qualified census tracts, I don't believe we can look at pain and suffering only in our own districts, like, for example, mine is south Omaha. I think we have to look throughout the state of Nebraska and say, OK, what, what have-- people have suffered throughout the state, therefore, the \$210 million can go to anyone with any ideas for the qualified census tracts to try to offset that pain and suffering.

**WAYNE:** So you believe 110 is fair and equitable?

**McDONNELL:** It's 200. It's actually 200.

**WAYNE:** No it's not, Senator.

**McDONNELL:** [INAUDIBLE]

**WAYNE:** If you read, if you read the actual language of the bill, it's only a minimum of \$50 million to north Omaha. There is a \$60 million to a site and building fund that is in, in a qualified census tract. So technically, that's not even-- the only thing really guaranteed is \$50 million, but I'm giving the Appropriations Committee the extra \$60 million. That's only \$110 million to north Omaha.

**McDONNELL:** But if you look at page 1, Senator Wayne, page 1 of the handout, based on the distribution of the coronavirus state fiscal, we are looking at 20 percent for qualified census tracts throughout the state of Nebraska, \$210 million, which is that 20.4 percent of our--

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**WAYNE:** That is correct, but that's not the question I asked. The question is north Omaha and north Omaha is only slated to have \$50 million plus a potential of \$60 million. So my question is really directly, out of the \$1.8 billion, is a guaranteed \$110 million fair and equitable, understanding the historical issues that north Omaha is faced, including redlining, Highway 75, and discrimination?

**McDONNELL:** Yeah, I agree with the \$210 million for the qualified census tracts throughout the state of Nebraska based on the pain and suffering. I don't think pain and suffering is only in one area of our state.

**WAYNE:** Thank you, Senator McDonnell. Colleagues, that is 100 percent the issue. We're afraid to have a conversation about the most discriminated area in Nebraska. We're afraid to just look at what the data is telling us about east Omaha, particularly north Omaha, and we want to couch it in the terms of \$210 million. It's not. That's not what the bill says. And to say that it's fair and equitable is fundamentally wrong. To say that out of \$1.8 billion is fine, is equitable, is fair, is wrong, fundamentally wrong. And here's what's really happening-- I'm no longer talking to the body. I'm talking to anybody who's listening. Here's what's really going on. What's really going on is the budget is tied up. The budget will not have any amendments to it. It's tied up. So Senator Lathrop and Senator Stinner are going to get the budget they want because nobody here is going to stand up and say out of the \$513 million in cash transferred, zero goes to Omaha or Lincoln. That can't be changed unless it's through a A bill, so they'll get the budget they want. But at the end of the day, we're really not talking about criminal justice reform because there are bills that go farther than what's on the floor. We're really not talking about changing the conditions that continue to produce the crime that we keep seeing because we're not making an investment in there. We're investing in water, lakes. What you heard today from three Appropriation Committee people is that the \$60 million in cash transfer to Offutt Air Force Base and their project, of which most Nebraskans can't get on and participate or even benefit from, is fair. Sixty million, \$110 million to the hardest-hit area. This budget and this ARPA budget has the rich and wealthy in Nebraska praising us and we're OK with that. I heard everybody quietly talking about how Judiciary did not IPP the abortion bills. And there were a lot of people who were offended by that, understandably. That's how offended I am by this budget. That's how offended I am by this ARPA proposal. And nobody can tell me different. This is not a philosophical debate. The language is in the bill where the money is going, qualified census tracts. Section 31 or 37-- 37, \$50 million, \$50 million, \$50 million.

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That's all that's guaranteed. And you know what's interesting, Senator McKinney? The chamber project gets funded. Not really a north Omaha project in the sense of we came up with it from the community. We went back to the chamber and said, here goes the whole project. They're the ones carrying it.

**HUGHES:** One minute.

**WAYNE:** What the community asked for is not funded in here at all. And nobody can point it out differently. I will go word for word the rest of the day with anybody on Appropriations that tells me this is a fair budget and tells me north Omaha is getting more, because when you put \$40 million into the middle-income housing, that can all go to Lincoln. North Omaha just shares in it and it's up to DED where that goes. You look at actually what's appropriated directly line by line from Omaha to Lincoln to the rest of the state, this budget and ARPA leaves Lincoln and Omaha behind. But what's the worst part about it, Senator McKinney, it kills our community the rest of the way. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Wayne. Senator Machaela Cavanaugh, you're recognized.

**M. CAVANAUGH:** Thank you, Mr. President, and I'd like to yield my time to Senator Lathrop.

**HUGHES:** Senator Lathrop, 4:55.

**LATHROP:** Thank you, Mr. President and colleagues. Senator Cavanaugh, thank you for the time. So I have been in a little bit of a closing argument on this notion of criminal justice reform, the work of CJI and getting to the, to the facts with respect to the issue, the solution, and the effect of the solution. And I learned in law school, in trial practice, that sometimes people need to hear things more than once before it sinks in. Usually it's three times and so a good lawyer is going to figure out how to say things three different times and not sound like they're repeating themselves. I think I've done that and gone past that quota. But at the risk of sounding and saying the same thing over, I want to be clear, as we approach the end of this debate with some 20 minutes left or, or 30 minutes left, that we have a problem. We have an overcrowding problem and building more beds does not solve that problem. You can either accept that we need to do reforms or tell me what your solution is to stop the overcrowding or prepare to spend and build three times the proposed Department of Corrections expansion. You can't stick your head in the sand on this



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one. You can't. And no one can stand up and say this sacrifices public safety because the data doesn't show that. No one can say it doesn't solve a problem because the data shows that it does. All we're going to do is choose between solving a problem where we have better outcomes and save money or deny it, kick the can down the road as we have done for two administrations and leave it for somebody else to build more capacity. On the agenda is the tax cut bill that will be taken up, I think it's on Select File. I know this is the subject of a lot of work that's going on while this debate has been, been happening. Senator Linehan is chuckling. I assume that may be an understatement. It's an understatement. A lot of work has gone on on that. You know, if we're going to be fiscally responsible, if we're going to be fiscally responsible, you want this property tax relief, you want these income tax cuts, you want corporate tax cuts, you need to be responsible when it comes to something that is going to be so obviously expensive to the state. It's not only obviously expensive to the state, the status quo isn't getting us there, colleagues. The status quo isn't getting us there. We are-- the next time I get up, I want to talk about the status quo. I want to talk about what is-- where we're at right now and why we're so, why we're so proud of what we're doing because it's not working. It's not working. The status quo is not working.

**HUGHES:** One minute.

**LATHROP:** You can have a reform backed by data that has better outcomes or you can choose the status quo. I'm going to talk about the status quo because I've been in that committee listening to hearings along with my colleagues, and I'm telling you the status quo doesn't work. We have nothing to be proud of right now. Besides the overcrowding, we continue to have staffing issues and even if we opened this place, we couldn't staff it. How much more time do I have?

**HUGHES:** Twenty-four seconds.

**LATHROP:** We have spent \$150 million growing our capacity. At \$150 million over the last eight years, we haven't, we haven't made a difference in the population growth. The gap remains. This isn't going to work.

**HUGHES:** Time, Senator.

**LATHROP:** Thank you.

**HUGHES:** Thank you, Senator Lathrop. Senator Wayne, you're recognized.

**WAYNE:** Thank you, Mr. President. You know what's interesting about this whole thing is I had a IPP motion up beginning of this before we started on this, and that was the first time that somebody wouldn't yield me time. They didn't want to get involved. It's just interesting how when it's time to be uncomfortable, people disappear. Nobody can tell me-- for the next two years, nobody's going to be able to get up and talk about historical redlining when we're only directing essentially \$50 million to north Omaha. Nobody's going to get to talk about racial and discrimination-- hell, for that matter, criminal justice reform and the racial impact when we're only directing \$50 million. Because what it essentially comes down to, just like we do in every committee, whether it's dollars or cents or we're just talking about a bill, we weigh this bill versus another bill, especially when you start talking about how are you going to put bills together. In Appropriations, it's no different; it's money versus this. So if there is a pot of money and you got to divide that up, you are essentially saying out of the \$500 million in cash transfers, north Omaha can be left out. Lincoln can be left out. The rest of Omaha can be left out. Being on Appropriations, you cannot run from the fact you pick winners and losers. That's the very nature of appropriation and dollars. You're either going to fund something or not. And then we, as a body, we pick winner or losers. Either we're going to do tax credits or we're not. We're going to pass a bill to help rail-- Nebraska build the rail lines or we're not. All I've said for five years is equal treatment. Whatever is good for rural is good for north Omaha. I don't pretend to know south Omaha, I just know the infrastructure is different and the history is completely different. But whatever is good for rural Nebraska is good for north Omaha, said that for the last five years. But nothing can change the fact of where we're at in this budget. There's a bill after this that can help tremendously. They'll ask for a cash transfer. I don't care if it comes from cash, General Funds. I don't care if it comes from a check that Senator Hilfgers, Speaker Hilgers wants to write. It doesn't bother me where the money comes from. I'm just saying there has to be a commitment by this body to change something. And by saying qualified census tracts across the state get the same amount of dollars up to and they say we get a threshold of a minimum of \$50 million, says that Hastings has the same historical problem that north Omaha has. That Lincoln's qualified census tracts dealt with riots and beatings and police brutality and two lynchings. The Omaha World-Herald article looked at all the census tracts across the state of Nebraska. It was Omaha that has anywhere from 16-- north Omaha in particular, anywhere from 16 to 20 percent of African-American males at that particular time in jail.

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But we're going to treat them the same. But come on the floor, find 25 votes, but western Nebraska only had to find 5.

**HUGHES:** One minute.

**WAYNE:** Laramie Water Project only needed 5, but north Omaha has to come to the floor and find 25; over 120,000 people. You want to start comparing census tracts and population? We aren't getting our fair share. If you add in south Omaha, over 280,000 people, but \$60 million Offutt Air Force Base who has 3,000 people living on it. By the way, they leave every three years, about over 80 percent of them. That's just the natural rotation of the Air Force. They're not committed to Nebraska as people, they are as an institution. But we're going to spend \$60 million there. Eight point five million for the--

**HUGHES:** Time, Senator.

**WAYNE:** --20 people that walk up and down the trail.

**HUGHES:** Time, Senator.

**WAYNE:** Thank you. I withdraw my motion, Mr. President.

**HUGHES:** So ordered. Returning to the queue, Senator Morfeld, you're recognized.

**MORFELD:** Thank you, Mr. President. I'd like to yield my time to Senator Wishart.

**HUGHES:** Senator Lathrop, 4:51. I'm sorry, Senator Wishart.

**MORFELD:** Wishart, yep.

**WISHART:** Thank you, Mr. President. Well, colleagues, I was not planning on speaking again, but since I was personally asked to defend the committee on the floor, I wanted to set the record straight. First of all, if you look through this ARPA budget here, the one community in Nebraska that does substantially better than any other individual census tract in the state is north Omaha. And I do want to correct the record, \$60 million are going to an airport development project, which was brought in the bill before us, and we support it. It's a great idea. What we were told by Senator McKinney and Senator Wayne and the chief of police was that if we make specific investments in north Omaha in particular, that that is better than any additional police officers in that community. So we said, you know what, as a committee-- and by the way, colleagues, this was my number one

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priority when we scored. I'm a Lincoln senator. And I live in an area with a lot of poverty. I went to deliver my neighbor's Christmas cookies and one of my neighbors was evicted and had a warrant out on Christmas. OK, there's needs across the state. But what Senator Wayne brought was compelling. So we put \$60 million-- I want to be clear-- \$60 million into an airport project in north Omaha, not \$50 million, \$60 million. Yes, we said for qualified census tracts, our committee is going to propose \$150 million across the state, with at least \$40 million going to north Omaha and at least \$40 million going to south Omaha. The rest of the state, you've got a \$70 million pot to deal with. If Senator Wayne and anyone else wants to bring an amendment and take all of that for one specific area of the state and it's compelling enough about that argument, it's up to this body to make that decision. That was the fair recommendation our Appropriations Committee made. Again, if you look at this ARPA budget, the one community that gets more direct, targeted funding than any other community in the state is north Omaha. Is it everything Senator Wayne wanted? No. Lincoln is staring into the future in ten years of not having another water source and there was a bill to ask for \$20 million for Lincoln Water-- \$200 million, excuse me, \$200 million for Lincoln Water. We have an \$800 million need and we got \$20 million, OK? Am I happy with that? No. But I'm one member on Appropriations Committee. Four billion dollars works the vast, colleagues; \$1.4 billion to spend. Secondly, I want to go back to the budget and correct the record. First of all, when you look at a budget, you can't just look at one specific type of funding source. You have to look at the broad picture of what we funded. Some things are cash funded. Some things are general funded. What we're bringing before you is a package, but I'll go to the Cash Reserve funds and cash transfers because it was said that only \$20 million is going to Lincoln and Omaha. That is not correct.

**HUGHES:** One minute.

**WISHART:** First of all, \$20 million going to middle-income housing; \$20 million going to Aksarben, InternNE-- for InternNE; \$8.3 million going to trail development-- that's for Lincoln and Omaha. It's not the rest of the state-- \$25 million going to the Innovation Fund for agriculture at the city of Lincoln campus. There is a significant amount of money going to Lincoln and Omaha in this budget. And I'll mind you, out of General Funds, we're giving \$90 million to provider rates to support some of the most vulnerable community members in our state. Thank you.

**HUGHES:** Thank you, Senator Wishart. Senator Vargas, you're recognized.

**VARGAS:** Thank you, President Hughes. I wanted to make sure to weigh in here. But there's many things here, as-- and Senator Wishart mentioned many of them as well. But I support what Senator Wayne's trying to do. I support what Senator McKinney is trying to do. I support the bill that's coming up next. And if there's a vote to bring over \$225 million from Cash Reserves or General Funds or move it, I'm on board 100 percent. So that's just the clarity piece of I support the efforts of what's trying to happen and I support the rationale behind it. So let's just make that part clear. In terms of the Appropriations process, which this is important and I think Senator Wishart did mention this, look, we're going to have a debate on ARPA. This is just a very high-level thing. There's \$60 million that's going to go directly to north Omaha for this airport park. It's not going to anything else. It's going for that reason. We were compelled by it. We all had to rank what our priorities were, the reason north Omaha recovery grant was my number one, just like Senator Wishart. Actually, I think that was a conversation we had. How much can we be able to line item directly as much as possible and make sure that we're investing in existing projects? That's the reason why we put the \$60 million in there. The reason why we put the \$50 million for north Omaha. That's the reason why we also did into affordable middle-income housing. And just for the record, the middle-income workforce housing program that's been around for about two years, in its first round of grants, \$6 million went out and \$5 million of those dollars from the first time that this went out went directly to east Omaha. It's the reason why we put it in this program. And all of that that went to directly to east Omaha, the overwhelming majority of that \$5 million went to north Omaha. So putting money into the middle-income workforce housing is also putting money into north Omaha because those are the entities that have been the most successful and where the most opportunity is. That's the reason why we put it in middle-income workforce housing. We put it into something that we know had been working. Historically with ARPA, we've been trying to put things into things that have been working so that's the rationale behind it. So if historically 80 percent of it went to north Omaha in the last round, that's the reason why we put it in there because we're expecting that about 80 percent of it's going to go, of the \$60 million in middle-income workforce housing is going to also go to north Omaha. It's-- was the intent. That's the goal. That's why we put it in there too. That's one of the reasons I supported that as well. I want that just to be clear because in as much as I'm going to support the bill next time and also support any votes that would get more funds to north and south Omaha on the east side recovery-- and that's also what's in the amendment right now on the bill-- I also want to make it

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clear that in the ARPA, we put in funds that were either directly line items or available over so many other priorities, \$3 billion of other priorities. That's a clear message that this matters and is important and we can and should do more and that's why I said that we can and should do more. It's not an absolute on whether or not one thing is fair and equitable, it's we're not done yet in this process. The whole process can be more fair and equitable. And that's why I'm going to fight along for the next bill to make sure we can do more. If we don't get it from Cash Reserve, I'll bring an amendment so we bring in from the General Funds and many of the things that were brought up as items that we would spend money on, I didn't vote for those things in committee. I didn't vote for many of the water projects in committee. I didn't think they were necessarily a good resource or use of our funds or the canal, quite honestly.

**HUGHES:** One minute.

**VARGAS:** So I'm saying that because when we're talking about what we're trying to do here, it's not easy to fully generalize just on what we did and did not do in Appropriations. It's fair for everyone to judge it and everybody is entitled to that. And that's the debate we'll have, but when you look at the details of what's in here, we're not done yet. And I'll be supporting to do more, but this is, this is exactly what the intention of the iterative process of Appropriations and our ARPA committee is that there's nearly \$3 billion of individuals that got nothing and there's about a billion dollars of funds where we were able to direct it into the right things; provider rates, public health, child welfare, making sure we're investing in healthcare professionals, workforce development, affordable housing. I mean-- and the list goes on. And so we will have obviously that debate, but I just wanted to make it clear that there's a sizable investment when we're talking about both the east side and many things that I think are going to impact north Omaha because these programs have historically--

**HUGHES:** That's time, Senator.

**VARGAS:** --benefited those areas. Thank you.

**HUGHES:** Thank you, Senator Vargas. Senator McKinney, you're recognized and this is your third opportunity.

**McKINNEY:** Thank you, Mr. President. I yield my time to Senator Wayne.

**HUGHES:** Senator--

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**WAYNE:** Thank you, Mr. President. Thank you-- yes.

**HUGHES:** Senator Wayne, 4:55.

**WAYNE:** Thank you, Mr. President. Thank you, Senator McKinney. Colleagues, this is a great move by the Appropriations to have Senator Wishart defend the budget because they think we're going to go lighter and we're not. We can stand up, Senator Vargas, and say \$60 million is going to the airport that creates jobs in one of the hardest-hit areas is great out of ARPA funds, but colleagues and people watching, ARPA is supposed to go to the hardest-hit areas. That was north Omaha. We have recessions. We have unemployment that we haven't seen since 2008 during the recession and still haven't recovered. ARPA was intended to do that to hardest-hit areas. So because-- don't feel like you're giving me something when the Feds are telling us to use it in the hardest-hit areas. Second, you don't get a pass when you say \$60 million, Senator Wishart, and say we're investing in north Omaha. We're spending \$80 million on a lake. We're spending \$30 million in North Platte on a rail project. We're spending \$20 million in Fremont on a rail project. We're spending \$50 million in Ogallala on a lake. That's equitable? Sixty million that's going to create jobs for a community that's been left behind, but \$50 million for a lake, \$80 million for another lake? That's equitable and you're defending that. That's no longer defensible. We can talk about pots of money all we want, but at the end of the day, cash is cash and I have said it clear and I think Senator McKinney has said over and over, we don't care where the money comes from. But there is a number, and the actual feasibility analysis that was done for north Omaha to actually do what we're supposed to do is around \$1.8 billion. That's an actual number. That's an actual report. We're only asking for \$450 million. And it's hard to see a justification and argument where we're putting \$53 million in for a potential canal, a potential canal, that we're putting \$25 million in to a university agricultural innovation campus of which the Feds have not even gave the money yet that we're supposed to match, \$25 million. But I'm supposed to feel good that 110,000 people-- 130,000 people in north Omaha are getting \$50 million? I'm supposed to celebrate that? I'm supposed to go back to my community and say out of \$1.8 million, hey, I know some ag thing that's not even being created or the Feds haven't even gave the money, they got \$25 million because it's a good plan, although none of us have seen it. Hey, we're going to, we're going to spend \$53 million on a potential canal that we don't know actually whether or not it's going to be there, but we're going to spend \$53 million. We're going to help irrigation water districts to a tune of \$50 million. But hey, north Omaha, you got \$50 million. I understand you have some of the highest

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"incartion" rates. I understand you have some of the, the lowest-- I mean, the biggest achievement gaps. I understand all that. But we're going to give you pretty much the same amount that we're going to give Offutt military base for parks, water and golf course, a track and field-- a track. We're giving \$25 million out of a cash transfer, but I'm supposed to celebrate that north Omaha is getting \$50 million. Little Negro, you should be happy you getting anything.

**HUGHES:** One minute.

**WAYNE:** That's what Senator Chambers would have said, and now I know why he feels that way. I've played by your rules this entire session. I've tried to have multiple meetings with Stinner, Hilgers all the time. I only had one. The rules are off. Not a threat, not anything. I'm just-- I don't know what else to do. I'm clueless that we're saying \$50 million and \$60 million, \$110 million guaranteed is equitable when we're spending \$80 million on water, on a lake, \$25 million on a golf course. You want to defend that, don't come to my community and say it because they'll call B.S. on that all day. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Wayne. Senator Wishart is next in the queue, but she's used her three opportunities so, Senator McDonnell, you're recognized.

**McDONNELL:** Thank you, Mr. President. Just to discuss the process a little bit, I appreciate the-- that the Governor brought us a proposed ARPA budget. That's something that he didn't have to do, but he said he's going to approach it the same way that he approaches the normal budget process. So as Appropriations, we started off with that. We had 130 issues to deal with at the beginning, looking at the Governor's proposed ARPA budget, working off that. Then we had people start coming in and, and testifying and of course, the senators bringing their, their ideas and thoughts and concerns. And the reason I say that through this process is because I've been proud of the Appropriations Committee based on this. Of course, everyone has their legislative district they're from. But also, there's always been the direction from the Appropriations Committee that we are state senators, that we have to look east, west, north, south in the state and try to help all the citizens if we can at that moment in time. But it was, it was stated earlier about do we have to pick and choose? Yes, we do. We have to pick and choose. We try to do that in a fair way. We try to take all of the information, again after 120 hours of testimony. And I'm just talking about the ARPA this year. I'm not talking about just the normal budget process, the time we put in, and



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that's our jobs and that's what we wanted to do. We wanted to be on Appropriations and we wanted to do the work so we are doing the work. But the idea of not being fair has never been the intent of the Appropriations Committee. And if you look at qualified census tracts and the idea of what the language that was put in the, the, the ARPA directions for this and what we're trying to do with the ARPA bill is, you cannot talk about pain and suffering just in one area. You can't do that. And as senator, I could say, just in Legislative District 5 in south Omaha, the pain and suffering is just enough to where I want X, and I do. I do want X for that pain and suffering. But also at no time will I not look at the whole state; north Omaha, south Omaha, the whole state. And if you look at the breakdown of that qualified census tracts and just those dollars and looking at the total \$210 million, which I believe Senator Wishart did a good job breaking that down, the \$60 million we're talking about, but then look at \$40 million for north Omaha, \$40 million for south Omaha, then \$70 million for the remainder of the states for the qualified census tracts. If you look at that and the fairness in that, now could that possibly shift? Yes, because of basically the idea of the need in those qualified census tracts. But the fairness of it, I don't think anyone could disagree from the Appropriations point of view is that we were trying to look at the whole state east, west, north, south and look at the pain and suffering of the state and trying to, to relieve that through our proposed ARPA bill. Not that it's going to be perfect, it's not. We're not perfect as appropriators. We never will be, but I believe our goal of being fair and having those long discussions and those hearings, we did fulfill our, our job on that part. And I appreciate what the Governor brought to us, which we changed quite a bit of what his, his thoughts were on the ARPA budget, and now this is the process for this body to consider what we've done. But I do want to stand up for the Appropriations Committee and on the idea of fairness and trying to do what was best for the state as a whole. I'd like to yield the remainder of my time to Senator Lathrop.

**McDONNELL:** Senator Lathrop, 1:10.

**LATHROP:** Thank you, and thank you, Senator McDonnell. I want to work-- I think we're going to take a cloture vote after this or after one more speaker. It's close. I just want to, first of all, thank you for your attention to my comments over the last three days. This is an important issue facing the state. These amendments and the work that I've done speaking is not intended to disrupt this bill. I would encourage you to support the cloture motion and you may, of course, vote against FA80, and let's move LB1013 on to Select File. Thank you.

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**HUGHES:** Thank you, Senator Lathrop. Mr. Clerk, do you have a motion on the desk?

**ASSISTANT CLERK:** I do, Mr. President. Senator Stinner would move to invoke cloture pursuant to Rule 7, Section 10.

**HUGHES:** It is the ruling of the Chair that there has been full and fair debate afforded to LB1013. Senator Stinner, for what purpose do rise?

**STINNER:** I would like a call of the house and a roll call in reverse order, please.

**HUGHES:** There's been a request to place the house under call. The question is, shall the house go under call? All those in favor of vote; all those opposed vote nay. Record, Mr. Clerk.

**ASSISTANT CLERK:** 29 ayes, 2 nays to place the house under call.

**HUGHES:** The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Wayne, Senator Morfeld, Senator Briese, please check in. Senator Murman, Senator Bostelman, Senator Clements, Senator Ben Hansen. Senator Stinner, we're still missing Senator Wayne. Do you wish to wait or proceed? All members are present. Colleagues, the first vote is the motion to invoke cloture. There's been a request for a roll call vote in reverse order. Mr. Clerk.

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

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Senator Clements voting yes. Senator Machaela Cavanaugh not voting. Senator John Cavanaugh not voting. Senator Briese voting yes. Senator Brewer voting yes. Senator Brandt voting yes. Senator Bostelman voting yes. Senator Bostar voting yes. Senator Blood voting yes. Senator Arch voting yes. Senator Albrecht voting yes. Senator Aguilar voting yes. Vote is 39 ayes, 4 nays, 4 present and not voting, Mr. President.

**HUGHES:** Record, Mr. Clerk. The motion to invoke cloture is adopted. Members, the next vote is the adoption of FA80. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

**ASSISTANT CLERK:** 3 ayes, 37 nays on the adoption of the amendment.

**HUGHES:** The amendment is not adopted. Colleagues, the next vote is the adoption of AM2001. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

**ASSISTANT CLERK:** 40 ayes, 3 nays on the committee-- adoption of the committee amendments.

**HUGHES:** AM2001 is adopted. Members, the final vote will be the advancement of LB1013 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

**ASSISTANT CLERK:** 39 ayes, 4 nays on advancement of the bill.

**HUGHES:** The bill is advanced to E&R Initial. Mr. Clerk for items. I raise the call.

**ASSISTANT CLERK:** Thank you, Mr. President. Motion from Senator Wayne to place LB334 on General File pursuant to Rule 3, Section 20(b). That will be laid over. Amendments to be printed: Senator Lathrop to LB920; Senator Briese to LB939; Senator Brandt to LB1014; and Senator Wayne to LB1014. Notice of committee hearing from the Health and Human Services Committee. Motion from Senator Cavanaugh to be printed bracketing LB939. New bills-- new A bills: Senator Arch LB752A, a bill relating to appropriations; appropriates funds to aid in carrying out provisions of LB752. That will be placed on General File. Additionally, LB1024A from Senator Wayne. That will be placed on General File. LR344 from Senator Murman. That will be laid over. Senator-- and LR345 from Senator Lowe. That will be laid over as well. Finally, Mr. President, a priority motion. Senator Erdman would move to recess the body until 1:00 p.m., 1:00 p.m..

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**HUGHES:** Colleagues, you all heard the motion to recess until one o'clock. All those in favor say aye. Opposed. We are in recess till one o'clock.

[RECESS]

**ARCH:** 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. Mr. Clerk, please record.

**ASSISTANT CLERK:** There is a quorum present, Mr. President.

**ARCH:** Thank you, Mr. Clerk. Do you have any items for the record?

**ASSISTANT CLERK:** I do, Mr. President. Your Committee on Government, Military and Veterans Affairs, chaired by Senator Brewer, reports LB1205 to General File with committee amendments. That's all I have at this time.

**ARCH:** Thank you, Mr. Clerk. We will proceed to General File, LB1024.

**ASSISTANT CLERK:** Mr. President, LB1024, introduced by Senator Wayne, is a bill for an act relating to municipalities; adopts the North Omaha Recovery Act; creates a fund; states legislative intent for appropriations; and declares an emergency. The bill was read for the first time on January 13 of this year and referred to the Urban Affairs Committee. That committee placed the bill on General File with committee amendments, Mr. President.

**ARCH:** Thank you. Senator Wayne, you're recognized open on LB1024.

**WAYNE:** Mr. Speaker, I was wondering how many people are checked in. Otherwise, I'm going to call the house.

**ARCH:** There are currently 30.

**WAYNE:** Thank you. All right, so colleagues, there's only 30 people checked in, a few people on the floor, which kind of goes to the struggle that I've been having trying to figure out what words I would actually say to introduce this bill. LB1024 is a once-in-a-lifetime opportunity and what words could I actually bring to this body to demonstrate the struggle for a community who has been looking for economic development for centuries, while at the same time talking about COVID and the impact COVID had from a social, public health, and economic standpoint for north Omaha? So when I was going through this

process, I thought, well, maybe I'll just talk about the facts. And what I realized when talking about the facts was facts are important, but facts really do not change people's behavior. If we think about it, if acts were that important, Senator Briese, nobody would smoke cigarettes. If facts were important, people would wear seatbelts. So facts alone aren't going to persuade this body or anybody to invest in north Omaha. So there isn't really words that could describe the connection of this once-in-a-life opportunity for the need of this community. So the only words that I could come up with is or are Senator McKinney and I can't do this alone. That at the end of the day, this body, we are made up of multiple different stories, but we all have common hope, that we may not look the same and come from different social backgrounds, but we are all kind of moving in the same direction and that's one of we want a better future for not just our children, but our great grandchildren. You know, last year or two years ago during the unrest of George Floyd's death nationally and locally James Scurlock, I began getting calls from CEOs and people all over the country about what can we do to change the direction of our racial tensions, of our wealth gap, of the economic disparity not just in Omaha and in the state, but across the country? And the common answer was we have to come together, that we have to be united. And what was so interesting about when we introduced this bill, I've gotten more emails and phone calls from Senator Erdman's district, from Senator Halloran's district, from Senator Brewer's district than I have from north Omaha because even the most conservative person is saying at some point, we don't want to waste money. We want to take a pro, pro-business approach and we want to invest in our greatest need. And what I heard from north Omaha was a really diverse response about everything. Senator Briese, every night in north Omaha, there are parents who tuck their kids in thanking God that they have their kids fed and, and clothes on their back and that they're safe from harm. You know, Senator Erdman, every-- I can-- you come to north Omaha, Senator Erdman, and I promise you will find people at Harold's Cafe who will complain about our tax system and want to totally overhaul it. Senator Hilgers, I promise you, when you come to north Omaha, we will find multiple, if not thousands, of people who believe that life begins at conception. Senator Lowe, in north Omaha, there are plenty of people who have an idea, want to start a business, and hate the red tape they have to go through from government. And Senator Linehan, you know when you've been to north Omaha, there are plenty of parents who know that government alone can't raise their kids and teach them how to read, write, and do arithmetic, that parents have to be an integral part and that sometimes they want their kids to put down an iPad or iPhone and read. And as Senator Brewer is watching, you know that

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there are plenty of 2A people in north Omaha because oftentimes, you've gotten support for your bills from people you expected it the least from, which was north Omaha. My point is, is that we all have the same dreams and the same challenges. Although we are diverse, we are always one. And when you read through LB1024, LB1024 reaffirms our commitment to all Nebraskans, not just the selected few. The vote on LB1024 today will measure up against the legacy of our forefathers, against the discriminations of the past, and the future generations who are looking for a little hope. LB1024 acknowledges from this body that we have more work to do. And it isn't more work because Senator McKinney and I said so. It's more work because a young man named Tyler just lost his job to a job that's leaving the state and he works two jobs right now, just enough-- to make just enough money to stay broke. That Malcolm, who lives in District 11, is getting up every day at 3 a.m. to go work at UPS and then after that, going to work at Foot Locker just to make sure he can put food on the table. We have more work to do for the young woman in east Omaha who-- thousands like her are trying to go to school, but can't afford it and don't want to go further in debt. See, LB1024 creates a pathway from poverty to prosperity in a way that's not mystery or an illusion. It is a plan that is entrepreneurial led. It creates an ecosystem in which the free market can lift all boats. It creates opportunities in social capital that we've never seen in an area of the state that has been neglected. It makes sure that everybody in America knows, not just believes, but knows that America can work for everyone. Let me repeat that, that everyone-- America can work for everyone. Let me sidetrack for a second and just say, forget about north Omaha. I believe we have a fundamental problem of whether America works for everyone or not. If you look at an Omaha hospital or even your local hospital in Kearney or Grand Island, you walk into the emergency room, you see people every day in that emergency room deciding, can I go to the emergency room? If I can, I'm not insured or even if I'm insured, I may lose my house or my apartment because of this bill. They don't think America works for them. You have to look no further than our criminal justice system and the two articles in the Omaha World-Herald where it showed that for north Omaha, America is not working for them. You have to look no farther than half of the debates here where people are saying where you live that the haves are getting more and the gap between the haves and the have-nots is increasing. And for Black America, we've been at the bottom of the socioeconomic criteria, no matter what it is, for the last 100 years. We don't believe America works for us. And I think that's a scary point--

**ARCH:** One minute.

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**WAYNE:** --whether we're conservative or not. You can put up my amendment and I'll just keep rolling into the next ten minutes. I'm going to open on my amendment.

**ARCH:** As the Clerk stated, there are amendments from the Urban Affairs Committee. Senator Wayne, you're-- as Chair of the committee, you're recognized open on the amendment.

**WAYNE:** So LB1024 gives us a fighting chance to prove to everyone that we can create an ecosystem in which they can thrive. And no matter where you are born, no matter where you are-- live, you can start a business, you can be successful, and you can live out the American dream. LB1024 provides jobs to the jobless, affordable housing to the working middle class, and I believe it reclaims young people from violence and despair. This is our moment in this body. This is our time in this body to send a message for those who have been voiceless and those who feel they have been forgotten, that they too are a part of the American dream and that part of that American dream says that if you work hard and you keep a good head on your shoulder, you can go far and reach high. This is not a social programming plan, but a pro-business, pro-ecosystem for business development plan. So while facts don't matter, I do believe that being one, being united, making everybody understand that we are investing across this state equitably to make sure that everybody believes in the American dream is one that we can all forge our common goal around. So AM1920 is an amendment that came out of Urban Affairs and this amendment basically creates the economic development department or recovery department in the Department of Economics. And this was actually taken out of LB1025's fiscal note because the department in that situation decided it was best if they can create a whole economic division or a unit within their division to create a coordinated plan. So that's what that first amendment does, but what I want to spend a lot more time on is the following amendment, Mr. President.

**ARCH:** Mr. Clerk, there's an amendment to the committee amendment.

**ASSISTANT CLERK:** First of all, Senator Wayne, I have a note you wish to withdraw 1989-- AM1989.

**WAYNE:** Correct.

**ASSISTANT CLERK:** Mr. President, Senator Wayne would offer AM2341.

**ARCH:** Senator Wayne, you're recognized to open on your amendment to the committee amendment.

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**WAYNE:** Thank you, Mr. President, and thank you, colleagues. So I'm going to walk through the technical aspect of this amendment and then there you have a handout that we handed out for the North and South Omaha Economic Recovery Plan and it's a summary. What we tried to do is create a most accountability-- more so accountability than any other ARPA or cash fund that we have created in this body. Not only do we create a special committee, which is chaired by the Chair of Urban Affairs, which next year, it may not be me, there are four committee members who have since census tracts in qualified census tracts in Omaha, the Speaker, and Appropriation Chair or their designee. And we created this committee based off of STAR WARS and just like STAR WARS, we are going to appropriate \$2 million to conduct a study. It is my opinion we have studied north Omaha to death, but we have never created a state plan. We have never created a state notice of the issues in north Omaha. So we will create two plans. First, there will be an initial plan from DED and this special committee will send out RFPs to conduct a further plan that will be part of the final plan that DED will adopt and it will be a coordinated plan to make sure we carry out the strategies that we believe will make north and south Omaha successful. It also clarifies where dollars are going. While the amount appropriated in this is a little bit more than what was appropriated in the ARPA funds and is a little bit more than what is appropriated in the budget, I'm open on Select File to making any changes. We clarify where dollars are going for site and building funds to the Omaha north-- north Omaha airport business parks. We provide funding for iHub, which is a ARPA-approved fund if they can provide technical assistance, grants, loans, and other things for impacted businesses and that's off of Senator McKinney's bill, LB450. We're providing funding for nonprofit organizations located within-- film organizations located within the qualified census tracts. It's no secret. I've already talked about this. I believe Standing Bear is a place where we should invest our money and because of the historical significance and a lot of the filming will be done in north Omaha in Senator McKinney's district, we have included that. And we have incentivizes a new partnership with the city of Omaha and a nonprofit for affordable housing. We also included tourism because we recognize that small businesses, particularly with the events of College World Series and other things being canceled in Omaha, we've dedicated some funds for those. This was-- amendment was in response to the budget amendment and the ARPA amendment. So there will be an amendment on Select File cleaning up a lot of this, but we had to put out a response in light of those two budget reports. We are asking for roughly \$250 million of ARPA funding for north and south Omaha and then we are also asking for \$225 million of a cash transfer. Now you



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may say, where do we get the 225 from? Well, one, it's based off of our plan, but more importantly, we've spent \$517 million of cash transfers already, of which over \$300 million went to water, recreation, and golf courses. All of that would be transferred, but the only money that would actually be spent coming out of DED would be from the only ones that have feasibility studies, which is the airport project, the housing, and the film. The remainder of that \$300-plus million would all come from the special committee's assessment and an RFP process and then from a coordinated plan conducted by DED. We also incorporated LB915, which includes middle-income workforce housing. And what that does is say, if you do not spend 50 percent of your money that you've already got from a grant, you can't even apply for a new grant. We recognize that affordable housing is a huge issue and it's time to step on the gas pedal, not delay new affordable housing. We also increase the maximum grant underneath the middle-income housing grant to match that of rural. Secondly-- and this is where, on Select File, there will be changes and I want to be clear on that. LB1253, this is a fund that was not appropriated by Appropriations and in fact, most people in this body never even knew it existed. And it is called the Capital Projects Fund and this bill, LB1253, which was in Urban Affairs, would require the Department of Economic Development to use at least 50 percent of this fund for federally qualified census tracts. It would also eliminate or prohibit any of these funds to be used for broadband. The reason we put this in there was initially, Senator Friesen has told me that there's going to be plenty of money for broadband over the next two to three years from the infrastructure bill. This morning, him and I had another conversation about this fund and so there probably will be an amendment to address some of the rural broadband issues if it works. The point of it is, is we are asking for funding for a project in north Omaha and we are setting up a mechanism through this body and through DED that will fundamentally change not just north Omaha because I truly believe if we create this model and it works, every district-- and I'm talking about congressional district-- in this body will adopt this model. That you will look at your most-targeted areas like Sidney, Nebraska, where Cabela's lost 100-- lost thousands of jobs. That you will look at Fremont, where they're thinking about doing more port-- rail-- rail spurs and inland ports. That as a Legislature, we will create more of these committees to target economic development throughout the state and this model will work. It will work because we will be targeted and we will be focused and we will hold everybody accountable. The last study that was done for north Omaha talking about these types of projects said that we need to invest \$1.6 billion. We are asking for a little bit less than 25 percent of that. It's a starting point, but we

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believe with the right skill sets and the right people around us, this money will continue to grow and this money will continue to be reinvested and there won't be another ask from this body. So I hope people have listened. If they have questions, I am more than happy to answer, but this has been 25 years in the making. This is not a Senator Wayne or Senator McKinney's plan. We literally looked at 32 different plans over the last 25 years and took the best practices out of all of those, updated their data to current data, and put the best plan forward. Lastly, I will say the committee hearing on this bill was one of the best committee hearings I've ever sat through and I don't say it because it was my bill. I say that because it was alignment from the city, state, and county. And parts of the community who I don't get along with endorse this plan. It is a north Omaha plan and a south Omaha plan. We are looking to change Omaha for the best and the economic impact is over \$1 billion starting in year one and continuing to grow every year after. That's not me saying that. That's a feasibility study done by our own Nebraska Department of Economic Development. So if we want to invest dollars smartly and wisely, here's the biggest opportunity to get the best bang for its buck for Nebraska. Thank you, Mr. President.

**ARCH:** Thank you, Senator Wayne. Before we continue-- before we proceed, Senator Brandt would like to recognize 45 members from the 12th grade from Wilber Clatonia School in Wilber, Nebraska. They're seated in the north balcony. Students, please rise and be recognized by your Legislature. We will proceed and debate is now open. Senator McKinney, you are recognized.

**McKINNEY:** Thank you, Mr. President. I rise in support of LB1024 and its underlying amendments. I've been greatly anticipating this day. However, as excited as I am as an advocate for my district on this matter, I wasn't sure what words I could use that would adequately describe the gravity of this bill. I'm a north Omaha native. I'm a proud graduate of Omaha Public Schools and proud to say that I am a product of a wonderful village that raised me to the man that I am today. North, north Omaha is full of upstanding residents, rich history, and culture that is invaluable. I would be lying, however, if I perpetuated the notion that I didn't understand even as a child when I didn't have the verbiage to even explain the feeling that north Omaha specifically was the black sheep of Omaha and the state of Nebraska. It is, it is a perpetually underserved, underfunded, undervalued, and underutilized part of Omaha and our state. One of the main reasons I ran for office was to change the economic landscape in north Omaha. Here, it was my desire to decrease poverty and provide my constituents with real opportunities to achieve

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Nebraska's promise to the good life. What I found during my time here in the Legislature is that the disparities facing my district, Senator Wayne's district, and Senator Vargas's district have yet to be eradicated or even substantially alleviated by creating or continuing to overfund social programs. The nonprofit industrial complex in north Omaha and in Nebraska overall has persisted my whole life by failing. The poverty rate has increased incrementally my entire lifetime. Our jails are overcrowded and just like western Nebraska, a good portion of our talent is looking to leave our state because of a lack of opportunities. LB1024 is a focused and intentional economic plan to change a community that serves as a vital heartbeat of the state of Nebraska. Omaha is the largest city in our state and it's the largest metropolitan area in our state. While I am, I am partial, I am in no way inferring that this makes it the most important. I'm merely imploring this body to consider the ways in which Nebraska can flourish by ensuring that the city of Omaha, specifically north and south Omaha, flourishes as well. During the hearing for LB1024, we had constituents statewide come and testify from healthcare, education, the arts, local business, you name it, to how this bill would change the trajectory of a community that is so pertinent to the state as a whole. The support and expressed need from the constituents of north Omaha has been astounding and should let everyone know that myself and Senator Wayne are not just making this up. The facts that we have provided about this bill are evident and are in black and white. I can't tell you how many times that I've been asked what can be done to shift the tide in north Omaha or how help can be given. Listen to me carefully. This is it. Today is the day that you could show support by voting in favor of this piece of legislation. You can help by voting to get these resources to those most in need. To make it plain, this is our attempt to put a boot factory in north Omaha to provide our community with the proverbial boots that they have yet to receive in our lifetime in order to give them the tools and empower them to pull themselves up. In closing, I'll leave you with a quote from the late Frederick Douglass, a former enslaved African and abolitionist. It's not light that we need, but fire. It's not the gentle shower, but the thunder.

**ARCH:** One minute.

**McKINNEY:** We need the storm, the whirlwind, and the earthquake. Thank you.

**ARCH:** Thank you, Senator. Senator Hilgers, you are recognized.

**HILGERS:** Thank you, Mr. President. Good afternoon, colleagues. I rise in support of LB1024 and the underlying amendments and I-- Senator Wayne made a number of really outstanding comments in his opening. One I, I want to echo is that I have probably heard more positive comments about the LB1024 hearing, the hearing for this bill, than any bill that I've, that I've heard about or seen in my six years here in the Legislature. What Senator Wayne said was absolutely true. The mix of testifiers, the positivity of what they spoke about in their testimony and the hope and the future of north Omaha and south Omaha came through in that hearing and I think it is a powerful testament to the work that Senator Wayne and Senator McKinney are doing. Before we started the One Hundred Seventh Legislature, I thought that we could do a number of things, big things together if we focused on things that were statewide and we thought big and we looked, looked to really change the trajectory of the state of Nebraska and the communities within the state. And I don't think you can look statewide if you don't look at north Omaha and I don't think you can think big without looking at bills like LB1024 and I don't think you can change the trajectory of the community without doing the kinds of things that this bill purports to do. Senator Wayne outlined it, I think, very well in the bill and in the amendments. But this, this is going towards one of the most powerful things that we have in the United States, which is the free-market system, the free-market system empowering individuals to, to improve their community, improve the trajectory of their own families. People want to be able to work hard and get ahead in life and some-- that's not just money, that's not just handouts. That's financial capital. It's relationship capital. It's societal capital. It's the ability to have the resources to be able to change the trajectory for themselves and their community and that is exactly what LB1024 does. We spent a number of hours over the last several days talking about some of the downstream impacts of what has-- we have seen in north Omaha over the last several decades. We've talked about in the, in the context of the Corrections system. Well, this is an opportunity for us to look at the upstream possibility for us to change the trajectory of that community by looking upstream instead of downstream. And I think Senator Wayne and Senator McKinney and the work of this bill is exactly what those communities need to actually do that. I appreciate LB1024 in part because it brings in a couple of different mechanisms and I think this-- that we have shown can be very successful in this Legislature. Number one, and Senator Wayne mentioned this in his opening, is the use of the STAR WARS concept. STAR WARS, in the committee last year-- we don't talk about it a lot in the debate because we focus on lakes and recreation, but that process empowered a group of legislators to be able to put

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together a very thoughtful plan that can make a significant economic impact for the state of Nebraska. What the AM2341 does is something almost identical to it, which is to provide a committee of legislators with the funds and the resources to be able to get some expertise and additional outside assistance to come up with a plan in short order to help north Omaha. That's a, that's a successful model and AM2341 pulls from it. It also-- Senator Wayne and I have talked about this off the mike-- it also pulls from another concept that we use all the time, whether it's for the university or corrections, which is we're going to put aside some money in our Cash Reserve, we're not going to appropriate it, and we're going to come back with a plan to see if we could actually make something meaningful and powerful and transformational happen. And that's one of the things that Senator Wayne has talked about. And so as we move from General to Select-- and I've spoken to Senator Wayne. He said on the mike there's changes that he acknowledges that he'll, he'll look to make that I think, in conversations with me and others, that we'll make and propose to make to the bill. But at the end of the day, at its core, right now, this is an opportunity for us to swing big, to think big, to change the trajectory not just to the community, north and south Omaha in our state, but I think the state as a whole. And what Senator Wayne said at the beginning was we got to do this together. And when I entered the One Hundred Seventh Legislature--

**ARCH:** One minute.

**HILGERS:** --I thought we could be successful if we did those things, if we thought big and we focused face-- statewide. But at the end of the day, we can't do any of that unless we do it all together. So I'd urge your support on the underlying amendments and LB1024. I don't think I have any time left, but if I do, you can-- I will yield that to Senator Wayne.

**ARCH:** Thank you, Speaker Hilgers. Senator Wayne, would you like 40 seconds?

**WAYNE:** Yes, thank you. I just want to reiterate that from General to Select, we are going to sit down. That will be the first round of budget, maybe second round of budget and ARPA funds so we'll be able to figure out the dollar amount at that point. These are placeholder numbers to make sure we can get where we're trying to go. Thank you.

**ARCH:** Thank you, Senator Wayne, Speaker Hilgers. Senator Vargas, you are recognized.

**VARGAS:** Thank you very much. I stand in support of LB1024 and the underlying amendments for a very, very simple reason and I'm not going to speak or try to reiterate many of the things that were brought. I more want to speak from-- this is about east side recovery. One of the reasons the emphasis is on qualified census tracts on the east side is because these are the areas where we have the highest unemployment, highest underemployment, highest poverty. It exists on the east side of Omaha. North and south Omaha have different needs, but one of the areas that there is a huge common ground is when we talk about creating economic opportunity and creating more jobs that pay better. That's what we're talking about. We have extreme underemployment in the south side of Omaha. We got a lot of people in the labor workforce, but they are living in poverty. They're what we call the working poor. We need better job creators, stronger small businesses that can make sure that we are contributing to this side of the community. It's one of the reasons why I was on board. I thank Senator Wayne because making sure that his emphasis is on the east side in these qualified census tracts in north and south Omaha, we have a lot of the same demographic issues in terms of the statistics. I have a large number of people that are in rental units. People don't got a home. They can actually have a house, their first house. That's equity that they're missing out on completely. The American dream is not possible unless we create more mixed-income housing opportunities for working families. If we don't figure out a way to create better hubs of innovation and entrepreneurship and businesses that can grow-- on the south side of 24th Street, I have businesses that help each other. They're not growing. If we had the capital to make sure that we're growing these businesses and entities, I cannot tell you what would happen, but I can assure you that the problems they currently face right now with access-- lack of access to capital, that goes away. It is a huge opportunity to be able to be-- have access to this, not just for just one entity, for all the businesses and for all the different entities that are inside the north and south side. I've introduced tons of bills on workforce, on education and part of the reason is-- and Senator Wayne said this-- the handout side of this, this is not what this is. This is about investing in economic growth, largely what Speaker Hilgers said. We're not going to try to just pick one entity. We're going to try to pick as many-- big projects, not small things. Largely what we've done, even in the south side, is we, we try to give everybody a little bit. It doesn't work. What we need to do is invest in large things. I can speak on the south side of 24th Street, we can revitalize and renovate a cultural center that actually attracts people to stay and do business in the same way that we're talking about north Omaha, the same way in south Omaha. We have areas that we

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need to create real workforce housing where people can stay. We've built new schools in the north and south side, but we don't have homes. What we have right now are homes that are \$85,000 sitting across from condos that are \$350,000, \$400,000 condos. There's nothing in between. When there's nothing in between, people choose--

**ARCH:** One minute.

**VARGAS:** --where they want to live and then they live where they can afford the homes and then we miss out on people that are staying in our community. So colleagues, I support this, I support the underlying amendments, and I support getting more funds. I'd prefer they come from General Funds. If we have to take from the Cash Funds, I want to make sure we don't break the, the bank, but I'm going to support getting as many dollars as possible to this and I hope everybody will support these efforts as well. Thank you.

**ARCH:** Thank you, Senator. Senator Blood, you are recognized.

**BLOOD:** Thank you, Mr. President. Fellow senators, friends all, I support the underlying amendments and LB1024. Shortly after I became a senator, all of a sudden, there was a fear that general rate-- generational wealth was passing by the current generation, young generation that we have, you young folk that are sitting up there right now. And I started doing more and more research on generational wealth and one of the things that I learned was that really when it came to being a Caucasian, that when we started losing wealth, when our young people started losing generational wealth, all of a sudden, it became a political issue. But when we look at communities of color and you look historically how it's affected them, it was clear that justice delayed meant generations of justice denied. And so with that, I'd ask that Senator Wayne yield to some questions or a dialogue.

**ARCH:** Senator Wayne, will you yield?

**WAYNE:** Yes.

**BLOOD:** So Senator Wayne, I've listened to you for six years, be it good or be it bad, and what I've liked is that you've helped me learn more than I've already researched in reference to generational wealth. You helped me learn more about redlining. And it just is very different when you get to talk to people who have experienced things that I may not have experienced in, in my community. And one of the things that I'm really hoping we can talk a little bit more about, because I really feel that this is part of what you're trying to do,

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is that when we talk about generational wealth, again, for people that aren't of color, it seems like we got up in arms when we had one generation that it was starting to affect. But you've got decades of generations where this was literally stolen from them and can you kind of explain why when we start moving forward with policy, how this can make a difference sooner than later?

**WAYNE:** Yes and I'll be brief. The historical context is you can start all the way back to the Homestead Exemption where we were granting the poor, indigent servitudes who were white free, free land. And in fact, most of Nebraska was, was done through that Homestead Act. And that's why one of our congressmen were-- one of the acts is named after him, actually. And then from there, you transform to 1920s to 1930s, where our government, our federal government redlined most of north Omaha as not backing federal loans for banks. So essentially, you cannot buy a house or generate wealth. At the same time redlining was happening, you had GI; soldiers who were fighting in World War I and II coming back home and the GI Bill was not allowed for them to not only go to school, but not to go to buy homes and use those federal programs. So you had a lack of opportunity to build wealth. The most stunning statistic one can know about when it comes to African-Americans is during slavery, African-Americans owned 1 percent of property. Two hundred years later, 400 years later, no matter how we want to calculate slavery from 1619 to 1865, today, African-Americans still only own 1 percent of real property. So the effects of redlining and before is just the lack of investment in the ability to actually buy real property and pass it on from generation to generation, which ultimately affects wealth and ultimately affects the achievement gap and we can keep going on.

**BLOOD:** So do you find it concerning, Senator Wayne, that when it comes to generational wealth, it almost seems like one is invisible, while one creates lots of people that have grave concerns about that one generation that might be missed?

**WAYNE:** Yes and so that's why what I have always said is what's good for rural Nebraska is good for north Omaha.

**BLOOD:** Oh, there you go.

**ARCH:** One minute.

**WAYNE:** So when you're scared of-- not you personally, but when people are scared of the growing property tax and how that has taken away their family farm, I will tell you that north Omaha never got the



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chance to pay their property tax. So what's good for north Omaha is good for rural. If it is good for rural to get property tax relief, it's good for north Omaha to invest in property themselves.

**BLOOD:** And good for Nebraska.

**WAYNE:** Absolutely. Great for Nebraska.

**BLOOD:** Thank you, Senator Wayne. Thank you, Mr. President.

**ARCH:** Thank you, Senator Blood, Senator Wayne. Senator Lathrop, you are recognized.

**LATHROP:** Thank you, Mr. President. Colleagues, good afternoon once again. I will not speak on this bill as much as I have in the past. So for those of you that are wondering if this is going to be many times at the mike, it won't. I would say since I have returned over the last four years, particularly since we have had Senator McKinney on the Judiciary Committee, my perspective on criminal justice and the problems we have with overincarceration, my world view has been much more broadened. And that's not to say that that message wasn't out there or available to me before, but it most certainly has been since Senator McKinney has joined the Judiciary Committee and I very much appreciate that. Having spent a good deal of time looking at sort of the foundation of what are the problems with overcrowding and more particularly, where are so many of the individuals who are incarcerated coming from, I see the need for an investment in-- and my-- and I'll just say north Omaha in particular, not to the exclusion of south Omaha, but the issues that were identified by Senator McKinney, identified in an article in the World-Herald about, about the rate of incarceration of young men in northeast Omaha should be alarming. It is alarming to me and I believe is more than just a policing issue. It's not just a crime and punishment issue, but in a lot of ways, it is an opportunity issue. And that, that opportunity for employment, the opportunity for a quality education, that, that it's time that we make an investment to provide that opportunity for individuals in north Omaha so that we can interrupt this process of young men going from childhood to young adult to the Department of Corrections and coming out old men. I don't really fully understand the money piece of it. If, if you've ever had a conversation with me about a revenue bill or an appropriations bill, I will freely admit I don't understand those processes very well, notwithstanding being here for 12 years. But I, I hope to learn more about the structure of the, of the group that's going to hold this money or make decisions about this money; where the money comes from, how much money is going to be

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involved in this investment, and where it's going to be invested. And with that, I look forward to the additional discussion in support of certainly the concept in LB1024, which if I hear-- heard what Senator Wayne said in his opening, will undergo some changes between now and Select File. Thank you.

**ARCH:** Thank you, Senator. Senator Flood, you are recognized.

**FLOOD:** Thank you, Mr. President. Good afternoon, members. We need to have some discussion on the two things here. First of all, in AM2341 as written, I'm counting \$631 million in spending here. And I'm told that this is going to be changed between now and Select File, but in Section 7 of the bill on page 5, this bill is appropriating \$250 million from the federal funds for '22-23 to a special division called the Economic Recovery Division of DED to carry out the recovery act, in Section (2) of Section 7, \$3,074,000 federal funds to carry out provisions of this act, and then in Section 13, we are appropriating \$128,700-- well, \$128,740,000 from federal funds for-- to carry out this act. And then in Section 14, where we are transferring \$250 million out of the Cash Reserve. This, this is comprehensive, I will, I will say that. I want to know-- I, I was under the understanding we were in the twos, not the sixes. And I will give Senator a chance-- Wayne a chance, maybe to break that down. The sections that I'm referring to are Section 7, Section 13, and Section 14. I am familiar with the STAR WARS project and I recognize a lot of the structure here is similar to what we did with the STAR WARS. In this case, we're creating a special division of the Department of Economic Development and not later than August 1 of 2022, DED is responsible for submitting an initial coordinated plan to the Economic Recovery Special Committee of the Legislature and that special committee of the Legislature has its Chairperson as the Chair of the Urban Affairs Committee, the Speaker of the Legislature or his or her designee-- well, I guess the Chair of Appropriations and then four other members appointed by the Executive Board. So in terms of the questions that I have-- and Senator Wayne can address these on the mike. I, I think the first question is, OK, how-- am I right on the \$631 million? My sense is that that is not maybe the number we're going to arrive at on Select File, but it is what we have in here right now and I'm-- and it's possible I'm not right on that. The second thing is what's the purpose of the committee? So you have the executive branch presenting the legislative branch with a coordinated plan by August 1, 2022. Then what happens-- what does the special committee of the Legislature do? Does it act on that? Because if so, that could be a separation of powers issue between the legislative and the executive branch. My sense is that if you look at it like STAR WARS, what we had in STAR

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WARS was we didn't have a plan. There was a contract to put a plan together and then ultimately the committee presented that plan and we voted on that plan and then those executive branch agencies will carry it out. In this case, we have the executive branch presenting the legislative branch with a coordinated plan and then we have hearings, but it's not clear on what the role of that committee is. And then the last set of questions that I have here are-- and I'm assuming this is inside the spending on-- it starts on page 4, line 12, Grant funding, not to exceed \$60 million goes to a business park, \$30 million goes to innovation hubs, \$10 million goes to producing films, media, public campaigns, \$40 million goes to affordable housing. Grant funding not to exceed 80 percent of all of the money received--

**ARCH:** One minute.

**FLOOD:** --by the department to carry out the American ARPA Plan, Travel, Tourism, Outdoor Recreation Plan. If you're taking 80 percent of the money into these two census tracts in Omaha, does that deplete the rest of the state's money for that? So I think we need to just walk through this. I think Senator Wayne's ready to maybe share with us the vision and take us there. I'm interested to learn, but I think we need to break down three things: what is the total amount that we're spending in this bill? Because by my count, it's \$631 million. Second question is logistically, how are we doing this? Executive branch sends us a plan, we react to it. Do we vote on it or does it come back to the Legislature? And then third, help me understand what the specific areas are doing and I think that will get us started. Thank you, Mr. President.

**ARCH:** Thank you, Senator. Before we proceed, Senator Walz would like to recognize and welcome nine students from Greenheart Student Exchange seated in the north balcony. Students, please rise to be welcomed by your Legislature. We will now continue with debate. Senator Erdman, you are recognized.

**ERDMAN:** Thank you, Mr. President, and good afternoon. I think Senator Flood did a fair job, an excellent job of explaining and had-- and he had the sim-- similar questions that I had. So what I would like to do because, as Senator Wayne's down a couple, three or four people, I will yield my time to Senator Wayne so he can explain. And the other question I would add to that, Senator Wayne, is who or what program are you going to take this money from? Because we've already appropriated all the ARPA funds and you're going to take 283, 253, 630, whatever the number is, you're going to take from somebody. Who's

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that someone going to be and how do you plan on doing that? Thank you.  
You have my--

**ARCH:** Senator Wayne, you're yielded 4:20.

**WAYNE:** So here's what's going to hap-- thank you, Mr. President. Thank you. Here's what's going to happen. I'm going to answer these questions and I'm going to go in the telephone booth and do a court hearing and then I'm going to come back out and answer more questions. So first of all, the single amounts that are already out as far as the \$60 million, all that, that's within the \$250 million that is appropriated from ARPA. Right now, supposedly, I was told the \$210 million was appropriated to north Omaha. We kind of found out today that's not true. So when I drafted this, I only thought I had to come up with \$40 million. Senator Erdman, I don't know-- care where the money comes from. It can come from General-- the \$40 million can come from General, it can come from Cash. I don't care where it comes from, but I will tell you your meat processing plants will call a claw-- will consider a clawback in three or four years because they don't meet the definition for your small meat processing plant and we could talk more about that. So I don't care where the money comes from for the \$40 million. Now, today we read that it's not \$40 million so that's, that's a budget problem that I didn't expect either because I relied on people telling me the truth. As it relates to the other \$225 million, it is coming from Cash Funds. I don't care if it comes from Cash Funds or General Funds. The last \$128 million, you are correct; that bill was in Urban Affairs, LB1253, and it is an unappropriated fund. Appropriations did not know that our Governor applied for some money. The grant was agreed to and it's \$126 [million] or \$128 million that is not appropriated. We do not have to submit the plan for that appropriation to the federal government-- it's called the Capital Projects Fund-- until September. What I am asking this body to do is to allocate money, which is what we do. We allocate money through appropriations. What I did say in here is half of it has to go to qualified census tracts. I'm being fair. Half goes to qualified census tracts; half can go anywhere else. Senator Friesen, you weren't here earlier when I said this, the reason I removed broadband was because two weeks ago, we had a conversation about broadband and we stated that we were going to have more broadband money in the next two to three years, we don't need broadband. I said on the mike while you weren't here earlier, Senator Friesen, that this morning we had a conversation and that number will probably change based off of our conversation this morning. So there is \$128 million and that \$128 million is appropriated in this bill because it's in Urban Affairs, because nobody else in this body knew about the grant. So we dropped

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the bill, we had a hearing, and that is what they asked for, was that our committee vote it out, that half of it go to qualified census tracts. And that can be done for broadband, although we eliminated it-- Senator Friesen and I will have a conversation about that-- but it can go to multipurpose use. A one multipurpose use is in Seward, Nebraska, where they, they are building something. What I tried to have multiple conversations with Appropriations about this \$128 million, instead of doing shovel-ready projects that don't meet the definition of ARPA, we can use the \$128 million to supplement those projects that I don't think qualify. So everybody and everywhere can get that. That has fell-- failed [SIC] on deaf ears in Appropriations. There's only one Appropriation member who, who came back and had a conversation about the \$128 million. And if you read the bill, that Appropriation member is possibly getting a project out of this deal for \$7.5 million. It's an appropriated fund. Anybody who has--

**ARCH:** One minute.

**WAYNE:** --a project that qualifies, I'm more than happy to put it in the bill, but I met multiple times with Appropriations about \$128 million and they didn't appropriate it. The bill was in our committee. This is germane so we attached it. So there's 225, 250, and there is \$128 million that is not exclusively to north Omaha. It is for the entire state that is divided up by qualified census tracts, which are all over the state of Nebraska and anywhere else in the state of Nebraska, which I think is fair. So that's where that is. I don't know the controversy in that. I was following what the Chairman initially asked from DE-- DDD-- TT, the Transportation Committee, and now we're going to work on an amendment. So what we are not doing is, is appropriating anything in education-- that is true-- because education had plenty of money. We are appropriating tourism dollars because there's a tourism grant for \$3 million that is unappropriated. We went out and found every dollar--

**ARCH:** Time, Senator.

**WAYNE:** --and we appropriated it. Thank you, Mr. President.

**ARCH:** Thank you, Senator Erdman and Senator Wayne. Before we proceed, Senator Pahls would like to recognize 40 fourth-graders from Ackerman Elementary in Omaha seated in the north balcony. Students, please rise and be welcomed by your Legislature. We will continue with debate. Senator Friesen, you are recognized.

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**FRIESEN:** Thank you, Mr. President. As Senator Wayne mentioned, he has had conversations with me and I will kind of try and recap as best I can how Telecommunications-- Transportation and Telecommunications has looked at this. We've been watching this \$128 million. We knew it was out there. It's not as though we didn't know it existed. The Governor had said it was going to be for broadband. We didn't try and appropriate it or anything. We just left it to sit there. And when Senator Wayne had talked to me, I mean, I have said before on the floor that I think this has happened in the transportation end of it, this is happening with the DOT pouring money into Nebraska, and this is the amount of money that's being put to broadband nationwide. We are putting a lot of money into broadband right now. And if you keep that timeline of 2026 having this finished, I would say, yes, we're going to have difficulty spending some of the money. One of the things I want to talk about is why this fund of money is different from all of our other pots of money. This fund here has no match requirements. So if we have areas in Nebraska that are extremely difficult to serve and we can't find a company that wants to go out there and serve them, this is the fund-- this is the pot of money that we would use to take broadband out into those hard-to-serve areas because it has no match requirements. So this pot of money is a little different. Again, I'm not going to die on this sword. We have-- I have introduced language in here that strikes a few words in his amendment that I can live with. It doesn't-- it just changes some words about banning the ability to use it for broadband. So if DED felt that north Omaha needed to spend some on broadband, they could do that. It doesn't prohibit the use of this funds in broadband. So that's the amendment that's clear down at the bottom on this bill that I don't know if we'll get to or not. I'm not sure what's going on. I was here a little late. But that's the reason for this, this fund is it was sitting there. I don't know that it was going to go through the bridge program or anything else. All the other federal money was set to be sent through the bridge program, as what we did last year, but this fund is a little bit different. These capital projects funds are supposed to be one-time funding things and so whether it meets the criteria, that's up to everybody else. I'm not going to get into that argument either. But it is important, I guess, when we talk about those hard-to-serve areas where we may not have the money down the road. I, for one, don't believe that the federal government is going to enforce that 2026 deadline because you're going to get some states that just shovel the money out the door and I think did it inappropriately and hopefully, those states who did it correctly maybe have some money left after 2026. But I, for one, don't believe the federal government is going to reclaim any of it. And so what I would like to do is build

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programs that are more responsible that actually get the job done for less cost. And maybe we can get more broadband in the ground for less money than if we keep putting these arbitrary deadlines on when we need to have it spent. So with that, I'm open to the discussion further on, on this bill and I'm interested to learn more. Thank you, Mr. President.

**ARCH:** Thank you, Senator. Senator Flood, you are recognized.

**FLOOD:** Thank you, Mr. President and members. I think that the, the strategy that we have to use here is how-- just as it relates to the ARPA funding is what programs are we going to clip out of our current ARPA proposal? And I'm sure that-- Senator Wayne has already talked about taking the \$20 million. He doesn't believe that it qualifies for the COVID grant anyway, which he's likely more familiar with that than I am, but-- and I've been a supporter of that, but that's \$20 million. One of the areas that we could cut out of our current ARPA proposal is LB1025, which currently allocates \$150 million to qualified census tract grants. I would think that that would be one of the areas that Senator Wayne would identify. I think it's important to note that this is money that could currently be used across the state in Lincoln, Norfolk, Scottsbluff. I want to ask Senator Wayne a question.

**ARCH:** Senator Wayne, will you yield?

**WAYNE:** Yes.

**FLOOD:** Senator Wayne, when-- you know, I-- if we need to make a hundred-- you know, \$250 million of room for what you've proposed here, taking the \$20 million from the meat processing, if, if that were to be on the table, then it would also be what-- would you be identifying that \$150 million currently in there for sense-- qualified census tract grants?

**WAYNE:** I don't understand the question because I've said the entire time I don't need money to come from ARPA. I've said that four times on the mike today, that the money-- the 40-- extra \$40 million can come from General Funds or Cash Funds.

**FLOOD:** So how did you get to your \$210 million inside ARPA? Oh, you're saying that somebody told you you had \$210 million.

**WAYNE:** Correct and it was in the papers that, that the \$150 million was for east Omaha, plus the \$60 million for the airport project. What we learned today was only 50-- only \$100 million was for east Omaha and \$60 million was for the airport projects and now there's a,

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there's an additional \$50 million gap that was not told to me last week.

**FLOOD:** Well, at the end of the day, we've got to deal with whatever the facts are. So if there's only \$100 million in here, then we have to find another \$150 million, don't we?

**WAYNE:** Correct, which is why I said from General to Select, we'll have either one or two budget and APRA rounds so we'll know what that number is.

**FLOOD:** Well, where would you start? Would you start taking the entire money for the rest of the state on the \$150 million and apply that?

**WAYNE:** I'd put-- honestly, I prefer General Funds or-- and Cash Funds over ARPA funds. There's, there's less requirements so where we're not--

**FLOOD:** So you'd--

**WAYNE:** --where we're not--

**FLOOD:** --you'd go even deeper into the Cash Reserve because right now you're in \$250 million.

**WAYNE:** Yeah, but there's--

**FLOOD:** You'd go to \$400 million?

**WAYNE:** No, I would go to \$50 million, \$100 million out of General Funds.

**FLOOD:** What, what do you think the appropriate number is for our Cash Reserve at the end of this session?

**WAYNE:** \$1 billion.

**FLOOD:** OK.

**WAYNE:** We are \$300 million over what I believe is necessary.

**FLOOD:** OK.

**WAYNE:** We had \$1 billion my freshman year, Senator Flood.

**FLOOD:** So, so we have 1.4-- we have a projected Cash Reserve of \$1.4 million [SIC] now?



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**WAYNE:** Right, so I believe that \$1 billion is all we need.

**FLOOD:** So you would transfer that entire amount essentially to this project?

**WAYNE:** Or we can, or we can get rid of some lakes. We can have that conversation. Do we need--

**FLOOD:** Right.

**WAYNE:** --a \$80 million lake?

**FLOOD:** We can have that conversation--

**WAYNE:** So--

**FLOOD:** --but, but where in this-- I think one of the strategy-- one of the things that we have to address is where on this list at table 1 inside the yellow book, page 6, where are we going to cut that to just do the ARPA funds? You're talking about-- you're saying, hey, don't touch the ARPA funds, just replace all of that ARPA funding spending that we were going to use for this project and let's just take it all to the General Fund?

**WAYNE:** No, what I'm saying is our budgeting the ARPA process is bifurcated, causing a problem today. And I'm willing to sit down with you and anybody else to figure out where those cash or those dollars come from.

**FLOOD:** Oh. OK, thank you. Senator Wayne.

**WAYNE:** We can take \$20 million out of the intern fund. I mean--

**FLOOD:** Sure. It's--

**WAYNE:** --this is all--

**FLOOD:** --everything's a discussion.

**WAYNE:** It's all, it's all open.

**FLOOD:** Hey, this is my time, by the way, Senator Wayne.

**WAYNE:** You asked me a question.

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**FLOOD:** Thank you. Thank you, Senator Wayne. I think we have to have a real conversation about how we're going to spend the money here. He's proposed \$631 million in spending without any real--

**ARCH:** One minute.

**FLOOD:** --direction as to how we're going to remove it from the ARPA money. You may not like this conversation, but I think this is a conversation that has to be had. We're talking about \$631 million and what are our outcomes going to be? If the answer is take it from your program or take it from your program, then fine, let's have that. Target the STAR WARS if that's what you want. Let's have a discussion, but don't make this problem worse by saying I was told this and then this happened if-- we have to deal with the facts on the table 1, page 6. It's in the yellow book. Thank you, Mr. President.

**ARCH:** Thank you, Senator, Senator Flood and Senator Wayne. Senator McKinney, you are recognized.

**McKINNEY:** Thank you, Mr. President, and I rise again in support of LB1024 and the underlying amendments and let's have some fun. We're talking about where we could pull money from, there is \$175 million set aside for a prison we don't need. Let's pull that out and put it into the north Omaha plan, but no, because Senator Flood supports the prison. Let's have a real conversation. This is about equity. That's the conversation that we're having today. So we could enjoy this conversation. I welcome it because I've honestly been waiting to hear everyone's opinion on this bill and where they're at. So let's have a real conversation. You talk about where the money can be pulled from, there is a \$175 million set aside for a prison. Pull that out, Appropriations, and put it into the north Omaha plan. Let's have that conversation. We're having a conversation about equity. That's the conversation. We're also having a conversation about will this body step up and stop neglecting north and south Omaha? Let's have that conversation. What are you going to do to step up to stop neglecting north and south Omaha? You could get up and yell and have these fierce conversations and do all this, but let's have a real conversation. Is it a smart idea to invest almost \$1 billion into a prison and not into people that have been impoverished and neglected for, for forever, where a lot of the people inside of our prisons are coming from? Are we going to talk about prevention or are we just going to talk about punishment and, and waste \$500 million on a prison? You could stand up today and try to pick apart this plan, but have-- let's have fun. I'm open to it. I love it. It won't be boring today. We won't just sit and hear people just say nothing. I'm all for it, but let's have a real

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conversation. There's other people who won't stand up and say they oppose this, but they oppose it, but they're whispering about it. Let's be men and women today and stand up and actually make a good argument about why you don't support this. Let's do that. But a lot of y'all would just sit down and not say nothing and quietly not support. Let's have fun today. But there is \$175 million for a prison that's set aside that we, that we could use for the north Omaha plan, but Appropriations is not going to give it to us. Senator Flood is not going to elect to give it to us because he supports the prison and a lot of other people do. So let's have a real conversation today and I yield the rest of my time to Senator Wayne.

**ARCH:** Senator Wayne, you're yielded 2:00.

**WAYNE:** Colleagues, I'm laughing because this is so funny to me. It's funny because for three days, Senator Flood didn't talk about the budget. We're spending \$4 billion. For three days, he didn't say one damn thing about the budget. Talked a little bit about the prison, but didn't ask where a dime went for the budget. But when it comes to north Omaha and black people, let's figure out where every dollar is going. Let's figure out where every dollar is going. The hypocrisy. I've said from day one, anybody who's talked to me, I don't care where the money comes from. I said that a thousand times on the microphone. I don't care where the money comes from. This budget was in response to the budget that was put out by the, the Appropriations Committee.

**ARCH:** One minute.

**WAYNE:** I was told we had roughly \$210 million going to north and south Omaha. Hell, the papers reported it. So I thought there was a \$40 million gap. I didn't really know we could use General Funds like that until today. Trevor and I had a conversation about it. So I did, did 225 out of cash because that's where we were pulling cash from to do all the lake projects, to do all the Offutt projects, to do all the golf projects, out of cash. So I thought if we could pull out of cash, why not pull this out of cash? But I don't care where the money comes from; ARPA, General Funds, cash, Senator Wishart's check with McDonnell cosigning the check, I don't care. But don't get up here and start questioning \$600 million when you let \$400 million go without even a question. I told you about the one-- here's 126, LB1253. We don't have a way to get it here. It doesn't have a priority. So stop thinking of this as one big north Omaha package.

**ARCH:** Time, Senator.

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**WAYNE:** I attached that bill to catch a ride. Thank you, Mr. President.

**ARCH:** Thank you, Senator McKinney, Senator Wayne. Senator McDonnell, you are recognized.

**McDONNELL:** Thank you, Mr. President. Good afternoon, colleagues. I'll try to address things as, as we go here. The \$128 million for broadband was discussed at the Appropriations level based on the idea that the Governor was earmarking that for broadband and not just broadband for the western part of the state, but broadband east, west, north, south. With the Governor when he first brought the ARPA budget, if you look at the process we went through, we cut approximately 40 percent from the Governor's proposed ARPA budget. So we went through that process. As I mentioned earlier before we broke for lunch, the hearings we had, the people that brought their ideas and concerns and thoughts about ARPA, we sat through those, those hearings and, and we did, we did listen and we, we made adjustments. I do not disagree with Senator Wayne's concept about having this committee formed, but two plus two is four. It's not five and it's not going to be three. The idea is we can't spend the same pot of money over and over. With-- you want to talk about the Cash Reserve, you want to talk about your comfort level? I don't disagree with Senator Wayne about the \$1 million. Roughly, if you want to look at a \$5 billion a year budget, if you want to look at your, your comfort level is at 16 percent, 15, 18, the idea that we are over 1.3, yes, we are. Can we move that down to possibly \$1 billion? Sure, we can have that, that discussion. I didn't agree with everything in the ARPA budget, but I stand behind it based on the process that we went through. As an appropriator, again, right now, as far as I know, the Governor understands the process, which-- he, he knows the numbers. We cut 40 percent of his budget. We added some things, we didn't. They were, they were not easy decisions to make, but I cannot move legislation forward that I've already committed to spend in another area. If we're going to have a serious discussion and a serious amendment, then we have to look at bringing the funds from a different area and that's possibly from-- again, it's Senator Wayne's bill-- that's, that's Cash Reserve. Senator Wayne, would you yield to a question?

**ARCH:** Senator Wayne, will you yield?

**WAYNE:** Yes.

**McDONNELL:** The jobs you're trying to create, which I appreciate and support, will those jobs be for the people from north and south Omaha?

**WAYNE:** Yes.

**McDONNELL:** So how do we, how do we do that? We open up a widget-making company, you and I. We have this widget company going and people apply. How do we guarantee that you have to be from north or south Omaha to work at our widget-making company?

**WAYNE:** Well, you can't guarantee anything in life. So I mean, what I would hope is that the \$60 million we're putting into community college, of which \$20 million is going to Metro, they would help be able to fill those jobs.

**McDONNELL:** But we know they're, they're opening it-- that's, that's the answer I was looking for. Senator Wayne, we do know they're open to everybody.

**WAYNE:** Yeah, yeah. I mean, they're-- we're putting money in the places to close that skill gap, absolutely.

**McDONNELL:** And I understand the idea of, of convenience for those, those jobs makes a, makes a great difference based on the ability to travel to that, that employment. But also, we got to back up and then look at education because if we have 20-plus percent of the kids-- and I'm just going to use the Omaha Public Schools. They're not the only ones with these numbers, but let's say there's 20 percent or less that are, are, are failing, right around-- I think the number was 78 percent graduation percent, so 22 percent failed. So trying to prepare our young people for employment with addressing this and the needs for jobs-- and I know you mentioned earlier that you didn't want to talk about education. I don't think we can do this with not-- without talking about education. We've got kids right now that are suspended and then also--

**ARCH:** One minute.

**McDONNELL:** --it seems like-- thank you, Mr. President-- October 15th, they're expelled. Where are those kids going? Because right now, they're done. We've talked about Street School before. We talked about the idea of giving them a second chance and the success rate of Street School, which they keep their, their class ratio very small, but they are successful. I don't think we can talk about jobs and the future of any part of our state without talking about education. Senator Wayne, would you agree on the education part?

**WAYNE:** Yes, I agree. I was just talking about appropriation dollars. That's all I was talking about, but yeah, I agree. Education is a

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critical component and it's a critical component of the north and south Omaha plan.

**McDONNELL:** Are you open to possibly an amendment talking about education with, with your plan here?

**WAYNE:** I do not believe-- yeah, I'm open to talking about it. I'm leery of, with the \$312 million that OPS got with the additional \$100 million we're putting into community college where we could actually play in that space--

**ARCH:** Time, Senator.

**WAYNE:** --but I'm, I'm open.

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

**ARCH:** Thank you, Senator McDonnell, Senator Wayne. Senator Wishart, you are recognized.

**WISHART:** Thank you, Mr. President. I rise in support of the general concept of this, but with concern about where the dollars are coming from. I'm glad to hear Senator Wayne is agnostic about that. I differ from my colleagues on comfort level with the Cash Reserve. A billion dollars today is not a billion dollars years ago. Inflation has increased the cost of everything, which means our savings account needs to increase in terms of what we've put aside for a rainy day. And again, I want to remind everybody of what was discussed this morning that that is not unobligated Cash Reserves. We have a \$300 bill [SIC] due in terms of the next project for the university. We just passed a bill that says we shall build a canal. And I don't care how long it takes to build that canal, that is obligated Cash Reserve. So when it comes down to it, if we bring our Cash Reserve down to \$1 billion, you actually have to minus \$800 million from that, colleagues. And then there are plenty of other bills floating around this body that want to take their legislative priorities out of Cash Reserve, colleagues. I woke up this weekend thinking the direction that we're going is going to spend down our entire savings account. I do think that this investment is important and I enjoyed hearing from Senator Wayne that this can be a roadmap for other communities that have needs, to lift up those communities. But I'm, I am not-- I, I will tell you this right now. I will not be voting on any tax cuts if our Cash Reserve is \$1 billion, any, because this body is not setting ourselves up to be in a fiscal situation where we could manage a revenue shortfall from those cash-- tax cuts and not have the savings

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accounts to do that. So this body can make all the decisions they want, but for me personally, I will be a no on any tax cut that exists if our savings account is not close to \$1.4 billion. That's just my line. I understand other people have different comfort levels and that's the decisions that they have to make, but I wouldn't run my own financials that way and I sure as heck won't do that for the state of Nebraska. Secondly, I really want to echo what Senator McKinney said. The decisions that we're making about what we're spending our money on are flexible. What we presented to you as an Appropriations Committee is based off of a committee that's probably one of the most diverse in terms of our perspectives and where we come from and so what you get is a very diverse package. But I would 100 percent support taking \$175 million that we're setting aside for this prison and putting it into this. There you go. That's where you find your \$175 million for part of this project. I support that. We also have \$400 million in General Funds. Why would we not be supporting a significant chunk of that to go towards north and south Omaha project that has the opportunity to be something that we would expand and replicate across the state? I would be interested in that as well. Senator Wayne, will you yield to a question?

**ARCH:** One minute. Senator Wayne, will you yield?

**WAYNE:** Yes, yes.

**WISHART:** Senator Wayne, are you willing to sit down with me and some of the others that are sort of the-- I call the-- sort of rainy cloud in the, in the conversations because all we're worried about is fiscal future-- sit down with me between now and Select and talk through the numbers and, and figure all this out so we can do it in a financially responsible way?

**WAYNE:** I won't agree with the premise because I think what I'm doing is a financially responsible way, but I will sit down with you and talk about the numbers. I'm not going to say what I'm doing is not a financial responsible way.

**WISHART:** Thank you.

**ARCH:** Thank you, Senator Wishart, Senator Wayne. Senator Wayne, you are recognized.

**WAYNE:** Thank you, Mr. President. West Wing. Always got to remember our West Wing. The first thing they say to the president over and over is don't agree to the premise of the question. That's what just happened.

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Don't agree with the premise of the question, but you can still agree with everything else. So colleagues, let me make clear-- there seem to be a little confusion and, and I'll just make clear. LB1253, which is the 126 capital projects, that was a bill introduced. Appropriations did not have it. Urban Affairs did. It was our bill that we went out, we looked for other dollars. We found a couple of projects in Omaha with the city of Omaha that would qualify, not \$126 million. The issue is when you don't have a priority bill, you have no way of getting it across the finish line. The germane bill was this bill. So this LB1253 is just catching a ride on my overall-- Senator McKinney and I's overall north Omaha bill. It's not necessarily for north Omaha. In fact, what the city sent was one-- two projects in Omaha, north Omaha, one project in south Omaha, and one in west Omaha. Actually-- and then they-- I asked for any other parks they might-- or facilities. Then they sent me three more in west Omaha. So it's not really a north and south Omaha bill. It was extra money that wasn't appropriated. There is a line in there about it should not go to broadband. That was because of my hours and hours long conversation with Senator Friesen, who at the time, thought we didn't need it because we were going to get about \$400 million-- \$300-400 million over the next couple of years. Over the weekend, he had other conversations and so I said, hey, I don't need all this money. In fact, it's not about Omaha. It's about catching a ride to make sure we appropriate it correctly. So from General to Select, we'll figure out where that money goes. As far as the-- Senator Flood and I, I like having those kind of debates. I like when we get a little chippy. I miss that because we're actually having a conversation about the bill. Usually Senator Friesen just agrees with me. I wish he would get chippy again like he did my first two years. But my point is, is that's a good conversation. We can have those conversations, but where are we at? Let me be clear here: 250 from ARPA-- doesn't have to be 250 from ARPA. It can be 250 from wherever else-- 225 from cash. Senator Wishart thinks maybe that's not most fiscally responsible. I'm open up to have the conversation about General Funds. I don't really care. Again, Senator Aguilar can write a check. I'm fine with that. The other \$3 million is something we just found that's not appropriated for tourism that's already in our budget, that's not appropriated by this body, so I said some of it should go to north Omaha. I don't care where it goes, really. Don't care. I just think we should appropriate it. So my point is, is I'm willing to have plenty of these conversations from General to Select. And this is actually the problem that I kept talking about, about seeing the whole chess board. I have a bill that I can't figure out where to go because we just got the whole chess board today. And what happens is we got 14 days left, 13 days left after today. If my bill



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is not up today-- I literally left here, went to the booth right there, and had a court hearing. And I was talking to Speaker Hilgers about moving it after taxes, but that means I might be at 6 o'clock tonight and half of ya'll don't want to stay around and, and deal with me afterwards so I was afraid of that. So this is about scheduling, but I couldn't schedule where we were going to go and have these negotiations without seeing the whole board and today was the first day we got to see the whole board. So I'm just asking for General File. Give Senator McKinney and I a little deference. And say, we'll vote green-- may not agree with everything-- but on Select, we got to, we got to make some changes. And, and we all are recognizing that. But it's the nature of our budgeting process.

**ARCH:** One minute.

**WAYNE:** If I go after ARPA, then I'm after McDonnell's bill, who's already got a couple, couple of minutes already in. I'm after taxes. We're way down the line and north Omaha and south Omaha may not be heard. That's all we're trying to do. So vote green and then you can yell at me afterwards of what you want and I'm going to have a whole feasibility study done for Senator Flood. I got three lawyers working on it today. We'll get it done. He'll be happy. Everybody will be happy. And then Senator Friesen, we'll give you \$1 million for broadband at your-- Bostelman, \$1 million for broadband at your house. We'll all get this done. Just trust me. It's a great day. Thank you, Mr. President.

**ARCH:** Thank you, Senator. Senator Friesen, you are recognized.

**FRIESEN:** Thank you, Mr. President. I'm going to rise in opposition to LB1024 in general and it's not because of Senator Wayne is trying to get the \$128 million. I'm-- he's doing what every other legislator in here would do when they found a pot of money and they found a good use for it; they took it. I'm not going to blame him for that. He's just better at digging than some of us. I've voted against every budget so far that we've tried to move forward. I think we're overspending. You know, back when my kids were little, I watched a cartoon with The Smurfs and there was Greedy Smurf and that's what I think we have on this floor today. We have a lot of greedy smurfs. We talk like we're a conservative bunch of senators, we're not going to spend money, we're going to hold down our budget, and yet you dangle money in front of us and we grab it and we run with it and we spend it on everything we can think of. And I'm not sure we're solving any problems. I realize Senator Wayne has a problem in north Omaha and I'm not sure \$450 million will solve that problem. I think letting constituents have

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money in their pockets helps to solve the problem. It lets them spend money. It lets them decide how to help their own areas. It's with an income tax cut, a property tax cut. Give them their money back. But instead, we're going to spend it. We've got too much money in our Cash Reserve. We've got \$1 billion of ARPA money to spend and we're fighting over like kids in the sandbox. I didn't bring a single ARPA bill. I've never in all my eight years had a bill go before Appropriations, some years because we just didn't plain have money. So I am looking at trying to find some responsible compromise here that we pick the best of the best projects to fund this year and we let the next body next year pick the best of the best and fund those instead of trying to do it all. I really think we've pushed the bounds here and we're at the final hour and this is where compromises are made and mistakes can be made and we'll do things that down the road we'll regret. But I think a more measured plan for north Omaha-- and I have supported numerous things that Senator Wayne has tried to do there. He's on the right path. He's at least trying to fix north Omaha. But I will say that people in Hamilton County, Merrick County, Nance County didn't cause north Omaha's problems and we're not going to get any of this ARPA money. We want economic development to happen, but I don't know that money solves it. In some of these communities, it takes some business leaders. It takes a group of people that bring an idea and from there, maybe a grant or something like that gets the ball rolling. But in some of these communities that are out there, they're not-- nothing's going to help them. They're in their-- kind of a death march, so to speak, to the end in rural Nebraska. There's small communities out there that will not survive. But there's quite a few of them yet with the right leadership, the right business community in there that wants to do something that can use a program--

**ARCH:** One minute.

**FRIESEN:** --that we create, possibly could get something rolling again in those communities. But to say that even \$450 million is going to fix north Omaha, I don't think that's true. It takes leadership. It takes people in Omaha that want to fix north Omaha. It takes people in Douglas County that want to fix north Omaha because I don't feel my constituents feel that they have contributed to the problems in north Omaha. So how do we reach some consensus? That's the-- I'm still listening and I'm going to keep waiting, but so far, I've voted against every one of the budgets moving forward without some changes. Thank you, Mr. President.

**ARCH:** Thank you, Senator. Senator Bostelman, you are recognized.

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**BOSTELMAN:** Thank you, Mr. President. St. Patrick's Day was just recently and I see someone found their pot of gold. Senator Wayne, how did you know I was going to talk about broadband? How did you know that that conversation was going to come up because everybody on this floor knows when the subject of broadband comes up, you're going to get my attention and I'm going to talk about it. That \$128 million that's out there for broadband that has no fund matching will make a significant, significant difference to rural Nebraska. As all of you know that I've said many times, I live 32 miles from here, 32 miles from this location where we're standing right now, and I can't get broadband brought to my house. They refuse, costs too much money. So what then are we going to do with the communities in my district: Dwight, Ulysses, Rising City, Bellwood, Clarkson, Howells? What are we going to do about the farmers who live in my county who can't get broadband? What are we going to do about the farmers who live in the western part of the state who maybe their driveway is 15 miles long? Yeah, I said 15 miles long because it is. Off the highway, that's how far you have to drive to get to their house, just to their house. Do you think it's economical for a company to come in and build broadband to that house? No. This-- that \$128 million could make a significant difference to them. When I was on the Rural Broadband Task Force, first year we were there, we heard from a rancher out in western Nebraska and they sell cattle. They do a live auction online from the Sandhills and they have a real struggle of being able to hold that auction for the livestock, for the cattle that they're selling because it streams and it stops. It streams and it stops. Now, you have a, you have an animal that you're wanting to sell, you've got a bull and that bull-- part of when you're selling that, you're running across-- in front of that camera just to the bidders so they can look at that bull so they can judge that bull, grade that bull, and it keeps getting cut out because you don't have connection, because you don't have broadband significant in order to make that connection. So yeah, I'm going to stand up and talk about broadband. I'm going to stand up and say the need for broadband across the state is significant because if our state is going to grow, we have to have high-speed broadband all across the state for businesses to survive, for families to survive, for young families to survive. If young people move back out into the country, into small towns, we have to have broadband there. This \$128 million can make a big difference in certain areas. So while Senator Wayne is looking at this money, I think Omaha in general does have some areas that are lacking and need it. But I would say that it would be far more economical to bring broadband into Omaha, anywhere in Omaha, than would be where I live where there's two houses in the section I live in. My nearest neighbor is a mile away. If you go north

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of me, the nearest neighbor is three miles, maybe, and that's on the eastern side of the state. We go to the--

**ARCH:** One minute.

**BOSTELMAN:** --central part of the state, you go to the western part state, we're talking many, many miles. Some counties are probably going to have-- I know they'll have less people living in that county than maybe a, I don't know, let's take a 20-square-block area, highly populated area in Omaha. How are we going to get that to them? How are they going to survive? How are they going to make that happen? These dollars are crucial for us in rural Nebraska. Yeah, hopefully there will be more money coming somewhere to help with this, but this is significant for those areas that don't have it now. They haven't had that opportunity either. They haven't had those funds come to them before. So to make that small, small shop, maybe it's a sewing shop, maybe it's selling beef, maybe it's poultry, maybe it's an engineer, maybe it's, maybe it's a doctor--

**ARCH:** Time, Senator.

**BOSTELMAN:** Thank you.

**ARCH:** Thank you, Senator. Senator McKinney, you're recognized and this is your third opportunity.

**McKINNEY:** Thank you, Mr. President. I rise again to continue this conversation and, you know, I've been listening to the conversation and I would just say a investment in north Omaha is beneficial for the state of Nebraska. Not investing in north Omaha is not going to be beneficial for the state of Nebraska. That's just plain and simple. You know, it's, it's not surprising, but I'm actually welcoming the conversation because I like to see where everybody stands on issues. I hate when people just don't say anything, but they feel some type of way about something. And that's OK with me, but I'm glad we're having this conversation. We can continue to do business as usual and we'll continue to get the same results. North Omaha will still be the most impoverished area of the state. Our jails will still be continuing to fill up with black people from north Omaha. And probably some probably find that acceptable, but I don't and you shouldn't either. When you run for office and you become a senator, yeah, you represent your district, but you represent the state as well. So we can continue to neglect an area of the state or we could do what's right and that's, and that's just facts. We have to do what's right. You know, these bills have been out placed on the table for a couple of months now. A

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lot of these questions could have been answered a couple of months ago, a week ago, but you wait until today to bring these questions up, to hide behind, oh, we're pulling money from this place or this place. If we're going to be honest, we shouldn't have to pull any money from Cash Reserves or General Funds. When you actually sit down and read the guidelines for ARPA, it is specifically for areas like north and south Omaha. We shouldn't have to look to other places, but because individuals don't care about north and south Omaha, there's other projects that are being funded for rich nonprofits in Omaha that don't need the money, but they're asking for money, for the university that spends money on, on a bunch of stuff. And I support the university and I support nonprofits, but I support people first and we should look out for people first, not big museums that are being-- that are going to be closed for two years. Let's-- it's, it's just baffling that we even have to have this conversation. We wouldn't have to go look for Cash Reserve funds or General Funds if people in this body did the right thing the first time and appropriated the money where it was supposed to go. We could still be fiscally responsible. We also have \$175 million set aside for a prison that we don't need. Let's use that too. And to say my constituents are not the reason your community is the way it is, is-- it is what it is. You know, if you take a look at it from a historical standpoint, you will understand that everybody's at fault when it comes to the conditions of north Omaha and I mean everybody; from the state, the city, the county, and even the, the United States of America, the federal government. Everybody's at fault because there's multiple predominately black communities--

**ARCH:** One minute.

**McKINNEY:** --across this nation that are in the same position north Omaha is in because our states and our cities and our counties and our nation has elected to mass incarcerate individuals from those communities instead of investing them in a meaningful way. And that's the problem. We shouldn't have to ask for money from anywhere else, but no one wants to actually give us all the money through ARPA because they want to fund these nonprofits and museums that don't need the money. Thank you.

**ARCH:** Thank you, Senator. Senator Jacobson, you are recognized.

**JACOBSON:** Thank you, Mr. President. I guess as I'm hearing the debate, I'm empathetic to Senator Wayne and Senator McKinney's arguments on north Omaha and I would tell you that I'm going to vote green to move this to General File, but I, like everyone else, would like to know what the pay-for is. So let me tell you what I won't support in terms

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of pay-fors, OK? I'm going to start with the fact that I live in North Platte. And so people talk about distance in western Nebraska, let me give you a geography lesson, OK? Grand Island from Lincoln is halfway to North Platte. Once you get to North Platte, I'm a little over halfway to John Stinner's district in Gering. There's a lot of state west of here. Guess what? We have some of the same issues in western Nebraska than we have in north Omaha. We have poverty. We have issues, as Senator Bostelman said, with broadband, which is a huge priority for us. But let me talk to you a little bit about Sustainable Beef and that project. The CRA in North Platte yesterday finalized the, the approval of their TIF contract, \$21.5 million that, that, that will be coming from TIF. That project started out at \$325 million. The look-alike project in Kuna, Idaho, a few years was built for about \$200 million. Same project and now they're estimating it could be \$400 million to build this thing. They're raising their capital. There's \$20 million allocated in ARPA to help fund the sewage treatment plant there. Why does this qualify for ARPA? I'll tell you why. If you start looking at the impact that cattle producers have had in this state and around the country, you've got four major, major packers. Those four major packers-- when we ended up in the heart of the pandemic, we had trouble getting cattle slaughtered. Those plants were closing down. Since that time, beef prices have skyrocketed, yet we aren't seeing that at the producer level. This plant will be critical, critical to helping our part of the state. It will create 307-- or 875 jobs paying north of \$50,000 a year with full benefits. In addition to that, there are 23 producers in Nebraska who will be raising the cattle that will supply this plant. Ernie Goss has run a study and said that it will be a \$1 billion impact to our area. Let me also tell you something that's unique about North Platte. North Platte's school system has excess capacity, excess capacity. We've actually closed some schools. Guess where those kids are going? They're moving with their families for quality jobs to Lincoln, Omaha, and outside the state. So you get to build more school systems, more school buildings down here on this end of the state because we're losing families because we don't have the quality jobs in our part of the state and we don't have broadband, which will give additional opportunities to work from home and have meaningful jobs like others have across the state. This is a vital part of what we need to do in, in, in our part of the state and I'm going to fight hard to keep the \$20 million that's been allocated through ARPA funds to stay right there where they were targeted. I'm also going to mention one other thing while I'm up here and before I say that, I would also argue take a look. There's an article. Go look at the Wall Street Journal. Major piece in The Wall Street Journal today talking about Sustainable Beef and the impact. If you haven't

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read it, I'd encourage you to do so. I'll get you a copy of this if you want to see it. I also want to make one other thing while I've got some time left on the mike. I want to talk to you a little bit about the rail park. LB40 from a couple of years ago created this rail park idea.

**ARCH:** One minute.

**JACOBSON:** North Platte, as I told you the other day, has done their, their feasibility study. They've optioned 300 acres. They're ready to move forward. Oh, by the way, we also followed the rules and got our application in first, which is what LB40 outlined was supposed to be the deal. Now I'm hearing that we're getting the funding lined up that maybe we should relook at the order in which we would select who gets to use the funds. Why would we even remotely consider changing the rules? So I'm going to tell you I'm going to also vehemently fight against any amendments to redirect what the rules should be as it relates to allocating those dollars for the rail park. North Platte already has several companies who have indicated that they're prepared to come into that rail park once it's built. We've optioned the 300 acres. We purchased a building that's there today. We have access to the, to the Bailey Yard. This will be--

**ARCH:** Time, Senator.

**JACOBSON:** --a major game changer for us as well. Did you say one minute?

**ARCH:** Time.

**JACOBSON:** All right, thank you.

**ARCH:** Thank you, Senator. Senator Erdman, you are recognized.

**ERDMAN:** Thank you, Mr. President. Good afternoon again. Senator McKinney mentioned we may talk about things that are uncomfortable so maybe we should do that. So I have never been in support of workforce housing built by the government. It's not a secret. I can't find any place in the Constitution that says we're required or we should build housing. If it's not economically feasible for the private sector to do it, then the government should do it because it's not economically feasible. And you see, we're doing that with other people's money. So it's a lot easier to do that when you don't have to worry about losing money by building workforce housing. So let's talk about this for a second. So in Omaha, as it is in every other community in the state of Nebraska, there's a help wanted sign at every business entrance. Some

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put it on their marquee. I followed a van today that had a help wanted sign painted on the side of the van. It wasn't a sticker that you could take off. It's always on there. Help wanted. Here's the point: we have about 9 percent unemployment in north Omaha. There are jobs available on every corner, every business. Why aren't these people that live in north Omaha working at those jobs? Oh, it's because they don't have transportation. All right. So if you're a worthy employee and as badly as help is needed, you show up every day, those employers may come pick you up until you can afford your own transportation. So we're going to build and create businesses next to where the 9 percent unemployment is. We're going to create these jobs. I think Senator McDonnell alluded to the fact that only 78 percent of these young people are graduating from high school. So these jobs are going to require a high school diploma or to be able to read or write. So building something there and creating jobs don't guarantee those people are going to be able to get that job because they're not qualified because our school system has failed to educate them. So we'll build these jobs, we'll create these jobs in that area, and we'll build workforce housing and people from outside the area will move there to do those jobs and we'll still have 9 percent unemployment in Omaha. Now those are not very comfortable things to hear, but that seems to be what's happening. The education system has failed those people in that area, as it has across the state of Nebraska. So the conversation that Senator McDonnell had with Senator Wayne is maybe we need to put some money in for education. I've not yet seen a time when we spent more money on education that it made a difference in performance. And so it's an issue not only in Senator Wayne's district and Senator McKinney's district, but it is across the state. The jobs that we're going to create in western Nebraska are needed as well as they are in Omaha. And so as we talk about using Cash Reserves or General Funds or ARPA money-- and some of these may not qualify, according to Senator Wayne. He could be right, but we as an Appropriations Committee-- I said this to Senator Dorn just a few minutes ago-- or Senator Hilkemann, excuse me-- I said, we should have decided how to spend this money like I wanted to in the first place, by Rock-Paper-Scissors. We're getting about--

**ARCH:** One minute.

**ERDMAN:** --the same response-- we're getting the same response from people like we never considered how to spend this money. We spent some time talking about these things. We spend a lot of time talking about these things and I'm not saying not that, that you give me a pat on the back or anybody on the committee that spent time doing that. We signed up for it. And so whatever Senator Wayne wants to take away



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from ARPA money or Cash Reserve or wherever he wants to take it, he's going to have to take it from someone who has already had it appropriated to them. And more power to him, but I'm not in favor of advancing something that I have no clue what it's going to do or how much it's going to cost. So I'll continue to listen and we'll see if we can come to a conclusion what it's going to look like on Select File. Thank you.

**ARCH:** Thank you, Senator. Senator Vargas, you are recognized.

**VARGAS:** OK. Thank you very much. I just wanted to get up. Just a quick technical change and there will likely be an Appropriations amendment on some technical changes because part of the issue is a couple of words were left out, two words of-- in the ARPA budget, which I think just lends to this conversation. Again, I support this bill. I support the, the changes that are being made, not only the amendments and the underlying reasons, but in the ARPA package we left out two words of no less than-- basically three words, "no less than," that wouldn't prohibit north Omaha from accessing the funds of the \$150 million that they would be available for going after all \$150 million with a minimum that goes to them. But the rest is available to them and the way it's written right now would just do a direct allocation of the \$50 million. Now I know there's going to be worked out things between General and Select and I support, you know, making sure that we can either get these funds from General Funds. But I just wanted to make that clear and it will be something that we work on between General and Select and the ARPA package as well on just some technical amendment changes in terms of language. Thank you.

**ARCH:** Thank you, Senator. Senator Linehan, you're recognized.

**LINEHAN:** Thank you, Mr. President. Good afternoon, colleagues. I too am going to support LB1024 and Senator Wayne's amendments. When this-- I don't know what group actually called me out, I wasn't at the hearing. I've heard great things about the hearing, but I wasn't there. But when I got called out by somebody who was working in support of the bill, they handed me a package. And on the front page of the package is the Omaha Chief of Police testimony regarding transformational [INAUDIBLE] of LB1024/LB1025. So this is what the Police Chief of Omaha had to say about this bill, which I think is instructive: The north Omaha community has worked closely with the Omaha Police Department to reach some of our lowest violent crime records in the history of the city. However, they are still disproportional and has spiked during the pandemic. There are three steps that I see in order to reduce violent crime. One is mental

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health. And we've talked a lot about that. I'm still not quite sure we're doing enough, but we're in a better-- we're getting in a better place. Number two is recidivism, which we've talked a lot about trying to do something about that the last couple of days. Probably the biggest area that I see-- again, I'm quoting the police chief, is the area of root causes: employment, poverty, affordable housing, education. The greatest opportunity to adjust quality of life and for the disproportionate crime reduction is to address the root causes. Arguably, our north Omaha community, one of the greatest poverty areas, has suffered the most during the pandemic. We have a dual opportunity here. We can assist with coming out of the pandemic, but we also can address the root causes that have forced an unequal starting point. I was asked one time, Chief, if you had 1,000 more officers, how much would crime go down? My response was, I'd rather have 1,000 jobs strategically placed in the right parts of our city to affect poverty. This would reduce violent crime far more than 1,000 police officers. I will close with this. I am in support of LB1024. I view it as transformational. I view it as a rare opportunity. I concur with the two senators that have brought this forward. So I don't know all the details of this. We are spending a tremendous amount of money between ARPA and the General Funds. And I don't quite know how all the pieces fit together. As Senator Wayne suggested, we didn't get the yellow book until today. I think when we're looking at one point-- I think the total spend here, between General and ARPA, is \$1.6 to \$1.7 billion, billion. There might be a way to kind of see if the pieces of the puzzle couldn't be shrunk a little here, enlarged a little over there. I think we're going to be on this tomorrow. But there is-- I think we should all study this yellow book tonight and think if maybe there isn't enough money there that we could do some more things. Thank you, Mr. President.

**ARCH:** Thank you, Senator. Senator Wayne, you're recognized and this is your third opportunity.

**WAYNE:** Thank you, Mr. President. Colleagues, let me just remind Senator Erdman kind of what we're doing here. There is a total amount, Senator Erdman, that is being spent. We are asking for \$475 million out of this, 225 and 250. I'm not saying it has to come from ARPA. I'm not saying it has to come from cash. But I would like to have the opportunity to have that conversation because it doesn't seem like we'll get to have that opportunity, whether in Appropriations or whether on the budget. We don't even get to do amendments on the budget, for God sakes. This is the only way we can move this forward and have a real conversation from General to Select and put pressure on this body to do something. But let me tell you how we're going to

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control the spending and make sure it is detail oriented. And by the way, Senator Erdman, you are advocating for a project in another state. The actual canal is in Wyoming, and we're spending \$23 million in Wyoming to make sure water is getting to Nebraska. I have no problem with that because there is a need. There is a plan. There is a definite ask. Same thing here. There has been a plan. There is a need. And I'm even going to double the plan by saying, Senator, we're only going to spend \$100-140 million this year. We're going to have a committee issue an RFP to tell us where to send the rest of the money. The transfer we're asking for is because I don't trust the body. I didn't make that up. The Governor did. The Governor asked you all as Appropriations to put \$175 million in a contingency fund because he doesn't trust you not to spend it. I don't, either. So I'm asking for a cash transfer or a General File transfer to put it in a fund that can be used later. Next year, I will bring bills back or Senator McKinney to appropriate where those dollars go based off of what the committee and the plan tells us to do going forward. That's the structure, that is the STAR WARS's structure that I am following that you supported last year. So why is STAR WARS and that structure OK for \$200 million for water? Why are we spending an additional \$200 million on water trails and golf courses, but for me to ask for people to have the same spend over two years, it's, it's ludicrous? That's the part I'm struggling with. That's the part we all should be struggling with. We have \$400 million on the floor in General File. We have \$1.3 billion in cash reserves. I'm asking for two. At worst-case scenario in negotiations, I might ask for 275 out of \$1.3 billion in Cash Reserve and \$400 million, that's \$1.7 million available. That's not too much to ask. And here is the most interesting spot. You have to pass this bill or the 128, we have no control over where it goes. We have no-- because I own that bill. It's in Urban Affairs. Tried to attach it to ARPA, that's not germane. It came to my, my committee. The only germane bill is this bill. That's why I attached it because that's the only way I was going to get rural senators to get on board. I'm being completely transparent. There's \$128 million right now you can put in your communities for community projects right now. They can either be a multi-facility, they could be healthcare. The \$60 million for Kearney's hospital, \$128 million can spend it like that. It fits perfectly into this grant. Senator Friesen needs some community to get broadband? We can direct it. Oh, it goes back into the lost world of the Governor's nonbudget that wasn't even recommended in our budget. Think about that.

**ARCH:** One minute.

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**WAYNE:** It wasn't even in our budget recommendation, \$128 million grant. So they heard through the grapevine or the Governor may have told them directly they're going to use it for broadband, but there's no commitment for that. It never even came before Appropriations. So if you want to control the \$128 million, we got to vote green and figure out what to do with it. It never became before this body. And if you try to attach it to any other bill, there's a germaneness issue. It came to Urban Affairs. It didn't go to Appropriations. It doesn't open up the section, same section of law. There's many things we can argue. So I attached that strategically. I'm being completely transparent because I don't know what else to do at this point. Everybody else seems to be hiding the ball and hiding the truth. I put this on here so rural communities can figure out what they want and they can have it. We're asking for \$450 million. We got to 475 because I didn't like how the budget went. I'll admit I added an--

**ARCH:** Time, Senator.

**WAYNE:** --extra \$25 million on there. Thank you, Mr. President.

**ARCH:** Thank you, Senator Wayne. Senator McCollister, you're recognized.

**McCOLLISTER:** Thank you, Mr. President. Good afternoon, colleagues. This morning, I talked about my trip through north Omaha this last week and the tour that I took in north Omaha. And after the Civil War, as I mentioned, it was a vibrant community. Cultural events, art, big bands would come to Omaha. Duke Ellington would come to Omaha and, and play at north Omaha. It was a cultural center. And but since that time, over the intervening 60 years, the area has been depopulated and you see countless numbers of empty lots where the housing has been torn down. So north Omaha does need to be revitalized, and that's why I support LB1024. The rest of the amendments, I'm not so sure. We need to allocate the money in some kind of reasonable way. So I think it's a good bill and I'm glad both Senator Wayne, Senator McKinney are, are pushing it forward. I also want to talk about broadband. Senator Bostelman talked about that. Wondering-- I wonder if he would yield to a few questions?

**WILLIAMS:** Senator Bostelman, would you yield?

**BOSTELMAN:** Of course.

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**McCOLLISTER:** Senator Bostelman, we've been talking about, about broadband this afternoon and what percent of Nebraska now has broadband, high-speed broadband?

**BOSTELMAN:** That's a great question. I don't think we know. That's honest, I-- we're not mapped. There's a report on 477's federal government and that is grossly inaccurate.

**McCOLLISTER:** Well, how do you know where to build broadband if there are no maps or, or guides on where to develop that broadband?

**BOSTELMAN:** That's another great question. What happens right now is, is the telecoms, others who build broadband, they go out to those areas. We're on the 477. It says it's unserved, underserved and they build in those areas.

**McCOLLISTER:** And we mentioned the fact that we're going to spend \$128 million on broadband, and I'm surprised we, we don't have a plan to know where that money is going to be spent.

**BOSTELMAN:** Well, that's, that's a good point. And I actually had a bill, I think it was LB1101, that actually talked about mapping this year.

**McCOLLISTER:** Well, when I ran for--

**BOSTELMAN:** But the FCC is supposed to be bringing out a map in the next year so we actually know where we need it.

**McCOLLISTER:** In that \$128 million, are we going to try to get a map or some, some kind of indication what areas are the most poorly served?

**BOSTELMAN:** Sure, there's two things to do right now; one is, is the current 477, it would give a broad picture. It's inaccurate, but it'd be out there. But the FCC is supposed to be coming down this next year with a map to do exactly that. And in the bill that we have, it's a Transportation Committee priority bill that does give the PSC the authority to build that map if the FCC doesn't so then we'll know exactly where to put it.

**McCOLLISTER:** Well, when I ran for the PSC in 2008, there were maps. So they were probably erroneous or poorly constructed, correct?

**BOSTELMAN:** Well, those at that time probably were. The NTIA, I think it is, there is a map that's out there on the federal level, but it's

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still-- it's better than the 477 that they use, but it still needs a lot of work.

**McCOLLISTER:** As the broadband expert in the body, do you see a certain amount of irony in the fact that you aren't served by broadband?

**BOSTELMAN:** Yes.

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

**WILLIAMS:** Thank you, Senator McCollister and Senator Bostelman. Senator Lowe, you're recognized.

**LOWE:** Thank you, Mr. President. In the Urban Affairs Committee, we heard probably the best hearing I've ever been to on LB1024. There were 37 testifiers in favor of it, not including the three senators: Senator Wayne, Senator McKinney, and Senator Vargas. Thirty-seven community leaders came out in support of this bill. There's another little town by the name of Eustis, Nebraska. It was a dying community. It's a farming, ranching, little community on a railroad spur, but nothing much was happening. Some people started to make pies. Another group started a body shop or expanded a body shop. And then they have their annual celebration, which brings in thousands of people to a little community of 500 people. The Village PieMaker started out in Eustis. They employed lots of people. Eustis Body Shop, which is now in five cities across Nebraska, started there. And Wurst hog days is one of the best parties I've seen in a long time. And it started not with money, they started out small, but they had an attitude. The Eustis Pool Hall, some young people moved back to Eustis. The Eustis Pool Hall started up and another bar and they put out some really good food there. But it was the attitude of people and Senator Wayne, Senator McKinney, you have those people. They are there. It is the people that will bring north Omaha back. North Omaha is a great city. You are sitting in a great city. Senator Wayne, in your opening, you brought up, that is no different than the people in my community, no different than the people of Senator Erdman's communities or Senator McDonnell's communities. They're good people there. They're Nebraskans and they believe in what we do here in Nebraska. You have everything you need to fix your problem in north Omaha and south Omaha, and it is the people that are there, the people and their attitude, the leaders that are there. Now it may take a little bit of money, I'll, I'll admit to that. It may take a little bit of money to, to get them going, to help them out to, to furnish some of the things that need to be done immediately. But it is not, it is not everything. Money does not fix everything. It certainly has not fixed our coaching staff with

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as much as we pay our coaching staff of our colleges here. It has not fixed our players now that we're playing-- paying our players to play here. Money does not fix things. It is the attitude of the people in your communities that will make LB1024 viable.

**WILLIAMS:** One minute.

**LOWE:** Thank you, Mr. President. I'd like to yield the rest of my time to Senator Wayne, if he would like it.

**WILLIAMS:** Senator Wayne, you're yielded 54 seconds.

**WAYNE:** Thank you, Senator Lowe, and thank you for your comments. I, I do think the people make a difference, and I agree. I also think as a state, we continue to invest everywhere. North Platte is going to get a little bit over \$75 million. There's less than 40,000 people there. Why? Because they're going to bring jobs and they're going to have a huge economic impact. We have 120,000, over 130,000 people in the area we're trying to affect. You know what? We're going to bring jobs. And the estimated projection is over a billion dollars, actually about a billion five. And we're going to help grow the state with this green vote. Thank you, Mr. President, and thank you, Senator Lowe.

**WILLIAMS:** Thank you, Senator Lowe and Senator Wayne. Senator McDonnell, you're recognized.

**McDONNELL:** Thank you, Mr. President. Would Senator Wayne yield to a couple of questions?

**WILLIAMS:** Senator Wayne, would you yield?

**WAYNE:** Yes.

**McDONNELL:** Senator Wayne, in your, in your handout, it talks about \$500 million from the, the private investment. Do you have any commitments yet on that, that \$500 million?

**WAYNE:** Yes, we have about-- actually, yes, we have around \$80 million in private investments, 15 on 30th Street and approximately 40 around the airport.

**McDONNELL:** Do you-- has, has the city of Omaha or Douglas County committed to any amount of money yet for the project?

**WAYNE:** Yes, that's a great question. The city of Omaha for the airport project has committed in a range-- because they're not using ARPA

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dollars-- \$15-20 million over a two-year period, and Douglas County has committed 5-10 over a two-year period. They're using, they're using sewer bonds, and that's, that's why it depends on the projects.

**McDONNELL:** Are, are they, are they committed to any ARPA money? Because I believe the two combined have well over \$220 million between Douglas County and, and, and the city of Omaha.

**WAYNE:** They are committing-- so for the airport project, they are using General Funds and sewer bonds. For housing, they have already committed \$20 million and the philanthropic community has already raised another \$20 million, so there's already \$40 million committed.

**McDONNELL:** Thank you, Senator Wayne. I'll yield the remainder of my time back to the Chair.

**WILLIAMS:** Thank you, Senator McDonnell and Senator Wayne. Senator Pansing Brooks, you're recognized.

**PANSING BROOKS:** Thank you, Mr. President. I am supportive of Senator Wayne's bill and what he's doing and Senator McKinney. I think it's important. The only thing that worries me is if, if money is taken from Lincoln for housing, so I'm going to promote this and, and vote it forward. But I know that, that Senator Wayne is aware of my concerns about housing in Lincoln, middle-income housing. So we'll just-- I will move this forward out of General File and then we'll see what happens between now and Select. So I will yield the rest of my time to Senator Wayne if he'd like to.

**WILLIAMS:** Senator Wayne, you're yielded 4:00.

**WAYNE:** Thank you. I'm just going to briefly-- so people often ask, like, why are-- why are north-- why is north Omaha, particularly African-Americans, kind of consistently at the bottom of the economic ladder? And there's three myths that are often talked about, and I've heard a couple of them on the floor, that blacks are in a situation because they lack incentive or education, that their own bad behavior is what caused it. That's, that's the first one. The second one is actually there are some secret society that somehow meets weekly to figure out how to destroy black and brown people. And those are people who get up and say the, the system is against them and they can't, they can't actually move. The third one is this education and sympathy concept that, that through sympathy and charitable organizations, that's the only way to cure this issue of economics. And I want to talk a little bit about the economics and, and this philanthropic



idea. Charity and philanthropy-- or philanthropic community is-- they're, they're noble people. I don't, I don't think they do things ill will. But by ignoring the circumstances that created the need for the charity reinforces the black inferiority concept. See, what this plan is really about is we don't need charity. We need business partners. We don't want a handout. We just want to be able to compete equally. We want to be able to get up, go to work, have a good-paying job and have some disposable income to take care of our families and maybe go to a movie. See, we need a free enterprise system that will work for us. Now you might think this is a big number, you might think this is a big ask, you might think money doesn't solve everything. But if that's the truth, then why are we spending money at all? If that's the truth, why are we putting \$50 million here, \$40 million there, \$30 million there? Because at some point, we have to make an investment. At some point, everybody in this body knows we can't cut our way out to prosperity. That it isn't just about lowering taxes, it's also about investing in a return where we have more jobs. The feasibility study shows that we will create over 1,000 jobs, over 1,000. Just the construction alone will be over 300 jobs. That we're, we're going to try to create the mecca of startup businesses in the Midwest, and we actually have a plan to do that because it's been done in other cities. We're just going to go ten times bigger and ten times better, and not bigger--

**WILLIAMS:** One minute.

**WAYNE:** --as in more money, more strategic. We want to solve the criminal justice problem? Invest. So it's real simple for me when I get up here and talk because this isn't my idea. This is an entire community asking this body give us a chance. Give us a chance by investing in us and let us show what happened. We got accountability. We got reporting. And the question Senator Flood brought up real quick about separations of power, we require the government and the Governor and their agencies to give us reports all the time. And that's all we're asking for is a report so we can stay in tune to what's going on and be able to make adjustments. And the special committee can tweak, through new bills, how to make adjustments of where the dollars are being spent. This is more accountability than any ARPA plan that we've seen in this body.

**WILLIAMS:** Time, Senator.

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

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**WILLIAMS:** Thank you, Senator Wayne and Senator Pansing Brooks. Senator Moser, you're recognized.

**MOSER:** Thank you, Mr. President. Well, we've had some issues come up before that, that were to benefit north Omaha. We had some extensions of the number of years that TIF could be applied. We had a property tax enablement that allowed some mass transit to be built. And I voted for both of those things and some of my constituents asked me why, and I said, well, I thought it's good for north Omaha. And, you know, we-- may not help my district, but I-- but it helped north Omaha and Senator Wayne asked for help. And I thought he had a good argument so I voted for him. And this bill, if, if it's done, you know, within the scope of what the budget can afford, if it's \$250 million or in that ballpark, you know, I could see supporting that. I hope that the way they construct the rules and regs on how the money is given out would consider making sure that it goes to individuals. And so that, you know, you don't come up with housing things that primarily benefit the landlords, you want the people who live in north Omaha to each have some benefit from this. Otherwise, the landlords are probably sharp enough in a lot of ways to wind up with all the, all the middle-income housing money, and then they rent to people at market rates, and it really doesn't benefit citizens in north Omaha. So I'll be listening carefully as this moves forward. And you know, it's, it's another bill that Senator Wayne is really passionate about. And so I'm going to listen. But I-- you know, in the end, how it fits into the budget and how it all works is going to make the difference on whether I give it, you know, my support. Thank you.

**WILLIAMS:** Thank you, Senator Moser. Senator Ben Hansen, you're recognized.

**B. HANSEN:** Thank you, Mr. President. I think I might be the last one in the queue. Can't tell, yeah. Kind of torn a little bit on what to do with this bill. But when talking with some of my colleagues, talking with Senator Wayne, listening to what others have said on the microphone, I am going to vote in favor of LB1024 and the underlying amendments in General File. I know there's a lot of discussion, a lot of work, and I'm trusting Senator Wayne that this will happen between now and Select File. My vote on Select File could totally change, but I believe in Senator Wayne and what he says, and so I'm willing and open to listen to discussion that he might have about what he wants to do different with this bill. And I think the whole issue of what we're discussing here is a, is a multifaceted issue that includes history and historical context, which is something that Senator Wayne has said, I think, was with what happened with the north Omaha, also

historical context with our federal government and their involvement and, and, and poverty, current societal and, and cultural context we have to put into perspective and a general misunderstanding of maybe what-- who people who do not live in areas such as north Omaha-- I don't-- about how they live and vice versa. There are people in north Omaha who, who are completely surprised that we don't have broadband in western Nebraska, that there are some areas in Nebraska where you can actually not get cell service. And so I think it's, it's a basic understanding and maybe where we both kind of come from and so I have always appreciated Senator Wayne sharing his perspective and Senator McKinney because I hope that kind of puts some of this in perspective. And, and Senator Wayne's also, I think, goal of the opportunity of equality and the idea that we can all be on a firm level and have the same opportunities to improve the lives of ourselves and our families. But I did have one question for Senator Wayne if he'd be willing to yield, please?

**WILLIAMS:** Senator Wayne, would you please yield?

**WAYNE:** Yes.

**B. HANSEN:** Senator Wayne, one of the things that we discussed before was, and I think you and I both agreed on, was the-- one, I think, one of the best ways to maybe not solve a problem such as this, but help a problem such as this is putting people back to work. And I think one of the, the, the concerns that you had was the inability for some people in perhaps areas such as north Omaha to have, have access to jobs or have the ability to find jobs that might improve the livelihood of themselves and their families. And so are there certain aspects of your bill and what you put together here that would address that?

**WAYNE:** Yes, so one of the things we had in our overall bill is called skill up. It's a plan that currently we can scale, that's currently being done on evidence-based. And so one of the issues and why I'm always hesitant about community colleges are not everybody wants to go enroll part time or full time, there's a lot of paperwork. They just want to skill up on some certain job aspects. They want an entry-level position, they need to know how to type a little better. They don't want to enroll in community colleges. So one of the programs we looked at and we wanted to use is a skill up where we can work with providers and actually businesses to provide short-term classes on certain skills, including soft skills, to skill them up into certain jobs that we know are available like Blue Cross Blue Shield, Loziers. There are numerous people who are looking for people where we just got to skill

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them up and they don't mean going full time to a community college. So there is a program in there that we're looking at to connect the dots.

**B. HANSEN:** I appreciate that. I think if, if, if there's some aspect of all of this that, that I am looking for is, is, is there are plenty of jobs out there and I, and I do have the understanding that sometimes it's difficult to get access to these jobs in certain areas of Omaha, and they might be missing one or two skill sets that might qualify them for this job. And I'm hoping there will be parts of this bill that will address that--

**WILLIAMS:** One minute.

**B. HANSEN:** --and give people the opportunity to improve their livelihood by working, by contributing to society. And I, and I think that, that there are parts of the bill that do that. And so that's what I'm looking forward to and hoping that we can kind of move forward with. With that, I'll yield the rest of my time back to the Chair. Thank you.

**WILLIAMS:** Thank you, Senator Hansen and Senator Wayne. Seeing no one in the queue, Senator Wayne, you're recognized to close on AM2341.

**WAYNE:** Thank you, Mr. President and colleagues. That was a fun discussion and most of the time when I'm having a bill, I'm stressed out on the floor. But I'll tell you why this is, is different for me. The road from poverty to prosperity is not complicated and it's not a mystery. It begins with entrepreneurial-led activities and that's what this bill and the underlying amendment is about. And the reason I'm not nervous as some of my other colleagues sitting on the side who are supporting this bill is because I am deeply rooted in my conviction in God and actually ironically in this body. I believe in this body more than sometimes the body believes in itself, that we can continue down the same old path of division and racial disparities-- notice I didn't talk about race a whole lot-- or we can come together and keep working towards this more perfect union. And you know what? When you work together for a more perfect union, it's a little messy. It's a little uncomfortable. It's a little chippy like me and Flood sometimes. That's part of the beautiful process of changing a community. So what this bill is about, it's about this body making an investment. And you're right, Senator Erdman, I don't know the exact investment today. I know what my ask is. But I've said it five times on this floor, and I'm going to say it for the sixth time, my ask will change once we figure out ARPA and everything else. And I will come with a firm number on Select. And you can vote up or down on that. But give our

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community a chance to be here. Give our community a chance to be heard and have an opportunity to build some hope. We can fundamentally change north and south Omaha and we can start today by saying we're going to invest. We don't know the exact amount. This is an imperfect process, but that is how we become a more perfect union. And so I'd ask you to vote green, not because of everything written in this bill because we're going to take time to believe in the process of figuring out the best investment for north Omaha. And I intentionally left an A bill on here because I needed it to come from the floor. I needed this body to intentionally help me figure this out, help McKinney put the best bill forward. I'm not leaving it to seven people in Appropriations, nor am I leaving it to seven-- or nine people in Appropriations, nor am I leaving it to seven people in Urban Affairs. We brought the whole thing out to have this messy process to do the best thing we can for north Omaha. It's imperfect, but that's how we become a more perfect union. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Wayne. Members, the question is, shall the amendment to the committee amendment to LB1024 be adopted? All those in favor vote aye; those opposed vote nay. Have all voted that wish? Record, Mr. Clerk.

**ASSISTANT CLERK:** 29 ayes, 0 nays on adoption of the amendment.

**WILLIAMS:** The committee amendment is adopted. Mr. Clerk for items.

**ASSISTANT CLERK:** Thank you, Mr. President. Amendments to be printed: Senator Gragert to LB809 and Senator Gragert to LB809A; Senator Lathrop to LB1013 [and LB1011]; and Senator DeBoer, Gragert, Hunt, John Cavanaugh, and Murman to LB1014; Senator Clements to LB1241. Senator Morfeld offers LR346. That'll be laid over. That's all I have this time, Mr. President.

**WILLIAMS:** Thank you, Mr. Clerk. Debate is now open on AM1920 [SIC]. Mr. Clerk for an amendment, I'm sorry.

**ASSISTANT CLERK:** Thank you, Mr. President. Senator Machaela Cavanaugh would move to amend with AM2479.

**WILLIAMS:** Senator Machaela Cavanaugh, you're recognized to open on your amendment.

**M. CAVANAUGH:** Thank you, Mr. President. I am actually going to withdraw my amendment and I believe I have three additional amendments. I would like to withdraw all of them.

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**WILLIAMS:** Amendments are withdrawn. Mr. Clerk for amendment.

**ASSISTANT CLERK:** Mr. President, Senator Friesen would move to amend with AM2471.

**WILLIAMS:** Senator Friesen, you're recognized to open on your amendment.

**FRIESEN:** Thank you, Mr. President. This is just a, a very easy amendment. It just strikes a couple of lines on page 10. It strikes line 3 and 4 saying that they cannot use it for broadband. So I-- this just allows the DED, if the money would go there, if this bill would pass down the road, it would say that instead of being prohibited from using it for broadband, they could use it for broadband if they wished. And with that, I'll yield the rest of my time to Senator Wayne.

**WILLIAMS:** Senator Wayne, you're yielded 9:20.

**WAYNE:** Thank you, Mr. President. I agree with this amendment. The entire section was the result of Senator Friesen telling me we didn't need broadband and now he corrected it and I'm going to agree with him. I'm blaming you for that. So, yes, I agree with the amendment. Vote green on the amendment.

**WILLIAMS:** Thank you, Senator Wayne and Senator Friesen. Debate is now open. Seeing no one wishing to debate, Senator Friesen, you're recognized to close on AM2471. Senator Friesen waives closing. Members, the question is, shall AM2471 be adopted? All those in favor vote aye; those opposed vote nay. Have all voted that wish? Record, Mr. Clerk.

**ASSISTANT CLERK:** 35 ayes, 0 nays on adoption of the amendment.

**WILLIAMS:** AM2471 is adopted. Moving back to debate. Seeing no one wishing to speak, Senator Wayne, you're recognized to close on the committee amendment. Senator Wayne waives closing. Members, the question is, shall the committee amendment to LB1024 be adopted? All those in favor vote aye; those opposed vote nay. Have all voted? Record, Mr. Clerk.

**ASSISTANT CLERK:** 29 ayes, 0 nays on adoption of the committee amendment.

**WILLIAMS:** The amendment is adopted. Returning to debate on LB1024. Seeing no one wishing to speak, Senator Wayne, you're recognized to

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close on LB1024. Senator Wayne waives closing. Members, the question is the advancement of LB1024 to E&R Initial. All those in favor vote aye; those opposed vote nay. Have all voted? Record, Mr. Clerk.

**ASSISTANT CLERK:** 28 ayes, 0 nays on advancement of the bill.

**WILLIAMS:** LB1024 advances. Any items, Mr. Clerk?

**ASSISTANT CLERK:** None at this time, Mr. President.

**WILLIAMS:** Returning to the agenda.

**ASSISTANT CLERK:** Mr. President, first item, LB939. First of all, Senator, there are E&R amendments.

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

**McKINNEY:** Thank you, Mr. President. I move to adopt the E&R amendments to LB939.

**WILLIAMS:** Members, you've heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, a priority motion. Senator Machaela Cavanaugh would move to bracket LB939 until March 25, 2022.

**WILLIAMS:** Senator Machaela Cavanaugh, you're recognized to open on your bracket motion.

**M. CAVANAUGH:** Thank you, Mr. President. And I have ten minutes?

**WILLIAMS:** That's correct.

**M. CAVANAUGH:** OK, great. Thank you, Mr. President. OK. So this is a bracket motion to hold this bill over until March 25, which today is the 22nd, so just a few days. This is, so just so we're clear from the start, a filibuster. So nobody needs to say this is a sneaky filibuster. This is a filibuster. I have a stack of motions all ready to go. This is a motion to filibuster this bill. I intend to take this bill for four hours. People might try and get cutesy with me in trying to undercut my ability to take it for four hours, but I will be taking it for four hours. So I just want to be clear, the terms of engagement here, that I am doing this. And if anyone is confused about if this is a filibuster or not, the answer is yes, it is a filibuster. And for the pages, these are all tricks of the trade that I learned from the longest-serving senator in Nebraska, Senator Ernie Chambers, from my

first two years, and definitely will be interested to see how my filibuster is treated versus all of the filibusters he did for 40 years. So why? What brings me here today? Well, I don't support this bill. I support cutting income taxes for the middle and lower class. I have been on the record on that clearly and repeatedly over and over again and to no avail. This bill will ultimately bankrupt the state in the out-years. And at the same time, it will not help the lower and middle class. So I don't support this bill. I've tried. I've tried to put up amendments that were serious amendments. There was no interest in that so this is where I am at. I am at taking this for four hours and the 48 of you can decide whether or not this moves forward. I won't be moving it forward, but we're going to take it the four hours so that you all can decide if at least 33 of you disagree with me. So LB939, and I honestly don't even know where we're at with LB939 because there have been so many amendments filed and, yeah, I just don't even know where to start so I will start with it will bankrupt us. And I want to-- I hope you'll indulge me and there won't be any dilatory motions as I digress, but I am about to digress. So if you want to do a dilatory motion, now would be the time. So I printed off this copy of this article that was on the front page of the Omaha World-Herald, and it's quite lengthy. And so I am going to take as much time as it does take this evening to read the full article to the Legislature. And there is a point to it, which I will get to when I finish this article. So the title of the article is: The system failed her: Omaha woman fought for each day of her life after domestic violence abuse. Can I have a gavel, Mr. President?

**WILLIAMS:** Members, would you please come to order?

**M. CAVANAUGH:** Thank you. The empty gas cans, the puddle and the lighter were, were the terrifying clues to what Carl Michael Bohm had planned. There was no time to escape what came next. Folks, I am literally reading an article about a woman being burned in her home so if you're going to talk, can you take it off to the side or off the floor? Thank you. Bohm dropped a lighter and a whoosh of flames engulfed him, his wife, Janet, and their 18-year-old daughter, Amanda. All three survived the February 2019 fire, but Janet would die two years and eight months later despite an arduous recovery from severe injuries. Her case motivated the Nebraska Legislature in 2019 to close a loophole in domestic violence protections that her family feels may have contributed to her death. With an average of 15 domestic violence deaths each year in Nebraska and about 58,000 reports of violence and intimidation against an intimate partner, more changes are needed, according to Janet's family and those who advocate for victims. The system failed her, says Susan Thurman of La Vista. My sister was the



center stone of our family. She was strong. She deserved to live a full and happy life. For years, Janet Franks-Bohm put up with a husband her family describes as a loner and alcoholic. She worked two jobs, while Bohm was unemployed-- often unemployed. The marriage was the second for both, and he was ten years her senior. Both had children from prior marriages. Amanda Bohm, the couple's only child together, says when she was young she couldn't figure out why her mom didn't leave her dad. Bohm rarely helped around the house. He was mean and bullying. He taunted his wife and daughter. It was only in Amanda's teenage years that her mother explained why she stayed in the marriage: his graphic threats. Try to leave me, he'd tell his wife, I'll go hurt the dogs. I'll cut you up and scatter the pieces for wild animals to eat. I'll burn down the house. Except for Amanda, few people apparently knew about the abuse. He was smart, Amanda said of her dad. He knew not to leave any marks. Dan Franks, Janet's son from a previous marriage, says his mother and Amanda didn't talk about the abuse they suffered. I knew he was an alcoholic. I knew he drank, Franks says. But that is how some people choose to unwind. Janet's siblings didn't know the full extent of the abuse, either. She was from a large south Omaha family. The Lentis kids, Janet, Pam, Gloria, Susan, John and Andrew grew up at 20th-- near 20th and Y in the Little Bohemia area and graduated from South High School. Sisters Pam Sorgen of Omaha and Susan Thurman described her as smart, strong and capable, someone who always had creative ideas. No one could have imagined it would turn into what it did, Thurman says. She was such a strong person. I think she felt she could tolerate it until she could get the divorce and move on. Her siblings say they had limited contact with their brother-in-law because he was a no-show at family get-togethers. Sorgen didn't know that Janet had tried unsuccessfully to get a protection order. She didn't talk about him, and we didn't ask. That someone would keep abusive-- that someone would keep abuse private is not surprising. Domestic violence advocates say often people do not-- don't want others to know about the abuse because they fear consequences worse than the abuse they are experiencing. Maybe they'll lose their kids or their abuser will make good on the threats and kill them. Even children are often unaware of the full extent of abuse, experts say. For most of her early childhood, Amanda says, her daily contact with her mother was a voice on the other end of the phone. Janet worked two jobs to cover the family's bills and to help dig the family out of bankruptcy after her husband's auto shop failed, Amanda says. Bohm picked up various automotive jobs according to his daughter, but never stayed with anything for too long. He would have a job for three months, then he'd p\*\*\* off-- get p\*\*\*\*\* off and quit, Amanda says. That put a lot of weight on my mom's shoulders, but she

carried the weight well. Janet's primary job was accounting at, at Ag Processing. In the evenings, she would head to a part-time job such as cashiering at Walmart. Amanda says her mother would call her during breaks from work to make sure she was doing OK. Mother and daughter would make up for lost time on Janet's days off. On weekends, we would never really be home, Amanda says. Later, I figured it was because of my dad. How much time do I have left?

**WILLIAMS:** 1:25.

**M. CAVANAUGH:** Thank you. During Amanda's teenage years, her mother cut back on the second jobs and spent more time at home. Franks says he still can picture his mother in the years before the fire, sitting in a lawn chair in the backyard next to a kiddie pool watching the family's ducks paddle about.

**WILLIAMS:** One minute.

**M. CAVANAUGH:** Thank you. Janet loved the family's animals, four dogs, three cats, seven ducks and chickens and a miniature goat. She'd sit out there a couple of hours a day, sitting and thinking, watching the ducks and being peaceful. Franks chuckles about the time Janet brought the goat to his daughter's soccer game. About an hour, about half hour we left, she called me to say she was just now leaving. Every kid had wanted to pet the goat, he says. She was a very loving person. In July 2018, Bohm set fire to a large pile of family possessions in the yard of their northeast Omaha home. Amanda says she can still visualize the eight-foot flames. I am going to pause there and I will come back to it on my next turn. Thank you.

**WILLIAMS:** Thank you, Senator Cavanaugh. Senator John Cavanaugh, you're recognized.

**J. CAVANAUGH:** Thank you, Mr. President. So-- well, as long as we're here, I'm going to talk about what my concerns about LB939 as written are. And I talked about them a lot on the, the General File section and before it advanced and then we talked about fixing it between General and Select. And I do appreciate Speaker Hilgers and Senator Linehan sitting down with me to talk through my concerns and about it, and ultimately that there is no real compromise that I think-- at least at this point because LB939, one of the portions of it-- well, the corporate tax cut goes disproportionately out of state, individuals and corporations, and I just don't think that's something we should be doing at this point. We did it last year. We had an agreement on that and that-- this further cut goes against that

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agreement. But as to the personal income tax portion, dropping the top rate from the 6.84 to the 5.84 disproportionately goes towards the highest earners in the state of Nebraska and does not go to a lot of Nebraskans that are below-- at or below the median income. And so I'll have to push my light again to keep talking, but my opposition to this bill is twofold, one that it is expensive in the out-years. And we've had a lot of conversation about what we can afford this year, what we can afford in the future in, in obligations and commitments that we're making and how those bear on the state of Nebraska going forward. We've had some conversations about projections in the out-years and the things that I've learned about this, and I'm looking right here at the Appropriations Committee's budget proposal that has on page 17, the General Fund adjustment revenue growth projections. And there are a couple of different projections, but they are for '24 and '25, LFO method projects negative growth. And a big tax cut, one that costs \$400 million or more going to the, the most wealthy Nebraskans or disproportionately going to wealthy Nebraskans, I think, is not the right way to approach giving tax relief, and I don't think it's the right way to spend that amount of money. We've talked about our priorities. What is a priority? And so I made-- I've made a suggestion, I've put in an amendment that would, would eliminate that tax cut for that top bracket and rather give a tax cut to the middle-income bracket. So those Nebraskans earning-- for married filing jointly earning between \$41,900 and \$66,359, their taxes at that-- in that portion would go down from 5.01 to 4.01. And what that means is for individuals married filing jointly, if your taxable income is \$41,000 or higher, you'll get a tax cut on this, and if-- and that includes individuals going up to earning \$1 million or more. The thing about this is, one, it provides a tax benefit to Nebraskans below the median income, whereas LB939 stops at the \$66,000 range and the Nebraska median income-- well, I'll talk about that later because I don't have the paper handy, but it's about \$61,000, I think, is the statewide median income. And so what it does is give tax relief to Nebraskans at and below the median income. It gives-- more equally distributes that tax benefit, meaning that individuals above the \$66,000 still get a tax-- get tax relief in that 1 percent reduction for their income between \$41,000 and \$66,000. So in LB939, we talked about it last time on General File, someone making over \$1 million a year would be getting a tax cut of somewhere around \$9,000. Under my suggestion of someone making over \$1 million a year--

**WILLIAMS:** One minute.

**J. CAVANAUGH:** --thank you, Mr. President-- would get a tax cut of somewhere in like the \$250 range. And so they'd still get a, a tax

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cut. They'd get the same tax cut as somebody making \$100,000 or somebody making 60-- just over \$66,000. This would be a, a more equal way to distribute this money. It would be more cost effective. LB939 costs more than \$400 million when fully implemented and my proposal costs \$97 million for that portion. I'll push my button again and talk about the rebate portion that I've talked-- that addresses the other questions and concerns that I have as to tax policy. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Cavanaugh. Senator Briese, you're recognized.

**BRIESE:** Thank you, Mr. President. Good afternoon, colleagues. I rise in support of LB939 and, in particular, the amendment that we would like to get up on there. I think the current amendment we'd like to get there is AM2397. And AM2397 really represents a package deal on tax relief and it's going to be decision time here. At some point, you got to decide which, which side you're on when it comes to tax relief. Are you going to vote for Nebraska taxpayers or are you going to stand in the way? AM2397 really is a culmination of a lot of work on behalf of a lot of people, and it's a combination of approaches that will provide tax relief to all Nebraskans. We have one of the highest marginal income tax rates in the state, some of the highest property taxes in the nation and this bill addresses both issues. It include-- also includes LB723 fix to the LB1107 cliff and LB723 found in Section 4 and 5 of that amendment really stops a nearly \$200 million property tax increase on Nebraskans. Without it, property taxes are going to go up about \$200 million in year 2024. So you've got to decide which side of that are you going to be on? Are you going to stand with Nebraska property taxpayers or are you going to throw them under the bus and say, no, we don't really care, we'll let, we'll let your taxes go up \$200 million on us? You're going to have to decide. The provisions in the amendment represent the agreement between Senator Stinner and myself relative to LB723, placing the relief at, I believe, \$548 million for year 2022 and \$560.7 million for year 2023. And then after that, growing by the allowable growth rate. And it's a very fair method of distribution. Everyone's getting the same percentage of relief for school district property taxes paid. It goes to your constituents, it goes to my constituents. It also contains the provisions of the amended version of LB939, which we advanced to Select File. And I'm sure Senator Linehan at some point will describe those details and-- or those items in more detail. But those provisions provide meaningful income tax relief for a wide swath of everyday Nebraskans, and we need to remember that those marginal rates really are the window sticker to our state. They are the front door to

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our state, and as we try to attract residents, businesses and others, that marginal rate is important. It's time that we drive down that rate to send a message that we want you here. We're open for business. And Section 6 represents some additional property tax relief for your constituents, constituents. It is based on the community college property taxes that are paid by Nebraskans. It's the same percent of relief for those taxes for everyone. It also is a very fair method of distribution gradually phased in over five years, just like the income tax provisions would be under the amendment we're trying to get to. And after that, it would grow at the allowable growth rate. And by stretching this out over five years, we've allowed for the inclusion of this additional property tax relief into these, into these provisions without any major fiscal impact the first three years. And this is a very fiscally sound method of providing tax relief for everyday Nebraskans. And these are for your, for your constituents, for my constituents, for all Nebraskans, and it is important to Nebraskans. It's the same-- the property tax provisions are the same percentage of relief for everyone. Now we can stand up here, we can filibuster this. We can stand in the way of property tax relief and income tax relief for Nebraskans, but Nebraskans deserve better. I would caution against-- you know, robust debate is one thing, but standing in the way of tax relief is not a good look for this body. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Briese. Senator Lindstrom, you're recognized.

**LINDSTROM:** Thank you, Mr. President. I rise in support of LB939 and when we get to some amendments, I'd be in support of those as well. First, I wanted to thank the Revenue Committee, Senator Linehan, and others that sit on there just with all the work that we've put in this year. You know, my time that we spent there, we've had very little opportunity to do some of these tax cuts. And when we look at the bigger picture and the things that we've discussed over the years and the studies that we've looked at, Nebraska is behind. We're talk-- we're going to talk a lot about Iowa and doing what they're doing, the 3.9 percent, taking those steps to make themselves competitive. And this is what this ultimately comes down to. As I mentioned on General File, I look at this bill as not only an individual tax cut, and I know it was mentioned that this only helps the higher earners in the state of Nebraska. But you get up to the highest tax bracket very, very quickly, which is the vast majority of Nebraskans get up into the highest tax bracket very quickly, which is the 6.84 percent. But more, I guess not more importantly, but just as important, we look at those small businesses of your pass-through entities that are the vast

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majority of companies in the state of Nebraska. We need to provide tax relief to those to remain competitive. And when we start looking at the inflation factors that are going on of 8 percent and maybe greater, the one thing we can do as a state, we can't influence what the federal government does or what the Federal Reserve does, but what we can influence is how much money we're putting in the pockets of individuals. And this bill is one of those things that puts more money in the pockets of individuals to spend when you talk about the small businesses on capital investment, on reductions to help employment, those things matter to the bottom line for, for companies. And that's why I rise in support of this bill. It was talked about on the, the bankruptcy side. Again, I go back to the-- we talked about earlier with the amount of money we have in the Cash Reserve and the opportunities we have moving forward. To me, as we look at even LB825 in this bill, we've done this in a way that, that phases it in, which is again prudent to the circumstances that we're in right now. And I think again with the, the money that we're giving back to individuals and most people spend those dollars. And any time you get people spending those dollars, it turns in the economy, overturns in the economy five, six times, which helps on the sales tax side of things, which ultimately is what we're talking about here in all the tax bills and all the provisions that we're trying to do to get ourselves set on the foundation that we're talking about. I think most Nebraskans conceptually feel that not penalizing people for working and not penalizing people for owning property is the way that we need to go. And we have a couple of different things floating out there that address those. This would be the one that's the most what I'll call doable. It's the one that has the most support from a lot of different groups. And so I again encourage you. I do think that there's another step in this with Senator McDonnell's bill and, and things that I've been talking about with trying to target what we're doing on the tax relief side and, and specifically with the 18- to 35-year-old demographic and how we adjust those tax brackets potentially to 55-- or \$50,000 individual and \$100,000 joint filer. Again, it's, it's-- fits in the range of, of the working class of, of most Nebraskans and what their annual household income is. If we can get closer to zero income tax percentage on that front, I think that's a good combination of eventually drawing those two lines to a-- call it 4.99, 3.99, lower would be better. But what, what's, what's reasonable? This bill, obviously a significant amount of money, but because of the competitive, competitive nature that we're in right now, we have to do these things. This is not to me an option. This is just what we need to do to make sure Nebraska is competitive. And Senator Briese mentioned it, the window dressing. Right now, if, if we're trying to

recruit and retain talent, if you look at as an example in Colorado, those individuals are looking for a place to work and, and they're not looking at Nebraska--

**WILLIAMS:** One minute.

**LINDSTROM:** --especially, especially with having Wyoming and South Dakota right there. But we have 50-- 60,000 unfilled jobs in the state of Nebraska. And one of those selling points that Nebraska has to offer is a competitive tax structure. And we simply don't have that right now. So I, I again encourage your support of LB939. I will be supportive on setting that-- the foundation on the, the LB1107 funds, that \$540-- \$548 million providing property tax relief, income tax relief and any other tax relief that we can, we can do moving forward ultimately helps us as a state, helps us do more tax cuts down the road. Because that dollar turns over in the economy multiple times, it helps our bottom line as a state. So again, thank you, Mr. President, encourage your green vote on LB939.

**WILLIAMS:** Thank you, Senator Lindstrom. Senator Blood, you're recognized.

**BLOOD:** Thank you, Mr. President. Sorry about that. Fellow senators, friends all, I, I do not stand in favor of MO162, but as is, I am not in support of LB939. With that, I would ask if Senator John Cavanaugh could yield to a few questions?

**WILLIAMS:** Senator John Cavanaugh.

**BLOOD:** He was literally just here.

**WILLIAMS:** Senator John Cavanaugh, would you yield, please?

**BLOOD:** Senator Cavanaugh, I'll ask as you're walking up. So I am reading through your amendments and Senator Brieese's amendment, Senator Linehan's amendment. And one of the things I'm looking at is AM2414. And you seem to be pretty familiar with these amendments. So is it true that it would lower the rate of the third personal income tax bracket from 5.01 to 4.01? Am I reading that right?

**J. CAVANAUGH:** That's correct.

**BLOOD:** And so can you kind of explain real briefly what the benefit would be for that?

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**J. CAVANAUGH:** Well, so we have a graduated income tax in the state of Nebraska. And so as you, you referred to it as the third, I kind of call it the middle one, but so we have the bracket start at-- we'll just take individuals, single individuals. If you make from zero to \$3,439 in this bill, this amendment, you pay 2.46 percent. And then once you make over that, the amount of money you make over \$3,440 to \$20,589, then you pay 3.51 percent, but only on that portion above \$3,439. And so then again, it goes up at \$20,590 to \$33,179. That's the bracket in which you would receive the benefit. So for income over \$20,590, but below \$33,179 would get a 1 percent reduction in your tax liability. And so then if you're a single individual filing individually and making over \$33,180, you'd still get that 1 percent reduction for that income between \$20,000 and \$33,000, but the tax rate would stay the same above that and for all of your income above that. So essentially, it would lock in the benefit in that one bracket that, that, that \$13,000 of income is where you would receive the benefit on that. And so it applies to everybody who makes above that amount going forward.

**BLOOD:** But is a benefit for people that are basically middle class?

**J. CAVANAUGH:** Yes.

**BLOOD:** OK. And so if you were to compare your amendment to AM2418, AM2397, what would you say would be your competitive advantage?

**J. CAVANAUGH:** My--

**BLOOD:** Sell me on it, on AM2414, on your amendment.

**J. CAVANAUGH:** So AM2414, those other amendments are the same amendment. I filed them to several places to make sure they got a hearing. Well, the advantage is that, one, they cost less to the state overall so they're so they're more conservative fiscally, but they also apply the tax benefit to people earning below the median income and applied equally across everyone going up from that. So a person making, in this example, making \$33,000 would get the same reduction as somebody making \$100,000. And so it's-- they still get a benefit. It's smaller than they would get under a person--

**WILLIAMS:** One minute.

**J. CAVANAUGH:** --than a person would make-- get under LB939 if they're making over \$100,000 or over \$1 million, but it would extend the benefit to people making less. So it would take it down the next tax



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bracket, and it would give more tax benefit to some of those individuals making over \$33,000. But I can talk about that later.

**BLOOD:** So, Senator Cavanaugh, we were asked which side we're on by Senator Briese. I'm on the side of the taxpayers. You want to announce what side you're on?

**J. CAVANAUGH:** Is that a question to me?

**BLOOD:** Yeah, we were asked that question earlier.

**J. CAVANAUGH:** I'm on the side of middle-class taxpayers.

**BLOOD:** All right. Thank you, Senator.

**J. CAVANAUGH:** Thank you.

**WILLIAMS:** Thank you, Senator Blood and Senator Cavanaugh. Senator Linehan, you're recognized.

**LINEHAN:** Thank you, Mr. President. Good evening, colleagues. So I'm only going to get up once on this motion because I'm not going to filibuster the bill. But here-- this has only happened to me, I've been here six years, this has only happened to me once before when somebody got up and put up a priority, priority motion before, before I even got to introduce the bill. And I am fairly certain the whole time I was here with Senator Chambers, he never did that. It is maybe not in the rules, but kind of understood that people get to introduce their bills. So I think we got four or five people here that want to take this for four hours. Good luck. Senator Cavanaugh's amendment, I've read it. We have no idea how much it would cost because we don't have a fiscal note. But I will tell you right now I've looked at this, the committee has looked at it, and we can't afford that amendment. It's very expensive. His other part of his bill, where he wants to give everybody \$200, every man, woman and child, whether or not they pay income taxes, that, that might be a good idea, but it's not an income tax cut. Just to remind everybody, this has been a Revenue Committee priority. Senator Briese has worked on the LB723. I worked on the LB939. The committee has worked hard. I'm very proud of our committee. You know, in our committee, we have two members that were here eight years before. They're now in their tenth year serving in this Legislature. We've got two members that have been here eight years. Three of us have been here six years. We have some idea what we're doing here. We've looked at cost. We've looked at how important it is that we do not have the highest income tax rate in the Midwest. We're at 6.84 for individuals. That's higher than anybody around us by

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a long shot. Even when we get to 5.84, we're still going to be higher than anybody else. So if you want a sign that says open for business, it shouldn't say and pay the highest tax rates in the Midwest. We have 33 votes. So we can mess around and not get to other people's priority bills because every hour we take, when we know there's 33, it's likely that somebody else's priority bill is never going to get to the floor. This bill has got to pass. So one way or another, we'll get there. It's just a matter of whether you want to stay here till 8:00 tonight, not have enough time to get done, come back in the morning and waste four hours. I'm not interested in wasting four hours. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Linehan. Senator Matt Hansen, you're recognized.

**M. HANSEN:** Thank you, Mr. President, and good afternoon, colleagues. First, on just a procedural thing, a filibuster happening on Select File is not unusual. Senator Linehan got to introduce her bill on General File and this is Select File, so she got the introduction. Additionally, if we're talking about kind of courtesy and procedure of bracket motions, I'm one of the senators who's had a priority bill on this floor, bracketed over my own objections to the last day of session, and I believe Senator Linehan voted for that. So if we're saying this has never happened before, I think worse has happened to me by some of the supporters of this bill. And I don't want to go down that route and I don't want to just make it, you know, accusations are old, are old news, but to say something is unprecedented when this bill was filibustered on General File and you didn't work with the people who were filibustering it, you instead worked with a couple of swing votes to apparently merge it with something else to allegedly get 33-- I think that's a bold claim-- to move it forward. This is not unprecedented, this is not unusual, and it shouldn't have been unexpected. I appreciate that Senator John Cavanaugh is bringing an amendment. I appreciate that Senator Machaela Cavanaugh is working on taking time on this bill. I have been clear in my opposition to the corporate tax giveaway provision of this bill the whole time, and we moved this from General to Select with some notion that we were going to work on it and maybe make this bill less expensive in the out-years or not decrease state revenue as much. Instead, we looped in a different tax cut, tax cut from a different bill, merged them together and got apparently a coalition that's pretty strong. That was not working on lowering the corporate tax rate. That was not working on targeting middle income taxes. That was working on doing enough on property taxes that people who were willing to hold this bill hostage instead will now vote for it because they're getting some of their own

priorities, too. And I appreciate it. That happens a lot, that happened in LB1107 with income tax, sorry, property tax and business incentives. It's not a bad strategy from a revenue perspective. That's what routinely happens. And partly, that was why I was worried about moving it from General to Select because rather than negotiating within the confines of income tax cuts, I was worried that we were just going to buy people off with property tax cuts. And that's what it is looking like we're at least attempting to do with some of the proposed amendments. We're not substantially changing any of the concerns we heard on General File about the income tax, about how it's to the wealthiest top bracket, about how it's to a lot of out-of-state Fortune 500 companies. Instead, we're just adding in some other popular tax credits and tax cuts into the package to make it something that people can vote for. And to get up and say, you know, where do you stand? I've made it 100 percent clear, I want to do stuff for middle-class Nebraskans. I would like to do things for all Nebraskans. But this bill, as introduced, will exclude anybody outside of the top tax bracket who doesn't own a corporation and doesn't own property. I mean, that's the group we're talking about not being included. We're talking about renters. We're talking about people in poverty. We're talking about other categories that aren't going to get any help because we're giving all of the help to corporations. We're giving all of the help to the highest tax bracket. That's what this bill is going to do. And apparently it's got some traction because we instead are also combining in some property tax cuts in it as well. I appreciate that strategy. I expected that strategy, and we are going to have some time to talk about it. But this is not unprecedented and this is kind of what I think we all should have expected, especially when there was kind of this plea on General File where we had the ability to stop these bad corporate tax giveaways and said, we'll fix it, we'll fix it, we'll fix it. Instead, we're not fixing it. We're just giving other tax credits and other priority bills merging in, in an attempt to push it forward. Colleagues, we have an opportunity to give tax relief to all Nebraskans. That is what I believe Senator Cavanaugh--

**WILLIAMS:** One minute.

**M. HANSEN:** --thank you-- Senator John Cavanaugh's amendment is going to at least attempt to try and truly give some sort of monetary relief to all Nebraskans. Instead, we're going to turn that down to give out-of-state corporations, highest income bracket, and property owners, which sure is a lot of people, but it certainly isn't all Nebraskans. So when you stand up and whose side are you on? Whose side are you on? I would love to do something for all Nebraskans, but there

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seems to be no desire in this body to go down that route. So that's what we're going to talk about today. Thank you.

**WILLIAMS:** Thank you, Senator Hansen. Senator Vargas, you're recognized.

**VARGAS:** Thank you very much. I just wanted to weigh in here. I don't plan on talking too much, but for a couple of reasons. One-- and I had a couple off, off-the-mike conversations with some individuals. And over, over my time here, you know, I care about fiscal responsibility and I, I do, you know, it's-- and it's nothing against the Revenue Committee. I think both in Revenue and Appropriations, we have a lot of experience. I'd like to think that with both those experiences and the amount of years that we have, that we are-- we have confidence in both the committees. I actually do have confidence in, in Linehan's committee in, in Revenue and also have confidence in Appropriations. We're very seasoned. So it's not anything to do with that. It's just normally what I hear from my constituency is, you know, I hear in terms of the different levels, property tax probably comes up the most in terms of taxes, income taxes does come up second, corporate does not come up in any of my conversations. It just really does not. I understand the, the rationale behind it. I, I, I totally do. And I support some of the underlying amendments, I do. And part of the reason is one of the things I got on the mike last time and said I would-- I'm not against any tax cuts. I just-- I wish more of the tax cuts went to more of the middle-income individuals, but we're going to be basically forced to vote for all these types of things in one fell swoop. And I have historically supported a lot of the property tax relief and Social Security and retirement and what we did in LB1107. So I'm, I'm frustrated that we haven't had more of that change in this, but I know the reasons why this is happening. I, I want to make sure that we're not breaking the bank. I don't know where we're going to land on this right now, but at the end of the day, I just wanted to make sure that was crystal clear. What I continue to hear from my constituents and have is property tax relief is needed. That's why I've supported it as much as I possibly could where we didn't break the bank. And we've managed really responsible fiscal spending in the Appropriations Committee. And I think those are the most important things that I wanted to make sure to share here. And I hope we can get to a place where we're not-- we have good fiscal guardrails or we have the foresight to then keep as much as possible in our cash savings for rainy days. I said eight, every eight, nine years, we have an economic downturn. It's cyclical. It's not a, it's not a glass-- it's-- we don't-- we can't foretell the future exactly, but history does tend to repeat itself in terms of economic downturns. So I say that because

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the decisions we're making are also going to impact how a Legislature that has none of us here, whether or not they have the resources to bounce back or whether or not they have to make deep cuts. I know in the way we look at it right now, it seems extremely healthy. And in that snapshot, you can say it is. But in terms of the long-term fiscal health, I am still considerably concerned about whether or not we have enough cash for the state to then be able to continue to operate when and if we do, when we do have an economic downturn that comes back and forces us to make deep cuts. So I just want that to be clear for people because there are many of us that have been on these committees. I've been on Appropriations for a long time and I've seen the good, the bad, the ugly and the ugly is truly concerning. And when that happens, there are services that impact ag. There are services that impact every single sector, including ones that are going to help economic development or the university or any of these other entities that are huge economic drivers. And when those deep cuts have to happen, and I hope that they don't--

**WILLIAMS:** One minute.

**VARGAS:** --I hope we have enough in our Cash Reserve to then make sure that we can sustain, sustain our state and sustain that growth. So it's not black and white that this is completely bad or good, it's that I didn't see many of the changes that we talked about. And then also, I have been supportive of property tax and income tax relief in the past. And I hope we take that into account in however we continue to move forward and for future Legislatures that consider what we're going to be doing here. So appreciate the time. Thank you very much.

**WILLIAMS:** Thank you, Senator Vargas. Senator Machaela Cavanaugh, you're recognized.

**M. CAVANAUGH:** Thank you, Mr. President. I will get back to my article, but first, I do want to say a few things. So I oppose massive tax cuts for the wealthy. I support tax cuts for the working class. And senators can say whatever they want on this floor about what this vote or that vote means, but that's my beliefs. And this bill doesn't do that. And I'm tired of the people that are working to create the wealth for the people that are getting the cuts and the incentives getting screwed. Sorry, Mom. I-- this body refuses to do anything at all, no matter how low-hanging the fruit, for the working poor in Nebraska. I introduced a tax cut bill. I introduced a tax cut amendment. Then a month or so has gone by since this went from General to Select and all I know is that a deal was made with other people, which is fine. Just-- I don't know why you would expect something

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different from me. I didn't expect anything different from you. This place is toxic and dysfunctional. It wasn't like this my first two years, and I heard my first two years, I thought that was toxic and dysfunctional, but it was nothing compared to right now. Nothing at all. After everything that happened last year-- I did a call of the house last week on a bill because Senator Wayne was the next bill up and he was printing off his opening and he asked me to and 20 of you voted against it so the call failed. That's where you are at. At least 20 people in this body do not give two hoots about me and being collegial to me, but you get on the microphone time and time and time again and try to lecture me on how I should behave or conduct myself. I read the bills, I pay attention to what's going on. I'm engaged. I'm always here. And if I don't believe in something, I fight against it, and if I believe in something, I fight for it. I try really hard not to be disrespectful to anyone, despite the consistent and constant disrespect that this body shows me. And I've said before about the sexism of this body, and it is really hard not to take it as sexism when there's another person who has very similar ideas to me and does very similar things and is never treated the way that I am treated. There was an article about the women of the Legislature, and everybody said nice things, and I said it was atrocious and toxic. This place is not good for women, and this place isn't good for people who have ideas and care. This place is good for people who want to cut taxes and me, me, me, me, me. Nothing I do benefits me. I make \$12,000 a year. My husband works for a nonprofit. We have a nice-sized, little house with a nice little mortgage and student loans. Nothing I do in here benefits me.

**WILLIAMS:** One minute.

**M. CAVANAUGH:** But the lectures continue. I talk about the process and things that I don't think are right about the process, I get lectured. People have been pounding their fists and raising their voices and no one has said they had a meltdown or that they stormed out. But I bet I'm going to get told that today again because the body doesn't respect me and the media doesn't respect me. That's OK because I have self-respect, and I know that what I am doing is for the people of Nebraska and I know that I have their best interests at heart. I know I have your constituents' best interests at heart that we do not decimate--

**WILLIAMS:** Time, Senator.

**M. CAVANAUGH:** --our budget.

**WILLIAMS:** Thank you, Senator Cavanaugh. Senator John Cavanaugh, you're recognized.

**J. CAVANAUGH:** Thank you, Mr. President. That's a tough act to follow. So I would just address that Senator Machaela Cavanaugh and I do, and I do have very similar views and I think we do fight things on the floor and she probably does a better job than I do so she probably deserves more respect than I do. But certainly there is a difference in how we are treated by people here, and I can't quite put my finger on it. And maybe I'm not the right person to put my finger on it, but that is a thing that happens. So I don't know what else to say about that. We could spend four hours talking about it, I suppose. But I was rising to talk about tax policy, and I handed out some handouts that are maybe not the highest quality based off of the copy of a copy, but I thought it might be helpful for people to see. So the first one that I was going to talk about, I had a question, it says effective tax rates by income decile 2018. And so we're talking about being competitive with our surrounding states and things like that, and we have the highest income tax relative to our surrounding states. And if you look at this, you can see the first seven deciles of the state of Nebraska have-- so a decile is by tenths, essentially divided into tenths. So the, the-- basically the, the first 70 percent of Nebraskans pay 1.9 percent income tax. The second or the next, the eighth decile, which is people between 70 and 80 percent, 3.33 percent. The ninth decile, which is between 80 and 90 percent, pay 3.98 percent. And the tenth decile between 90 and, and 100 percent of income pay 4.59 percent effective tax rate. And the top 500 earners pay an effective rate of 3.82 percent, which is much below the tax rate. And this is a, a diversion from what I was going to talk about, but we can have a conversation about if your intention is to, to lower the tax burden or to lower how it looks on paper, because we can't-- we have things like tax credits that don't lower the tax burden on paper, but they lower the effective tax rate for people. And so that is a way, if the most important thing to you is appearing to be competitive to neighboring states based off of the fact that our top tax rate is at a certain level, there is in a way-- there is a way to address that in different ways, meaning that we can, we can actually return the tax relief in a different way than, than the way that we are currently doing it, which is through some income tax credits and things like that. So that's the first one, seeing what the effective tax rate is. The next one, it says a windfall for non-Nebraskans estimated share of corporate tax cuts flowing to nonresidents. And this is an estimate that says 83 percent of the tax benefit of LB939 for corporations will go to out-of-state taxpayers and 17 percent goes

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to in-state companies. And then the next one, share of cut going to income groups for Nebraska residents so estimated-- estimates of distributional impacts of lowering both the top personal and corporate tax rate. So the middle income, 40 percent, \$47,000 to \$124,000-- or I'm sorry, get about 40, 40 percent or the highest 20 percent. Well, this doesn't tell you the percentages, but it looks like it's about 75 percent or more goes to the top 20 percent. The lowest 40 percent get a sliver and then the middle 40 percent get about a quarter of that benefit. So--

**WILLIAMS:** One minute.

**J. CAVANAUGH:** --thank you, Mr. President-- so my amendment, again, I, I guess-- well, I'll push my light again to get back in. But the amendments that I've suggested take an approach that lowers the middle, one of the middle two tax brackets from 5.01 percent to 4.01 percent, which means that individuals making at and below the median income will get an income tax benefit. Middle-class, working Nebraskans will get a benefit under my amendments, a benefit that they will not see under LB939 or any of the amendments that have been talked about as part of the compromise. And so this is, this is a more-- a way to give tax relief to more Nebraskans, to more Nebraskans who would benefit from it who-- and then as Senator Lindstrom talked about, putting, getting that money back into the economy. People who are working are more likely to spend that \$200 that's--

**WILLIAMS:** Time, Senator.

**J. CAVANAUGH:** Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Cavanaugh. Senator Matt Hansen, you're recognized.

**M. HANSEN:** Thank you, Mr. President, and good afternoon again, colleagues. One of the interesting things, and I appreciate the comments Senator John Cavanaugh was just talking about laying out both his ideas and kind of how income tax works. And one of the things that's interesting about kind of the ability to change and work on income taxes in the sense of a graduated income tax is that, you know, when you do some of the lower brackets, you can capture more people and you can capture more people in an equal manner in terms of actual raw dollars equal, so-- when you do that for the lower brackets. However, when your only focus is on the top bracket, you don't capture everybody equal. One, because obviously not everybody's in the top bracket. That's the point. And two, because once you do the top



bracket, the top bracket is usually not capped. It's just, you know, starting an amount up to everything. And so proportionately more and more income in that bracket, obviously the more and more tax you pay, thus, the bigger-- when we cut that, the bigger cut. And I bring this up to say is, of course, when we talk about this bill and style this bill as, you know, a tax cut for everyday Nebraskans, we're leaving so many people out by focusing on the top bracket, by focusing on corporate, and by focusing on property tax. I understand that some of those categories are quite large of how we structure in Nebraska. But again, it's not everyone. Specifically, anybody who rents and doesn't earn in the top income bracket isn't going to see clear relief from this bill. And if that's something we want to say on its merits and talk about and focus on, you know, the need to attract businesses requires this corporate rate or things like that, we could focus on it. But again, styling as kind of like a tax cut for everyday Nebraskans, I think glosses over the fact that so many everyday Nebraskans are in fact excluded by this bill. Similarly, my objections kind of throughout this has been to the corporate tax cut because the corporate tax cut isn't just for taxes on corporations headquartered here, some taxes on corporations earning income here. So a corporation who owns a store in the state of Nebraska, who sells things in the state of Nebraska, they're paying that taxes on that income. And which is significant for me to see that there needs to be a good policy rationale to change that is because, you know, if a corporation owns a store in Nebraska and they're paying taxes, that means they have a profitable store in Nebraska and they're not going to necessarily have-- you know, the market is here, their consumer base is here. And, you know, if they own a retail store, clothing store, whatever it is and they're selling things routinely in the state of Nebraska, this is where their market is. This is where the place they earn their income is, as opposed to, say, a business incentive trying to lure a manufacturing place across the country. And so I could see why focusing on that, it kind of seems like kind of growing businesses in the state. But at the end of the day, if the consumer base is here, if the profit center in Nebraska is here, I fail to see why changing the tax rate is going to be so significant to them. I fail to see that connection because they're either a profitable business in the state of Nebraska-- they either have customers here or they don't. They either sell things Nebraskans want or they don't and kind of regardless at what rate they're being taxed at, that's, that's, that's, that's kind of where I'm coming from. And again, into the messaging about this being for kind of everyday Nebraskans, when we talk about corporate tax cut rate, we're talking for every corporation. We're talking for the biggest of the big, Fortune 500

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companies, massive things all the way down to, I know, much smaller and localized corporations. But again, they're also getting a bigger percentage cut in the proposed green copy of LB39-- LB393 [SIC--LB939] than the individuals because of the desire to go to parity. And again, it's-- for me, I have some policy debates on--

**WILLIAMS:** One minute.

**M. HANSEN:** --thank you-- on the merits of some of these tax policies. Specifically, I, I can only view this as kind of a corporate tax giveaway. I have some policy debates with that and issues with that. I have some issues with kind of the framing and messaging of this bill and the fact that it's been so styled and presented to say, you know, it's a bill for everyday Nebraskans and we're ignoring a huge portion of my constituents. We're ignoring a huge portion of all of our constituents by limiting it to these certain pools. If we want to just kind of own up and say this is a business tax cut, we're doing it for businesses, I would at least stop objecting to the messaging so much. And then I figured we could probably debate on the merits of what an ideal corporate tax rate is. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Matt Hansen. Senator Brandt, you're recognized.

**BRANDT:** Thank you, Mr. President. This is to all the people out there in the state of Nebraska to remind you to file for your refundable state income tax credit. You will get four times what you got last year. That is because of LB1107. And that is because there's \$548 million this year available for refundable state income tax credits in LB1107 versus the \$125 million we had the year before. Would Senator Briese yield to a question?

**WILLIAMS:** Senator Briese, would you yield?

**BRIESE:** Yes.

**BRANDT:** Your bill, is it LB723, is waiting for the amendment so that it can be incorporated into LB939. Is that correct?

**BRIESE:** Yes, it would be part of the amendment that we would like to get into LB939.

**BRANDT:** Can you, can you give me a real quick overview of what LB723 does?

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**BRIESE:** Under current law, the LB1107 credit gets reduced from the current 548, which it is now. It might be 565, 580 next year, but it's going down to 375, \$375 million the year after that. LB723 prevents that \$200 million tax increase on everyday Nebraskans. And that's what we're trying to-- one of the things we're trying to accomplish with this bill.

**BRANDT:** So would it be fair to say if we do not accomplish that, if we do not get LB723 into LB939, in a year or two, all Nebraska property taxpayers will see at least, oh, 50 percent or a 30 percent reduction in what they received for the refundable state income tax credit?

**BRIESE:** Yes, a 30 to 40 percent, probably, yes.

**BRANDT:** And if we-- if-- also part of the amendment that you have would have an escalator clause in there to have property taxes increase as they go up across the state, would that be a true statement?

**BRIESE:** Yes, that credit, 548 for '22, 560.7 for '23, and then escalating after that. Yes.

**BRANDT:** OK. All right. Well, thank you, thank you, Senator Briese. I appreciated that. This is the only time I'm going to talk on the mike. And I just wanted to be very clear what the implications are for the state of Nebraska if we, if we can't put this bill together. Like the Revenue Committee, who I have a lot of respect for, have spent a lot of time doing this so hopefully all the amendments will get attached like they should and this will get across the finish line. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Brandt and Senator Briese. Senator Machaela Cavanaugh, you're recognized. This is your third opportunity. You will still have a close.

**M. CAVANAUGH:** Thank you, Mr. President. How much time do I get for a close?

**WILLIAMS:** Five minutes.

**M. CAVANAUGH:** OK, thank you. So thank you, Senator Brandt. I didn't know that one of the amendments had LB723 in it, another bill I oppose so just giving me more things to, to feel great about here. And I believe that that is a bill sitting on Select that has a priority. So don't worry, it will have its day in court, as our Speaker has said previously about bills. So I'm going to return to this article about

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the Bohm family: In July 2018, Bohm set fire to a large pile of family possessions in the yard in their northeast home. Amanda says she can still visualize the eight-foot-high flames. The house would be next, he warned then his 17-year-old daughter. Worried about Bohm's ominous actions, Janet and Amanda sought a protection order two days later from the Douglas County District Court. They hoped the order would keep Bohm away from Amanda's school, North High, and force him from the family home near 37th and Himebaugh. In the request for the protection order, they wrote about the bonfire and said he burned whatever items he could grab; chairs, pillows and blankets. They also wrote that Bohm had told his wife on several occasions he would kill her and would chop her up so that she couldn't be identified. Endangered his asthmatic daughter's health by refusing to stop smoking in the house. His actions led to Amanda being hospitalized. Violently kicked the dogs. For him to hurt them makes me concerned for our safety as well, Janet wrote. A set of family dogs-- set a family dog loose on his daughter's pet duck, killing the duck. Choked his daughter and told her she should snap her neck-- he could snap her neck if he wanted to. Engaged in emotional and financial abuse. I have to work two jobs, and still do everything in this house, Janet wrote. He cannot do anything to support the house, I do everything I can to keep the bills paid, and all he does is drain our resources and contribute nothing. The District Court Judge turned down the request without holding a hearing or explaining the decision. Judge Stratman was recognized for her domestic violence work while she was a member of the Douglas County Attorney's Office. She did not comment on the case. Amanda thinks a court hearing might have made a difference. It's a lot harder to deny a person a protection order when you can hear the fear, the sadness in their voice, she says. The mother and daughter did not know what to do next. We both cried quite a bit, Amanda told the World-Herald after the fire. We were lost. What were we supposed to do? We were trying to do this the right way. People stay in abusive relationships for valid reasons, say the staff of the Women's Center for Advancement, an Omaha organization. Not leaving is not a failure or a deficiency, it is their strength, says Karen [SIC--Kathryn] Welsh, the center's legal director. They are protecting someone, often their children, or they are protecting themselves. Staying makes sense to them. Parents feel their children will be taken away from them or returned to the abusive parent. Homelessness looms large. Religion can be a factor. So can pets. Some people become so beaten down they accept their circumstances, and instead of fighting against their abuser, they focus on surviving within the relationship, Welsh says. Leaving can be deadly. Most dangerous time for someone is when they leave, said Dawn Conley, program director for Heartland Family

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Services Domestic Violence Sexual Assault Program. Even with a protection order in place, it's just a piece of paper. It's not a for-sure safety. Police-- Omaha Police Captain Tracy Scherer, who heads the department's 12-person domestic violence squad, says the department is part of a community-wide collaboration that includes the courts and social services and focuses on improved response to domestic violence calls.

**WILLIAMS:** One minute.

**M. CAVANAUGH:** Thank you. The collaboration is coordinated with the Women's Fund of Omaha. Jo Giles, executive director of the fund, said a system-wide approach is needed to address the underreported crime of domestic violence. The fund analyzes data gathered by metro area law enforcement, which provides a basis for assessing the problem and progress. I-- I'll, I'll stop there. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Cavanaugh. Senator Walz, you're recognized.

**WALZ:** Thank you, Mr. President. I am still trying to wrap my head around, you know, how much this is going to cost us in, in future years. So Senator Linehan and I had a conversation when we-- when she first introduced it, LB939. And we talked about the initial cost of this being \$450 million by 2026. Senator Briese briefly discussed an amendment, AM2397, and it, I believe, looks like the fiscal impact on AM2397 would be about \$195 million in 2026. But I also believe that he's removing or this amendment removes the 5 percent cap. And if I'm wrong, somebody can, you know, jump in and let me know, but it looks like they're removing the cap. So beginning in 2027, \$195 million and then it looks like it might be estimated to grow to at least \$610 million by 2027-2028. The total cost-- I'm going to ask Senator, Senator Dorn to yield to a couple of questions.

**WILLIAMS:** Senator Dorn, would you yield?

**DORN:** Yes.

**WALZ:** I've been having a little bit of a side conversation with you to try to--

**DORN:** Yeah.

**WALZ:** --figure out what the total cost of all bills on Select File-- LB825, LB723, LB939 and AM2397. Do you have any idea of what the total impact of, of those would be?

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**DORN:** I do, and Senator Linehan just handed me a sheet or whatever. It looks like out here in four years, the fiscal impact, if I read this right, would be a little over \$1.3 billion total from all of these parts of this bill.

**WALZ:** One point three billion in the next four years?

**DORN:** In the year '24-25, if I'm reading the sheet, right, Senator Linehan. I've also seen other data and seen other charts out here in the last couple of days that we definitely are going to be over \$1 billion in total revenue here out in the years '25, '26, '27, out in that range because many of these are a lower amount to start with and then they build up, such as LB939 does, as you talked about the \$450 million. Senator Briese's LB723, that also puts in another \$175 million out there, farther out there. Can't say for sure, but, you know, you also start bringing in the community colleges and then what the state's going to fund there. I've seen where that starts out lower, I think in the \$25 million range, and then goes up to \$190 million.

**WALZ:** OK, and then my other question is, does this include LB1107, the, the numbers that you were [INAUDIBLE]--

**DORN:** Senator Briese's--

**WALZ:** --on top of that?

**DORN:** OK. OK. Senator Briese's LB723, which is part of this, part of one of the amendments, is taking into account or taking in the effect LB1107, the increase out there in the further out-years, in year five and beyond. Senator Briese's LB723 is the bill that has that funding part in there.

**WALZ:** OK.

**DORN:** Yeah.

**WALZ:** All right, thank you. Senator Linehan-- thank you, Senator Dorn-- would you yield to some questions? I just want to, I just want to clarify that that-- those numbers over--

**LINEHAN:** I have a sheet. I can give you the sheet.

**WALZ:** OK, but you are looking at over \$1.3 billion in '23-24, is that what I heard him say?

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**LINEHAN:** '24-25.

**WALZ:** '24-25, \$1.3 billion.

**LINEHAN:** I might not be reading it quite right. No, that's unobligated Cash Reserve Fund. The actual cost in '24-25--

**WILLIAMS:** One minute.

**LINEHAN:** --actual cost in '24-25 of all the proposals is-- in '24-25 is 894, almost \$895 million and that includes LB723, as Senator Dorn said, Social Security taxes and the income tax package.

**WALZ:** OK. Do you have anything that goes out to 2027?

**LINEHAN:** Not at my desk.

**WALZ:** OK. I'm--

**LINEHAN:** But here's what I do know. We worked on this with Chairman Stinner and everything that we've got fits into the budget as far as Chairman Stinner is concerned in the out-years so we can afford this. And I don't think he's here. And I--

**WALZ:** No, I would have asked-- OK. All right.

**LINEHAN:** OK.

**WALZ:** That's all.

**LINEHAN:** Well, I do appreciate you asking me about a Revenue bill.

**WALZ:** Thank you.

**LINEHAN:** Thank you.

**WILLIAMS:** Thank you, Senator Walz, Linehan, and Dorn. Senator John Cavanaugh, you're recognized and this is your third opportunity.

**J. CAVANAUGH:** Thank you, Mr. President. Well, that's was a good segue. So talking about what we can afford in the out-years, and, and I do appreciate the, the work people have undertaken to fit things into a budget, meaning fitting them into figuring out what we can afford. But I again would reiterate the fact that those out-years are estimates about revenue and so to make such a huge obligation, \$800 million in those years of funds, is a risk. That is one of my problems with LB939. The other problem, of course, as I've said, is who is receiving

the benefit? So spending that amount of money and who does it go to? I did want to address the conversation between Senator Brandt and Senator Briese talking about LB732 [SIC--LB723]. And as Senator Machaela Cavanaugh pointed out correctly that LB732 [SIC--LB723] is on Select File and it does have a priority. I believe it was Senator Murman's priority. So the-- this bill is-- does not need to be about LB732 [SIC--LB723] It's becoming about LB732 [SIC--LB723] as part of some kind of compromise to make-- to bring farmers along, I think, to agree to this income tax. And then there's the addition of a similar program in one of the suggested amendments that has a cost of about \$195 million. And so those are-- that's-- this bill, and my opposition to LB939 is not about those particular amendments, though, I don't agree with those amendments. But LB732 [SIC--LB723] is its own bill, has its own priority, is on Select File. So this discussion is not about LB732 [SIC--LB723]. This is not about whether or not you're for LB732 [SIC--LB723] or whether or not LB732 [SIC--LB723] is a good idea. This conversation is about whether or not-- is it LB723? Senator Linehan is correcting me. I appreciate the correction. But either way, it's not about that bill. It's about this income tax and whether or not we can afford it. And I disagree about the fact that, that we can afford it at, at that level, the \$400 million for the income tax. And I disagree about who gets the benefit and so I've talked many times about the fact that we should change it. And there are lots of ways we can make these changes to the income taxes. We could, we could raise the thresholds so the top-- you start paying the top income tax bracket for married filing jointly at about 60-- going forward, \$66,000, and talked about raising that number up. And we've talked about this and Senator Linehan and I-- I know we've talked about this, the two of us, about that being a very costly way to give tax relief to middle-income earners. And so I proposed this-- changing this bracket, the 5.01 down to the 4.01 percent bracket because it is targeted. It is an affordable, fiscally responsible way to give a tax benefit to Nebraskans who are make-- earning at or below the median income, which is middle-class, working Nebraskans. And it also gives the benefit to Nebraskans earning above that amount because how the graduated income tax works. So that means that someone earning over \$1 million will still get a tax cut. Their effective rate will actually go down, go down less than the amount-- well, I read earlier-- let's see, somebody in the top decile is earning-- is paying 4.95 percent is their effective tax rate. So if we decrease--

**WILLIAMS:** One minute.

**J. CAVANAUGH:** --thank you, Mr. President-- if we decrease the 5.01 percent to 4.01 percent, that effective tax rate also will go down.



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And so this is a fiscally responsible, targeted way to give tax relief to middle-class Nebraskans and not spend a very large amount of money to give millionaires a tax cut. As I said in the first round of debate on this, there are 8,000 tax returns in the millionaire bracket, and that would cost us about \$70 million, \$70 million of the \$400 million in tax relief afforded under LB939 go to that top-- those top 8,000 Nebraskans. So that is the essence of that part of the proposal. I think I'll get another opportunity to talk at some point and I'll talk about the, the rebate portion. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator John Cavanaugh. Senator Matt Hansen, you're recognized and this is your third opportunity.

**M. HANSEN:** Thank you, Mr. President. And I actually wanted to initially talk about something that Senator John Cavanaugh just did a good job of mentioning, but I want to make it crystal clear. We've had a couple of speeches today already that are talking about the need to merge LB723 into this bill in order to prevent a property tax increase. As a reminder to everyone, LB723 is on Select File. Senator John Cavanaugh said that. It is on Select File. It got there with over 36-- with 36 votes. There was no filibuster. It was just a straight-up vote and it's been sitting there for almost two months exactly. So I am questioning the behind-the-scenes room politics that necessitates the speech that says LB723 has to be attached to LB939. LB723 looked like it was on its-- LB723 looked like it was on its path to passing on its own. It was one of the first bills prioritized. It was one of the first bills debated and got hung up somewhere for some reason, despite the fact that it had a pretty decent share of support on this floor. So maybe that's a question for another day or another time, but that's, that's what surprised me so much when we said we were going to work on LB939 between General and Select. We're gonna make sure it fits in the budget. We're going to do it fiscally responsibly, on and on and on, all these things that we said, and people kind of got up in the 11th hour right as we got to cloture and said we want to change LB7-- LB939. And then we get to Select File and the main change that I'm seeing, the main change that I'm seeing is adding in another bill that we'd already passed on General File before we passed LB939 to General File. I, I don't understand what the negotiation could have even possibly been to get to that point, why the first bill was held up and why we got to this bill and merged now and why we're being told these two bills are now need to be linked together. I did not particularly have much hope for the negotiation coming out of between General and Select. That is why I encouraged people to be very clear if they were willing to give the benefit of the doubt between General and Select and LB939, to be clear what you wanted, to make sure you

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knew who were negotiating, to make it clear on the microphone what you wanted. I said over and over again my main issue is with the corporate tax rate and that it hasn't come up. And so that is where I've been. I think I've been pretty transparent or clear. But for me, the real question is why all of a sudden are we being told this property tax credit bill that seemed to be passing fine on its own has to be rolled into LB939? It has to be. We have to do it. I question that and I question what negotiations and things necessitated us reaching that point. I could have guessed that maybe some sort of property tax credit was going to get rolled into LB939 as a way of sweetening some votes. I didn't necessarily expect it to be another bill that was already on Select File, another bill that was already prioritized. So that's an interesting thing, and one we'll probably have to dive into more at some point. Again, though, there are many provisions of LB939, one of which is the corporate tax rate being reduced. And again, as opposed to it being a tax on businesses located in Nebraska or locating their headquarters of the workforce in Nebraska, the tax of all corporations earning incomes in Nebraska, including corporations that just simply operate a storefront headquartered elsewhere, most of their staff and resources elsewhere. But their consumers are in Nebraska, their consumers are paying and that we then get to collect corporate income tax off of those-- income from those sales. And the reason I think that's significant is that's a way of capturing a business that has entered our state, is using state resources to-- is using things like this in order to operate--

**WILLIAMS:** One minute.

**M. HANSEN:** --and is not necessarily tied to whether or not they're going to locate here or not. I am very skeptical that the amount of this rate is going to influence businesses at all in the sense that if their consumer base is here, their consumer base is here. They're not going to turn down a profitable consumer base to go to another state based on this percentage, especially, you know, especially again, if it's profitable. I bring up all this to say is, you know, sometimes we talk about recruiting businesses, sometimes we talk about this. Here, to me, it feels just straight up like a giveaway. And when we are already having the debate of even in a good fiscal year we can't fund all of our priorities, as we've just heard, I'm skeptical why we would make this cut. I'm skeptical why we would give this away to largely out-of-state corporations in this time. Thank you, Mr. President.

**WILLIAMS:** Thank you, Senator Hansen. Speaker Hilgers, you're recognized.

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**HILGERS:** Thank you, Mr. President. Good afternoon, colleagues. I spoke with Senator Linehan on LB939. She has requested that we, we skip over it and pull it down. I'm going to honor that request. LB939 will not come back. We will now go forward to LB121, which is the next item on the agenda. I'll let you know that Senator Linehan is going to be Execing I understand this afternoon or I guess this evening with the Revenue Committee. She is intending to put on this compromise amendment onto another prioritized bill that's within her committee. So LB939 will not come back at Senator Linehan's request. And we will now turn to the next item on the agenda because we still have at least three hours left to go and to get work done today. Thank you, Mr. President.

**WILLIAMS:** Thank you, Speaker Hilgers. Mr. Clerk for items.

**ASSISTANT CLERK:** Thank you, Mr. President. The Judiciary Committee will hold an Exec Session now under the north balcony. Judiciary, Exec Session, now under the north balcony. Amendments to be printed: Senator John Cavanaugh to LB939. Notice of committee hearings from the Transportation and Telecommunications Committee. And interim study resolutions from the Urban Affairs Committee, LR374-- or excuse me, LR347, LR348, and LR349. Those will all be referred to the Exec Board. Additionally, Senator Blood, AM [AM2491] to LB1014. That's all I have at this time, Mr. President.

**WILLIAMS:** Thank you, Mr. Clerk. Returning-- LB121.

**ASSISTANT CLERK:** Mr. President, LB121, introduced by Senator Hunt, is a bill for an act relating to public assistance; changes provisions relating to eligibility for Supplemental Nutrition Assistance Program benefits as prescribed; and repeals the original section. The bill was read for the first time on January 7 of last year and referred to the Health and Human Services Committee. That committee placed the bill on General File. There are no committee amendments, Mr. President.

**WILLIAMS:** Thank you, Mr. Clerk. Senator Hunt, you're recognized to open on LB121.

**HUNT:** Thank you, Mr. President. Good afternoon, colleagues, and good afternoon/evening, Nebraskans. I have been working on this bill for over four years now and I have met with Speaker Hilgers and the Governor and over the years, done everything I can to make this bill work for the body. And this year, Governor Ricketts was willing to meet with me, which is great, and Speaker Hilgers has been great to work with and I made it clear to both of them that LB121, colleagues,

is my only ask this year. I'm, I'm willing to deal, I'm willing to figure out paths on other things because LB121 this year is not just my priority because we have to pick a priority, it's my only ask. This bill has the support of the Omaha Police Officers Association, the Catholic Conference, as well as, you know, the usual advocates that we see coming up for antipoverty issues like RISE Nebraska, the ACLU, Together, Nebraska Appleseed. And this bill is really an example of folks coming together around an issue in a way that we don't frequently see here in this body so I'm very proud of that. This bill is also modeled after language in Texas. So LB121 is basically the same policy that they have in Texas right now that I'm asking us to adopt. So what is it? Under current statute, an individual with a conviction for drug distribution or three or more felony convictions for possession or use of a controlled substance is ineligible for life to receive SNAP benefits. SNAP is the Supplemental Nutrition Assistance Program, sometimes called food stamps. I like to not call it food stamps because I think it perpetuates some confusion and misinformation about what SNAP really is. It's not a stamp, it's a EBT card, but that's what SNAP is. LB121 removes this lifetime ban and ties SNAP eligibility for people with these convictions to parole, probation, and post-release supervision, the terms of which include mandatory treatment and counseling for drug addiction and drug testing. These people also have to pay for those drug tests themselves and they have to refrain from unlawful conduct, which would include drug use. So by tying eligibility for SNAP to probation, parole, and post-release puts more control in the hands of judges to make sure that people are getting the right treatment that they need. Colleagues, the intent of this bill is to remove a major barrier for successful integration for formerly incarcerated people, while also reducing hunger for affected people and their families. This bill is really personal to me and I know the effects that it's going to have for Nebraskans today and for Nebraskans in the future. We know that the population that utilizes SNAP is really diverse. I relied on SNAP when I was divorced and I was struggling as a single mom and I was very young and I turned to public assistance for a temporary hand-up, as thousands of other parents have done in Nebraska for a variety of reasons out of their control. So I'm very personally familiar with the process of applying and qualifying for SNAP and what the requirements are to receive it. These here at my desk are two of my SNAP cards. One of them is the regular SNAP card that you get when you get approved and the other one is a temporary benefit for school-age children that I also received at one point. And if any of you want to come over and see them, this is what SNAP is. It's not a stamp that you can trade or sell for any other goods or services or drugs or anything like that.

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Come take a look and I'd be happy to answer any questions you have about the process. This is something that thousands of Nebraskans understand intimately and that all of us as lawmakers should understand too if it's something that they have to go through. Colleagues, these are people who have done their time. They've already done their time. It's wrong that somebody who can get convicted for distribution of marijuana at age 18-- which, you know, I know a lot of people who could have been convicted for something like that and never got caught and probably all of us do. It makes no sense that somebody can get that kind of conviction as a kid, basically, and then be unable to receive SNAP benefits 15 years later if they need them. During the pandemic especially-- I've been working on this since before the pandemic, but at that time, we heard from so many people coming into our office and saying I didn't even know that I wasn't eligible for SNAP because of a mistake I made as a teenager, a mistake I made as a young adult. So this bill is more important than ever in Nebraskans to help recidivism, to help people get back on their feet, and to, and to get the law in line with what the justice system should actually be providing for Nebraskans. One concern that I successfully addressed with several colleagues in this body was the fear that people with drug convictions could sell or trade their EBT cards for money or they could commit fraud. And I want you all to know that there is no evidence to support this. There are already lots of protections that exist in SNAP to prevent fraud and there's no evidence nationwide or in Nebraska that demonstrates a connection between felony drug conviction and a likelihood of committing SNAP fraud. This belief unfairly scapegoats and stereotypes people with drug convictions and besides that, SNAP fraud is already separately addressed in our statutes. It's already a crime. It's already something that gets investigated. And so instead of incorrectly assuming that drug offenders are likely to commit food stamp fraud, which they aren't, we have no evidence of that, our Legislature should allow existing welfare fraud statute to punish SNAP fraud. We already have a system for that and it works. The creation of the EBT card, the SNAP card when we stopped having a food stamp, happened under George W. Bush and it's been instrumental in reducing the potential for fraud, which is a great segue into another question that I've received from several colleagues about the basics of how SNAP works. To use an EBT card, you have to have a PIN number to complete the transaction at a grocery store. An electronic record of the purchase is created just like a credit card and that makes fraud even easier to detect and prosecute. A lot of places also check ID, which, you know, is again similar to like when you use a credit card. When you get your EBT card in Nebraska, you have to go through an online portal and create an

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online account, which is another fraud protection. And the SNAP benefit for the average Nebraskan is \$3.67 per day or just \$1.22 per meal. And we have this benefit because for many people, that paltry \$1.22 per meal is the difference between starvation, being able to go to work, and being able to support yourself and your family without having to recidivate or turn back to crime. It only becomes more clear what a great injustice this is when you realize that someone could have served time for murder, for rape, for robbery, child molestation, anything, and they would still be eligible for SNAP, but if you have a drug conviction, you have a lifetime ban on it. We feed our prisoners who are incarcerated. So a ban on SNAP for drug offenders must not have anything to do with their status as criminals, but rather their status as a drug offender, the type of crime that they did. And if that's the case, then I have to ask, what's, what is it about being a drug offender that makes that crime more morally reprehensible than any other crime that we have in this state? Because these are the only people who are not permitted to receive SNAP after completing their sentences. It makes no sense to give people a legal disadvantage or a punishment because of a conviction when that punishment isn't even part of the sentence for their crime. Saying that someone with a drug conviction is ineligible for SNAP is an invisible punishment. Our courts aren't even required to notify people when they are convicted of a drug offense that this might affect their ability to earn SNAP down the road. For many drug offenders, that comes later and they find out the hard way that they're going to continue to pay for this crime, this mistake, for the rest of their life by being unable to access SNAP, even though other formerly incarcerated people are allowed access. Mr. President, how much time do I have left?

**HUGHES:** 1:20.

**HUNT:** Thank you. This is a better system for people who have addiction issues who are coming out of our prisons. In a lot of ways, this could be considered more rigorous than what we already have in statute. What we already have in statute is that you have to go through a nationally accredited substance use treatment program, but in Nebraska, we do not offer those in our prisons. So when you come out of prison, you are ineligible for SNAP until you go through this treatment program. These treatment programs have huge waitlists. So then you are ineligible for food until you go through the waitlist and you're ineligible for food until you complete the program. You don't get any food when you're on the program. So for people who are addicted, who are dealing with the illness of addiction, the opportunity to be on parole, parole or probation or post-release supervision means that they could come out and receive food stamp benefits immediately so that we don't see them

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going back into prison because they've robbed or they've went back to drug use or drug distribution because they didn't have any options to get food. I'm willing to work on the language. This is an important bill to me. Like I said, it's my only ask of the year and I've done my best to bring all the stakeholders to the table. I want to thank the Omaha police for their support, the Catholic Conference, and all the tireless advocates who have worked to alleviate child poverty--

**HUGHES:** Time, Senator.

**HUNT:** --and food insecurity. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Hunt. Debate is now open on LB121. Senator McCollister, you're recognized.

**McCOLLISTER:** Thank you, Mr. President. Good afternoon, colleagues. As you may know, I've been working on SNAP for almost my entire two terms here in the Nebraska Legislature and I salute Senator Hunt on introducing this bill. It's, it fills a big hole in our criminal justice system. LB121 is a good bill. Wondering if Senator Hunt would yield to a few questions?

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

**HUNT:** Yes.

**McCOLLISTER:** Senator Hunt, who pays for SNAP benefits? Can you tell us that?

**HUNT:** SNAP is federally funded and so if we don't take advantage of this in Nebraska, we're just going to be giving those federal dollars to other states that have expanded SNAP. So--

**McCOLLISTER:** It--

**HUNT:** --to Nebraskans, it will cost nothing.

**McCOLLISTER:** Zero for Nebraska citizens, no cost to Nebraska?

**HUNT:** Zero.

**McCOLLISTER:** How about the administrative fees? Is that--

**HUNT:** DHHS--

**McCOLLISTER:** --is that currently a split?

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**HUNT:** DHHS has said that they can currently absorb the cost of doing this into their current costs so there's no, there's no fiscal note on it at all, Senator.

**McCOLLISTER:** So as I recall, SNAP benefits, until September of '23, federal government picks up the administrative costs that the state would normally incur. Is that correct?

**HUNT:** That's correct.

**McCOLLISTER:** Good. Are SNAP recipients required to work?

**HUNT:** Yes, all able-bodied adults who receive SNAP, regardless of your carceral status-- if you've ever committed a crime or what-- they all have to either have a job or participate in a job training program and that's a state law.

**McCOLLISTER:** So the handicapped aren't required to work, but they're tested-- there's some way for the state to know whether or not they're handicapped?

**HUNT:** Well, when you apply for SNAP, you, you have to submit a lot of different paperwork so about your financial history, sometimes your medical history, which I think would be the case in the case of a disability or something, and you also have to do at least one interview. So, you know, that ends up being at the discretion of DHHS.

**McCOLLISTER:** Of all the people that currently receive SNAP, what percentage, if you know, are actually working?

**HUNT:** I don't know that percentage. Do you?

**McCOLLISTER:** Well, I think I do.

**HUNT:** OK.

**McCOLLISTER:** It's, it's about 80 percent are actually working. So, you know, the feeling that some people have that, that these folks-- those people receiving SNAP are loafers and are taking advantage of the program just isn't true. Isn't that correct?

**HUNT:** I agree with you.

**McCOLLISTER:** So-- well, it's a good program. It makes sense to me that those people coming out of the prison system, they have to work, they



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get food benefits, and they're less likely to re-offend. Isn't that correct?

**HUNT:** Yes, I agree with that too.

**McCOLLISTER:** Well, thank you, Senator Hunt. Thank you, Mr. President.

**HUGHES:** Thank you, Senator McCollister and Senator Hunt. Senator Slama, you're recognized.

**SLAMA:** Thank you, Mr. President. Good evening, colleagues. I rise wholeheartedly opposed to LB121, which is a consistent position I've had since taking office. I'm, I'm just very simply categorically opposed to expanding government benefits to three-time drug felons. Nebraska has a very expansive SNAP eligibility criteria and I actually do support reining that in. I might bring an amendment on Select File to cut off SNAP eligibility for Class I felons so that would get to the murderers and the kidnapers and the rapists so that we are being all inclusive in terms of cutting off SNAP eligibility. But the key takeaway from that statement is "on Select." I, I appreciate and recognize we have a very limited amount of time left in this short session. Out of respect for the body and as a means of collegiality, I am saving the body four hours today by just backing off on General. I will filibuster this on Select and let's consider this a test vote. I am interested to see who in this body supports expanding government benefits for drug felons. So we'll take this to a vote and hopefully move on to some A bills. Thank you, Mr. President.

**HUGHES:** Thank you, Senator Slama. Senator McKinney, you're recognized.

**McKINNEY:** Thank you, Mr. President. I rise in support of LB121 because I think it's a smart policy. You know, we can stand up and say we're tough on crime and we want to punish people for things they've done that we deem is not acceptable as society, but we also can't stand up and say we're for second chances and we want people to get on the right track. You know, when people are released from prisons, they aren't given many options. And being a felon, you are limited in where you can work, where you can live, and things like that. And I've always been opposed to it because I've seen the reality of having friends and family that are felons. You know, last year, my aunt called me and she was released from prison, federal prison, and she was, like, nephew, I can't, you know, get food assistance because I'm a felon. And she's like, what can you do about this? And I'm like, I'm-- there's bills we're trying to work and luckily, Senator Hunt introduced this bill because my aunt isn't well off. You know, my

whole life, she's never been well off and she made some mistakes in her life to try to, you know, put herself in a better position for, for a lack of better words because of the lack of economic opportunities in north Omaha, which is why we have, you know, LB1024. She's not a horrible person. She's a great aunt, mother, grandma. And because of these policies that, in my opinion, were created to police individuals that we deemed as unacceptable or we deemed as you can't help, it goes back to the, the policies that were created in the '90s around, you know, the crack epidemic and mass incarceration and this is a lasting effect of that. And we can say, no, we don't want to give anybody food, food assistance, but we also can't say we want people to have second chances and live a better life. What is the harm of allowing an individual to receive SNAP benefits? Most people that apply for SNAP benefits aren't in the best position and contrary to proper-- you know, popular belief, people aren't selling their, their SNAP benefits to sell drugs. It's just not it. You know-- and we always talk about, you know, finding ways to make our state, you know, marketable and retain talent and keep people here and not have our kids leave, but we have policies like this. You know, my aunt, you know, hypothetically could have just left. And that's another Nebraskan taxpayer that left the state because our state felt like, you know, she didn't serve her time and is not allowed a second chance. If a person serves a year, six months, or even five years in prison, isn't that enough? What else do we need from these people? What's wrong with allowing somebody that has went through that situation, served their time, and allowing them to be able to access this resource so they don't go back to a life of crime? When we talk about public safety and preventative measures, this is something that we could do. You cannot stand up and say I'm for public safety and say I'm opposed to LB121.

**HUGHES:** One minute.

**McKINNEY:** Public safety is making somebody has a bite to eat, making sure their kids have a bite to eat. What is wrong with that? And then we talk about Nebraska isn't a welfare state or we don't accept federal benefits, but ag gets so many subsidies from the Feds. I, I don't understand it. If, if we're for second chances and we're for helping people and making sure they don't return back to prison or to a life of crime, as people say, then you should support LB121 because you eliminate that and give somebody a bite to eat and some food that they could put on the table for the-- for themselves and their families. Thank you.

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**HUGHES:** Thank you, Senator McKinney. Senator Lathrop, you're recognized.

**LATHROP:** Thank you, Mr. President and colleagues. You know, all the work that we've done on CJI, when that working group met, much of what we looked at-- and particularly one whole subgroup was looking at one topic, which is reentry. Reentry is a-- is the examination of that period of time after an inmate is released. We have limited the exclusion to SNAP benefits for those convicted of drug offenses, no other offense, and it's a lifetime ban. And it makes for good politics. I mean, it's going to look great on a card, I'm sure, if somebody mails something into a district that says so-and-so voted for SNAP benefits for drug felons. But we're here to do something a little deeper than a mailer in a, in a legislative race and that working group, that subgroup that looked at reentry looked at those things that are a barrier to successful reentry. One of those things clearly has to be access to something to eat. I, I was thinking about what I was going to say when I got on the mike and a lot of people go through problem-solving courts. These are people who might have a number of prior convictions for one thing or another and they go through problem-solving court, drug court, and they don't get convicted of their drug offense because they have taken the cure. They bought into what they're selling over at the drug court and they got off of a controlled substance. That person will get SNAP benefits, but the guy who goes through two years of incarceration, goes through substance abuse treatment while incarcerated, comes out sober and remains sober and, and free of drugs won't. It doesn't make any sense. This is an important part. Colleagues, we have to stop looking at this like it's a hot topic for a mailer and look at it like how do we affect our criminal justice system in a positive way? Having people on Medicaid when they get out so they can go to substance abuse treatment if they need it. Having them have access to something to eat, something to eat. That doesn't cost us anything. There is no reason not to move this bill. There is no reason to filibuster it on Select File and not just see this as an important piece, however small, in our attempt to provide services to people who are leaving prison and need to transition into becoming productive members of our community. And for that reason, I'd ask you to support LB121.

**HUGHES:** Thank you, Senator Lathrop. Seeing no one else in the queue, Senator Hunt, you're welcome to close on LB121.

**HUNT:** Thank you, Mr. President, and thank you, colleagues, for that conversation. This is a really straightforward bill. When I first introduced it, it was-- in 2019, it was much more broad. We've walked

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that back, first through conversations when Senator Sara Howard was the Chair of Health and Human Services. And at that time, the bill was voted out unanimously from the committee and we came to a great compromise amendment. Since then, we've seen many other states pass policy like LB121 with no, you know, bad effects. I respect Senator Slama's position definitely because it's consistent. You know, she doesn't want to give government benefits to people who commit crimes. You know, I would let her speak for herself in terms of her beliefs, but I would say that she has a consistent belief and I respect that. I believe in second chances. I believe that the, the welfare system and the assistance system and the safety net that we have for people has to be separate from our carceral and judicial system. We can't use, you know, the Department of Health and Human Services to extend people's sentences as criminals when they've already done their time. So LB121 just makes our policy a little bit more consistent in Nebraska. It's straightforward and simple. And Mr. President, I'd ask for a call of the house.

**HUGHES:** Thank you, Senator Hunt. Colleagues, there's been a request to place the house under call. The question before us is shall the house go to call? All those in favor of vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

**ASSISTANT CLERK:** 28 ayes, 5 nays to place the house under call.

**HUGHES:** The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senators Brewer, Vargas, and Erdman, the house is under call. All unexcused senators are now present. Colleagues, the question before us is the advancement of LB121 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? There's been a request to place the-- or to-- for a roll call vote in reverse order. Mr. Clerk, please call the roll.

**ASSISTANT CLERK:** Senator Wishart voting yes. Senator Williams voting yes. Senator Wayne voting yes. Senator Walz voting yes. Senator Vargas voting yes. Senator Stinner voting yes. Senator Slama voting no. Senator Sanders voting no. Senator Pansing Brooks voting yes. Senator Pahl. Senator Murman voting no. Senator Moser voting no. Senator Morfeld voting yes. Senator McKinney voting yes. Senator McDonnell voting yes. Senator McCollister voting yes. Senator Lowe voting no. Senator Linehan not voting. Senator Lindstrom voting no. Senator Lathrop voting yes. Senator Kolterman voting yes. Senator Jacobson

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voting no. Senator Hunt voting yes. Senator Hughes voting no. Senator Hilkemann. Senator Hilgers voting no. Senator Matt Hansen voting yes. Senator Ben Hansen voting no. Senator Halloran voting no. Senator Gragert voting yes. Senator Geist voting yes. Senator Friesen. Senator Flood voting no. Senator Erdman voting no. Senator Dorn voting yes. Senator DeBoer voting yes. Senator Day voting yes. Senator Clements voting no. Senator Machaela Cavanaugh voting yes. Senator John Cavanaugh voting yes. Senator Briese voting no. Senator Brewer voting no. Senator Brandt voting yes. Senator Bostelman. Senator Bostar voting yes. Senator Blood voting yes. Senator Arch not voting. Senator Albrecht voting no. Senator Aguilar not voting. Vote is 25 ayes, 17 nays, Mr. President, on the advancement of the bill.

**HUGHES:** LB121 advances. Next item, Mr. Clerk. I raise the call.

**ASSISTANT CLERK:** Mr. President, next bill, LB9-- excuse me, LB697A from Senator Kolterman. It's a bill for an act relating to appropriations; appropriates funds to aid the carrying out provisions of LB697. The bill was read for the first time on March 11 of this year and placed on General File. There are pending motions, Mr. President.

**HUGHES:** Senator Kolterman, you're welcome to open on LB697A.

**KOLTERMAN:** Good afternoon, colleagues, or evening, whatever it is. Today, I rise and ask for your support of LB697A. As you may remember, LB697 is a bill to provide licensure of rural emergency hospital services, which advanced unanimously earlier this month. The cost to provide these new licenses will be paid from the cash funds from these facilities seeking the new licenses so there's no General Fund impact. I'd be glad to answer any questions you might have. Thank you.

**HUGHES:** Thank you, Senator Kolterman. Mr. Clerk.

**ASSISTANT CLERK:** Thank you, Mr. President, Senator Machaela Cavanaugh would move to bracket LB697A until March 25 of this year.

**HUGHES:** Senator Machaela Cavanaugh, you're welcome to open on your bracket motion, MO168.

**M. CAVANAUGH:** Thank you, Mr. President. For those that have bills on the A bills, I put in motion on everybody's bills. I intend to pull them. I didn't get a chance to tell everyone that, but I intend to pull the motions. So what is she doing? I am taking time. I don't recall exactly how much time we can do on an A bill. I know at the start of session, the Speaker made an announcement. In my

recollection, I think maybe it's an hour, but it could be less. It could be more. I don't actually recall. So I am just going to take time on these bills and people are probably wondering, why is she taking time on these bills? Well, folks, we've got a lot of things to get through and we don't seem to have any sort of, like, cohesive priority of what we as a body want to accomplish this year. And we seem to just be ram-rodging through a lot of things that benefit very specific people and leaving everything else in the wind. And so I am giving you the gift of time in taking time. So you can take your time to figure out how the rest of the session is going to look and I will be here taking time to allow you that time. I want to get back to the article that I had started reading previously. Oh, and by the way, I, I very much support LB697A from Senator Kolterman. It's a really good bill. So back to the article, Scherer says improved training of officers has resulted from the collaboration. The Women's Fund credits that better training with a 49 percent increase in domestic violence arrests in Douglas County from 2015 to 2017, the most recent years for which figures are available. The biggest thing I want people to know is that we do want to help, Scherer says. We want to do what the victim needs and help in whatever way we can. Unlike many other crimes, domestic violence rarely occurs around witnesses. And that, she says, is the greatest obstacle in prosecuting-- forgot to get in the queue-- in prosecuting it. This isn't a public crime. It usually takes place behind closed doors, Scherer says. If it is in somebody's home, you don't have a camera, you don't have a third-party witness. Leaving is a process that can take years, say advocates of victims of domestic violence. Jannette Taylor, executive director of the Women's Center for Advancement, says one seeking support through the center's free domestic violence services will be believed and helped. After the fire, Janet talked about her experience in an interview and encouraged others to leave their abusers. Do it. Don't wait too late like I did, she said. Do it. In the months before the fire, Janet began confining-- confiding in her close friend, Mary Robbins. When she was thinking of leaving, she really opened up, Robbins says. According to Robbins, Janet felt she had to stay in the marriage to protect Amanda and the house. She was afraid he'd set fire on the house, Robbins says. She was scared to death and just kind of stayed in it. I begged Janet to leave, but she thought she could handle it. I wish I would have pushed her harder. In December 2018, about two months before the fire, Janet filed for divorce. As Bohm slow-walked his paperwork in the divorce proceedings, his daughter says, tensions continued in the home. Janet prepared to have her husband forcibly removed from the home on the last weekend of February 2019. By then, Amanda was 18. Bohm made good on his threats. The family spent the, spent the weekend

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fighting and Bohm was drunk, Amanda says. About 10:30 on that Sunday night, as fighting between father and daughter got physical, Bohm slammed Amanda's head into some stairs. Her mother called 911. The police spent about an hour at the Bohms' home, according to 911 call logs. According to Lieutenant Neal Bonacci, a spokesperson for the Omaha Police-- I probably misspell-- mispronounced that. I apologize, Lieutenant-- the information gathered that night recounts that both father and daughter acknowledge that fighting between them had gotten physical. Domestic violence applies only to intimate partner violence, according to Nebraska law. If Bohm had struck his wife in his daughter's presence instead of hitting his daughter in front of his wife, officers could have had clear grounds to take action, according to Captain Scherer. That's because there would have been a witness to corroborate intimate partner violence and state law allows authorities to make domestic violence arrests against-- regardless of the family's preference. On the, on that-- this night, both father and daughter declined to press charges. There were no obvious injuries and both declined medical attention, responding officers wrote. Bonacci says police cannot force someone from their home unless they are taken into custody under arrest. Looking back on that night, Amanda has mixed feelings. She fears that she had-- that had she pressed charges, her father may have bailed out of jail and returned to the house to set fire while she and her mother slept. Instead, officers told Bohm to go to a separate area of the house and leave his wife and daughter alone. That didn't last. Bohm sought out his wife and daughter, and soon he and Amanda were fighting again. Then, Amanda says, her father uttered the words that haunts her to this day: I will hurt you more than you will ever know. Bohm headed to the home's attached garage and a worried Janet followed him. Soon, Amanda heard her parents struggling, so she too went to the garage. When Amanda stepped into the landing in the garage, she saw a large puddle near the freezer and her parents struggling over a lighter. For a fleeting second, she wondered why the freezer was leaking. Then she saw empty gas cans. That's when I realized, hey, that's not water. Her mother yelled for help, so Amanda rushed to her aid. The three, standing in a pool of gasoline, wrestled for control until her father dropped the lighter to the floor. In a whoosh, they were surrounded by flames as the garage caught fire. Amanda, her feet burning, raced outside, turned and saw no one behind her. I made it out, but where's my mom, she recalls. She ran back in, pushed her father aside and found her mother on fire crawling up the steps. Amanda took her mother outside and covered her with snow. While she was trying to save her mother, she looked inside and saw her father sitting on the couch surrounded by flames. Her mother later told her that Bohm had followed his wife to the steps of the garage.

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He had grabbed her by the ankles and pulled her back in, Amanda says. Amanda spent two days in the hospital and underwent multiple subsequent surgeries to treat the burns around her feet and ankles. Her father spent nearly five months in the hospital. Janet suffered the most severe injuries with deep burns more than 65 percent of her body. Her shoes and some of her clothing had even seared to her skin. Her injuries were so severe she was placed in an induced coma and flown to St. Elizabeth's Regional Medical Center in Lincoln, which has a nationally recognized burn care center. She would spend a combined one and a half years in the hospital and at Ambassador Health rehabilitation center in Lincoln. After the fire, Amanda went to her father's hospital room to get his signature, which was needed for the family to sign their property over to Habitat for Humanity. It was the only time she would visit him. When they talked about the fire, Bohm told his daughter he didn't remember it. Three times, he asked his daughter: what did you guys do to make me do this? He didn't see any blame on him, Amanda says. It was all on us. That we made him do this. Janet gritted through 70 surgeries, survived a rare infection, stomach and organ failure, burst lungs, dialysis, and COVID-19. At one point, she was undergoing three skin graft surgeries a week, Dan Franks says. In addition to Janet's own skin, surgeons grafted shark skin, pig skin, and--

**ARCH:** One minute.

**M. CAVANAUGH:** --human cadaver skin onto Janet to help her heal. The family rode the waves of hope and heartbreak along with Janet. Family members took turns driving to Lincoln nearly every day during the months she was in the hospital, Thurman says. On five occasions, Amanda says, the doctors told them it was time to say goodbye. Each time, Janet survived. The whole recovery process was nothing short of a miracle to be-- let's be 100 percent honest, Franks says. If that isn't a testament to her being a fighter, I don't know what is. When Janet transferred from St. Elizabeth's to Ambassador Health in September 2019, she still couldn't walk, breathe on her own or get out of bed. She needed help with all aspects of daily living. I assume I'm almost out of time, but I'm next in the queue.

**ARCH:** Five seconds.

**M. CAVANAUGH:** Let's just go to the next time.

**ARCH:** OK. That's time, Senator, and we are now open for debate. Senator Machaela Cavanaugh, you are recognized.



**M. CAVANAUGH:** Thank you. Did not get myself--let's see here. She needed help with all aspects, aspects of daily living. A team of nurses and physical, occupational, speech and respiratory therapists would help her relearn how to breathe, stand, walk and take care of herself. Just weaning her from the ventilator took about seven months. Her accomplishments were truly a miracle, her therapy team says in a joint statement, a testament to the character of a woman that fought for her survival, each and every day. Janet displayed a deep reservoir of resilience, they say. Some days were harder than others, but her smile was the best and so unforgettable, her team says of therapy. About 16 months after the fire, Janet was again in Stratman's courtroom. This time it was via Zoom from the Ambassador rehabilitation center. The judge was hearing her request for a divorce. Bohm, the court noted, hadn't responded to divorce papers and remained in jail on a \$2 million bail. Happy divorce. Even as Janet wavered between life and death at St. Elizabeth's, her case helped persuade the Nebraska Legislature to better protect victims from abusers. LB532, which had been introduced by Senator Cavanaugh of Omaha the month before the fire, was given added urgency in the wake of that violent February night. The judge's decision: divorce granted. Janet no longer would carry her husband's last name and would instead go by Janet Franks. From her bed at Ambassador, still hooked to medical equipment, Janet celebrated. A photo taken by one of her sisters shows her smiling and holding two balloons aloft. Sorry, I just-- I know that picture. One is a cheery yellow smiley face, the other is a purple balloon with these words written in black magic marker. I think I missed the words. I'm sorry. You'll have to find them. Within weeks of the fire, the bill was given priority status by Robert Hilkemann, also of Omaha-- and I think-- I don't know if Senator Hilkemann is here. The bill required, among other things, that judges hold a hearing before denying a domestic violence protection order. It brought Nebraska in line with 48 other states. Janet's family worked closely with Cavanaugh, and Amanda testified in favor of the legislation. Christon MacTaggart, executive director of Nebraska Coalition to End Sexual and Domestic Violence, describes Amanda's testimony as incredibly instrumental in the bill's passage. The seven-- 47 legislators voting that day all voted for it. We couldn't help Janet, but because of Janet's story and because of the bill that we passed, we are helping people every single day in the state, Cavanaugh said in her-- to her colleagues in comments on the floor of the Legislature. It's a good reminder of what we can do when we work together. I am going to continue reading the rest of this article, but I want to read my own words once more to this Legislature. This was in 2019, my first year here, and this is what I thought it would be like.

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We couldn't help Janet, but because of Janet's story and because of the bill that we passed, we are helping people each and every--

**ARCH:** One minute.

**M. CAVANAUGH:** --single day in the state, Cavanaugh said to her colleagues in comments on the floor of the Legislature. It is a good reminder of what we can do when we work together. My first year, we accomplished a lot when we worked together. There are so many things from that year that I am proud of, so many great bills that people here worked on, worked well, worked hard. I don't know what happened. It's just so toxic and partisan. And when we work together, we do amazing things. When we work together, we help address real systemic problems. We're going to get money for Kearney to build a new youth rehabilitation treatment center and it is so needed. We have stabilized that population.

**ARCH:** Time, Senator.

**M. CAVANAUGH:** Thank you.

**ARCH:** Senator Machaela Cavanaugh, you are recognized to speak.

**M. CAVANAUGH:** Thank you. This is my last time and then closing? I believe it is. OK.

**ARCH:** This is your second opportunity.

**M. CAVANAUGH:** And then I close? Yeah. OK. So as I was saying, when we work together, we accomplish really amazing things. When we work together, we cut retirement tax on-- for military veterans, which I think is pretty amazing. I'm very proud of us for doing that together because that is an expense, but it's an expense that we identified as being very important to this Legislature. When we work together, we continue to pass bills that address human trafficking. Senator Pansing Brooks and Senator Slama just had that happen where they attached a bill to another bill. But we keep losing that. We keep losing that piece of working together because we want to tear somebody down. I don't understand that at all. I don't understand why anybody would want to tear anybody else down. Why wouldn't we just want to lift each other up? I understand not agreeing with one another. I understand taking different sides on a lot of issues, but I don't understand the tearing down of others. It's just not necessary. But that's where we are and if we don't do it, then it's a mailer, as Senator Lathrop said on something. When we do do it, it's a mailer. Everything's a mailer, a mailer, a mailer, a mailer. Goodness gracious. If I thought about

all the potential mailers that would be sent out about me, I'd never go to sleep. It's, it's a different world than what I expected. I know Senator Howard would tell us lots of stories about how we're a family and, and things like that and I never really agreed with her because my family is so nice to me. My family doesn't try to destroy me as a human being and take me down every single minute of every single day and walk by me and make snide comments at me and be passive aggressive to me. My family doesn't do that so I don't actually like to think of you all as my family because that makes me sad. I think of you all as my colleagues who I care about, every single one of you, and I wish you all to have happy lives when you're not in here. And I'm OK with fighting you on things that I believe in and fighting you on things that I don't believe in, but that doesn't mean that I wish you ill. But I don't think of you as family because my family is great and loving and kind and generous and forgiving of mistakes. And now that you all have met a member of my family and worked with a member of my family, I'm sure you can come to understand how true that statement is. I'm very lucky that way, very, very lucky. I will just move to my close now. Five minutes?

**ARCH:** Seeing no one left in the queue, you're welcome to close.

**M. CAVANAUGH:** Thank you. I'm going to see if I can finish the article. After when I talked about us working together, we pick up the law has made a difference, MacTaggart says. In 2020, the year after the law went into effect, not a single domestic violence protection order was denied. Not a single domestic violence protection order was denied. We did that. We did that. That is amazing. LB118, Morfeld's bill, would extend the duration of protection orders beyond a year so that people don't have to go back to court so often. It also would make it easier to request one by allowing the abused individual to swear, with their signature, that their statements are true, rather than obtaining a notary public. LB1009, Senator Brandt's bill, would create a statewide Domestic Violence Death Review Team to create recommendations to help prevent future deaths. Omaha Police spokesman said the department is open to such a panel. The Omaha Police Department takes domestic violence incidents very seriously. We welcome additional oversight when it comes to better serving our community. Brandt's bill has been attached to a priority bill so it will be considered by the Legislature this session. Unless a senator attaches Senator Morfeld's bill-- proposal to another bill, it will die at the end of the session, although it could be reintroduced next year. Welsh says Nebraskans could also benefit from the creation of a domestic violence court where judges can develop expertise on the issue. And MacTaggart says a significant area of need is overall support for people seeking

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to leave abusive relationships, such as counseling, housing and other real-life resources. With something like domestic violence, Welsh says, the help of the larger community is needed. We need more people to join us and change systems, so the response to survivors gets better. Nearly three months after Janet died, an ill Bohm pleaded guilty on January 5, 2022, to arson and attempted assault. He appeared in court in a wheelchair. The next day, he was hospitalized. He died nine days later. Amanda says her father suffered from liver failure and had COVID-19 at the time of his death. His death brought relief to the family. Sorgen wrote to the family's GoFundMe page that she had been waiting years to post the news: Bohm had pleaded guilty and was dead. Our family is now able to have the closure we need for this dreadful, senseless murder. It will still be difficult missing Janet. She will never be forgotten. There's a lot more so I'll probably wait till the next time, but this was-- to me, if I don't accomplish anything else in this Legislature-- and I want to accomplish things, but if I don't accomplish anything else in this Legislature, I accomplished this and I did it with the body, 47, and it's amazing. It gives me heart and I got to be honest, I've been losing heart, but reading this story, missing Janet, thinking about Amanda, this gives me heart. And I am so proud to know Amanda. She's an amazing young woman who did something really hard after having something horrific happen to her.

**ARCH:** One minute.

**M. CAVANAUGH:** She showed up here to this Legislature and she told us her story. That's really hard and amazing and I am grateful every day for Amanda. I withdraw my motion.

**ARCH:** MO168 is withdrawn. Senator Kolterman, you-- you're welcome to close on your amendment-- excuse me, LB697A. Senator Kolterman waives close. Members, the question is shall LB697A be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted who wish to vote? Mr. Clerk.

**ASSISTANT CLERK:** 31 ayes, 0 nays on advancement of the bill.

**ARCH:** LB697A advances. Mr. Clerk.

**ASSISTANT CLERK:** Next bill, Mr. President, LB805A. It's a bill for an act relating to appropriations; appropriates funds for-- in the carrying out of provisions of LB805. The bill was read for the first time on March 8 of this year, placed on General File. There are both amendments as well as motions pending, Mr. President.

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**ARCH:** Senator Hughes, you're welcome to open on LB805A.

**HUGHES:** Thank you, Mr. President. Good evening, colleagues. This is a very simple bill. A few days ago, we passed LB805, which did contain part of the Noxious Weed Control Act. This is to keep noxious weeds out of our river ways and this is something that affects the entire state of Nebraska. LB805 would increase the appropriations from the current \$1 million a year to \$3 million a year to help prevent and control vegetation in our waterways. After some discussion and finding out that there were \$10 million in the ARPA fund that had not been allocated and with some consult-- consultation with the Rev-- or the Appropriations staff, Fiscal Office, they did indicate that the criteria for this bill did meet the requirements for ARPA funding. So I am asking for \$2 million of the 10 that has not been allocated from that and I would appreciate a green vote. Thank you.

**ARCH:** Thank you, Senator Hughes, Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, Senator Hughes would move to amend with AM2396.

**ARCH:** Senator Hughes, you're welcome to open on your amendment.

**HUGHES:** Thank you, Mr. President. AM2396 is the second version that does ask for \$2 million from ARPA rather than General Funds. Thank you, Mr. President.

**ARCH:** Thank you, Senator Hughes. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, Senator Machaela Cavanaugh would move to bracket the bill until March 25 of this year.

**ARCH:** Senator Machaela Cavanaugh, you are welcome to open on your motion.

**M. CAVANAUGH:** Thank you, Mr. President. OK, colleagues, so I'm going to continue reading the article, though I-- when I'm done reading the article, I am interested in a conversation about this amendment because it looks like we're changing what fund we're getting the money from. But I'll come back to that because I do want to finish this before I run out of steam. OK. Nearly three months-- oh, I already read that part, sorry. I usually mark it. Douglas County Attorney Don Kleine says his office pursued arson and assault charges rather than attempted murder because a guilty verdict was more certain and potential sentences were the same. They did so in consultation with Janet's family. Amanda says she asked Kleine's office to pursue a plea

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so that she would not have to relive the case in the courtroom. Amanda brought Janet home to live with her in their house near 90th and Fort in August of 2020. Amanda, who now works as a certified nursing assistant, had undergone extensive training at Ambassador so she could care for her mother. I also like-- would like to add that Amanda is now a certified nursing assistant, which we definitely need more of so grateful to her for that. Having her mother brought home, having her mother home brought new ups and downs, Amanda said. Janet could be healthy one minute and half an hour later, the family would need to call an ambulance. Still, Janet and her family embraced their life together. Big family dinners with Dan and Ryan, her other-- her sons from her previous marriage, their families, including her five grandchildren, and her siblings and their families. They brought back the family tradition of salsa-making parties. It was like she really didn't miss a beat, her daughter says. She was a little bit slower, but we got things done. The family is thankful for the help they-- that they and Janet received. Nearly 390 people donated to Janet's GoFundMe page, and the nearly \$28,000 raised made a difference. She had nothing when she got out of the hospital rehab, and those GoFundMe supporters helped her and Amanda with a new start, Sorgen says. Additionally, Julie Geise, Nebraska's victim advocacy coordinator, helped make the home that Janet and Amanda shared more accessible. After the fire, Dan said, he thinks his mother understood the fragility of her health. We had to look at every day as a bonus, he says. About 14 months after moving in with Amanda, as Janet gained strength, it was time to celebrate. Mother and daughter would take a much-delayed dream trip to the Colorado mountains. Amanda, her boyfriend and her mother loaded up the car and headed to Fairplay, Colorado. Although additional surgeries lay ahead, Janet was medically cleared by her doctors to take the trip. It was so beautiful up there. We were going to look at property, Amanda says. Janet died in Colorado on October 23, 2021. It was Amanda's 21st birthday. A coroner concluded that her death was directly related to injuries she suffered in the fire, and Janet's name has been added to the list of Nebraska's domestic violence homicides. She was 59. My mom was a wonderful woman. She really was, Amanda says. She made things happen. She was very loving. She loved being with family. I met Janet's family and they are, as Janet is portrayed, as warm, loving. And they seemed to really enjoy each other's company. I hope that Janet's memory is a blessing for them all. How much time do I have left?

**ARCH:** Six minutes.

**M. CAVANAUGH:** OK. I'm going to shift gears then to LB805A. Sorry, I got to pull this up on my computer. I don't really have concerns. I

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just-- looking for clarification if Speaker-- or Senator Hughes would yield to a question.

**ARCH:** Senator Hughes, will you yield?

**HUGHES:** Of course.

**M. CAVANAUGH:** Thank you, Senator Hughes. Apologize. OK, so I heard in your opening of the amendment-- can you just-- because I was running to get a glass of water so I only caught a snippet of it. Could you just tell me what exactly you were saying about switching to the ARPA funds?

**HUGHES:** So I was asking for \$2 million for the Repairing Vegetation Control Act, which is in part of LB805. What I discovered was that there were \$10 million left unappropriated by the Appropriations Committee of ARPA funds and after visiting with the Fiscal Office, they did determine that what I was asking for did qualify for ARPA funds. So I thought it would be better to ask for ARPA funds to fund this \$2 million for this year.

**M. CAVANAUGH:** OK, thank you. I apologize and I also took advantage of you talking by taking a sip of water. OK, well, I appreciate that and I appreciate our Fiscal Office being so judicious about making sure we're utilizing those funds for what they need to be utilized for. I think I will-- at this moment, I will pull my motion. Thank you.

**ARCH:** Seeing no one left in the queue, Senator Hughes, you're welcome to close on AM2396.

**HUGHES:** Thank you, Mr. President. I did think of something that I failed to mention earlier. When this fund was established, it had a \$5 million price tag. As times got lean in the state, this was an area that got cut. It got cut back to \$500,000. We did give it another 500 last year in the last-- in this biennium budget to bring it to \$1 [million]. I'm just trying to provide an opportunity for the weed control experts in the state to have some additional funds that they can cost share with lots of other individuals, landowners, NRDs, cities, you name it. Anywhere you can find money, they will cost share. So I would appreciate a green vote on AM2396 and ultimately on LB805A. Thank you, Mr. President.

**ARCH:** Thank you, Senator Hughes. So the question is shall the amendment, AM2396, be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Mr. Clerk.

**ASSISTANT CLERK:** 29 ayes, 1 nay on adoption of the amendment.

**ARCH:** The amendment is adopted. Senator Hughes, you're welcome to close on LB805 [SIC, LB805A]. Senator Hughes waives close. So the question is shall LB805 [SIC, LB805A] be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Mr. Clerk.

**ASSISTANT CLERK:** 30 ayes, no-- excuse me, 30 ayes, 1 nay on advancement of the bill.

**ARCH:** LB805 [SIC, LB805A] advances. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, LB848A, introduced by Senator Halloran. It's a bill for an act relating to appropriations. It appropriates funds to aid in the carrying out of provisions of LB848. The bill was read for the first time on January 17 of this year, placed on General File. There is a motion pending, Mr. President.

**ARCH:** Thank you. Senator Halloran, you're welcome to open on LB848A.

**HALLORAN:** Thank you, Mr. President. Good evening, colleagues. LB848A would provide a one-time appropriation of \$1 million General Funds to the Department of Agriculture for the purpose of catastrophic livestock mortality planning and preparation as authorized in the underlying bill. On General File discussion of LB848, I had mentioned that I had introduced a companion funding bill, LB970, then pending before the Appropriations Committee, requesting ARPA funds and relating the request of impacts to the livestock industry due to the COVID pandemic. That request was not included in the Appropriations Committee ARPA package. Because potential for mass livestock euthanization resulting from economic disruptions such as COVID is only one potential event that necessitates the need to be prepared, I have brought LB848A to request General Funds. I have distributed to your desk a handout, which I hope will help integrate preparedness to carry out large-scale euthanization if necessary, or deal with disposal of catastrophic livestock deaths due to disease or disaster, natural or manmade, as a part of the state's animal health infrastructure. It is one area in which we are playing catch up and the COVID process or disruption only exposed our lack of preparedness. Why do we need to invest in this? While we hope events that would trigger a response that LB848 contemplates would never happen, it is probable or probably only a matter of time until a disease or natural disaster emergency necessitates state, federal, and local animal health authorities coordinating a livestock disposal or euthanization plan. Planning and preparedness allows us to have the equipment and



training to execute a strategy that maximizes biosecurity and human safety and in the most humane manner possibly-- possible following the American Veterinarian Association guidelines. The alternative is ad hoc efforts that are thrown together after an emergency occurs. LB970 had requested \$7.5 million of ARPA funds. With LB848A, I have scaled that back to a one-time request of \$1 million. This would fund what the Department of Agriculture has identified as the most urgent needs to include acquisition of most-needed euthanized equipment, training of state and local personnel and the use of the equipment and an organizing and carrying out a large-scale euthanization, updating of related emergency planning documents at the state and local level, and upgrading and replenishing prepositioned veterinarian supplies, including PPE, testing equipment, and other supplies. I would ask for your vote to advance LB848A. Thank you, Mr. President.

**ARCH:** Thank you, Senator Halloran. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, Senator Machaela Cavanaugh would move to bracket the bill until March 25, 2022.

**ARCH:** Senator Machaela Cavanaugh, you're welcome to open on M0170.

**M. CAVANAUGH:** Thank you, Mr. President, colleagues. I am not sure about this one. I was looking at-- I did-- looks like I didn't vote for the underlying bill, possibly because I didn't know what was happening with this bill. But in hearings, Senator Halloran discussed it. I-- it kind of sparked something for me. And so I'm now looking at the U.S. Conference of Catholic Bishops because I know that euthanasia is an important issue to the Catholic faith and not something that they support. And so I'm even more torn about this because I-- I mean, I'm not going to keep the bracket motion up. I wouldn't change my mind about that, but I don't think-- I don't know if I'm going to vote for this because as a Catholic, I'm not sure that I'm supposed to vote for something that promotes euthanasia and I'm not well versed enough to know if that applies only to humans or if it applies to animals as well because we are all living beings. So until I have done further research into the Catholic Church's stance on euthanasia, I'm going to have to be present not voting on this one. I'm sorry, Senator Halloran, but I'm sure you can understand that, you know, want to make sure that we're respecting life at all levels. As I did say that I was going to be taking time on things and Senator Halloran so nicely supplied this one-pager, I, I will read it for the record. An ounce of prevention over a pound of cure: justification for LB848A. I like that; an ounce of prevention over a pound of cure. The adage once-- an ounce of prevention over a pound of cure could not be more appropriate

when planning for a foreign animal disease event in the state of Nebraska. That's some intense, intense language: foreign animal disease event. Preparedness and response planning for foreign animal disease incidence is crucial to protect animal health, public health, agricultural-- animal agriculture, the food supply, the environment, and the economy. I don't know what that is, the animal disease event. I also don't know if it's like an industry standard term. I'm just really fascinated by because it just sounds like, like a movie. Coming this September: foreign animal disease incidence starring Denzel Washington and snakes. No, not Denzel Washington, Samuel Jackson. I am so sorry Denzel, although that would be a good mashup as well, so-- OK, moving on, what does LB848, change provisions of the Animal Health and Disease Control Act relating to a catastrophic livestock mortality-- mortality, do? This is a burning question that I have. LB848 supports the planning for and assistance with catastrophic livestock mortality disposal plans, including the acquisition of equipment and supplies and securing of services to augment preparedness for and response to a disease, natural disaster, or other emergency event resulting in catastrophic livestock mortality. It's so clear to me now what I-- it's the planning for catastrophic mortality disposal plans. So I think it's like a plan for getting rid of dead livestock. I don't know, I'm sure some of the pages are studying agriculture. It's an interesting thing. You might think all the pages are studying the same thing. They are not. There are always pages that are studying agriculture and this is probably a really great place to learn about agriculture policy. So maybe I'll have to ask one of them when I'm not talking about it. What does a robust foreign animal disease response plan consist of? Veterinary guidance on cleaning and disinfection, disposal, mass depopulation, and other critical activities. Now this mass depopulation, is that a different way of saying euthanasia? Maybe. I don't want to put Senator Halloran on the spot so I'll ask him later about that, but I am curious. Have you ever had somebody read your flier so intensely? Information on disease control and eradication strategies and principles, guidance on health, safety, and personal protective equipment, or PPE, biosecurity information on site-specific management strategies, training and educational resources, necessary equipment to administer the plan. Also, what is necessary equipment? I'm going to ask some questions just on the mike and if Senator Halloran decides to answer them-- not right now. I'm not going to ask you to yield the question. I'm not going to put you on the spot like that. But if you want to answer them on the mike or you-- we can talk about it afterwards because I'm curious what necessary equipment you need to administer the plan. I'm

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also very curious about this plan. Do you want to yield? Will Senator Halloran yield?

**ARCH:** Senator Halloran, will you yield?

**HALLORAN:** Yes, I will. I'd be glad to visit with you off mike.

**M. CAVANAUGH:** OK, great. OK. The more I read, the more curious I get. So I just-- I'm a learner. The Nebraska Department of Ag does have a plan that addresses many of these important components. That said, the plan was developed in 2013 and needs updating to be more reflective of the livestock industry today. Additionally, Nebraska does not have the equipment and software necessary to successfully execute a robust foreign animal disease response plan or event and we've got disease incidence and event. This really-- this could be an epic drama. What are the goals of a foreign animal disease response plan? Did I-- OK. Detect, control, and contain the foreign animal disease as quickly as possible; eradicate the foreign animal disease using strategies that are designed to stabilize animal agriculture, the food supply, the economy, and to protect public health and the environment; provide science and risk-based approaches and systems to facilitate continuity of business for noninfected animals and noncontaminated animal products. Provide science and risk-based approaches to protect noncontaminated and noninfected animals. That sounds like face masks. If you want to protect somebody or something against an infection, they're not contaminated, why not give them a face mask or maybe a face mask and a vaccine? Can you imagine cows running around in the herd with a little face mask on? I'm glad that I'm amusing at least one person. OK. So we've got euthanasia in this. We've got mask mandates possibly and forced vaccinations and we have a foreign animal disease event. Dun, dun, dun. This is the makings of at least a made-for-TV movie. We could probably get Margot Robbie to play somebody. Achieving these three goals will allow farmers and ranchers, counties, tribes, impacted regions, and industries to resume normal functionality as quickly as possible. How much time do I have left?

**ARCH:** 1:20.

**M. CAVANAUGH:** OK and then I just can roll right into my next-- great. OK. OK. They will also allow the United States to regain disease-free status without the response effort causing more disruption and damage than the disease outbreak itself.

**ARCH:** One minute.

**M. CAVANAUGH:** Thank you. This is like a parody of COVID-19. If we all were animals, how would we have handled this breakout of COVID-19? With a foreign animal disease event plan. Dun, dun, dun. OK. This actually also reminds me of that book-- oh, shoot. It's about animals. It's like a socialist allegory or-- Animal Farm. Yes, Animal Farm. I need to reread that. I read that one when I was really probably too young. Isn't there funding from USDA for this purpose? Funding may be available for foreign animal disease emergency response. Investments in preventable-- preventative measures by the state of Nebraska are crucial to protect animal--

**ARCH:** That's time, Senator.

**M. CAVANAUGH:** Thank you.

**ARCH:** You are recognized to speak.

**M. CAVANAUGH:** Thank you. I'll start that sentence over. Investments in preventative, in preventative measures by the state of Nebraska are crucial to protect animal health, public health and animal agriculture, the food supply, the environment, and the economy. All right. I am really grateful to Senator Halloran. This is a great memo and I am going to write a treatment for a movie after this. Examples of what LB848A funding will be used for: Nebraska Department of Agriculture agricultural emergency response actions, the Nebraska Department of Agriculture agricultural emergency response actions, livestock disease emergency plan update for all aspects of livestock. Estimated cost: \$75,000. Equipment necessary to function-- functionally implement the plan. Oh, well, there we go, Senator Halloran. I just had to flip the page over to get the answer to the equipment question. Patience is a virtue. OK. A nitrogen foamer. I don't know what that is, but I-- at least I can Google what it is. Estimated cost: \$450,000. Initial, initial purchase per unit: two units. So that would be \$900,000. Veterinary boxes for pickups. Estimated cost: \$10,500. Initial cost per box: five units. So that would be \$52,500. OK. Total approximate cost: \$1,038,000. So I will just pause there on the math thing. My, my, my daughter, who is eight, likes to throw complicated multiplication at me and wants me to multiply it right there in my head and so I've been practicing that, but clearly, I'm still, I'm still a little slow. It's a little game we play. Anyways, what happens if we don't prepare? Example: foot and mouth disease, or FMD, a disease that would impact cloven-hoofed livestock such as cattle, sheep, pigs, hoofed wildlife species like deer. Exports of U.S. beef and pork worth \$10.58 billion and \$7.7 billion could be devastated overnight. Corn and soybean farmers would

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lose \$44 billion and nearly \$25 billion, respectively. These costs can only be mitigated with a swift and thorough response once FMD is detected within our borders. And FMD again is foot and mouth disease, which is different than hand, foot, and mouth, which I never knew was a thing until I had children in childcare and then got to experience it and it's not fun. What's the impact to Nebraska specifically? Agriculture is the number one industry in Nebraska. It's the engine that powers the state's economy. The production agriculture sector is estimated to provide \$4.6 billion from the crop sector and \$5.4 billion from the livestock sector for a total of \$10 billion of economic value added to the state's economy through direct and multiplier effects. Export values per commodity: soy is \$2.33 billion, beef is \$1.29 billion, corn is \$1.2 billion, and pork--

**ARCH:** One minute.

**M. CAVANAUGH:** --thank you-- pork is \$425.8 million. So let's go down to four. That's from the Nebraska Department of Agriculture retrieved on March 17, 2020, so seemingly very up-to-date numbers. And then there's an asterisk here. These values are positive economic impact to the state, not profits seen by the respective industries. OK. And then the values, the soy, beef, corn, pork values that I, I read, these values are positive economic impacts to the corresponding industry on a national basis, not profits seen by the respective industries. OK. So this was a fascinating read and I appreciate the work that Senator Halloran and his office put into it. I am still going to have to look up--

**ARCH:** Time, Senator.

**M. CAVANAUGH:** Thank you.

**ARCH:** Senator Blood, you are recognized.

**BLOOD:** Thank you, Mr. President. Fellow senators, friends all, I'm just standing up for a short explanation for Senator Cavanaugh. So Senator Cavanaugh may be aware that Senator Halloran is also a Catholic so I know that he also could have answered this, but we are taught during catechism that it's an act of cruelty to abuse or put forward an act of cruelty on an animal. However, according to our faith-- and I want to be really careful. I'm not trying to impose my faith on anybody who doesn't believe this. This is just what-- based on what Senator Cavanaugh said on the mike-- is that God gave us dominion and stewardship over animals. And as you know, from St. Francis of Assisi and everything that we're taught, that it is our job

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to be kind and loving to, to animals. However, part of being kind and loving to animals is also end their suffering. And sometimes when you have to end their suffering, it means putting them to sleep or putting them down. And for those of us that grew up in rural Nebraska, like Senator Halloran and I, we know that that's just part of the cycle of life. And so what's being asked for is actually very acceptable, very normal, part of farm life, part of having animals. And now with the avian flu and everything else that's going on, I think it's going to become more of a reality again, as it did several years ago, and it is what it is. So with that, I would yield any time I have left to Senator Halloran.

**ARCH:** Senator Halloran, 3:30.

**HALLORAN:** And thank you, Senator Blood. You explained that very well. Euthanization is a, is a process of-- we commonly use the term putting animals to sleep, but putting them to death as painlessly as we can. What we're talking about here isn't a frivolous subject. It's a very important subject; to, to eliminate or relief-- relieve the possibility of animal suffering or them passing on a disease to other animals. Euthanization is a very important process and it's not something we should make light of or humor of. It's a very serious process, but it is a process necessary to be sure that a disease does not spread to other animals, causing them distress, or that it does not spread, in some cases, to human beings. So this is an appropriations bill or an A bill that I think is very important and is necessary to be able to provide the Department of Agriculture the ability to be equipped to handle that in a situation where we have large-scale need for animal mortality. Thank you, Mr. President.

**ARCH:** Thank you, Senator. Senator Cavanaugh, you are recognized. This is your second time so you'll have a close after this.

**M. CAVANAUGH:** Thank you, Mr. President. So I am an avid reader of The Bean Bag, published by the Nebraska Dry Bean Growers Association. I love when I get The Bean Bag. I try to talk about it as much as I can because I want to make sure that they keep sending me The Bean Bag. I couldn't-- I know I have it in my desk somewhere, the latest edition, but all I could find was the spring 2021, in which there was a quiz that some might remember I made them take. And I did do better than some of the rural senators on this quiz, though, for the record, Senator Murman did know the right answer for how much milk a dairy cow makes each year so I want to give him that shout-out. It's 20,000 pounds. But anyways, I really love The Bean Bag and just reading about the different economic impacts of, you know, different things with

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livestock and the mitigation and taking care. Like, the agricultural industry is a very complex and complicated one. It's not just, like, farmers putting stuff in the ground and taking it out. It's so much more than that. There's invasive species of weeds and then how do you treat them without killing the crops? It's a constant juggling of science and math and ingenuity. And so I just-- reading through the, the flier here that Senator Halloran had given out was very informative for me. And I love to learn new things so I do feel like I learned something new today and I'm grateful to Senator Halloran for that. I will just pull my bracket motion now. Thank you.

**ARCH:** Thank you, Senator Cavanaugh. Seeing no one left in the queue, Senator Halloran, you're welcome to close on LB848A. Senator Halloran waives close. So the question is shall LB848A be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Mr. Clerk.

**ASSISTANT CLERK:** 33 ayes, 0 nays on advancement of the bill.

**ARCH:** LB848A advances. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President. Next bill, LB896A from Senator Lathrop, is a bill for an act relating to appropriations. It appropriates funds to aid in the carrying, in the carrying out of the provisions of LB896. Bill was read for the first time on March 9 of this year, placed on General File. There is a motion pending, Mr. President.

**ARCH:** Senator Lathrop, you are welcome to open on LB896A.

**LATHROP:** Thank you, Mr. President. Colleagues, this is simply the A bill to LB896, as you'd expect it to be. LB896 was the bill that came out of Judiciary Committee unanimously. That bill provided for a study by an academic institution of our programming at the Department of Corrections. This bill simply provides for the appropriation to effectuate that study of the programming at the Department of Corrections. I would encourage your support. I'm happy to answer any questions you may have. And with that, I will yield the balance of my time.

**ARCH:** Thank you, Senator Lathrop. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President. Senator Machaela Cavanaugh would move to bracket LB896A until March 25, 2022.

**ARCH:** Senator Machaela Cavanaugh, you're welcome to open on M0171.

**M. CAVANAUGH:** Thank you, Mr. President. Colleagues, so I'm going to have to look up what-- I, I know Senator Lathrop was saying it, but I had run to the ladies room, so sorry-- what this bill does. And just for the record, everyone, much like when we did our consent calendar, I put motions on everyone's bills, no matter what the bills were or if I was going to vote for them because I'm trying to slow down this session. I'm always really transparent, like, unfortunately so. There's no, like, secret plan with me. Machaela, what are you trying to do? I'm trying to slow down the session because there's a lot of things happening in this session that are not great, and from my view, are being ramrodded through. And I'm hearing more not great things are happening on bills and, and to things that I think are universally important. So I'm going to take time. I'm going to take time. And you know, people can continue to make bad choices on what they're going to do to legislation that impacts the lives of Nebraskans, and I'm going to take time. So there you go. OK, so this: Change and provide requirements for program evaluation under the Nebraska Treatment and Corrections Act. OK. I think I heard some of what Senator Lathrop was saying. It came out of committee. It moved forward on, on the floor with no problems. Filibuster proof-- doesn't mean I might not try, Senator Lathrop. I probably won't. He knows where I live. He's given me rides home before. OK, so let's go to the committee statement here. Also, I've brought this up in the past-- I love committee statements. Committee staff, you are appreciated. Committee statements are the best. Now, you don't get committee statements from a committee you don't sit in unless the bill is on the floor, which I feel like is, you know, a little greedy. Let's share them with everybody, but I love committee statements. You get to see who supported it, who opposed it. In the testimony, you get to see how people voted on it. And then you can maybe go ask those people, like, if somebody was present, not voting, was there something, like, that you didn't like about it, but was not bad enough to stop you from letting it out of committee, etcetera? So helpful. And then there is the summary, and that's, that's where it's really at because if you feel overwhelmed by reading the, the technical language in a legislative bill, the committee summary, go there first thing. Sometimes I read that first anyways. It's, you know, it's like flipping to the back of a book. I'm like, I can't wait to get to the end of this 48-page document. I'm going to just read the committee summary first. And it usually helps, like, you know, figure out some of the things. Now when a committee statement is not my favorite is in a Christmas tree. When we put a whole bunch of bills together and we have a committee statement, it's, it's still super, like actually, probably even more important because that's how you find out which bills have been put into the Christmas tree prior



to the introduction. Usually, when a Christmas tree is put out, the committee chair will tell you about what bills have been put into that, that Christmas tree. But first of all, you can't always catch everything that's said on the floor. And then also you want to review, we want to go back and you want to review, and so the committee statement gives you that for all of those bills. And that is extraordinarily helpful because otherwise you could be reading six bills in one amendment and just not really know what's up or down. And there won't be a fiscal note until you attach the bill-- or attach the amendment to the bill and it moves forward, so then you don't know how much it's going to cost, and so these are really important tools. Just a little behind-the-scenes lesson. OK. So this committee statement had the Inspector General of Corrections, ACLU, and the bill requires to include an effectiveness rating in the evaluation. And oh, sorry, I should read from the start: LB896 seeks to make changes in current provisions that require the Department of Correctional Services to evaluate the structured programming required for all persons committed to the department. The proposal changes language that allowed the department to utilize independent contractors, independent contractors-- where am I? Sorry. I lost my place, I apologize. The proposal changes language that allowed the department to utilize independent contractors or academic institutions to conduct the evaluation of the various programs to instead require the department to use such outside evaluators. The bill adds requirements to each to include an effectiveness rating in the evaluation and make recommendations on availability, the ability to timely deliver the program and a cost-benefit analysis. A prioritization order of clinical, nonclinical and then other programs is included in the bill. LB896 also adds new language establishing a sim-- similar evaluation process for programs under the Division of Parole Supervision. Feedback from the department's and the division's program evaluators' evaluations are to be provided to the department, division and the Office of the Inspector General for Corrections. Section by section. Section 1: Amends section 83-182.01. So I'm going to pause again for a little lesson. So if you want to know what that is, you can go to the Nebraska Legislature website and there is a tab, or a little box up on the right-hand corner. You can search current bills or search laws. If you put in that, that number, 83-182.01, it will take you to that part of statute so you can see what exactly they are addressing. OK, so amends that section, which addresses structured programming requirements in the Department of Correctional Services by requiring the Department to utilize independent contractors or academic institutions to evaluate the various programs. Changes to the evaluation process include adding effectiveness ratings, as well as

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making recommendations regarding availability, the timeliness of delivery and a cost-benefit analysis of each program. The bill establishes a priority list of the evaluation with clinical programming first, with nonclinical and other programming following. Feedback on recommendations is provided to the Inspector General as well as the department. The proposal also makes a change by allowing rather than requiring disciplinary action for, for a committed person who refuses to participate in structured programming. Section 2: Adds new language that establishes an evaluation process for programs under the Division of Parole Supervision. The division is required to utilize independent contractors or academic institutions to evaluate the various programs. The evaluation would include site visits, staff and offender interviews and program material reviews. The evaluation would also include effectiveness ratings and cost-benefit analysis. Feedback would be provided to the division and the Inspector General. Section 3-- OK. Section 3: Includes--

**ARCH:** One minute.

**M. CAVANAUGH:** --thank you-- the new Section 2 in the Nebraska Treatment and Corrections Act. Section 4: Repeals original sections. OK. Wow. That is very complicated, and I need to take a drink of water, so I am going to get out of the queue, yield the remainder of my time, pull my motion.

**ARCH:** Thank you, Senator Cavanaugh. Seeing no one left in the queue, Senator Lathrop, you're welcome to close on LB896A. Senator Lathrop waives close. The question is, shall LB896A be adopted? All those in favor say aye; all those opposed, nay. Have you all voted? Mr. Clerk.

**ASSISTANT CLERK:** 37 ayes, 0 nays on advancement of the bill, Mr. President.

**ARCH:** LB896A advances. We will be passing over LB939A. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President. Next bill, LB1112A from Senator McKinney. It's a bill for an act relating to appropriations; appropriates funds to aid in carrying out the provisions of LB1112. The bill was read for the first time on March 14 of this year and placed on General File. There is a pending motion, Mr. President.

**ARCH:** Senator McKinney, you're welcome to open on LB1112A.

**McKINNEY:** Thank you, Mr. President. LB1112A it's just an A bill to the original bill, LB1112, which is the Computer Science and Technology Act, that was moved to Select about, I think a couple of weeks ago. So

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I hope for your continued support of LB1112A for the computer science and technology bill. Thank you.

**ARCH:** Thank you, Senator McKinney. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President. Senator Machaela Cavanaugh would move to bracket LB1112A until March 25.

**ARCH:** Senator Cavanaugh, you're welcome to open on your motion.

**M. CAVANAUGH:** Great. Thank you, Mr. President. LB1112 A--so let's look at 11-- so if a bill has a fiscal note, you move the bill. And you have the fiscal note online you can see. So you move the bill-- it goes from General to Select or from Select to Final and then you have the A bill, because if it costs something, it has to have an appropriation bill. This is the A bill. These are all A bills. And so that bill does what we call chases its, its parent bill, I guess you could call it. So imagine like a little piece of paper chasing after another piece of paper, being like, wait for me, I'm going to pay for it, I got the credit card. That's what an A bill is. OK. So Senator McKinney's bill, the committee statement-- again, this came out of I don't know what committee, I think Education. It had a lot of people testifying about it, that's great. So Section 1 names the act. Section 2: Legislative filing-- findings and declaration. Section 3: Defines computer science and technology education for the purposes of this act to include, but not be limited to, knowledge and skills regarding computer literacy, educational technology, digital citizenship, information technology, and computer science. LB1112 requires, beginning in school year '24 to '25, each school district, in consultation with the Nebraska Department of Education, or NDE, include computer science and technology education in the instructional program of its elementary and middle schools as appropriate, and require each student to complete at least one related five-credit-hour high school course prior to graduation. Such high school course can be in a traditional classroom setting, online, in a blended learning environment, or in another technology-based format that is tailored to meet the need of each participating student. Section 5: On or before December 1, 2025, and on or before December 1 each year thereafter, each school district shall provide an annual computer science and technology education status report to its school board and NDE. Such report shall include student progress in such courses and other district-determined measures of progress for the previous school year. Section 6: Adds a graduation requirement to all Nebraska high schools that, beginning in school year '24-'25, a high school course of at least five credit hours in computer science and technology. Section 7:

Requires the State Board of Education to adopt measurable academic content standards for computer science and technology education under the mathematics or science standards. Section 8: Repeals the original sections by statute amended by this bill. Explanation of amendments. I'm still going, just getting a dry throat. I do not know how Senator Chambers could talk for hours and not have to use the restroom and not take a sip of water. I-- like, that is legendary, seriously. OK, AM1112. Wait, is the amendment 1112 or the bill 1112 or both? I think the amendment to the bill is the same number as the bill. That's kind of funny. OK. AM1112. Sorry, now I lost my place. AM1112 strikes original sections 4 and 6 and inserts the following new sections. Section 4: LB1112 requires, beginning in school year '24-'25, each school district, in consultation with the Nebraska Department of Education, include computer science technology education in the instructional program of its elementary and middle schools as appropriate, and require each student attending a public school to complete at least one related five-credit-hour school course prior to graduation. Such high school course can be in a traditional classroom setting, online, in a blended learning environment or in another technology-based format that is tailored to meet the need of each participating student. Section 6: Adds a graduation requirement to all Nebraska high schools that, beginning in school year '24-'25, a high school course of at least five credit hours in computer science and technology. Amends Nebraska Revised Statute 79-729-- again, you can look that up on the Nebraska Legislature website-- to state that the graduation requirements established pertaining to personal finance or financial literacy, as well as the newly added requirements for computer science and technology, only apply to students attending public schools. Section 7: Amends the language to allow the financial literacy standards to also be included under the career and technical education standards. Section 8: Amends Nebraska Revised Statute 79-3003 to specify that financial literacy instruction requirements for relating-- related to elementary and middle schools only applies to students attending public schools. AM1942 renumerates the sections and corrects the repealer accordingly. That's a-- that was a lot of work for the committee. Thank you to the Education Committee for-- staff for all that work because that is not easy to blend all of those things and make sure it only impacts public schools. I don't think I've said today enough how much I love my public schools. I love my school that my kids go to. Great community, great education, great resources. Can't say enough about it. Go Wildcats. I think-- I say that, and now I'm like, maybe it's not Wildcats. I'm sure my husband is texting me right now to correct me. So OK, going to continue on-- how much time do I have on this?

**ARCH:** 2:18.

**M. CAVANAUGH:** OK. So basically, this bill is, like, updating technology literacy. And as we continue this session to talk about all the things we can do to improve the lives of people in this state, technology literacy is a really big and important step. I know in my district we have the Do Space in Omaha, which is a technology library. And it provides a lot of technology literacy courses, especially for seniors that are trying to keep up with technology changes. I probably qualify because I don't really-- I'm not great at technology. I'm OK with it, but I'm not great with it. But it's an important area that we should, should be investing in heavily because it is a barrier to success in America in the 21st century, so making sure that our students are being well trained in technology is, is really a--

**ARCH:** One minute.

**M. CAVANAUGH:** --wonderful thing. Thank you. When I-- just to age myself a lot, so when I was in grade school-- first of all, we had a ditto machine where you crank it. John's nodding. And no, we did not go to school in the sixties, but the ditto machine was like a carbon copy. And this is more for the pages. So a ditto machine-- you take a copy like, like you're going over to that copier, you take a copy and you put it in and there's this carbon paper and you crank it. And you crank it through the carbon paper, and that's how you made copies. But the carbon was like sniffing a highlighter. So not really a great activity for, like, second graders to do, but whatever. It was the '80s. So that's a ditto machine. So that's the technology that I started with. And then when I was in sixth grade, we got--

**ARCH:** Time, Senator.

**M. CAVANAUGH:** Thank you.

**ARCH:** You are recognized.

**M. CAVANAUGH:** Well I hope everyone is-- pins and needles to know what I got in sixth grade. OK, so in sixth grade, we got our first computer lab at my grade school and it was a really big deal. We got to play Oregon Trail, which I loved. We did not get to play Carmen San Diego there, but we had a computer at home and we played a Carmen Sandiego on that, and that was super fun. The Oregon Trail, which now in retrospect, it's kind of a terrible game because it's like you're learning about people dying from dysentery and yeah, it's not-- again, much like the ditto machine and eight year olds, Oregon Trail and

young children-- maybe not the best thing, but there you have it. So, so then we also learned typing in junior high because we had these new computers, so we learned typing. Probably none of you ever took a typing class because-- the pages I'm talking about-- because you're too young, you just like audit-- like, you know typing like you know how to walk and chew gum. You just know how to type. We took typing in junior high-- Mavis Beacon. But my mom was a writer and she typed all the time, all of her columns and things, so she made my sister and I take summer school at the public school. We went to Catholic school-- the public school, we took summer school. I learned how to type when I was like nine years old, and I am an excellent typer. I could type this whole conversation without looking at what I'm typing. My sister says that creeps her out. So if you ever come up to me and I, and I-- you're talking to me and I'm still typing, I'm sorry if that's creepy, but that's just how I learned. So LB1112 is a technology in schools bill, which is why I'm talking about typing and Mavis Beacon and all of those things-- hold on. Sorry, there was ice in that. OK, so I talk about that, my school stuff, because it's really important. It's always been really important. So I'm going to continue to age myself for the amusement of the pages. So after the ditto machine and the floppy disk that you put in to play the Oregon Trail, and then the floppy disk that you put in to play, or to learn how to type on Mavis Beacon-- eventually-- are you all ready for this-- we got email when I was a junior in high school. That's when we got email and it wasn't like email email, it was called Pine mail. So the screen was black and it had like a green flashing little thing that you would type, and then you could, like, send a message to your friends if they also had Pine mail. Senator Blood is nodding her head. She knows what I'm talking about. So look how far I've come. From 8 to 18, I went from a ditto machine to email. Yay. And then eventually, I got my first Hotmail account when I was in college. Not right away in college, still had Pine email when I was in college, but eventually got Hotmail. Google was not a thing until like 2000, or Gmail was not a thing until like 2004. I remember when I got Gmail because my sister was able to give me an invite. Like, you had to be invited at the start of Gmail. You could not just open up a Gmail, you had to be invited to Gmail. And it was very exclusive. So my sister gave me an invitation to Gmail and I--

**ARCH:** One minute.

**M. CAVANAUGH:** --thank you. I've had the same Gmail ever since, but I still had my Hotmail, and, like, nobody really used Gmail. So for several years, I still used my Hotmail until I finally accepted that Gmail was what I was going to be using. So that is my technology

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evolution. I-- on my next time in the queue, I'm going to talk about my cell phone technology evolution because it is, it is a journey. I'll just move to my next time.

**ARCH:** Thank you, Senator. You are recognized.

**M. CAVANAUGH:** Thank you. And then I think I have-- am I closing after this?

**ARCH:** That is correct.

**M. CAVANAUGH:** OK. So my cell phone journey, I think-- I had a cell phone my, I want to say my junior year of college or maybe it was my senior. I went to, I went to college in Minnesota. And so driving back and forth from Minnesota in the wintertime, obviously not great. And my mom had a cell phone and she just one-- decided that I needed to have it with me, drive-- because driving back and forth, if something were to happen-- and there was a time where there was like a blizzard in the middle of Iowa and we had to stay at a rest stop. So she wanted me to have her cell phone. And-- this is, like, this is my first cell phone. I put it in a drawer in my apartment and then just took it out when I would go back to Omaha. That's how I used my first cell phone. It's pretty awesome. Pretty amazing. High technology. I mean, all you could really do is call for roadside assistance. So I still had a telephone like these and voicemail. And I will confess that my, my roommate, Mary and I's voicemail message said that you, if you were trying to reach Mr. Peacock, this wasn't his house, because our next door neighbor's last name was Peacock, so we just thought that was really clever. But it was on our voicemail machine that we did not-- you were not reaching the residence of Mr. Peacock. It was Mary and Machaela's place. So then I moved after college to D.C., and I officially took my mom's cell phone with me. It was my phone now. And I kept that phone-- so that was 2001-- well, my first day that I was supposed to start on the job, by the way, is when the Capitol shut down because of anthrax. So I didn't start my job for several months. But OK, so that was 2001. I don't think I got another cell phone until, I want to say 2005. So I got a cell phone-- I remember I had a cell phone that, like, wasn't a BlackBerry, but it was-- looked kind of like one. So you could text. This is where I'm at in life. In 2005, I started texting. Now you all are probably like, I don't know what you would use this for other than texting. Like, is there-- can you call somebody on this? You can, but you know. OK, so I got a phone that you could text, but you had to pay for text messages. Like, every single text message you had to pay for. And you couldn't connect your phone to Wi-Fi or anything like that. It was all data. So eventually I

got a quote, unquote smartphone, which was like, you could get on the web on the phone on this-- it was back to like Pine mail. It was like a black screen with little black-- green lettering on this little tiny screen, and you could get on the web. The only time I ever used it was whenever I was waiting for the bus in D.C. and I wanted to see when the next bus was coming-- D.C. had this technology, of course. I did not have this technology. So I've been-- the long and the short story about the phone situation is that I am not a Luddite, but I really like to not transition into new technology that quickly. I'm kind of slow to adapt. I, you know, want to make sure that I'm, like, really using this phone before it goes to wherever land it goes to. I mean, this particular phone is, like, completely cracked underneath here. My last phone before this was so cracked that I had to get a new phone because I was cutting my fingers--

**ARCH:** One minute.

**M. CAVANAUGH:** --to open it. So that was kind of when I was like, all right, I'll get a new phone finally. But technology is important. And if I hadn't had that technology in my journey, you, the pages, wouldn't be where you are with your technology and your journey. And Senator McKinney's bill is going to bring the next generations, make sure that they are not going back to a ditto machine or a actual telephone, making sure that text remains a real thing. They will probably be some evolution of it next. I can't wait for the day we have holograms. Just kidding, I can, because, you know, like COVID, really got cozy in the sweat pants-- holograms, unless, like, you can make an avatar that has me dressed nice, I don't want to do a hologram. So that's my technology journey. And it is 7:06 and I have five minutes left.

**ARCH:** Time, Senator.

**M. CAVANAUGH:** OK.

**ARCH:** That was your second opportunity so you have your close. You're welcome to close.

**M. CAVANAUGH:** OK. All right. I, I really like this bill. I liked it to begin with, but now that I had my own personal blast from the past and a captive audience in the front of the room-- they're like, please stop talking about it-- I like this bill even more. I think it's really beneficial. I think it's a great investment in our education system. Financial literacy is already in here, and that's a hugely important issue. So even though I, you know, might make light for



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talking for so long, I really do think that this is a valuable program in addition to our academic standards in Nebraska. So with that, I will pull my motion. Thank you.

**ARCH:** Thank you, Senator Cavanaugh. Seeing no one left in the queue, Senator McKinney, you're welcome to close on LB1112A. Senator McKinney waives close. The question is shall LB1112A be advanced? All those in favor vote aye; all those opposed vote nay. Have you all voted? Mr. Clerk.

**ASSISTANT CLERK:** 27 ayes, 0 nays on advancement of the bill, Mr. President.

**ARCH:** LB1112A advances. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President. The next bill, LB1241A by Senator Lathrop. It's a bill for an act relating to appropriations; appropriates funds to aid in the carrying out of the provisions of LB1241. The bill was read for the first time on March 8 of this year, placed on General File. There is a priority motion filed to the bill, Mr. President.

**ARCH:** Senator Lathrop, you're welcome to open on LB1241A.

**LATHROP:** Thank you, Mr. President. Colleagues, this is the A bill to LB1241, which came out of Judiciary Committee 8-0. This was the reciprocity, law enforcement reciprocity bill. It's a League of Municipalities undertaking. It allows law enforcement officers who come from other states to come in here and streamlines that process, makes it easier to recruit, and bring people in and get them on the street faster. This is simply the A bill. LB1241, just for those of you that will be around for a while, will be amended after-- by Senator Clements after the claims bills. But that really is beside the point, and not really relevant to what is before us at the moment. I would encourage your support of LB1241A. Thank you.

**ARCH:** Thank you, Senator Lathrop. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President. Senator Machaela Cavanaugh would move to bracket the bill until March 25.

**ARCH:** Senator Cavanaugh, you're welcome to open on MO173.

**M. CAVANAUGH:** OK. Thank you, Mr. President. Colleagues, this is a change provisions relating to law enforcement officer training and certification. So again, go to the committee statement. Came out of

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committee unanimous, no opponents. That's great. So this would--  
Section 1: Would amend Section 81-1401 to revise the definition of training academy to include facilities operated by agencies pursuant to an interlocal agreement. Current law already allows an agency to operate its own academy with Police Standards Advisory Council approval. Section 2 would amend Section 81-1414 to clarify the process of an officer to be appointed pursuant to a reciprocity program. Section 3 would amend Section 81-1414.07. So Section 2 amended 81-1414, and this is going even further into Section 81-1414 to .07: To remove the requirement for a law enforcement officer to complete continuing education requirements in the year of their retirement. Section 4 would amend 81-1414.13 to change the reciprocity process for law enforcement officers certified in another state. An applicant would need to be eligible for admission to a training academy, pass a physical fitness test, and pass a reciprocity test approval by the PSAC. The applicant would also need to have complete train-- completed training, a training program equivalent to Nebraska Academy, or actively engaged in performing the duties of a law enforcement officer. An applicant under this section would be allowed to serve as a noncertified conditional officer. This section would require the reciprocity test to be offered at least once per month and PSAC would be required to develop a study guide. Section 5 is the repealer clause; Section 6 is an emergency clause. There are amendments-- the amendment would reword Section 3 to clarify that an officer can retire in good standing without completing that year's continuing education. That is a nice thing to do. I know a lot about-- well for lawyers, having to get continuing education because I grew up with a bunch of lawyers. So being able to retire in good standing without having to do that before you retire is probably pretty helpful to those individuals. The amendment would also change Section 4 to remove the four year limit for applicants that have completed an approved training program in another state. The amendment would remove the provision that would allow applicants that have not completed an approved training program to apply for reciprocity if they have performed the duties of a law enforcement officer in the past four years. The amendment also requires the council to take action on a completed application within 45 days, and publish a study guide for the reciprocity test by July 1, 2022. So this is just the bill that pays for it. And I do see, I think, yeah, I do see this on the agenda on Select. And I also see that there are amendments on it on Select. So I think this is probably going to get its due in the future. And I will withdraw-- oh, is there somebody in the queue other than me? OK, I will let that person speak, and then I will come back for my closing.

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**ARCH:** Thank you, Senator Cavanaugh. Senator Erdman, you are recognized.

**ERDMAN:** Thank you, Mr. President. As I was looking over the fiscal note, I see this comment. It says the Commission on Law Enforcement and Criminal Justice would need a contract with an independent consultant to develop and validate an exam. The Commission estimates a one-time cost of \$80,000 to complete the task. \$80,000 to validate an exam-- \$80,000. That could be two full-time employees for a year. Who writes up these things? That's absurd. Eighty thousand bucks-- to write up a test. I think Senator Brandt would do it for 30. I mentioned it to Senator Lathrop and he said, you've gotten these before, so whoever does these fiscal notes needs to have some understanding of what exactly they're writing up, because this absolutely makes no sense to me at all. I agree with the bill. I think Senator Lathrop is trying to do a good thing, but I don't agree with putting these exorbitant A bills on these that aren't required. Surely there's somebody out there to write an exam for less than \$80,000. Thank you.

**ARCH:** Thank you, Senator. Senator Cavanaugh, you're welcome to close on MO173.

**M. CAVANAUGH:** Thank you, Mr. President. I will spare Senator Lathrop on this one and withdraw my amendment or my motion, sorry.

**ARCH:** I see no one left in the queue. Senator Lathrop, you're welcome to close. Senator Lathrop waives close. The question is shall LB1241A be advanced? All those in favor vote aye; all those opposed vote nay. Have you all voted? Mr. Clerk.

**ASSISTANT CLERK:** 29 ayes, 0 nays on advancement of the bill, Mr. President.

**ARCH:** LB1241A advances. Mr. Clerk, items for the record.

**ASSISTANT CLERK:** Thank you, Mr. President. Amendments to be printed: Senator Albrecht to LB1014, as well as Senator Arch, Senator Geist, Senator Briese, all to LB1014. Your Committee on Revenue, chaired by Senator Linehan, reports LB919 to General File with committee amendments. Additional amendments to be printed: Senator McKinney to LB1270 and Senator Linehan to LB919 and Senator Machaela Cavanaugh to LB1023. That's all I have at this time, Mr. President.

**ARCH:** Thank you, Mr. Clerk. We will move to the next item on the agenda.

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**ASSISTANT CLERK:** Next bill, Mr. President, LB1084 introduced by the Business and Labor Committee. It's a bill for an act relating to the claims against the state; to disapprove certain claims. The bill was read for the first time on January 18 of this year and referred to the Business and Labor Committee. That Committee placed the bill on General File. There are no committee amendments, Mr. President.

**ARCH:** Thank you, Mr. Clerk. Senator Ben Hansen, you are welcome to open on LB1084 as Chair of Business and Labor.

**B. HANSEN:** Thank you, Mr. President. The next two bills are the annual state claims bills, and the first one up is LB1084, which is a state claim denial, denials. And so LB8-- LB1084 consists of the claims brought against the state that were denied by the State Claims Board. The bill was brought to the committee at the request of the State Risk Manager and includes two claims that were denied by the state. Both claims arise out of the same set of facts and involved a contract dispute between Dr. Arthur Weaver and Dr. Glenda Cottam and the Department of Education. The doctors were contracted by the Department of Education, more specifically, the Office of Disability Determination Services, to determine those who are eligible for disability benefits under the Social Security program. When the pandemic began and the schools closed, the Department had no reason to send anyone to the doctors, so they had no work to report, and therefore were not reimbursed for their work under the contract. Dr. Weaver claimed that they-- had the schools not shut down, he would have received enough work to be paid \$7,418.89. Dr. Cottam claimed that she would have received \$6,208.56 under the contract. The claims were brought before the State Claims Board and the board denied the claims on the grounds that the contract was for work performed. And since the two didn't submit any hours of work, they were not entitled to the compensation. So with that, I would ask for your green vote on LB1084.

**ARCH:** Thank you, Senator. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, M0174. Senator Machaela Cavanaugh would move to bracket the bill until March 29, 2022.

**ARCH:** Senator Cavanaugh, you're welcome to open on M0174.

**M. CAVANAUGH:** Thank you, Mr. President. So I know Senator Ben Hansen talked about this in his opening, that this is for claims and-- which I was trying to find the transcript from the hearing so I could be better informed about what actually was-- happened and the stories

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that were told, because I understand that these two bills are, are very impactful. But I'm just looking over this first one that is perhaps the one that Senator Hansen was referencing. It's a letter from-- dated June 19, 2020, Drs. Arthur Weaver and Glenda Cottam-- Mr. Wagner, this letter is in response to your demand letter dated June 5, 2020, which I received on June 10, and your letter, dated June 10, 2020, which I received on June 15. I presume your clients have provided you with a copy of their respective-- sorry, I thought that was something I printed-- a copy of their respective contracts with the Disability Determination Services Office of the department. Section 3a of both contracts clearly provide that payment is based only on hours worked. So does this bill-- would Senator Ben Hansen yield to a question?

**ARCH:** Senator Ben Hansen, will you yield to a question?

**B. HANSEN:** Yes.

**M. CAVANAUGH:** Thank you, Senator Hansen. I'm sorry I didn't give you a heads-up because this question just came to me. So does this bill provide for those missed wages or payments then?

**B. HANSEN:** No, this is the denial of them because they didn't turn any hours in.

**M. CAVANAUGH:** OK, so this-- so--

**B. HANSEN:** And, and I do have, I do have the transcript letter [INAUDIBLE].

**M. CAVANAUGH:** OK. I'll just ask a page if they can go get it from you and make a copy for me. Thank you to the page-- but to you, Senator Hansen-- I'm sorry. OK, so can you take me through what this bill does? Because I think I'm misunderstanding based on the testimony.

**B. HANSEN:** Yeah. So we have two, we have two bills that we typically bring in front of the-- for state claims. One is the denial and one is-- are the accepted claims, like, for instance, people who maybe have had workmen's comp claims or or write-offs from agencies. This is one of the denial claims. Typically, we don't have a whole lot of denial claims, but this year we had two of them because of COVID and, and the contract between these two, these two doctors and the Department of Education. And so that's what this bill entails. It's, it's just the denial of certain claims that were brought in front of the state.

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**M. CAVANAUGH:** So we're denying-- because they didn't actually work the hours, we're denying their claim?

**B. HANSEN:** I want to make sure I answer it the right way. And so from my understanding is that they would have received work to be paid a certain amount, but under the pandemic, the schools closed and they had no reason to send anybody to these doctors. And so they had no work to report, and therefore they were not reimbursed under their contract.

**M. CAVANAUGH:** And if we were to pass this bill, then what happens?

**B. HANSEN:** It's just a way-- this is just a kind of a, I won't say a cleanup way, but we have to write these off and deny them every year so they don't get carried over.

**M. CAVANAUGH:** So we never paid them the, the money that they requested.

**B. HANSEN:** I don't even know if-- I will answer that question a little bit better later on before I ask-- before answering anything on the microphone.

**M. CAVANAUGH:** OK. Thank you. I'll let you ask your committee clerk about that, so-- because I guess I am a little confused about whether or not we are putting into statute or-- Senator Steve Lathrop, would you yield to a question?

**ARCH:** Senator Lathrop, will you yield?

**LATHROP:** Yes I will.

**M. CAVANAUGH:** Thank you, Senator Lathrop. Do you know if we were to pass this bill, does that mean that we're not, we're not paying these individuals, we are paying these individuals?

**LATHROP:** The claims bill-- in the claims bill, we have the Tort Claims Act. If you have a claim against the state for work comp or a personal injury--

**M. CAVANAUGH:** I think that's the next one.

**LATHROP:** Oh.

**M. CAVANAUGH:** This is--

**LATHROP:** Well--

**M. CAVANAUGH:** --this is denied claims against the state. The next one is--

**LATHROP:** If we approve the bill, we will deny the claims that are presented in this bill.

**M. CAVANAUGH:** So we will deny the claims for the lost wages because the state was shut down?

**LATHROP:** Oh, I asked questions on this one in committee. Let me get to it. This was somebody who was a contractor, if I'm remembering right. I'm looking for Senator Hansen. If I remember right, this was a contractor who thought he could continue a contract and we couldn't use him because of COVID. And I was-- I had the same concern that you appear to have, which is, is there somebody that did some work for us that didn't get paid what they have coming? And I was satisfied after hearing the bill that that was not the case.

**M. CAVANAUGH:** So you were satisfied that they didn't do the work.

**LATHROP:** It wasn't, it wasn't that somebody didn't do the work. If I'm remembering right, it was an individual that was a contractor. He thought he had a contract and that the contract would continue. And they didn't need him because of COVID, and there was nothing in the contract that said we will pay you x dollars a month until y date. And so, I didn't think he had the-- I didn't think he had a valid claim.

**M. CAVANAUGH:** I see. OK. And then I will-- thank you, Senator Lathrop. If Senator Hansen is standing, he might want to yield to a question.

**ARCH:** Senator Hansen, will you yield?

**B. HANSEN:** Yes.

**M. CAVANAUGH:** Do you want to answer--

**B. HANSEN:** Yes. Senator Lathrop pretty much clarified that. So basically, it-- my understanding, they had contracts with certain schools and the schools closed. And so then there, there was no hours worked. They did not turn in any hours and so then they were just not paid for that contract. So we had to go through the State Claims Board in order for the denial of those claims. This is the avenue they had to go through.

**M. CAVANAUGH:** OK. So there wasn't any opportunity for them to be given any sort of money through CARES Act or any other of those emergency

funding mechanisms because this is revenue that they were anticipating receiving but didn't because schools were shut down?

**B. HANSEN:** I'm assuming not, no.

**M. CAVANAUGH:** OK. Thank you, Senator Hansen. So I know that these are bills that we pass every single year. I am a little reticent about this one because these are individuals who had a contract with the state. And to Senator Lathrop's point, there was nothing in the contract stipulating they would pay a specific amount. But there was also nothing in the contract, I'm assuming, that would say that, if a global pandemic happens to hit Nebraska, we won't be paying you for services because we will be shut down and we won't need those services. So I know that there's lots of dollars for lost wages and things like that. And I'd be curious, as I'm not on the committee, if when these individuals came and testified, did they not apply for those-- that emergency assistance because they, they thought-- they were never told by the, the state that they wouldn't be paid as they have regularly been paid? I don't know if that was a question asked or not because I'm waiting on a copy of the--

**ARCH:** One minute.

**M. CAVANAUGH:** --transcript. Thank you. So I mean it's-- I think it's important for us to know the answers to these things. And I know I'm next in the queue, and I can't answer these things because I'm not on the committee and I don't have the transcript. But I will keep talking until we have the answers to these things because I do think it's important. This is people's work and their livelihood, and we know about people across all industries that have taken a hit. And just because they are in the medical profession does not mean that they are compensated well and that this isn't money that would mean something important to them and their families and they're, they're employees. So I am, I am more interested in this than when I started. And when I started, I was just doing what I've been doing, which is taking time--slowing things down.

**ARCH:** Time, Senator.

**M. CAVANAUGH:** Thank you.

**ARCH:** Senator Cavanaugh, you are recognized to continue.

**M. CAVANAUGH:** Peachy. OK. So I'm back in the queue and then so then I'll have that time, and then I'll-- we'll go to the motion, and then I will pull the motion. And then I probably will ask questions on the



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bill itself because I still have questions and, and until I'm able to get them answered, whether it's through reading through the transcript or through others participating-- whoa, that's a short transcript. Also, I need my other glasses. Sorry. So-- hey, it's getting late and I'm getting old. So I actually will try and read this in between my various turns. So OK, so back to the issue at hand. We have a global pandemic. It makes its way to Nebraska. Our government makes the decision to shut things down because we don't have a vaccination, we don't know enough-- there's a deluge of reasons. And so the state shuts down, including schools, and these two doctors have clients that they would have provided services to if it weren't for the shutdown. So-- I mean, I can see it both ways. You know, it's like, well, you didn't do-- you didn't provide the, the work. Well, I didn't provide the work because you shut, shut down, and I wasn't able to provide the work because you shut down. So that's kind of, like, this very circular conversation. So if we vote for this, we are determining that the state shut down but we have no economic obligation to these individuals. I'm not entirely comfortable with that. Yeah, I'm not really-- I'm not entirely comfortable with that. I am going to need to read this transcript and ask questions, possibly off the mike. But if there's anybody on the committee that could answer it, my question is what happens if we don't vote for this, if this bill fails? Would Senator Ben Hansen yield to that question?

**ARCH:** Senator Hansen, will you yield to a question?

**B. HANSEN:** Yes.

**M. CAVANAUGH:** Thank you, Senator Hansen. So what happens if we don't vote for this bill?

**B. HANSEN:** Sounds like a procedural question, but I would assume if we don't, then-- I, I can't really say with 100 percent certainty. I don't know if we have to pay them or if it goes back to state claims or it goes to a different kind of court. I mean--

**M. CAVANAUGH:** OK, so not voting for it is unknown. Voting for it is definitely not paying them.

**B. HANSEN:** I, I am unsure-- I know, I know without-- with 100 percent certainty. I can find out for you.

**M. CAVANAUGH:** That would be helpful, thank you.

**B. HANSEN:** Yep.

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**M. CAVANAUGH:** Thank you for yielding. OK. So this isn't as intriguing as the made-for-TV movie I'm going to be writing about animals and foreign agricultural events, but I am-- again, this is a thing about me.

**ARCH:** One minute.

**M. CAVANAUGH:** Thank you. I am a learner. I love to learn new things. And so, like, now I can't let this go. I probably will stay up late tonight trying to figure it out because I'm goofy like that, but, like, I really want to know what happens if we don't pass this. I'm not suggesting that that's what we do. But if we don't pass this, what happens? What happens? So that is the statement of intent. Committee statements-- everybody voted for it in committee. The opponents are the people we're not paying.

**ARCH:** That's time, Senator. You're recognized for your second opportunity.

**M. CAVANAUGH:** Sorry, I'm trying to read. Thank you. So this is my second opportunity and then my close. OK. So just looking at the committee statement and-- I mean, I don't know why I thought it would, but the committee statement does not say, this is what happens if you don't pass this bill. So, so still need to figure that out. So now I'm looking at the bill itself and it says the following-- oh gosh, my eyes are going to leave me by the end of this. The following claims against the state, filed with and recommended for disallowance by the State Claims Board and appealed by the claimant are hereby disapproved. OK, so that's taking-- we're taking an action. And this is all new language, so we're not, like, striking something else; \$7,418.89 for Claim Number 2021-20912, against the state of Nebraska, made by Arthur Weaver, by and through his attorney, Jeffrey Wagner, Wagner Meehan and Watson LLP, 1115 [SIC] South 39th Street, and then \$6,208.56 for Claim Number 2021-20913, against the state of Nebraska, made by Glenda Cottam and back by and through her attorney, Jeffrey Wagner, Wagner, Meehan and Watson. OK. So I mean-- I assume that the committee maybe had access to what the claims specified. I don't have that information so-- oh, wait-- no, sorry, I got excited for a second. OK, so that's the chair. I think that this is the transcript for maybe the hearing for their claim, but not the transcript from the Business and Labor hearing. So still need to find that, but this will explain at least what the, what the claims are about, but am I-- where am I at on time? Mr. President, where am I at on time?

**WILLIAMS:** 2:10.

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**M. CAVANAUGH:** OK. So, so what we have, what I have up here is a copy of the transcript from, I believe, the claim hearing and then-- so I still need to track down the transcript from the Business and Labor hearing. And maybe it's on the website and I just missed it. I mean, I did just give a history of my technology journey, so it is entirely possible that I'm not capable of finding the transcript. But if anybody else has it, please let me know. OK. So this is from the hearing with Chairman Albin, who is the Director of the Department of Labor. The attorney is asking the board to consider hearing the next two claims at the same time because they are tied together, the arguments are all the same. OK, so--

**WILLIAMS:** One minute.

**M. CAVANAUGH:** Thank you. Attorney Jeffrey Wagner-- if I can, if I can, I can fill in here. Oh, OK. Sorry, I skipped things and then-- OK. He's representing the two attorneys-- or the two claimants. I would ask the court to allow me to proceed. If Dr. Weaver has something to add after I'm done, perhaps it seems an appropriate way to handle it that way. Again, I'm Jeffrey Wagner, the attorney for the doctors. So each of these claims has to do with a contract between Nebraska Department of Education and the respective doctors. The contract is-- sorry, I'm going to close this so I can read it better. The, the contract is attached for the claim and spec-- specifically. It deals with language under the contract on paragraph 7--

**WILLIAMS:** Time, Senator.

**M. CAVANAUGH:** Thank you.

**WILLIAMS:** Seeing no one in the queue, Senator Machaela Cavanaugh, you're recognized to close on your motion to bracket.

**M. CAVANAUGH:** Thank you, Mr. President. OK. So-- OK. So back to Attorney Wagner-- the contract is attached-- it deals with language under that contract on paragraph 7 of the contract or page 7 of the contract regarding cancellation. The department unilaterally determined to terminate the contract, which was their right. However, the remaining payments that should be made under the contract were not paid. And that provision of the contract says upon termination, when it's been done by the department, settlement shall be based on the date of termination when it is done by the-- oh, settlement shall be based on the date of termination notice if the contract initiates the termination, which did not happen here, or the identifiable percentage of efforts expended by the contract, if needed. Nebraska-- the

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Nebraska Department of Education initiated the termination, so during the remaining term of the contract, we provide an estimation of all personally identified percentage of effort would have been had the contract remained in, in or have they been able to fill their obligations or duties under the contract that during, during that remaining month/time period under the contract. When the department terminated the contract, they-- sorry, this is really hard-- they, for the remaining month, did not utilize the services of the contractors. And so our claim is based on what would have, what that would have been after the term of un-- unilateral termination of the contract by the Nebraska Department of Education. We have provided verification of what their hours had been and what would likely have been their effort expanded [SIC] by them during that, that remaining month of the contract for both Dr. Cottman [SIC] and Dr. Weaver. So it sounds like the contract was terminated, but they still had a month of work. Anybody? OK. Oh, I just have questions. We'll get to my questions tomorrow, probably. So I am going to pull this motion.

**WILLIAMS:** Motion is withdrawn. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President. Senator Machaela Cavanaugh would move to bracket the bill until March 30.

**WILLIAMS:** Senator Machaela Cavanaugh, you're recognized to open on your bracket motion.

**M. CAVANAUGH:** Thank you, Mr. President. OK. So there's some conversation happening that maybe includes me, but I, I can't do both things, so I'll just keep talking. If anybody else gets in the queue, then that will be that. OK. So the contract-- OK, I got through that. So then Chairman Albin asked, so this isn't a claim for hours worked but reimbursed, but rather a claim for an estimation of which you claim they would have reasonably expected to record in that month and get paid for? Exactly. Do you wish to have either doctor testify? The attorney: I don't think they would have anything further to add other than they could lay foundation for the documentation that we attached as the hours expanded. I don't know if there's any dispute as to their prior hours expanded, the average that we came up with. Chairman: you're Department of Education? Scott Summers: correct. Mr. President, is there anybody in the queue besides me?

**WILLIAMS:** There is someone else in the queue behind you.

**M. CAVANAUGH:** OK. So-- and I'm still on my opening, correct?

**WILLIAMS:** That's correct. You have 8:20.

**M. CAVANAUGH:** Thank you. OK. So-- correct. Scott Summers: here is the general counsel for the Nebraska Department of Education. One of our programs is the disability determination services involved in this contract, and I can proceed whenever you're ready. OK, well, the claimants-- there must have been some gesture for him to proceed. The claimants, both medical providers under, under these contracts, the claimants' counsel mentioned they're dependent contractors with DDS. There are several such contractors. It's a federal program where we determined those who were elig-- who are eligible for disability benefits under the Social Security program, SSI. All contracts like this for medical providers are independent contractors. There's no promise to pay any specific amount of money in total. Instead, the payment is based on an hourly rate for hours worked and submitted in accordance with the contract. The contract says the times contractor performs the services under the contract shall be at, be primarily at the discretion of the contractor and the amount of time spent reviewing files on the premise in the sub select-- section-- selection of hours shall be determined by the contractor. They eat what they kill. These contractors ran through the period July 1, 2019, through June 30, 2020. For various reasons, DDS management became concerned and dissatisfied with the per-- performance of both of these doctors who are claimants. I won't go into great detail. OK. So maybe I was misunderstanding that the contract wasn't canceled for-- because of COVID, but because of performance, is what it maybe sounds like. Just looking if I can ask anybody from the committee. OK. OK, I, I'm going to yield the remainder of my time. And I'm back in the queue, so I will be back up in a minute.

**WILLIAMS:** Thank you, Senator Cavanaugh. Senator Vargas, you're recognized.

**VARGAS:** Thank you very much, President. This is a very important bill. And I have some questions for Senator Hansen, dapper Senator Hansen.

**WILLIAMS:** Senator Hansen, would you yield?

**B. HANSEN:** Of course.

**VARGAS:** Senator Hansen, this bill-- I see that there are some opponents. Jeff-- Jeffrey Wagner with Wag-- can you tell me why, why were they opposed to this bill? Or-- yes. At least that's my understanding of it.

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**B. HANSEN:** Let me look here. He was their attorney for the doctors.

**VARGAS:** Oh, that's it?

**B. HANSEN:** Yep.

**VARGAS:** OK. So what was the resolution to that?

**B. HANSEN:** I think he came in and opposed just because-- on behalf of the, the, the two doctors and voicing his opinion. And resolution-- I don't know what you mean by that, but that was pretty much all it was.

**VARGAS:** OK. Would you say that this is like a cleanup bill? Like, we can just-- this is easy for us to pass, like--

**B. HANSEN:** Yes. Yeah, this-- there was no other resolutions along with it. And so it should be a pretty simple bill to pass because of the contract work, or the subpar work that was performed. And it went to the State Claims Board. They ruled on it. And so, for the most part, it should be technically a cleanup bill, yes.

**VARGAS:** OK. Is there's some reason why we couldn't do it through actually, like a cleanup bill, like a Speaker's priority or--

**B. HANSEN:** We could, yes. Yeah.

**VARGAS:** Did it not qualify?

**B. HANSEN:** Yes, it could. A lot of things qualify for a Speaker priority. Some bills that I would like to see myself, but--

**VARGAS:** You mean debit cards for all?

**B. HANSEN:** Yes. Actually, that is a very, that is a very good Speaker priority that I pushed very hard for, ARPA for the people, that unfortunately did not make the cut. And which is, well, you understood, you and Senator Wishart both heard it in committee. From my understanding of that, you both really liked it. You high fived, I'm pretty sure at the end of the committee hearing. And so--

**VARGAS:** We did.

**B. HANSEN:** Yes.

**VARGAS:** I wasn't feeling the name.

**B. HANSEN:** Yeah.

**VARGAS:** ARPA for the people, but --

**B. HANSEN:** It was either ARPA for the people or ARPA for all. So-- but that-- there's too many A's in that first-- the second one so-- or that-- we, we were going to call the J.G. Wentworth Act. So-- it's, it's their money and they want it now.

**VARGAS:** That's good. Well, I appreciate this dialogue on the mike. And you know, listen, I support the bill. It seems like we could have got it on consent, but I appreciate you. Thank you, Senator Hansen.

**B. HANSEN:** You're welcome.

**WILLIAMS:** Thank you, Senator Vargas and Senator Ben Hansen. Senator Machaela Cavanaugh, you're recognized. There's no one else in the queue. Would you like to use this as your close?

**M. CAVANAUGH:** Sure. OK. So this bill-- I think it's a good example of how important it is to pay attention to what we are doing here. What are we passing? What are we moving? Because this is, you know, like something that we do every year, and that's fine. But the more I look at it, the more questions I have. And so-- and I think, I personally think it's good to question things. That's how we make them better. And we, we figure out answers to problems we didn't even know about. So I started out on this bill thinking, oh gosh, we denied claims because COVID and we shut things down. And then as I read through the transcript from the hearing, the termination hearing with Chairman Albin, then it sounds like they terminated the contract not because of COVID, but because they did not want to continue a contract with this specific provider. So that's a very different scenario. So then we have to go to that question about the dollars and whether or not they were allowable to bill or not bill during that time. And that, to me, is still murky. I don't think that there's an answer to that right now-- might require looking up the contract or just continuing to ask more questions. But I am tired, so I'm not going to ask any more questions right now. I will probably have a slew of questions for Senator Ben Hansen in the future, but for now, I will withdraw my motion.

**WILLIAMS:** Bracket motion is withdrawn. Debate is open. Seeing no one in the queue, Senator Hansen, you're recognized to close on LB1084. Senator Hansen waives closing. Members, the question is the advancement of LB1084 to E&R Initial. All those in favor vote aye; those opposed vote nay. Have all voted? Record, Mr. Clerk.

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**ASSISTANT CLERK:** 36 ayes, 0 nays, on advancement of the bill, Mr. President.

**WILLIAMS:** LB1084 advances. Moving on. LB1083.

**ASSISTANT CLERK:** Mr. President, LB1083, introduced by Senate-- excuse me, by the Business and Labor Committee. It's a bill for an act relating to claims against the state; appropriates the funds for the payment of certain claims; provides for payment of the claims; and authorizes agencies to write off certain claims as prescribed; and declares an emergency. The bill was read for the first time on January 18 of this year and referred to the Business and Labor Committee. That committee placed the bill on General File with committee amendments, Mr. President.

**WILLIAMS:** Senator Hansen, you're recognized to open on LB1083.

**B. HANSEN:** Thank you, Mr. President. LB1083 is a state claims bill and brought as a committee bill from-- for the Business and Labor Committee. I'll provide some background on the process of these claims, and then go through each claim in the bill. As you know, the state of Nebraska employs thousands of people, and sometimes their actions cause injury or problems to others that results in lawsuits against the state. The state is subject to liability under the State Tort Claims Act and the Miscellaneous Claims Act. Claims against the state pass through the State Risk Manager's Office, and any claim exceeding \$50,000 has to go through the Legislature for approval. All these claims have been reviewed by the Attorney General's Office and reflect court judgments or settlements, and are in no way calculated by myself or any members of the Business and Labor Committee. Also included in LB1083 are agency write-offs. These are any uncollectible debts that agencies have that they've not been able to collect. When deemed uncollectible, it is prudent to request these amounts to be written off in order to keep accurate accounting records. I will now go through the claims and provide a brief explanation of each. So in Section 1 is the miscellaneous claims section, and this year we had two of these claims. The first claim is for \$45,000, involving a settlement agreement for Sheri Brown, who alleged that while employed by the state, she was subject to disability discrimination. She was then retaliated against by being constructively discharged by the agency. The next claim is for \$429,000, involving a settlement agreement for Telena Moser, who brought a claims-- Section 1983 federal civil rights claim against several agency employees, alleged they were indifferent to risk of harm for Terry Berry. Section 2 involves a worker's comp claims. The first one is for \$125,000



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involving Rick Haave, who was injured on November 1, 2019, while working on a high-voltage electrician for the University of Nebraska. The next is a claim for \$100,000 paid to Kenneth Rezec, \$150,000 to be paid to Michael Krafka, and \$50,000 to Billy Maxwell for their worker compensation claims. Section 3 includes all the tort claims against the state, but there were none this year. Section 4 includes all the agency write-offs, which I will go through by department. Board of Education, Land and-- Board of Educational Lands and Funds requests \$5,742.90, where a lessee failed to pay the last half-year of a lease and the agency is unable to collect. Lessee is banned from holding another lease with the Board of Educational Lands and Funds. The Game and Parks Commission, which I know Senator Erdman was waiting for, requests \$1,404 for uncollectible returned checks for 20-- for 2020. The State Treasurer requests \$37,871.93 for numerous debts deemed uncollectible due to return checks, returned electronic payments, and payments paid to recipient in error that are unable to recoup for various reasons. The Department of Transportation requests \$327,563.65 for uncollectible debts related to state property damage. The State Fire Marshal requests \$660 for uncollectible inspection fees. Public Employees Retirement System requests \$3,572.34 for retirement benefits paid to two deceased individuals where they did not receive timely notification of death and are unable to collect from beneficiaries. The Department of Labor requests \$5,801,042.07 for unemployment insurance payments from businesses that have ceased operation, employers who have passed away, and employers that have declared bankruptcy; \$177,211.53 for uncollected unemployment benefit overpayments for 231 cases deemed uncollectible; and \$230,000-- and \$230,330 for Contractor Registration Act fees and citations that were uncollectible, and two citation fees under the Wage Payment and Collection Act. Department of Health Human Services requests \$2,573,279.27, resulting from debtors filing bankruptcy passing away without assets, or the un-- or the applicable statute of limitations has passed. Most of this debt is from persons who are on needs-based assistance and overpayments were made to their aid or dependent child account. I can hopefully provide further documentation on these claims and write-offs to anyone that has questions. With that, I would ask for a green vote on AM2142 and the underlying LB1083.

**WILLIAMS:** Thank you, Senator Hansen. As the Clerk stated, there are amendments from the Business and Labor Committee. Senator Hansen, as Chairman of the committee, you're recognized to open on the committee amendments.

**B. HANSEN:** Thank you, Mr. President. The committee amendments are just some other workers' comp claims that were filed after the bill, and

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also a change in the write-off from the Department of Labor. They actually lower their write-off from \$254,720.26 and down to \$177,211.53. Thank you.

**WILLIAMS:** Thank you, Senator Hansen. Debate is now open. Senator Erdman, you're recognized.

**ERDMAN:** Thank you, Mr. President. So Senator Hansen, will yield to a question or two?

**WILLIAMS:** Senator Hansen, would you yield?

**B. HANSEN:** Yes.

**ERDMAN:** Senator Hansen, explain to me-- you mentioned UNL and there was a claim there from UNL. Can you read that for us again? It was one of the first ones you did.

**B. HANSEN:** Yeah, I'm going to get to the summary here. Are you talking about the Board of Educational Lands and Funds?

**ERDMAN:** I think it was-- I think you mentioned UNL. A contractor or somebody was working, got, got electrocuted or shocked from working at university.

**B. HANSEN:** Gotcha. I'm going to look here. Sorry, just want to make sure I get it right. Yes, section 2 involves workers' comp claims. The first one is for \$125,000, involving Rick Haave, who was injured on November 1, 2019, while working on a high-voltage-- while working as a high-voltage electrician for the University of Nebraska. And the other one, the other ones were workers' comp claims.

**ERDMAN:** OK. So he was injured working for the University of Nebraska?

**B. HANSEN:** From my understanding--

**ERDMAN:** Why didn't they pay, why didn't they pay that?

**B. HANSEN:** He was working as a high-voltage electrician for the University of Nebraska. I'm unsure exactly where it happened. I can look it up and try to provide you with more information here in a little bit.

**ERDMAN:** OK. All right. So the second question is, you said it was, was it bad checks for Game and Parks?

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**B. HANSEN:** Yeah. Game and Parks requested \$1,400 for uncollectible returned checks from 2020.

**ERDMAN:** And so that's the state's problem, that they can't do their job?

**B. HANSEN:** You might want to bring that up to Game and Parks, but--

**ERDMAN:** I think I will, but I'm just saying if they took bad checks, how's that our fault?

**B. HANSEN:** This is the-- a write-off for those bad checks.

**ERDMAN:** Yeah.

**B. HANSEN:** Yep.

**ERDMAN:** OK. Thank you.

**WILLIAMS:** Thank you, Senator Erdman and Senator Hansen. Mr. Clerk for items.

**ASSISTANT CLERK:** Thank you, Mr. President. Amendments to be printed: Senator Wayne to LB1014. Additionally, motion to be printed to LB1083 from Senator Machaela Cavanaugh. Name adds: Senator Machaela Cavanaugh adds her name to LB121, LB717, LB825, LB925, and LB1073. Finally, Mr. President, a priority motion. Senator Slama would move to adjourn the body until Wednesday, March 23, at 9:00 a.m.

**WILLIAMS:** Members, you've heard the motion to adjourn until tomorrow morning at 9:00 a.m. All those in favor say aye. Those opposed say nay. We are adjourned.