

FIFTEENTH DAY - JANUARY 25, 2023

LEGISLATIVE JOURNAL

**ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION**

FIFTEENTH DAY

Legislative Chamber, Lincoln, Nebraska
Wednesday, January 25, 2023

PRAYER

The prayer was offered by Pastor Kyle Campise, Bethel Baptist Church, Ord.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was offered by Senator Geist.

ROLL CALL

Pursuant to adjournment, the Legislature met at 9:30 a.m., President Kelly presiding.

The roll was called and all members were present except Senators Blood, Bostar, Day, B. Hansen, Riepe, Vargas, and Walz who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the fourteenth day was approved.

NOTICE OF COMMITTEE HEARINGS

Executive Board
Room 1525 12:00 PM

Friday, February 3, 2023
LB552
LB713
LB215

Room 1525 12:00 PM

Friday, February 10, 2023
LB90
LB254

Room 1525 12:00 PM

Friday, February 24, 2023
LR21
LB566

Room 1525 12:00 PM

Friday, March 3, 2023
LR5
LR22CA

Room 1525 12:00 PM

Thursday, March 9, 2023
LB696
LR2CA

(Signed) Tom Briese, Chairperson

Revenue
Room 1524 9:30 AM

Wednesday, February 1, 2023
LB589

Room 1524 1:00 PM

Wednesday, February 1, 2023
LB74
LB146
LB147

(Signed) Lou Ann Linehan, Chairperson

Judiciary
Room 1113 1:30 PM

Wednesday, February 1, 2023
LB368
LB163
LB432
LB50
LB352

(Signed) Justin Wayne, Chairperson

CONFLICT OF INTEREST STATEMENT

Pursuant to Rule 1, Sec. 19, Senator Raybould has filed a Potential Conflict of Interest Statement under the Nebraska Political Accountability and Disclosure Act. The statement is on file in the Clerk of the Legislature's Office.

AMENDMENTS - Print in Journal

Senator Hunt filed the following amendment to [LB606](#):

[AM82](#)

(Amendments to FA1)

- 1 1. Strike the original amendment and insert the following new
- 2 amendments:
- 3 1. On page 2, lines 2, 16, and 20; page 4, line 18; page 5, lines 13
- 4 and 14; page 6, lines 4 and 25; page 7, line 10; page 8, line 21; page
- 5 11, line 5; page 15, line 13; page 16, lines 8 and 9; page 17, lines 1
- 6 and 19 and 20; and page 20, line 17, strike "[Nebraska Pregnancy Help](#)" and
- 7 insert "[Tax-Funded Forced Birth](#)".
- 8 2. On page 2, lines 4 and 11, strike "[Pregnancy help organizations](#)"
- 9 and insert "[Forced Birth Centers](#)"; in line 17 strike "[pregnancy help](#)
- 10 [organizations](#)" and insert "[Forced Birth Centers](#)"; and in line 28 strike
- 11 "[pregnancy help organization](#)" and insert "[Forced Birth Center](#)".

Senator Hunt filed the following amendment to [LB575](#):

[AM73](#)

- 1 1. On page 3, line 3, strike "[violation of](#)" and insert "[school's](#)
- 2 [compliance with](#)"; and in line 4 strike "[violation](#)" and insert
- 3 "[compliance](#)".

Senator Hunt filed the following amendment to [LB574](#):

[AM72](#)

- 1 1. On page 3, line 21; page 4, lines 2, 5, 23, and 29; page 5, lines
- 2 5, 16, and 19; page 6, lines 1, 2, 9, and 28; and page 7, lines 8, 10,
- 3 12, 18, 20, 24, and 25, strike "[altering](#)" and insert "[affirming](#)".
- 4 2. On page 4, lines 7, 30, and 31; page 5, lines 8 and 18; and page
- 5 6, lines 11, 27, and 30, strike "[alteration](#)" and insert "[affirmation](#)".
- 6 3. On page 7, line 6, after the comma insert "[breast augmentation](#)".

Senator Hunt filed the following amendment to [LB169](#):

[AM10](#)

- 1 1. Insert the following new sections:
- 2 Sec. 9. Section 48-1102, Reissue Revised Statutes of Nebraska, is
- 3 amended to read:
- 4 48-1102 For purposes of the Nebraska Fair Employment Practice Act,
- 5 unless the context otherwise requires:
- 6 (1) Person shall include one or more individuals, labor unions,
- 7 partnerships, limited liability companies, associations, corporations,
- 8 legal representatives, mutual companies, joint-stock companies, trusts,
- 9 unincorporated organizations, trustees, trustees in bankruptcy, or
- 10 receivers;
- 11 (2) Employer shall include a Class I employer and a Class II
- 12 employer;
- 13 (3) Class I employer shall mean a person engaged in an industry who
- 14 has fifteen or more employees for each working day in each of twenty or
- 15 more calendar weeks in the current or preceding calendar year, any agent

16 of such a person, and any party whose business is financed in whole or in
 17 part under the Nebraska Investment Finance Authority Act regardless of
 18 the number of employees and shall include the State of Nebraska,
 19 governmental agencies, and political subdivisions, but such term shall
 20 not include (a) the United States, a corporation wholly owned by the
 21 government of the United States, or an Indian tribe; or (b) a bona fide
 22 private membership club, other than a labor organization, which is exempt
 23 from taxation under section 501(c) of the Internal Revenue Code; or (c) a
 24 Class II employer;

25 (4) Class II employer shall mean a person engaged in an industry who
 26 has one or more employees for each working day in each of twenty or more
 27 calendar weeks in the current or preceding calendar year and any agent of
 1 such a person, but such term does not include (a) the United States, a
 2 corporation wholly owned by the government of the United States, or an
 3 Indian tribe; (b) a bona fide private membership club, other than a labor
 4 organization, which is exempt from taxation under section 501(c) of the
 5 Internal Revenue Code; or (c) a Class I employer;

6 (5) (3) Labor organization shall mean any organization which exists
 7 wholly or in part for one or more of the following purposes: Collective
 8 bargaining; dealing with employers concerning grievances, terms, or
 9 conditions of employment; or mutual aid or protection in relation to
 10 employment;

11 (6) (4) Employment agency shall mean any person regularly
 12 undertaking with or without compensation to procure employees for an
 13 employer or to procure for employees opportunities to work for an
 14 employer and shall include an agent of such a person but shall not
 15 include an agency of the United States, except that such term shall
 16 include the United States Employment Service and the system of state and
 17 local employment services receiving federal assistance;

18 (7) (5) Covered entity shall mean a Class I an employer, an
 19 employment agency, a labor organization, or a joint labor-management
 20 committee;

21 (8) (6) Privileges of employment shall mean terms and conditions of
 22 any employer-employee relationship, opportunities for advancement of
 23 employees, and plant conveniences;

24 (9) (7) Employee shall mean an individual employed by an employer;

25 (10) (8) Commission shall mean the Equal Opportunity Commission;

26 (11) (9) Disability shall mean (a) a physical or mental impairment
 27 that substantially limits one or more of the major life activities of
 28 such individual, (b) a record of such an impairment, or (c) being
 29 regarded as having such an impairment. Disability shall not include
 30 homosexuality, bisexuality, transvestism, transsexualism, pedophilia,
 31 exhibitionism, voyeurism, gender-identity disorders not resulting in
 1 physical impairments, other sexual behavior disorders, problem gambling,
 2 kleptomania, pyromania, or psychoactive substance use disorders resulting
 3 from current illegal use of drugs;

4 (12)(a) (10)(a) Qualified individual with a disability shall mean an
 5 individual with a disability who, with or without reasonable
 6 accommodation, can perform the essential functions of the employment
 7 position that such individual holds or desires. Consideration shall be
 8 given to the employer's judgment as to what functions of a job are
 9 essential, and if an employer has prepared a written description before
 10 advertising or interviewing applicants for the job, this description
 11 shall be considered evidence of the essential functions of the job;

12 (b) Qualified individual with a disability shall not include any
 13 employee or applicant who is currently engaged in the illegal use of
 14 drugs when the covered entity acts on the basis of such use; and
 15 (c) Nothing in this subdivision shall be construed to exclude as a
 16 qualified individual with a disability an individual who:

17 (i) Has successfully completed a supervised drug rehabilitation

18 program or otherwise been rehabilitated successfully and is no longer
19 engaging in the illegal use of drugs;
20 (ii) Is participating in a supervised rehabilitation program and is
21 no longer engaging in such use; or
22 (iii) Is erroneously regarded as engaging in such use but is not
23 engaging in such use;
24 ~~(13) (11)~~ Reasonable accommodation, with respect to disability,
25 shall include making existing facilities used by employees readily
26 accessible to and usable by individuals with disabilities, job
27 restructuring, part-time or modified work schedules, reassignment to a
28 vacant position, acquisition or modification of equipment or devices,
29 appropriate adjustment or modification of examinations, training manuals,
30 or policies, the provision of qualified readers or interpreters, and
31 other similar accommodations for individuals with disabilities.
1 Reasonable accommodation, with respect to pregnancy, childbirth, or
2 related medical conditions, shall include acquisition of equipment for
3 sitting, more frequent or longer breaks, periodic rest, assistance with
4 manual labor, job restructuring, light-duty assignments, modified work
5 schedules, temporary transfers to less strenuous or hazardous work, time
6 off to recover from childbirth, or break time and appropriate facilities
7 for breast-feeding or expressing breast milk. Reasonable accommodation
8 shall not include accommodations which the covered entity can demonstrate
9 require significant difficulty or expense thereby posing an undue
10 hardship upon the covered entity. Factors to be considered in determining
11 whether an accommodation would pose an undue hardship shall include:
12 (a) The nature and the cost of the accommodation needed under the
13 Nebraska Fair Employment Practice Act;
14 (b) The overall financial resources of the facility or facilities
15 involved in the provision of the reasonable accommodation, the number of
16 persons employed at such facility, the effect on expenses and resources,
17 or the impact otherwise of such accommodation upon the operation of the
18 facility;
19 (c) The overall financial resources of the covered entity, the
20 overall size of the business of a covered entity with respect to the
21 number of its employees, and the number, type, and location of its
22 facilities; and
23 (d) The type of operation or operations of the covered entity,
24 including the composition, structure, and functions of the work force of
25 such entity, and the geographic separateness and administrative or fiscal
26 relationship of the facility or facilities in question to the covered
27 entity;
28 ~~(14) (12)~~ Marital status shall mean the status of a person whether
29 married or single;
30 ~~(15) (13)~~ Because of sex or on the basis of sex shall include, but
31 not be limited to, because of or on the basis of pregnancy, childbirth,
1 or related medical conditions;
2 ~~(16) (14)~~ Harass because of sex shall include making unwelcome
3 sexual advances, requesting sexual favors, and engaging in other verbal
4 or physical conduct of a sexual nature if (a) submission to such conduct
5 is made either explicitly or implicitly a term or condition of an
6 individual's employment, (b) submission to or rejection of such conduct
7 by an individual is used as the basis for employment decisions affecting
8 such individual, or (c) such conduct has the purpose or effect of
9 unreasonably interfering with an individual's work performance or
10 creating an intimidating, hostile, or offensive working environment;
11 ~~(17) (15)~~ Unlawful under federal law or the laws of this state shall
12 mean acting contrary to or in defiance of the law or disobeying or
13 disregarding the law;
14 ~~(18) (16)~~ Drug shall mean a controlled substance as defined in
15 section 28-401;

16 (19) (17) Illegal use of drugs shall mean the use of drugs, the
 17 possession or distribution of which is unlawful under the Uniform
 18 Controlled Substances Act, but shall not include the use of a drug taken
 19 under supervision by a licensed health care professional or any other use
 20 authorized by the Uniform Controlled Substances Act or other provisions
 21 of state law;

22 (20) (18) Individual who is pregnant, who has given birth, or who
 23 has a related medical condition shall mean an individual with a known
 24 limitation who, with or without reasonable accommodation, can perform the
 25 essential functions of the employment position that such individual
 26 holds, desires, or may be temporarily assigned to. Consideration shall be
 27 given to the employer's judgment as to what functions of a job are
 28 essential, and if an employer has prepared a written description before
 29 advertising or interviewing applicants for the job, this description
 30 shall be considered evidence of the essential functions of the job;

31 (21) (19) Race is inclusive of characteristics such as skin color,
 1 hair texture, and protective hairstyles; and
 2 (22) (20) Protective hairstyles includes braids, locks, and twists.
 3 Sec. 14. Section 48-1108.01, Reissue Revised Statutes of Nebraska,
 4 is amended to read:

5 48-1108.01 It shall not be an unlawful employment practice for a
 6 covered entity or a Class II employer to:

7 (1) Prohibit the illegal use of drugs and the use of alcohol at the
 8 workplace by all employees;

9 (2) Require that employees not be under the influence of alcohol or
 10 be engaging in the illegal use of drugs at the workplace;

11 (3) Require employees to comply with any federal regulations
 12 concerning the use of alcohol or the illegal use of drugs which are
 13 applicable to the position of the employee or to the industry involved;
 14 or

15 (4) Hold an employee who engages in the illegal use of drugs or who
 16 is an alcoholic to the same qualification standards for employment or job
 17 performance and behavior that such entity or employer holds other
 18 employees even if any unsatisfactory performance or behavior is related
 19 to the drug use or alcoholism of such employee.

20 Sec. 17. Section 48-1114, Reissue Revised Statutes of Nebraska, is
 21 amended to read:

22 48-1114 (1) It shall be an unlawful employment practice for an
 23 employer to discriminate against any of his or her employees or
 24 applicants for employment, for an employment agency to discriminate
 25 against any individual, or for a labor organization to discriminate
 26 against any member thereof or applicant for membership, because he or she
 27 has:

28 (a) Opposed ~~has opposed~~ any practice made an unlawful employment
 29 practice by the Nebraska Fair Employment Practice Act; or ~~;~~

30 (b) Made ~~has made~~ a charge, testified, assisted, or participated in
 31 any manner in an investigation, proceeding, or hearing under the act, ~~;~~
 1 (c)

2 (2) It shall be an unlawful employment practice for a Class I
 3 employer to discriminate against any of his or her employees or
 4 applicants for employment, for an employment agency to discriminate
 5 against any individual, or for a labor organization to discriminate
 6 against any member thereof or applicant for membership, because he or she
 7 has opposed any practice or refused to carry out any action unlawful
 8 under federal law or the laws of this state. ~~;~~ ~~(d)~~

9 (3)(a) It shall be an unlawful employment practice for a Class I
 10 employer to discriminate against any of his or her employees or
 11 applicants for employment, for an employment agency to discriminate
 12 against any individual, or for a labor organization to discriminate
 13 against any member thereof or applicant for membership, because he or she

14 has inquired about, discussed, or disclosed information regarding
 15 employee wages, benefits, or other compensation.
 16 ~~(b)~~ This ~~subsection subdivision (d)~~ shall not apply to instances in
 17 which an employee who has authorized access to the information regarding
 18 wages, benefits, or other compensation of other employees as a part of
 19 such employee's job functions discloses such information to a person who
 20 does not otherwise have authorized access to such information, unless
 21 such disclosure is in response to a charge or complaint or in furtherance
 22 of an investigation, proceeding, hearing, or other action, including an
 23 investigation conducted by the employer.
 24 ~~(c) (2)~~ Nothing in this subsection or ~~subdivision (1)(d) of this~~
 25 ~~section~~ shall be contrary to applicable state or federal law or:
 26 ~~(i) (a)~~ Create an obligation for any employer or employee to
 27 disclose information regarding employee wages, benefits, or other
 28 compensation;
 29 ~~(ii) (b)~~ Permit an employee, without the written consent of the
 30 employer, to disclose proprietary information, trade secret information,
 31 or information that is otherwise subject to a legal privilege or
 1 protected by law. For purposes of this subdivision, proprietary
 2 information does not include information regarding employee wages,
 3 benefits, or other compensation;
 4 ~~(iii) (e)~~ Permit an employee to disclose information regarding
 5 wages, benefits, or other compensation of other employees to a competitor
 6 of the employer;
 7 ~~(iv) (d)~~ Apply to a Class II employer or an employer which is
 8 ~~employers which are~~ exempt from the Nebraska Fair Employment Practice Act
 9 under section 48-1102;
 10 ~~(v) (e)~~ Permit an employee to discuss information regarding employee
 11 wages, benefits, or other compensation during working hours, as defined
 12 in existing workplace policies, or in violation of specific contractual
 13 obligations; or
 14 ~~(vi) (f)~~ Permit an employee to disseminate information regarding
 15 employee wages, benefits, or other compensation to the general public.
 16 For purposes of this subdivision, general public does not include public
 17 officials, judicial officers, legislators, trade associations, or other
 18 reasonable third parties for the employee's mutual aid or protection.
 19 ~~(4) (3)~~ The changes made to this section by Laws 2019, LB217, shall
 20 not be construed so as to impair or affect the obligation of any lawful
 21 contract in existence prior to September 1, 2019.
 22 Sec. 21. Section 48-1121, Reissue Revised Statutes of Nebraska, is
 23 amended to read:
 24 48-1121 Every Class I employer, employment agency, and labor
 25 organization subject to the Nebraska Fair Employment Practice Act shall
 26 post in a conspicuous place or places on his, her, or its premises a
 27 notice to be prepared or approved by the commission which shall set forth
 28 excerpts of the act and such other relevant information which the
 29 commission deems necessary to explain the act.
 30 2. Renumber the remaining sections and correct the repealer
 31 accordingly.

Senator Hunt filed the following amendment to LB574:

AM71

1 1. Strike original sections 5, 6, and 7 and insert the following new
 2 sections:
 3 Sec. 5. (1) No health care practitioner shall (a) perform gender
 4 altering procedures in this state for a legislator appointed by a
 5 Governor or (b) refer a legislator appointed by a Governor for gender
 6 altering procedures.
 7 (2) The intentional and knowing performance of or referral for
 8 gender altering procedures by a health care practitioner for a legislator

9 appointed by a Governor in violation of subsection (1) of this section
 10 shall be considered unprofessional conduct as defined in section 38-179.
 11 Sec. 6. State funds shall not be directly or indirectly used,
 12 granted, paid, or distributed to any entity, organization, or individual
 13 that provides gender altering procedures to a legislator appointed by a
 14 Governor.
 15 Sec. 7. A legislator appointed by a Governor that received a gender
 16 altering procedure may bring a civil action for appropriate relief
 17 against the health care practitioner who performed the gender altering
 18 procedure or referred the legislator for the gender altering procedure.
 19 Appropriate relief in an action under this section includes actual
 20 damages and reasonable attorney's fees. An action under this section
 21 shall be brought within two years after discovery of damages.
 22 2. On page 3, strike beginning with "an" in line 21 through "age" in
 23 line 22 and insert "a legislator appointed by a Governor".

Senator Hunt filed the following amendment to LB753:

AM87

1 1. On page 3, strike beginning with "complies" in line 16 through
 2 "2023" in line 17 and insert "does not discriminate on the basis of race,
 3 color, religion, national origin, ancestry, citizenship status, gender,
 4 sexual orientation, gender identity, disability, or special education
 5 status".

Senator Hunt filed the following amendment to LB371:

AM74

1 1. Strike the original section and insert the following new section:
 2 Section 1. (1) The Legislature finds that there is a well-
 3 documented history of indoctrination and sexual abuse perpetrated by
 4 religious leaders and clergy people upon children. Abusers within
 5 churches and other religious institutions often use events like church or
 6 youth-group-sponsored camps and retreats to earn children's trust and
 7 gain unsupervised access to such children in order to commit such abuse.
 8 (2) For purposes of this section, religious indoctrination camp
 9 means a camp, vacation Bible study, retreat, lock-in, or convention held
 10 by a church, youth group, or religious organization for the purpose of
 11 indoctrinating children with a specific set of religious beliefs.
 12 (3)(a) No individual under nineteen years of age shall be present at
 13 a religious indoctrination camp. Any person nineteen years of age or
 14 older who knowingly brings an individual under nineteen years of age to a
 15 religious indoctrination camp shall be guilty of a Class I misdemeanor.
 16 (b) No individual under twenty-one years of age shall be present at
 17 a religious indoctrination camp if alcoholic liquor is being served at
 18 such location, regardless if such alcoholic liquor is being served as
 19 part of a religious ceremony.
 20 (4)(a) Any business, establishment, or nonprofit organization that
 21 hosts a religious indoctrination camp and allows an individual (i) under
 22 nineteen years of age in violation of subdivision (3)(a) of this section
 23 or (ii) under twenty-one years of age in violation of subdivision (3)(b)
 24 of this section to be present at a religious indoctrination camp shall be
 25 fined ten thousand dollars for each violation of this section. Any fines
 26 collected under this section shall be remitted to the State Treasurer for
 27 distribution in accordance with Article VII, section 5, of the
 1 Constitution of Nebraska.
 2 (b) An officer or owner of a business, establishment, or nonprofit
 3 organization that hosts a religious indoctrination camp and knowingly
 4 allows an individual (i) under nineteen years of age in violation of
 5 subdivision (3)(a) of this section or (ii) under twenty-one years of age
 6 in violation of subdivision (3)(b) of this section to be present at a

7 religious indoctrination camp shall be guilty of a Class I misdemeanor.
 8 (5) No state agency that receives state funds shall use such funds
 9 to host a religious indoctrination camp.

Senator Hunt filed the following amendment to LB606:

AM80

1 1. On page 2, lines 2, 16, and 20; page 4, line 18; page 5, lines 13
 2 and 14; page 6, lines 4 and 25; page 7, line 10; page 8, line 21; page
 3 11, line 5; page 15, line 13; page 16, lines 8 and 9; page 17, lines 1
 4 and 19 and 20; and page 20, line 17, strike "Nebraska Pregnancy Help" and
 5 insert "Tax-Funded Forced Birth".
 6 2. On page 2, lines 4 and 11, strike "Pregnancy help organizations"
 7 and insert "Forced Birth Centers"; in line 17 strike "pregnancy help
 8 organizations" and insert "Forced Birth Centers"; and in line 28 strike
 9 "pregnancy help organization" and insert "Forced Birth Center".

Senator Hunt filed the following amendment to LB626:

AM36

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
 2 amendments:
 3 1. On page 2, line 24, strike "(3)(a)" and insert "(3)"; and strike
 4 lines 30 and 31.
 5 2. On page 3, strike lines 1 and 2.

Senator Hunt filed the following amendment to LB626:

AM42

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
 2 amendments:
 3 1. On page 3, line 16, strike "and"; in line 21 strike the period
 4 and insert "; and"
 5 (d) Consult with a judge and the legislator having jurisdiction
 6 where the pregnant woman or minor child resides."

Senator Hunt filed the following amendment to LB626:

AM41

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
 2 amendments:
 3 1. Strike original section 16 and insert the following new section:
 4 Sec. 15. This act shall become operative at such time as the
 5 Legislature has passed legislation and appropriated funds to be included
 6 indefinitely in each biennial budget for programs to cover one hundred
 7 percent of the costs of: Prenatal and postnatal healthcare expenses for
 8 pregnant women and minor girls; early childhood care or education;
 9 children's health care; and paid parental leave.
 10 2. Renumber the remaining section accordingly.

Senator Hunt filed the following amendment to LB626:

AM40

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
 2 amendments:
 3 1. Strike original section 16.

Senator Hunt filed the following amendment to [LB626](#):

[AM39](#)

(Amendments to FA4)

- 1 1. Strike the original amendments and insert the following new
- 2 amendments:
- 3 1. Strike original sections 7, 8, 9, 10, 11, 12, 13, and 15 and
- 4 insert the following new section:
- 5 Sec. 7. A physician who violates the Nebraska Heartbeat Act shall
- 6 pay a fine of fifty dollars to the Department of Health and Human
- 7 Services.
- 8 2. On page 2, line 1, strike "6" and insert "7".
- 9 3. Renumber the remaining sections accordingly.

Senator Hunt filed the following amendment to [LB626](#):

[AM38](#)

(Amendments to FA4)

- 1 1. Strike the original amendments and insert the following new
- 2 amendments:
- 3 1. On page 6, line 23; page 8, line 13; and page 11, line 4 strike
- 4 "Violation of the Nebraska Heartbeat Act" and insert "Refusal to provide
- 5 life-saving care to a pregnant woman or minor girl or honor a woman or
- 6 minor girl's wishes to terminate an unwanted pregnancy".
- 7 2. On page 9, strike beginning with "performed" in line 3 through
- 8 "act" in line 4 and insert "refused to provide life-saving care to a
- 9 pregnant woman or minor girl or honor a woman or minor girl's wishes to
- 10 terminate an unwanted pregnancy"; and strike beginning with "performed"
- 11 in line 20 through "act" in line 21 and insert "refused to provide life-
- 12 saving care to a pregnant woman or minor girl or honor a woman or minor
- 13 girl's wishes to terminate an unwanted pregnancy".
- 14 3. On page 10, strike beginning with "performing" in line 8 through
- 15 "act" in line 9 and insert "refusing to provide life-saving care to a
- 16 pregnant woman or minor girl or honor a woman or minor girl's wishes to
- 17 terminate an unwanted pregnancy".

Senator Hunt filed the following amendment to [LB626](#):

[AM37](#)

(Amendments to FA4)

- 1 1. Strike the original amendments and insert the following new
- 2 amendments:
- 3 1. On page 3, line 23, strike "physician" and insert "chiropractor".

Senator Hunt filed the following amendment to [LB626](#):

[AM31](#)

(Amendments to FA4)

- 1 1. Strike the original amendments and insert the following new
- 2 amendments:
- 3 1. On page 2, lines 2, 3, and 5; page 3, line 23; page 4, line 18;
- 4 page 6, line 23; page 8, line 13; and page 11, line 4, strike "Nebraska
- 5 Heartbeat Act" and insert "Compulsory Pregnancy Act".

Senator Hunt filed the following amendment to [LB626](#):

[AM32](#)

(Amendments to FA4)

- 1 1. Strike the original amendments and insert the following new
- 2 amendments:
- 3 1. On page 2, lines 7, 26, and 31; and page 4, line 17, strike
- 4 "woman" and insert "woman or minor girl".

5 2. On page 2, in line 20; page 3, line 17; and page 4, lines 8 and
6 16, strike "woman's" and insert "woman's or minor girl's".

Senator Hunt filed the following amendment to [LB626](#):
[AM33](#)

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
2 amendments:
3 1. On page 2, strike beginning with "terminating" in line 8 through
4 "child" in line 9 and insert "ending an unwanted pregnancy, avoiding a
5 forced birth, or preserving the woman's health or quality of life".

Senator Hunt filed the following amendment to [LB626](#):
[AM34](#)

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
2 amendments:
3 1. On page 2, lines 8 and 9, 13, 15, 17, and 20; page 3, lines 3,
4 14, 18 and 19, and 27, strike "unborn child" and insert "fetus".
5 2. On page 3, line 4, after the semicolon insert "and"; and strike
6 beginning with the semicolon in line 8 through "childbirth" in line 11.

Senator Hunt filed the following amendment to [LB626](#):
[AM35](#)

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
2 amendments:
3 1. On page 2, strike lines 27 through 29 and insert "death; injury;
4 forced discomfort; undue pain; physical, mental, or emotional trauma; or
5 financial strain".

Senator Hunt filed the following amendment to [LB626](#):
[AM30](#)

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
2 amendments:
3 1. Strike section 2 and insert the following new section:
4 Sec. 2. The Nebraska Heartbeat Act shall only apply within the
5 boundaries of a city or village and only after the city council or
6 village board holds a public hearing on the matter and determines, by
7 majority vote, that the act shall apply within the city or village.

Senator Hunt filed the following amendment to [LB626](#):
[AM29](#)

(Amendments to FA4)

1 1. Strike the original amendments and insert the following new
2 amendments:
3 1. On page 2, line 4, after "pregnancies" insert "of married
4 couples".

MOTION - Withdraw LB790

Senator Wayne offered [MO19](#), found on page 371, to withdraw LB790.

Pending.

MOTION - Escort Governor

Senator Bostar moved that a committee of five be appointed to escort the Governor of the State of Nebraska to the Legislative Chamber to deliver his State of the State Address.

The motion prevailed.

The Chair appointed Senators McKinney, Linehan, Clements, Dorn, and Walz to serve on said committee.

STATE OF THE STATE ADDRESS

Good Morning!

President Kelly; Speaker Arch; members of the 108th Legislature; tribal leaders; family, friends and distinguished guests; my fellow Nebraskans:

Our family has had an incredible experience over the last two years, ever since we accepted the calling to campaign across Nebraska to become its 41st Governor. We are truly humbled.

Since the morning of November 9th, we have been working very hard – building our team, working on our transition, and getting ready to compete for Nebraska. Thank you to all of you, everyone in this body, for your willingness to visit and engage and answer the call to public service. I also want to thank our state teammates for their commitment to serving Nebraskans.

Our family has had incredibly deep emotional experiences over the last several months – from election night, to taking my oath in this chamber on January 5th, to our inaugural ball – a celebration of Nebraskans on January 7th, to the passing of Suzanne’s mom, Donna, last Wednesday, and our celebration of her incredible life just 48 hours ago. You all have been so kind and gracious to me, Suzanne and our entire family. Thank you from the bottom of my heart.

When we talk about our greatest asset—our people—sometimes, we forget to acknowledge the amazing work done by Nebraska’s caregivers every single day. That care comes from doctors, nurses, other healthcare professionals, pastors, teachers, counselors, first responders, and many others, and they do a great job. Often, though, that care doesn’t come from a professional; it comes from a family member; a mom or dad, brother or sister, niece or nephew, daughter or son. I want to pause for a moment and acknowledge the amazing relationship that existed between Suzanne and her mom and the impact that bond had on all of us.

Our family watched as Suzanne faced the many blessings and challenges that came with being her mom’s caretaker and advocate. Whether caring for

a relative who is elderly, ill, disabled, or struggling with mental health or substance use, our family caregivers are truly heroes. Let's please take a second to recognize my wife, our First Lady, Suzanne, and the amazing efforts of caregivers across our state.

They are examples of perseverance, strength, and grace, and they're the essence of Nebraska—a place where we treasure family, care about one another, and value each and every life. That's the strength of Nebraska, and that is my focus everyday -- people, not politics. Because of our people, the state of our State has never been stronger.

We, the people of Nebraska, have the grit and determination needed to solve tough problems and overcome difficult obstacles, no matter the circumstances. Today, I am presenting an agenda that will help us overcome serious challenges and make life better for every family in our state.

Like many of our neighboring states, we have more money in our coffers than anyone can believe or comprehend. All of us think a million dollars is a lot – and by the way, it is a lot – and that every nickel matters. As my father would say, we need to treat them like manhole covers. What we do with the people's money this session is critical for my grandbabies, and yours, and the generations to come. We all agree -- we are taxed way too much. Our tax policy chases our kids and grandparents out of the state. We can't grow Nebraska that way. From my view, it's very simple. We must have the courage to say "No" to overspending and maintain a focus on investing in our kids and giving this money back to Nebraskans via historic property and income tax cuts. We, Nebraska's leaders, must compete for Nebraska to win. The cuts I am proposing to you today make us more competitive. These proposals will not get us in the top 10 states, but we will rank number 15. I hope you will support my vision and this strategy -- so Nebraska competes and wins. Together we can; together we will; together we win.

Today, I'm introducing a budget that restricts the growth of state spending to an annual average of just 1.3 percent over the biennium. With an inspirational systems approach of running agencies, we will improve services to Nebraskans and cut the cost of operations. This will enable Nebraskans to keep more of their hard-earned money. We have asked agencies to tighten their belts and focus on what is needed, not what is nice. Needs are our focus, and we are leading by example. In the budget I'm presenting today, the Governor's Office will not see one penny more than the prior budget. With just a 2 percent increase in its state appropriation for operations, the University of Nebraska, under the leadership of my former colleagues on the Board of Regents and President Ted Carter, will be challenged to focus on students' needs. All across state government, we will rise to better meet the high bar that Nebraskans have set for us through their example, of working hard and tightening their belts. While carefully controlling the growth of state spending, we will work to provide significant tax cuts for Nebraskans – beginning with property taxes. Our property taxes are so out of whack that you don't even need to own property to be

impacted by property taxes. We must lift this burden, and we have to do it now.

Today, I am recommending to the Legislature an additional \$2.4 Billion dollars in property tax cuts, for a total of \$7.1 Billion through fiscal year 26-27. As part of this total, I am recommending the investment of an additional \$390 Million dollars in the Property Tax Credit Relief Fund. I am also recommending that the state assume responsibility for funding our community colleges across the state, which will immediately cut property taxes by nearly \$300 Million a year.

We all agree that our kids are our future. We need more of them to pursue their degrees here. We need to attract more students from other states. We need better outcomes for Nebraska's workforce. We need more engineers, actuaries, accountants, architects, geneticists, scientists, nurses, and teachers. We need more welders, auto technicians, electricians, and technicians to fix computing dependencies on cars, trucks, tractors and combines – almost everything. It is essential. The success of our community colleges that we conceived over 50 years ago has a higher calling today than ever before. It's the twentieth century, yet 50 percent of our kids are not obtaining any training beyond high school. Together, we have to create better opportunities for all. The success of utilizing community colleges in Nebraska for students best suited for trades is a game changer. That is why this funding proposal is so important, helping us better meet that need while cutting property taxes.

In addition to these investments in property tax reform, I am also recommending \$1.5 Billion dollars in additional income tax cuts for individuals, families, businesses, and Social Security recipients. I am asking the Legislature to phase down our individual income and business tax rates to 3.99 percent by 2027, enabling Nebraska to be more competitive in attracting and retaining investment, talent, and new opportunities. This is key to stopping out-migration. I am also asking the Legislature to exempt Social Security income from state taxes by next year, providing considerable tax relief to retired Nebraskans.

In addition to these reforms, I am presenting a series of transformative bills to the Legislature, which, combined with fiscal responsibility in state and local government, will help to fix our broken tax code and reduce property taxes for years to come.

Let me be clear: the property tax problem can't be solved by levy limits alone. Levy caps are misleading Nebraskans. When valuations skyrocket, they have little impact. When a levy is capped but valuations increase, the cap does nothing to stop overspending. Our valuation system of our property tax is the problem, and it must be changed. Our first step is addressing valuations of ag and horticultural land. The market value of this land goes up almost every year, creating more and more money for government – and it is spent, simply vaporizing into thin air before our very

eyes, all without any regard for how much actual value that land created for the family that farms or ranches it. That is wrong, and it needs to change. By changing from market-based to income-based assessment of ag land and capping ag-land valuation growth, we can cut property taxes and keep government growth in check, living within its means.

My top priority, and that of all Nebraskans, is our kids. That is why, today, I'm proposing the creation of the Education Future Fund with an investment of \$1 Billion dollars in fiscal year 23-24 and \$250 Million each year thereafter. This investment ensures that Nebraska will never ever give up on a single kid – ever again. The Education Future Fund will provide further assistance to our school districts to help meet the needs of special education students across the State. It has been promised to local districts that 80 percent of special education funding would come from Federal and State sources, but we are only funding half that. The hard-core reality is that, at the state level, we have not sufficiently supported special education. This commitment is the State's job, not that of property taxpayers. This investment will ensure we meet our commitment to special education and enable property tax relief.

This investment also includes a major structural reform to our state aid to education formula, TEEOSA. This formula has long failed to meet the needs of those school districts that receive no equalization aid from the state. Today, I am recommending an allocation of \$1,500 dollars annually to every public school student in every Nebraska school district. This foundational aid provides much-needed support for our rural school districts, which have been underserved for far too long. This investment, combined with special education funding reform, will provide more funding to every school district in the state.

The Education Future Fund is a transformative investment of state tax dollars in education, but it must be combined with a framework that ensures dollar-for-dollar property tax relief. I am recommending a 3 percent growth cap on spending for school districts, which can only be overridden by 75 percent of local school board members or 60 percent of voters in a vote of the people. As the state shoulders a greater portion of the cost of educating our kids, the burden on property taxpayers must be reduced through careful spending control and constraint by our school districts. This 3 percent cap will ensure property tax relief while maintaining local control. It will enhance accountability to the taxpayers, and ensure government does a better job of treating nickels like manhole covers.

Our kids want to stay in Nebraska and get their post-secondary education here. To address this, my budget provides \$39.4 Million to fund over 4,200 scholarships for Nebraska students who attend any of Nebraska's institutes of higher education. This helps us to compete for our kids and keep them here. I want to inspire and challenge Nebraska stakeholders and business leaders to pick up the ball and do business differently. We need to reach out to K-12 and build relationships with our kids and give them hope.

Scholarship them so that they can get an education and work in your business for a minimum of five years in return. It is not only the right thing to do, but also a key to growing our workforce, growing your business, and growing Nebraska.

Focusing on all kids, I am recommending a \$50 Million dollar investment for scholarships for Nebraska kids whose needs are best met outside of public education. Opportunity scholarship tax credits will provide scholarships for kids who live in poverty, foster care systems, and those with special needs. We can't let one kid fall through the cracks.

Today, we are joined by Tanya Santos, principal of Holy Name Catholic School in North Omaha, and some of her amazing teachers and students. Would you all please stand and be recognized? Holy Name accepts kids from every race, religion, and walk of life, with a commitment to providing each one with the support they need to succeed. Ninety-nine percent of Holy Name families receive financial assistance to be able to send their kids to school. They believe, as I do, that limited means shouldn't deny a child an opportunity they need. These opportunity scholarships will help make that goal a reality for more kids, like those Principal Santos and her team serve.

My budget also includes a \$10 Million dollar investment for the biennium to help recruit and train students in high-need fields, such as teachers, nurses, and food animal veterinarians for food security. I am very proud to have Dr. Jais Ford, a new graduate who is practicing food animal medicine in Hyannis, in our beloved Sandhills. Dr. Ford, please stand and be recognized. With vet school debt, the decision to practice food animal medicine in rural communities can be a difficult one, but we can make it easier. Our food animal veterinarians are critical to our state's success, and we need more Dr. Fords to sustain animal agriculture and ensure food security in our state and in our nation.

I'm also committing \$20 Million dollars to continue the "The Good Life is Calling" Campaign to market Nebraska. We simply have to brag about Nebraska across this country, with a focus on attracting top talent. We will be reporting back to you next year the results of this investment. I know you, like me, have high expectations for solving our workforce challenge. This is a step forward. We must focus our future on the great careers that exist here in Nebraska.

Nebraska is a pro-life state. Many Nebraskans have been praying for 50 years to end abortion. We have to do more. This discussion has gotten too complicated and misleading. Here is what pro-life policy is NOT in Nebraska – it's NOT about preventative contraception. It's NOT about in-vitro fertilization. It's NOT a fertility medicine discussion. It is simply about stopping what started 50 years ago – the abortion of babies growing in mother's wombs. I am fighting for the rights of every baby with a beating heart. I am fighting to help women choose life and love. Nebraska will be a state that provides extensive resources to all women in need throughout

their pregnancies. And I'll fight with all my might to make sure Nebraska becomes a place where parents who want to provide a great home for a child can find an easier route for adoption instead of spending years on paperwork and red tape. Together we can. Love conquers all.

This is the most important time in the history of our State, and as Nebraska's leaders, we are making decisions that will impact our state for generations to come. These investments are more than education and tax cuts. Today, I am also recommending to the Legislature essential investments in law enforcement, infrastructure, and water. Water is vital to Nebraska. The drought makes it even more urgent. We must build the Perkins County Canal. We have had stakeholders from across many sectors in Nebraska working together for more than 20 years for Nebraska's water rights via the Perkins Canal. My budget recommendation includes fully funding the Canal.

Infrastructure needs for Nebraska are more important than ever before. To grow Nebraska, we must address roads and broadband. My budget includes \$100 Million dollars to leverage an additional \$400 Million in federal funds to improve our bridges and roads. Our team has also created the Nebraska Broadband Office. We have to get broadband across Nebraska completed. It will be the sole focus of the Nebraska Broadband Office.

Finally, our budget prioritizes even greater support for, and investment in, the brave men and women of law enforcement. Today, we are joined by Trooper Brandon Sutton, who has done a tremendous job removing dangerous drugs from our streets. In the past year of patrolling central Nebraska, he his efforts have led to the seizure of nearly 37 pounds of cocaine, 11 pounds of fentanyl, 2 pounds of meth, nearly 2-thousand pounds of marijuana, and two illegal guns. Trooper Sutton also serves as a TAC officer at the NSP Training Academy, helping the next generation of troopers begin their careers. Trooper Sutton, please stand and be recognized.

Our state troopers, police officers, sheriffs, deputies, and correctional officers put it all on the line every day to help keep us safe, and we must have their backs as well. Today, I am proposing significant law enforcement investments to the Legislature. The first is an \$18.6 Million dollar increase in funding for our treasured Nebraska State Patrol, to ensure we can continue to recruit and retain the very best to serve and keep us safe. Second, I am recommending finalizing the last phase of funding to replace the Nebraska State Penitentiary, which this body has approved. The facility was designed more than a century ago. At the time, the mission was different. Today, it can't sufficiently meet the security needs of the future. It can't meet the programming needs of our inmates to reduce recidivism and get people back to work after they pay their dues to society for their transgressions. A new facility, with additional space for programming, will help more people to become productive, law-abiding citizens.

One of the groups charged with protecting our state is the Nebraska National Guard. Over four thousand guards men and women answer that call in both the Army and Air Guard. We are fortunate today to have several distinguished members with us. As I call out their names, I would ask each one to stand and be recognized: Staff Sergeant Bryan Kummer, Senior Master Sergeant Nathan Schmaderer, Staff Sergeant Alicia Bushhousen, Senior Airman Corey Weber and Master Sergeant Crystal Puhalla. Each of these individuals has distinguished themselves by deploying on overseas missions, providing humanitarian relief, and supporting critical operations within the United States. They are among the best examples of Nebraska's well-trained and dedicated military soldiers and airmen. We salute your service to our State, and we thank you for safeguarding our liberty.

We all believe in our kids. We all believe in doing what's right, doing our best, and treating others the way we want to be treated. That's the Nebraska way. We are Nebraska. Together we can. Together this session will impact Nebraskans for generations. Folks, we have to compete for Nebraska.

As your Governor, it's really simple. I want Nebraska to win. I know you do as well. Together, we'll win for Nebraska. God Bless you and God Bless the Great State of Nebraska. Thank you!

The committee escorted Governor Pillen from the Chamber.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 813. Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to amend Laws 2021, LB380, sections 57, 68, and 83; Laws 2021, LB383, section 25; Laws 2022, LB1011, sections 56, 187, and 190; and Laws 2022, LB1014, sections 34 and 49; to define terms; to provide, change, and eliminate appropriations for operation of state government; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 814. Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to state intent; to define terms; to make appropriations for the expenses of Nebraska State Government for the biennium ending June 30, 2025; to appropriate funds allocated to the State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended; to transfer funds; to provide duties; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 815. Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for the payment of salaries of members of the Nebraska Legislature and payments to be made as provided by Chapter 68, article 6, for FY2023-24 and FY2024-25; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 816. Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for the payment of the salaries and benefits of certain state officers for FY2023-24 and FY2024-25; to define terms; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 817. Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to define terms; to appropriate funds for capital construction and property acquisition as prescribed; to state intent; to require program statements and a request for funding; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 818. Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to funds; to amend sections 9-1,101 and 48-145, Reissue Revised Statutes of Nebraska, and sections 61-305, 75-109.01, and 86-163, Revised Statutes Cumulative Supplement, 2022; to provide for fund transfers; to change and eliminate provisions regarding the sources, uses, and transfers of funds; to harmonize provisions; to repeal the original sections; to outright repeal sections 81-1278, 81-1279, and 81-1280, Reissue Revised Statutes of Nebraska, and sections 86-127 and 86-579, Revised Statutes Cumulative Supplement, 2022; and to declare an emergency.

LEGISLATIVE BILL 819. Introduced by Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to the Cash Reserve Fund; to amend section 84-612, Revised Statutes Cumulative Supplement, 2022; to provide for and change fund transfers; to eliminate obsolete provisions; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 820. Introduced by Albrecht, 17; at the request of the Governor; Briese, 41; Clements, 2; Linehan, 39; Sanders, 45.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections

19-2428, 46-294.03, 76-710.04, 77-103.01, 77-1327, 77-1359, 77-1371, 77-1507.01, 77-5007, and 77-5022, Reissue Revised Statutes of Nebraska, and sections 77-201, 77-1363, 77-4212, 77-5023, 79-1016, 79-1036, and 86-1403, Revised Statutes Cumulative Supplement, 2022; to adopt the Agricultural Valuation Fairness Act; to change and eliminate provisions relating to the valuation of agricultural land and horticultural land; to change the Tax Equalization and Review Commission Act; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections 77-1343, 77-1345, 77-1345.01, 77-1346, and 77-1347.01, Reissue Revised Statutes of Nebraska, and sections 77-1344 and 77-1347, Revised Statutes Cumulative Supplement, 2022; and to declare an emergency.

COMMITTEE REPORTS

Banking, Commerce and Insurance

LEGISLATIVE BILL 151. Placed on General File.

LEGISLATIVE BILL 207. Placed on General File.

LEGISLATIVE BILL 296. Placed on General File.

The Banking, Commerce and Insurance Committee desires to report favorably upon the appointment listed below. The Committee suggests the appointment be confirmed by the Legislature and suggests a record vote.

Kelly J. Lammers Director - Department of Banking and Finance

Aye: 8. Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern. Nay: 0. Absent: 0. Present and not voting: 0.

The Banking, Commerce and Insurance Committee desires to report favorably upon the appointment listed below. The Committee suggests the appointment be confirmed by the Legislature and suggests a record vote.

Eric Dunning Director - Department of Insurance

Aye: 8. Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern. Nay: 0. Absent: 0. Present and not voting: 0.

The Banking, Commerce and Insurance Committee desires to report favorably upon the appointment listed below. The Committee suggests the appointment be confirmed by the Legislature and suggests a record vote.

Anthony L. Goins Director - Department of Economic Development

Aye: 8. Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern. Nay: 0. Absent: 0. Present and not voting: 0.

(Signed) Julie Slama, Chairperson

NOTICE OF COMMITTEE HEARING
Banking, Commerce and Insurance
Room 1507 1:30 PM

Monday, February 13, 2023

LB152
LB392
LB437
LB256
LB730
LB743

(Signed) Julie Slama, Chairperson

AMENDMENTS - Print in Journal

Senator Murman filed the following amendment to LB371:

AM67

1 1. On page 2, strike lines 3 through 7 and insert the following new
2 subdivisions:
3 "(a) The main aspect of the performance is a drag artist engaged in
4 adult entertainment;
5 (b) The artist exhibits a gender identity that is different than the
6 artist's gender assigned at birth using clothing, excessive makeup, or
7 other artificial physical markers; and
8 (c) The artist sings, lip syncs, dances, reads books, or otherwise
9 performs before a live audience for entertainment or education
10 purposes."

Senator Murman filed the following amendment to LB452:

AM65

1 1. Strike the original section 1 and insert the following new
2 section:
3 Section 1. Section 53-123.16, Revised Statutes Cumulative
4 Supplement, 2022, is amended to read:
5 53-123.16 (1) Any person who operates a microdistillery shall
6 obtain a license pursuant to the Nebraska Liquor Control Act. A license
7 to operate a microdistillery shall permit the licensee to produce a
8 maximum of one hundred thousand gallons of liquor per year in the
9 aggregate from all physical locations comprising the licensed premises.
10 For purposes of this section, licensed premises may include up to five
11 separate physical locations. A microdistillery may also sell to licensed
12 wholesalers for sale and distribution to licensed retailers. A
13 microdistillery license issued pursuant to this section shall be the only
14 license required by the Nebraska Liquor Control Act for the manufacture
15 and retail sale of microdistilled product for consumption on or off the
16 licensed premises, except that the sale of any beer, wine, or alcoholic
17 liquor, other than microdistilled product manufactured by the
18 microdistillery licensee, by the drink for consumption on the
19 microdistillery premises shall require the appropriate retail license.
20 Any license held by the operator of a microdistillery shall be subject to
21 the act. A holder of a microdistillery license may obtain an annual
22 catering license pursuant to section 53-124.12, a special designated
23 license pursuant to section 53-124.11, an entertainment district license
24 pursuant to section 53-123.17, or a promotional farmers market special

25 designated license pursuant to section 53-124.16. The commission may,
 26 upon the conditions it determines, grant to any microdistillery licensed
 27 under this section a special license authorizing the microdistillery to
 1 purchase and to import, from such persons as are entitled to sell the
 2 same, wines or spirits to be used solely as ingredients and for the sole
 3 purpose of blending with and flavoring microdistillery products as a part
 4 of the microdistillation process.

5 (2) A holder of a microdistillery license may directly sell for
 6 resale up to five thousand gallons per calendar year of microdistilled
 7 products produced at its licensed premises directly to retail licensees
 8 located in the State of Nebraska which hold the appropriate retail
 9 license if the holder of the microdistillery license:

10 (a) Only self-distributes its brands of microdistilled products in a
 11 territory in which the microdistillery licensee has not entered into a
 12 distribution agreement for the same brands with a licensed Nebraska
 13 wholesaler for the territory where such retail licensee is located;

14 (b) Self-distributes its microdistilled products utilizing only a
 15 common carrier or person employed by the microdistillery licensee; and

16 (c) Complies with all relevant statutes, rules, and regulations that
 17 apply to Nebraska wholesalers regarding distribution of microdistilled
 18 products.

19 (3) A holder of a microdistillery license may store and warehouse
 20 tax paid products produced on such licensee's licensed premises in a
 21 designated, secure, offsite storage facility if the holder of the
 22 microdistillery license receives authorization from the commission and
 23 notifies the commission of the location of the storage facility and
 24 maintains, at the microdistillery and at the storage facility, a separate
 25 perpetual inventory of the product stored at the storage facility.

26 Consumption of alcoholic liquor at the storage facility is strictly
 27 prohibited.

28 (4) The commission may adopt and promulgate rules and regulations
 29 relating to the distribution rights of microdistillery licensees.

UNANIMOUS CONSENT - Add Cointroducers

Unanimous consent to add Senators as cointroducers. No objections. So ordered.

Senator Walz name added to LB31.

Senator Halloran name added to LB153.

Senator Conrad name added to LB274.

Senator McDonnell name added to LB787.

Senator Slama name added to LB787.

VISITORS

Visitor to the Chamber was Former State Senator Lee Rupp, Columbus.

The Doctor of the Day was Dr. Dave Hoelting of Pender.

ADJOURNMENT

At 10:55 a.m., on a motion by Senator Lowe, the Legislature adjourned until 9:00 a.m., Thursday, January 26, 2023.

Brandon Metzler
 Clerk of the Legislature