

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate May 3, 2023

ARCH: [RECORDER MALFUNCTION]-- for the seventy-first day of the One Hundred Eighth Legislature, First Session. Our chaplain for today is Senator Myron Dorn. Please rise.

DORN: Good morning. Please join me in a word of prayer. Almighty God and Father, we humbly ask for your help and guidance today. We need your strength to love you with our whole heart and love our neighbors as ourself. We ask for wisdom and insight to be good stewards of the resources of Nebraska. As we work through the many issues before us and today as we take up the budget, we ask you to give us a sound judgment to use these funds for the highest and best causes while caring for the lowest and most needy. Every day, we ask that you would so draw our hearts to you, so guide our minds, so fill our imagination, so control our wills that we may be totally yours, dedicated to you. We pray you will use us and our work here in the Legislature always for your glory and for the good of all your people. Through our Lord and Jesus Christ. Amen.

ARCH: I recognize Senator Dover for the Pledge of Allegiance.

DOVER: Please join me in 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.

ARCH: Thank you. I call to order the seventy-first day of the One Hundred Eighth Legislature, First Session. Senators, please record your presence. Roll call.

DORN: Record, Mr. Clerk.

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

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

CLERK: Mr. President, Senator Wayne would correct the Journal on page 1209, the line starting with "Senator DeBoer placed," insert "the" before "nomination" and after "in."

DORN: Thank you. Are there any messages or reports or announcements? [MICROPHONE MALFUNCTION]. The Chair recognizes Senator McKinney.

McKINNEY: I object.

DORN: State your reason for objection.

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McKINNEY: I don't think "the" should be there.

DORN: Senator Wayne and Senator McKinney, please approach. Mr. Clerk for a motion.

CLERK: Mr. President, Senator Wayne would move to correct the Journal in the manner previously described.

DORN: Senator Wayne, you're recognized to open.

WAYNE: Thank you, Mr. President. And colleagues, when I tell you the body can move or not move if it chooses to, there are plenty of tools. And just because somebody wants to get up and filibuster all day and we start moving bills, we can still stop things if we choose to in a different manner, nor we can-- or we can still continue to have a debate on everything else. This particular motion, if we turn to page, on the Journal, 1209, starting with line Senator, "Senator DeBoer." You'll read three lines there. The first line says, Senator DeBoer placed in her, in her name in nomination. The second line says, Senator Brandt placed his name in nomination. And the third line says, Senator Moser places-- placed his name in the nomination. There's inconsistency in grammar when it comes to the Journal. What I can tell you is I have 12 pages here that we can correct, which are all debatable motions before we even get on the agenda. People can push their button, like I just did, and talk three times. We don't have to get on the budget at all today if we choose not to. If you need time to read the budget, let's have a conversation about what's in the budget, we can do that right now if we choose to. And the budget won't even be heard today or tomorrow because, believe me, in the Journal, my staff has already found enough pages that we can keep this going for the next 20 days. Now, people might ask why am I correcting the Journal. Well, one, we have a constitutional duty to make sure the Journal and the records are kept in the proper fashion. And if there's any typos-- and we can have a long debate because every page contains a Oxford comma. So we can decide which one is grammatically correct and that if we choose to have that conversation. But the reason why I'm doing this is because I continue to look at this budget and I continue to see that we are not investing in people, but profits over people. And I-- this is where I draw the line in the sand. Other people continue to draw lines everywhere else, but we are not being fiscally conservative nor fiscally responsible. As far as the actual correction, we can have that debate. I think either we're going to be consistent with "the" or we need to remove "the" from Senator Moser's line, which would be a separate motion that I'll write when somebody else is speaking. And if nobody joins to get in the queue, I can do

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this by myself all day. And those who don't think it, it's actually very easy for me. In fact, I think I had on the exact same sweater vest and a different tie when I did it a couple years ago. So, where I look at where I'm at in the nom-- and again, I'm going to tell you the exact motion so we can stay kind of on topic. And in my next time, I'll venture off on the budget. Senator DeBoer placed her name in nomination. Senator Brandt placed his name in nomination. But then the third one says, Senator Moser placed his name in the nomination. Either "the" should be there or it shouldn't. Senator McKinney objected to my change, saying that "the" should not be there. Maybe he's right. Maybe he's wrong. Again, I'll walk you through where we can find these Journal corrections. If you go to our main page and you kind of scroll down-- it's hidden. You have to go to the clerk's page and click on there, and that's when the Journal opens up. This is page 1209. And again, it starts with, Senator DeBoer placed her name in nomination. So we can have a fruitful debate, but I think, oftentimes, we kind of drift off. And so I'm going to drift off right now for a little bit and just say, when I look at the budget, I want to be clear about our prison system. Our prison system is overcrowded. We are going to spend over \$300 million, \$360 million, a little bit more than that, to build a new prison. And nobody in this body can find me any data point that says we-- that prison will not be full the first day it's open. Nobody. I argued this two years ago-- and this is kind of why I'm disappointed this year, as I argued this two years ago. And we set up a contingency fund for programming, which actually last year was move to programming, and they started doing programming. But we didn't do the same, really, this year, and that-- where I find disappointing because, again, you look at this year's budget, you'll look at-- there's a \$12.1 million increase for cost of housing supplies and food. That's just the natural cost of inflation. That's going to continue to go up. But then you also look right below in the second paragraph-- and I can tell you the line here in a second and what page it's on. But we also increased it \$12.1 million for salary increases, which, also in the next three to four years, is going to go up. So that's a \$24 million extra expenditure without a new prison. We build a new prison, we're going to have to staff it. We're going have to increase programming. And again, it will still be full. So-- this is not my job. I'll be gone. But you are actually handcuffing yourselves in the future by building this prison without any type of programming change, without any change to parole, without any changes to reentry. You are actually putting a \$3 million nugget that you will have to come back and either raise taxes or cut programming to pay for. That's just the facts of where we're at. There is nobody who can project out and tell me that I'm wrong when it comes to this

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particular issue. The difference between last year and this year is I'm not going to try to hold up the budget and filibuster the entire budget. I'm probably going to make sure we don't even get on the budget. I'm OK with a special session. That's our number one obligation. Our constitution says we have to pass a budget. Says when we're supposed to too, but, you know. Sometimes we get there, sometimes we don't. I've researched this, and there's been times that we didn't quite hit the 80th day when we passed our budget, and the skies did not fall and Nebraska kept on moving. So I'm willing to have a lot of conversations off the mike. I'm willing to look at the budget and figure out what we can do. But when I look at the tax package coming out and I look at the money on the floor, there is essentially no dollars left for anything else. That concerns me. That concerns me when we continue to put profit over people. We are giving corporate breaks and we are giving breaks to our wealthiest 1 percent. But we are not helping the voiceless. We are not helping the people who are in prison. We're just hoping for something different. And I can no longer stand back and say, let's hope. I've played good all year. I think I've only been on the mike a couple times. Haven't asked for a whole lot. People say, Justin's asking for tons. No. I think Senator McKinney asked for additional money in LB531. But if you look at our overall surplus, giving an additional \$100 million to over 500,000 people in the, in the metropolitan area isn't a crazy request when we're giving 6.5-- \$650 million to a canal that serves 500,000 people. So on a per population basis, doesn't seem crazy, \$100 million to \$600 million. And there are some other things going into east Omaha, like money for a-- I guess a nonprofit maybe associated with Creighton or Creighton itself to build those things out. And those are entertainment and those are great things that'll boost the economy. But you have to remember, western Nebraska, a third of our budget-- actually, a little bit more than a third of our budget comes from the Omaha area. So your property tax relief package comes from our area, a third of it. So-- and that's sales and use tax and income tax. And I'm not saying it's a bad thing. I think we have to fundamentally change how we fund education. I also think we have to change our tax structure, which is why I'm a co-sponsor of EPIC tax because I want to have a conversation about fixing some things. See, why I said EPIC tax, because I saw Senator Erdman push his light. So now I'll make sure he's still kind of friendly to me when I say EPIC tax a couple times. But at the end of the day, we'll have a little bit of time here to talk. We'll have a little conversation about the budget. And then I'm gonna talk a little bit about PTSD. I think more so than LB1024, LB792, an amendment on the budget, is probably going to have more

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impact long term in north and south Omaha than the economic boost. And I'll tell you how I got--

DORN: One minute.

WAYNE: --to the PTSD bill. It was on the climb to Kilimanjaro with Senator Brewer, and it fundamentally thought how I looked at what goes on in north and south Omaha. And I even passed out a little handout to say that I've been actually thinking about this for over 30 years. I just didn't know the, the word for it or the concept behind it until that climb on Kilimanjaro. Thank you, Mr. President.

DORN: Thank you, Senator Wayne. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. And good morning, colleagues. I appreciate the motion that Senator Wayne brought forward today. And I think it is critical from a learning perspective that we all know that we have an obligation to review the Journal and to offer up corrections in a timely manner because that is the official record of our work together. And the more quickly that we take up those corrections, the fresher our recollection may be in regards to making any edits or changes. Of course, it goes without saying that the rules that we adopted unanimously are available to all to be utilized as they see fit. And I appreciate Senator Wayne's ongoing leadership when it comes to utilization of the rules to effectuate his advocacy, both in terms of fidelity to the Journal and in terms of opening up a broader conversation in regards to the budget. So as we have on our agenda today for the first time an opportunity to debate a portion of the budget, primarily the mainline budget bill, I just want to note for the record something that is alarming as we embark upon this debate. Our constitutional obligation to take up almost a \$10 billion budget was presented to us yesterday in terms of what the committee proposal was, as many of us were engaged in the important work of the Education Committee package. So we had 24 hours, approximately 24 hours, to review the Appropriations Committee proposal for debate beginning this morning. There have been a lot of reasons for delay this session in regards to the ongoing filibuster, but this dynamic cannot be attributed to that. And it is a disservice to the institution and each of us trying to ensure we can carry out our duty to pass a sound and thoughtful budget. And in regards to another note that Senator Wayne sounded, which I concur with it, there are fail-safes within the process if our budget does not move forward in regards to special session, in regards to a reversion to the Governor's budget, and those safety nets and fail-safes can and should

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be explored if we're unable to find consensus on this budget proposal put before us. Let me also sound a global note as a former eight-year member of the Appropriations Committee: a budget is a moral document. It says what we value as a state. And as I page through the budget proposal from the Appropriations Committee-- and there are good things in there, and I know that they worked hard under difficult circumstances. But let me also sound a clarion call for what this says about the morals presented in this budgetary proposal. It's full of pet projects. It's full of prisons. It steals from the poor. And it play game-- plays games to prop up tax cuts for the rich and out-of-state corporations. It puts profit over people. It is an austere budget, which is inappropriate considering the fiscal prosperity that we find ourselves in today. That is unprecedented. It is full of gamesmanship. It is full of gimmicks. It is full of tricks. We shouldn't be raiding cash funds to take care of General Fund obligations. We shouldn't be making investments in things like a massive new prison without a plan for criminal justice reform. We shouldn't be allocating--

DORN: One minute.

CONRAD: --hundreds of millions of dollars to reignite a 100-year water war with the state of Colorado. There will be ample time for more discussion on these critical issues. But colleagues, please know: this budget is not a reflection of my morals. This budget is not a reflection of the morals of the state of Nebraska, where neighbor help neighbors. This budget is about playing politics at its worst-- pet projects, prisons, stealing from the poor, and propping up tax cuts that are unaffordable, inequitable, and unsustainable. Thank you, Mr. President.

DORN: Thank you, Senator Conrad. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you-- ooh, goodness. Thank you, Mr. President. I, I'm going to yield my time in just a moment to Senator McKinney. But first, I just want to say that I echo everything that Senator Conrad just said. I spent I think around four hours yesterday reading the budget on the microphone because I had no other time other than staying up, which I did very late last night reading the budget. Got up early this morning to continue reading the budget. There's numerous things that are extraordinarily concerning in this budget, and there was no time. There was no time. I'm literally just discussing with my staff about things that I'm, I'm seeing that need an amendment, and there's no time to even have these things drafted. And I have given

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you all a massive gift of time. Appropriations Committee, all I did was give you time this year. So this is, this is out of line. This is out-of-bounds. This is really upsetting. And it does a disservice to the people of Nebraska. With that, I would yield the remainder of my time to Senator McKinney.

DORN: Thank you, Senator Machaela Cavanaugh. Senator McKinney, you're yielded 3:48.

McKINNEY: Thank you, Mr. President. I rise because I would like to continue the discussion. And I've been actually waiting for this discussion because, for the past three years, there, there's been conversations about the prison, but not until this year that the, the, the Appropriations Committee voted to put the money into the budget. So, you know I've been looking forward to it. And although I've, I've been looking forward to it, it's, it's actually sad. And it's sad because I've heard some of the justification for the prison is, NSP is ran down. We need increased programming and things like that. But let's have a real conversation about why NSP is ran down. As I mentioned earlier in this session, the department has deferred maintenance on NSP for the past decade or more and hasn't requested the funds to make improvements. So, to me-- and I'll make that assumption, and you-- I'll just leave it for me-- that the department and the last administration intentionally deferred maintenance on NSP to justify the, the, the construction of this prison. And if you don't believe me, I'll print out that, that report of that request 10 years ago, and then I would print out the same report recently this year asking for the same-- a report about it, but nothing happened. Then I look at this budget and I look at the committee statement, and it's a 9-0 thing from the Appropriations Committee to support the capital construction and the, and the construction of a prison. Then I go through the budget and go to Agency 46, page 184 to 186. There's nothing in here from the department requesting any funds to be set aside for programming, increased programming, a study on how to improve programming in the prisons. So, please, somebody stand up and please give me any justification of why there would be a vote to build something but there's, because of programming-- but the agency isn't requesting programming and the committee isn't putting any money aside for them to study why programming isn't working, how to improve it, or increase programming. It just is alarming to me. But at the end of the day, we all know-- and nobody can stand up, as Senator Wayne said--

DORN: One minute.

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McKINNEY: --and say that the prison won't be overcrowded day one. But the prison will take four to five years to be constructed. There's wars going on, so that might take longer. So that means we need policy changes. We can't vote to support a massive construction project that's going to burden the state and the taxpayers even more but not be willing to do policy changes to decrease that burden. And that's what's upon us today and for the rest of this session, is that are were-- are we going to step up and do the right thing and make real policy changes that aren't PC and aren't based in, oh, we can't do this because of fear, fear-mongering tactics by the County Attorneys Association. Step up and be leaders. And let's have this conversation. It's very fun. I'm very excited for it because it's--

DORN: Time.

McKINNEY: --something I've been waiting for.

DORN: Senator McKinney, you're next in the queue.

McKINNEY: Thank you, Senator Dorn-- or, Mr. President. But to continue, many people ask, you know, what are the reports? What are the, the-- what are the policies that are being proposed and all those type of things? I probably-- I introduced five, maybe six criminal justice-related bills in Judiciary this year. And they're massive bills. And they're massive bills because it's not that I think all will get passed. It's massive because nobody could sit in front of me and have a real discussion about any of those bills and tell me anything, everything in those bills is wrong and we shouldn't do it. Nobody can do that. And I, I, I will guarantee it. Yeah, I have some ideas that many may view as wild, radical, extreme, going too far. But there's a lot of things in those bills that would, would assist in changing the system. But because people get so stuck in polarized political conversations and not willing to negotiate, you look over the things that would help. So I will also implore you, once I get another time on the mike, to go through the criminal justice-related bills I introduced this year, or the bill that Senator Wayne is trying to get passed this year, LB50. We need policy changes. We cannot just build a prison. And I oppose building a prison. And this budget and this conversation justifies it for me because nobody is going to be intentional about what we're going to construct. Now, if we're going to construct facilities for mental health, substance abuse, workforce and things like that, and making sure that individuals have skills and, and things like that when they are released, let's talk about it. But that's not what they're trying to do. They're just trying to build a big campus somewhere between Omaha and Lincoln and say, hey, we did

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our job, and then burden the state with a massive new operations cost. Probably can't fill that prison. Tecumseh would still be understaffed. They're currently still understaffed and on a 4-3 schedule. And if you didn't know, anybody in Tecumseh-- well, not anybody, but a lot of people in Tecumseh haven't seen their families because they-- the families can only come over the weekend. But because they're over-- understaffed, people haven't seen their families in over two years. Where are you going to find the labor force for this prison? And also, NSP should not be decommissioned. It should be demolished. I mean, take bulldozers and run it to the ground if y'all build prisons. Literally. It should not be decommissioned, because saying decommissioned just means the department will find a sneaky way to keep it open for, for whatever reason: minimum security, training, whatever. NSP, if you build a prison, should be demolished. There should be a bulldozer waiting day one that prison opens and just running it to the ground. But I would guarantee people will stand up and say, no, we shouldn't do that. But why are we building a prison if no, we shouldn't do that? I'm just baffled, you know. And this budget doesn't reflect, you know, fiscal responsibility at all. There's no money for operations. There's no money for programming. What are we doing here? There's many reports that have been put out since my time in the Legislature that speak the ways we can improve our system. But we're not doing it. And you're not going to--

DORN: One minute.

McKINNEY: --just shove a prison down my throat without me standing up and fighting against it. So let's have fun today. Let's have fun for the rest of this session. Because a prison is wrong. And it's especially wrong when we got starving kids in our state. We got starving families. We have massive poverty in urban and rural communities. We have many other things we could divert \$340-plus million to. You know, if you decrease poverty, you probably will prevent the, the trend of people coming in. But, you know, there's no political will to do that either. It's just, let's spend money on massive construction projects so developers can make money and people could feel good about acting like they're tough on crime. Thank you.

DORN: Thank you, Senator McKinney. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I would yield my time to Senator Wayne if he would like it.

DORN: Senator Wayne, you're yielded 4:50.

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WAYNE: Thank you. So I handed out four things, and I hope people just don't check out and not pay attention because this is, I think, fundamental. And typically, those who have been around, when I talk and I take time, we actually talk about important things and I try to make sure we, we engage in a conversation. And so the things I handed out was an article about Omaha World-Herald, article, April 2, 2023, about gun violence across Omaha and then across the state. I handed out a KETV article. And this was probably one of the toughest situations I ever been in. I used to-- I was coaching this young man when this man was murdered. And it says, police identified teen shot on Wednesday. And then I had to write a eulogy at his funeral. This was probably the hardest thing I ever wrote. But the last thing I handed out was actually a speech that I wrote in eighth grade at King Science Center. And what's interesting-- and I'm going to read this into the record later on. But what's interesting is when you read this-- and if you don't believe this was written in eighth grade at King Science Center, I will have my staff bring up my scrapbook that I did in high school, and you will see that in there. And on the second page, there's actually a picture of me that was in the scrapbook on the same page. This was actually two copies of the scrapbook that I created. And so I'm going to talk a little bit about how I got here and why I think it's so important and why it connects to prison. So if anybody wants to talk on the mike, I want to stay focused on-- and I'm asking as a courtesy to stay focused on PTSD and Corrections and the connection. Because what I, what I wrote about in eighth grade, when you read that, and then when I think about where I'm at today when it comes to Judiciary Chair, there's a direct connection between the violence that young kids see and those who are back in prison. And if we want to break the cycle of violence-- yes, economic development helps with good-paying jobs, but we also got to get to the core of what, what's really going on in some of these kids' minds, and it's around PTSD and they just didn't know it. And here I was in eighth grade seeing kids that I know got killed and then trying to talk about it. And so what this eighth grade speech actually was is I didn't know what to talk about. And so I literally went around to seventh and eighth graders that I knew and said, if you can change one thing in Omaha or in your neighborhood or in your life, what would it be? And what you see is-- they're-- one thing throughout this entire thing in eighth grade. These are eighth graders at King Science Center and a couple seventh graders who, every line item in there, everything in there, is not a Senator Wayne's original thought. It was another kid, my peer, who said this is the one thing they wish they could change or they wish would be in their life. And when you think about that and you think about somebody saying, can sleep through the whole night

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instead of waking up to crying out your name because of a flashback or a dream that you were stabbed. I know exactly which kid that was and who I still talk to today. She is 45-- 44. I'm 43. Just-- forgot how old I was. So these are actual people that I can go through and tell you who they were and what they were. And what's crazy is I didn't even think about this until-- I'll tell you how it came together. It came together was--

DORN: One minute.

WAYNE: Am I next in the queue?

DORN: Yes.

WAYNE: All right. You can just keep it going. How this came about was, on Kilimanjaro, Senator Brewer and I started having a conversation about war zone and what it was to be in a war. And then we started talking about PTSD and what the Army was doing from people who were coming back to America and how they were transitioning and how soldiers who were 18, 19, 24 would hear gunshots. And when they came back to America, they couldn't stop sleeping with a gun under their pillow or they, they would wake up in the middle of the night when they heard certain things. And somewhere the next day, we started having another conversation. I remember. We were having tea. And I said, you know, that's no different than north Omaha. And if an 18-, 25-, 30-year-old in a war zone is struggling on how not to commit a crime--

DORN: That is time, Senator Wayne, but you are next in the queue.

WAYNE: Thank you, Mr. President-- struggling with how not to commit a crime, how does an 8-year-old or a 12-year-old deal with it here in north Omaha? And last year, I didn't bring it because we were focused on the extra dollars, but I never escaped this priority of mine of finishing the job. Now, what's interesting is I run a risk because I have a, a budget amendment for PTSD, LB972, on the budget. It'll probably be heard. And people might get mad that I'm taking time and not vote for it. So I had to make a strategic decision of let that get lost in the conversation about prison and profits over people and veteran memorial and-- I'm just looking around the room of who brought bills that are in the, in the, in the budget-- versus right now understanding the seriousness of why this is important. So that's why I'm bringing it up right now. And that's why I'm asking people to yield me time because we need to have this conversation. And, and what's crazy is, in juvenile court, you'll hear a term of frequent

fliers. And these are terms of frequent fliers because the last name-- the last name is the same family or their father or their mother was a part of the juvenile or criminal justice system. And it's funny how all of this comes together. I think whether you believe in God or a spirit, you wind up at a point where I think it's all meant to be. And I recall a conversation in Senator McDonnell's office-- and I'm getting teary-eyed because I remember Senator McDonnell and Senator Lou Ann Linehan and others in the room just couldn't believe when I said, let's just get \$25 million and give 10 families \$2 million and tell them they can't come back to Omaha. And there was a prosecutor at the time in the room and a-- two prosecutors and somebody else in the room, and we started naming the families. And those who were outside the system, Senator Linehan, McDonnell, and others in the room, Stinner and others, thought we were joking. That's how embedded this problem of a culture and PTSD is that we can name 10 families. If we remove them from Omaha, that's 70 percent of our violent crime gone. And there wasn't a-- and that prosecutor is now a judge. There wasn't a, a person in that room who, by the end of that night, did not believe that's how narrow our problem is but how wide and deep it could be when it comes to this issue. And if you don't believe me, you can go ask them too because the other people are not-- Williams and Stinner are no longer here. But literally, I can name those 10 families and we can solve a lot of our problems because it is generational, not because of poverty, because some of those families are pretty OK. But I truly believe now it's because of PTSD, that they seen their family member get shot in front of them, that they seen their trial of a person who shot their family member. And in the same day, another cousin gets shot because he was at trial and a fight broke out in the courtroom. That's what we're talking about. That's why this bill is so important. And the amount is not enough. I originally asked for \$25 million up front. Now we're doing, like, \$5 million a year for five years for a pilot program. But the academic research is there. But the problem is nobody's actually created a model, like, a clinical trial, on how it works. And so the goal of LB792--

DORN: One minute.

WAYNE: --and now this amendment is to continue that and create the model for PTSD, that the research has been done on all these kids sporadically and-- talking millions. But nobody's actually put it into a clinical form where we can do it. And because of Omaha and because of our geographical location and because of the concentration of violent crime in certain segments of Omaha, we can create that clinical trial and figure out if this is really it, because the data

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already says it is. But now we can actually implement it and show real data behind it. So that's what that's about. I want to have more conversations about it. And I'll wait till I'm back up in the queue or somebody yields me time. Thank you, Mr. President.

DORN: Thank you, Senator Wayne and Senator John Cavanaugh. Senator Dugan [PHONETIC-- Dungan], you're recognized to speak.

DUNGAN: Thank you, Mr. President. I would yield my time to Senator Wayne if he'll take it.

DORN: Senator Wayne, you're yielded 4:55.

WAYNE: Thank you. My dream. In times of suffering and violent acts against each other, we need a dream. Not just any dream, but a dream in which people can make new meanings of the word happiness and salvation. Like Martin Luther King, I have a dream too. This dream is no longer no-- like no other dream, but a dream of today, which we will make a greater tomorrow. My dream. My dream is one day that a little black boy-- little black boys and girls can close their eyes at night without being scared if they'll ever see you again, can sleep through the whole night instead of waking up crying, calling out your name because of a flashback of a dream of you being stabbed. When the phone rings, they are not scared to pick it up because they know it's not you on the other end calling from jail or someone calling about you. When they hear sirens, they know it's not about-- it's not you because they know where you are, where you are at, and what you are doing, and not worry about the gunshot they heard because they know it didn't hit you. Can you guarantee this? I can't, but I wish I could. That's my dream. Dream. My dream-- that the streets will not be owned by guns, but by people, where little children cry because they fell instead of you or one of your one of your cousins being shot, where your sister or cousin isn't pregnant at the age of 15, but can have a happy family at the age of 30. Your sister, God's gift to man, is not abused or disrespected in any way. A place where you are not stereotyped as a gang member or a thief. You can drive down the street without being harassed by your protector. Cops will no longer need to have guns or need to beat you with sticks for, for the fun of it. A heavenly earth instead of a pile of rubbish we are. This is a dream. My dream. The biggest employer in your community, drugs, will be shut down. Jails will not be overcrowded, but will have a sign on the window saying "vacancy." A man's characteristics will be valued instead of the money he holds. Where AIDS will not be known, but forgotten. The word "violence--" the words "violence," "war," "animal" instead of "human being" and "bias" will be used to describe the ways

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we were. And peaceful, nonviolent, and equal opportunity will be described-- will describe us now. One day, you will walk down the street that will be clean, not dirty, and people on the street will be clean, not dirty. And the people on the street will be working and not homeless. You can sit in school, not because you have to but because you want to. And at school, you will learn both history, equally educated, and everyone will graduate. As you look at society, you will see the intelligence instead of today's stupidity and ignorance. And you can be afraid and you can, you can be friends or a couple with any race without being labeled as a sellout. One day, every black, white, yellow, green, red, or even purple girls and boys will join hands and say enough is enough. We want peace on our streets and we want to look at the other one as a brother or sister--

DORN: One minute.

WAYNE: --instead of a crip, blood, nigger, or honky. If this dream was a reality-- if this dream was a reality, we would end violent acts against our brothers and sisters and we could walk with the holy, talk with the righteous, and hold hands with peace and salvation. I think I stole that line from another speech. I remember seeing that somewhere. This is the only dream-- this is only a dream, but society crushes-- I think I should have said, but society crushes it-- and we let it fade into the dark. This is a dream. And this is my dream. Justin Wayne, eighth grade. Nothing's changed a whole lot in 30 years. And today, we have a budget that is going to perpetuate nothing changing. At some point, we got to do something different.

DORN: Time.

WAYNE: Thank you, Mr. President.

DORN: Thank you, Senator Wayne. Senator Blood, you're recognized to speak.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I stand in support to correct the Journal and accept the challenge given by Senator Wayne to talk on two specific topics: one being PTSD and one being the prison system. I agree with Senator Conrad in the fact that this budget is not about our shared values. This budget is not what I expected to come out after all of the public hearings we had this year. And there is a disappointment on my end in hopes that we can make this better. Senator Wayne is right. Nothing has changed. I worked for the state prison system, maximum security men's institution in the late '80s and early '90s. I was boots on the ground. And I can

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tell you, if you go back to when Governor Heineman was here in office, LB605, that was to ensure more prison space, that was to tighten up parole, that was to create stronger restitution for victims, which Senator DeBoer is still working on to this day. LB605. We gave \$300 million to reduce the population. And by the year 2020, it was to have been reduced by 18 percent. 18 percent. This is an ongoing problem that we continue to take bites out of. We're trying to eat an elephant one bite at a time, but we never finish the meal. And we never finish the meal because we have this divide in our body, and we have for a very long time. We want to appear to be tough on crime, and so we lock them up. I don't disagree that people should be punished when they commit crimes. But if you look at the demographics, if you look at the data that's available, Nebraskans think that not only do we lock them up, but we rehabilitate them as well. These people that will one day be your neighbors are not being rehabilitated. We talked about there being no money in this year's budget for programming. Now, you remember that the previous budget did have money for programming. And, in fact, I think we had to override the Governor on it. It was LB1012. But the programming has not been implemented. But that doesn't matter if we don't continue to fund that programming. And I was told by a, a member of the Appropriations Committee that Corrections never asked for more money. Well, they don't ask for more money because apparently they don't have the staff to do the programming. But we can hire contractors. We already have organizations, like RISE, in the prison system helping with programming. I'm just baffled how, for decades, we think this is, this is some confusing puzzle that we just can't fix. And as long as we lock people up and throw away the key, we are doing what we need to be doing as policymakers. And that is not true. Because if we're worried about public safety, we have to rehabilitate those inmates. We have to have justice reinvestments. We need to make sure that we enact things that not only make us appear tough on crime, but really serve the real issue: the prison overcrowding, the lack of, of having resources available, sentencing reform, parole and release, reentry support, prosecutorial reform, alternatives to incarceration. Senator Lathrop stood on this mike last session, and Senator Geist torpedoed his bill. We have got to start doing better. And I would be sorely disappointed if I find, when I'm watching this Legislature in another 20, 30 years, that we are having the same discussion. What are you waiting for? We've got the data. We--

DORN: One minute.

BLOOD: We've had the data for decades. We just keep bringing it back for discussion and never changing it. When are we going to make it better? I also would like to point out, Senator Wayne, that I have a

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PTSD bill in Business and Labor that I have not been able to get out in reference to the Sonic victims who experienced a horrific murder of three of their peers, an explosion, gun violence. And when diagnosed with PTSD by a medical professional, found out that, in Nebraska, we don't cover that under workmans' comp. We can do better helping Nebraskans if we want to keep them mentally healthy by making sure that programs like that expand and address the real issues to meet the needs of Nebraskans. Thank you, Mr. President.

DORN: Thank you, Senator Blood. Senator Erdman, you're recognized to speak.

ERDMAN: Thank you, Mr. President. Good morning. I listened to Senator Wayne this morning when he said he was 44 and he had to think about it and said, oh, I guess I'm 43. I find that peculiar because I just, five minutes before that, told him he was 43. So, Senator Wayne, wait till you get to be 30 years older than that. My wife and I had a discussion on the way back to Lincoln the other day how old I was, and we had to figure it out with a calculator. But, anyway. Senator Wayne made a comment about the canal and the canal is in benefit of western Nebraska and 500,000 people. That's an incorrect statement. The canal is vital to the whole state of Nebraska-- 1.96 million people, not 500,000. 7 percent of the water that comes into the South Platt gets to Lincoln. 7 percent. So it is a significant thing, even for Lincoln, to have the canal. And Senator Wayne is trying to correct the Journal. And it very well could be that Senator Moser did use the word "the." And so the Journal was just printed as it was spoken into the mike. So we're talking about those people that are incarcerated and why are they there. And it's not difficult to figure out. There's a direct relationship with those people who cannot read and most people who are in prison. And when I was on the Education Committee back in '17, the superintendent of Omaha Public Schools showed up at a hearing. And at that point, I think they had, like, 33 grade schools. 29 of the 33 of the third graders couldn't read to third grade level. So Senator Linehan has said for years that, up to third grade, you learn to read; and after third grade, you read to learn. So if you didn't learn to read by third grade, you're not going to have a very efficient time learning after that. So we need to go back and look at why these people are incarcerated. And it's because our school system doesn't teach them to read. And so the question is then, is there money in the budget for this-- for the prisons to do programming? What do you think the money for salaries goes to? Where do you think that goes? It goes to programming. And so we stand up here and we talk about the reason we're overcrowded, but we don't want to talk about the real reason why people go there. It's because they can't read. And I have no-- I know

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of no one that spent more time and effort than Senator Linehan and Senator Pansing Brooks to get people to understand it's very important. It's vital that they learn to read. Vital. And where do they get with their initiative? Nowhere. Nowhere. And so we need to start looking at our educational system to see why we are failing these people. That is a big reason. If you don't believe me, just look at that "Schools at a Glance" put together by the LRO and you'll see the results. You'll see the proficiency of our students when it comes to reading. And so Senator Wayne, I understand your issue. I understand what you're concerned about. But you need to also keep in mind that we've made a significant, significant contribution to Omaha in the last several years. I mean significant. And we're doing it again this year. And you've thrown us a few crumbs, and I appreciate it. But the fact is, your community has gotten a significant amount of money. So, just be careful what you wish for. We have tried to help out in every way we can for those in the east as well as in the west. We're in this together. We're all Nebraskans. Thank you.

DORN: Thank you, Senator Erdman. Senator Walz, you're recognized to speak.

WALZ: Thank you, Mr. President. Good morning, colleagues. I yield my time to Senator Wayne.

DORN: Senator Wayne, you're yielded 4:52.

WAYNE: Thank you. I had my staff bring up my, my-- thank you, Senator Walz. So, people wanted to know how I got involved in politics, and then I'm going to walk around and tell some people to jump out of the queue, and we're going to see how this plays out the rest of the day. And I just-- I will quietly remind everybody that I have enough pieces of paper that we can push through every day for the rest of this session. I have no problem doing that. It's not a threat. It's not anything like that. It's more of a warning saying, I'm, I'm at the table. I'm willing to sit down and talk. Let's figure something out. But how I got involved in politics was in-- also my eighth grade year. Mr. Morris's [PHONETIC] class, Morris's class at King Science Center. So there was this funny thing about when you check a box, you had to pick which parent you had, either black or white. You couldn't be both. That's changed since then, and I'm going to take all the credit right now of why it's changed, even though I probably shouldn't. But-- so I ended up emailing-- or, writing a letter. Part of my-- my teacher told me how to do it. So I wrote a letter to both Senator Dan Lynch-- who is, ironically, Legislative District 13's senator at the time-- and also Bob Kerrey, who was our U.S. Senator. And I got a letter back

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from Bob Kerrey, April 14, 1994. And it said, Dear, Mr. Wayne. Thank you for contacting me regarding your request to include a biracial category on census information forms in the state of Nebraska. I have taken liberty to forwarding your correspondence to your state senator, Senator Dan Lynch, District 13, State Capital. Oh, I actually never read this letter. Yeah, it's the exact same phone number. Our numbers have never changed in 30 years. That's so ironic. Weird. I appreciate hearing your views. And so we ended up having conversations, and it came down to this federal law-- a federal law regarding the census called Directive 15. I'll never forget that name. And it made you choose. And then all-- just so happened, by the time I was in high school, that changed. It allowed you to pick "other" or "biracial." So I'm going to credit young Wayne for making that change across the entire country, even though it probably had nothing to do with me. But I thought it was a, a good moment of why I got in. And the reason I got in is-- I remember talking to my teacher and I said, I got in to politics because it was in eighth grade that I had known that everything we do as elected officials has impact on everybody, including-- and my exact words was-- "little old me." Now, I wasn't little. I've been the same height since sixth grade, but-- I haven't grown any taller, but I grew wider, if you know what I mean. I got a little bigger. But I was 6'3" since the eighth grade. I thought I was going to be a 7-foot NBA player. I found out quickly that I was going to be a college shooting guard and that was going to be the end of my career. But, yeah. That's kind of what happened of why I got into politics. And then my senior year in high school, I was hit by a drunk driver and I lost a lot of college scholarships because they weren't sure if my back and my knee were going to be able to take it. So, that again, looking at the laws and how things were done, kind of got me into law and got me to why I'm here today. So here's what I'm going to ask my colleagues to do. I'm going to ask my colleagues to-- I know Senator Fredrickson has been waiting, so I want him to talk about some of the stuff he wanted to talk about. But other-- I'm asking my other colleagues, let's pull out of the queue. We'll get on the budget. We'll see how this conversation goes. I'm going to hold the rest of my corrections for Journal till tomorrow. And let's just see how this goes about really trying to make our budget be more equitable across the board. Thank you, Mr. President.

DORN: Thank you, Senator Wayne. Senator Hughes would like to recognize 45 students and 25 teachers from Seward Elementary in Seward, Nebraska. Please stand and recognize. They are in the north balcony. Senator Bosn would like to recognize our doctor for the day: Dr.

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George Voigtlander, underneath the north balcony. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. I just want to give a special shout-out to all the little Seward Bluejays that are here today. I'm from Seward as well, so it's great to see my home county representing in the people's house today. Welcome to your State Capitol. And in deference to the leadership of Senator Wayne, as per usual, I will yield the rest of my time. Thank you, Mr. President.

DORN: Thank you, Senator Cava-- Conrad. Senator Dugan [PHONETIC-- Dungan], you're recognized to speak. Excuse me. I-- wrong order there. Senator Machaela Cavanaugh.

M. CAVANAUGH: Thank you, Mr. President. I appreciate Senator Wayne's comments. I'm going to take my time because there's no time for staff to prepare any amendments. We got the budget yesterday. We were in debate all day yesterday. And so now I spent several hours on the microphone yesterday reading the budget, literally reading it, and then last night and then this morning. And so any amendments to the budget are being worked on right now. This has been such a terrible process, having less than 24 hours to do anything with the budget. So I'm viewing this time as a gift to staff, and I'm going to take the time. And do I have another time in the queue, Mr. President?

DORN: Yes.

M. CAVANAUGH: I'm going to take the time because even if I can give staff 10 extra minutes, I'm going to give them the 10 extra minutes to get the work done that we require because this budget-- and the nicest, most PG term I can use-- is a hot mess. So since this budget is a hot mess and since we've had less than 24 hours to do anything about the hot mess, I'm going to stand here and I'm going to give staff 10 extra minutes to get work done before we get to the hot mess. So I've been reading the budget and I've been going through, and I'm just going to telepath some problems to the Appropriations Committee. There seems to be a view that cash funds are slush funds and that we don't have to fund government with the general funds. So I'm going through and I'm finding all these inappropriate uses of different cash funds. Colleagues, cash funds are set up for a reason. They're set up for a specific purpose. When we create a cash fund, it's to fund a specific thing. It's not to just set aside money for a future Legislature to use for whatever they want. It's for specific things. And this budget does not acknowledge that reality. So, colleagues, if you create a cash fund from now on and you have money set aside in it,

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just know that the Appropriations Committee can just raid it however they see fit. They can also raid things that aren't cash funds, but-- like the Universal Service Fund, which is funded by fees for service, and that they legally are not allowed to take the money from. But they did it in the budget. And if we hadn't caught that-- and I know that the Transportation Committee is working on that-- if we hadn't caught that because we had no time, where would we be? This is a hot mess. A hot mess. And our staff deserves time. So I am grateful that Senator Wayne made his motion. Whether I think it's an appropriate motion or not, I am grateful for the time. I am grateful for the time because I have given you all time. I've been giving you a whole session of time and you don't seem to know how to use it correctly, like getting a budget out into the Legislature with more than 24 hours. It is in our statute--

DORN: One minute.

M. CAVANAUGH: --or, no, it's in our rules, perhaps, when the budget has to be debated. So this wasn't a surprise. Day 70 coming wasn't a surprise. But, here we are. So I'm going to take time. I'm going to take the time to give time to staff to make all the changes that everyone who's been frantically reading the budget since yesterday, all the members of this body that aren't on the Appropriations Committee that have serious concerns. I'm going to give your staff and mine 10 extra minutes to do something about it. And then we're going to get to the budget and we're going to hear the Appropriations Committee talk about how hard they worked. You know who worked hard? The staff. The staff of the Appropriations Committee worked hard. They worked very hard, and they always do. They are consummate professionals, and I am grateful to them.

DORN: Time. Thank you, Senator Machaela Cavanaugh. And you're next in the queue. And this is your third time.

M. CAVANAUGH: Thank you, Mr. President. I am disappointed in the Appropriations Committee. I have genuinely never been more disappointed in any piece of legislation than I am in this bill and this committee amendment. And I am disappointed in every single member of the Appropriations Committee. This bill is horrible. It is unconscionable. And I don't care what your reasons are for voting for it. I don't care what good thing you got into it. You got a lot of bad things into it, and it's coming at a cost of the integrity of the fiscal solvency of this state. It is a hot mess. And I, for one, am extremely disappointed. Extremely disappointed. I'm seeing numerous accounts for TANF funds. We haven't increased eligibility. We haven't

increased payments in such a long time. I spent an entire day, an entire eight hours talking about TANF this year. And instead of giving direct assistance-- the entire purpose of TANF, the main purpose for TANF-- instead of doing that, we are using it instead of general funds for things that, while worthy, should be funded with general funds. But we are not using general funds because if we use general funds, then that takes away from general funds for projects like a lake. Like a building. Something shovel-ready. So instead of using general funds for the function of government, we are going after money that is intended to serve the poorest people in Nebraska. 50 percent of the poverty level. That's what we're doing with TANF. Then we've got the Health Care Cash Fund. And I can't even tell you-- I mean, the list on the Health Care Cash Fund of things that we're using blows my mind. It is going to be completely insolvent. But who cares? Because it's a cash fund for today, a cash fund for today so we don't have to use general funds to fund government. We're going to raid this cash fund, put it in insolvency. And then what? Then what are we going to do when we don't have the Health Care Cash Fund anymore for the things that you've started deciding we're going to fund with the Health Care Cash Fund that should be funded through general funds? Things, mind you, Appropriations Committee, that you, members of the Appropriations Committee, specifically moved out of the Health Care Cash Fund. Page 53, lines 9 through 17. You moved these items out of the Health Care Cash Fund to the General Fund. Since I have been here, the Appropriations Committee did this, which means everyone except for the freshmen that are on the committee now were a part of that. And now you are moving it back to the Health Care Cash Fund to the tune of \$5 million. And it's going to create insolvency. Why are you doing it? I don't have to ask you. I know the answer. You're doing it so that we can free up \$5 million of the general funds for whatever project you want to use it for. The inappropriateness of this budget is startling. It is startling. And that is just 20 pages of Agency 25. Just 20 pages of Agency 25. And I am blown away by how--

DORN: One minute.

M. CAVANAUGH: --disrespectful this is to the people of Nebraska, to taxpayers. This is going to be a long day. And honestly, I'm probably not going to listen to the defense that the members of the Appropriations Committee have for this because I don't think that this is, is defensible. I genuinely do not believe that this is defensible. I think that we are creating a crisis for our state. I think that we are being greedy with our funds. We are being irresponsible and we are being reckless. But I look forward to having a great conversation with

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other people because, Appropriations Committee, I lost a lot of respect for you in this document. A lot of respect.

DORN: Time. Thank you, Senator Machaela Cavanaugh. Senator Wayne, you're recognized to close. Oh, excuse me. Senator Hunt-- [MICROPHONE MALFUNCTION]-- waives. Senator Hunt waives. Senator Wayne, you are recognized to close.

WAYNE: Thank you, Mr. President. And colleagues-- you know, one senator came up to me, said that he appreciates because he's learned, learned something new today on what to do. I will tell you that if you-- two things, if you are new to this body: read your rules. The second thing is: get a Mason Manual. Anything not covered in our rules is covered-- is governed by our Mason Manual. Know your rules. One, it could help-- you never know what situation you're going to be in where you can help out somebody. But you also-- you should just, you should just know them, and I think it's important you do. Colleagues, I-- again, I want to have a conversation about PTSD because I have an amendment coming up. But more importantly, I know this body well enough to know that, once the budget debate starts, which-- my seatmate is going to start here in a little bit-- tempers are going to get upset. People are going to get a little personal. Things are going to go kind of south. And I didn't want this bill to be lost in that conversation. So I appreciate you guys today, you know, allowing me-- or, maybe I forced it upon you to listen a little bit. I apologize for that a little bit, but not so much. But there are some things that we probably need to look at the Journal and correct. I found at least a couple things that are just small grammatical errors. But when you are putting that together, that big of a document, I understand why. So with that, I withdraw my correction at this time. Thank you, Mr. President.

DORN: So ordered. Mr. Clerk, are there any messages, reports, or announcements?

CLERK: I have none at this time.

DORN: No, we're past that. Continue, Mr. Clerk.

CLERK: Mr. President, first item on the agenda: LB814, introduced by Speaker Arch at the request of the Governor. It's a bill for an act relating to appropriations; states intent; defines terms; makes appropriations for the expenses of Nebraska State Government for the biennium ending June 30, 2025; appropriates funds allocated to the state of Nebraska from the Federal Coronavirus State Fiscal Recovery

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Fund pursuant to the Federal American Rescue Plan Act of 2021, as amended; transfers funds; provides duties; provides an operative date; and declares an emergency. The bill was read for the first time on January 25 of this year and referred to the Appropriations Committee. That committee placed the bill on General File with committee amendments. There are additional amendments, Mr. President.

DORN: Senator Clements to open.

CLEMENTS: Thank you, Mr. President. This is the first of three budget bills we have yet to pass. LB814 is referred to as the mainline budget. It also-- it contains the capital construction items that we approved. And before I really get started with that, I had two other items I wanted to talk about. First, would Senator Moser yield to a question?

DORN: Senator Moser, would you yield?

MOSER: Yes, I would.

CLEMENTS: Senator Moser, there have been discussion as to what you said in the transcript in the Journal. And would you have any comments as to what, if that was accurate or inaccurate, what Senator Wayne was trying to correct?

MOSER: Well, with respect to Senator Wayne, my word versus the Journal, I think I would take the Journal's side. I compose my speeches as I speak sometimes, and sometimes I'll make grammatical errors. And, you know, those things just happen kind of organically, so. I could be guilty. I might have said "the."

CLEMENTS: Thank you, Senator Moser. Next item: in previous discussion, been talking about lack of programming funding. If you will look at LB814-- AM915 is going to be the committee amendment. And on page 87, line 20 and 21, it says, \$4.3 million the first year, another \$4.3 million the second year will be awarded as grants to organizations providing the following services: reentry and restorative justice programming for adult and juvenile offenders. That's \$8.6 million. Then on the next page, 88, line 4, it talks about unexpended cash funds of \$4.8 million are hereby reappropriated. So that's another \$4.8 million. So that's \$13.4 million that we've made available for Corrections for programming. And I do hope they use it. We have a new director of Corrections. And I encourage him to make use of the funding that we've provided. Now back to LB814. I want to thank you, Mr. President and colleagues. First, I'd like to give special thanks

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to the director of the Legislative Fiscal Office, Kiesha Patent, and the excellent help from all the other Fiscal Analysts providing the necessary information needed for the committee to make informed decisions on the budget proposal before you. Your late nights and hard work are greatly appreciated. I also want to thank the Appropriations Committee members. There are nine of us, and we have been meeting all of January, February, March, and April getting this prepared for you. We had 75 agencies request the budgets to approve. We went through those twice. And then 87 bills to have to prioritize with the limited amount of dollars. And I just do want to thank the committee and also my staff, my committee clerk, Tamara Hunt; my RA, Dan Wiles; my LA, Mark Freeouf. They've been here many late nights, as the rest of us have been. And now back to the bill. LB814, as introduced by the Speaker at the request of the Governor, is part of the Governor's biennial budget recommendations. This bill is the mainline appropriations bill for the biennium that begins July 1, 2023, ends on June 30, 2025. This measure includes budget recommendations for all state operations and aid programs. The bill includes the General Fund transfers as well as transfers between specified cash funds. This bill includes the emergency clause and becomes operative on July 1, 2023. I think I will stop there and-- so that we can go to the amendment that really becomes the bill. Thank you, Mr. President.

DORN: Thank you, Senator Clements. As the Clerk indicated, there are amendments from the Appropriations Committee. Senator Clements, you're recognized to open.

CLEMENTS: Thank you, Mr. President. AM915 is the Appropriations Committee mainline budget proposal. LB814 was what was received from the Governor, but we've made adjustments to that and updates. And so I will start working on what's in the amendment. This reflects the changes that we made from the Governor's biennial budget recommendations. And the amendment also includes LB817, which is the Governor's capital construction bill, as amended by the Appropriations Committee. LB817 was introduced by the Speaker at the request of the Governor, and it's now part of AM915. The bill appropriates funds for the reaffirmed and new construction projects recommended by the Governor for the next biennium. Reaffirmed projects include those projects currently underway that have already received approval in funding previously but were funded over several years. In addition to the new and reaffirmed appropriations set forth in the bill, language is included providing for the reappropriation of unexpended June 20, 2023 appropriation balances for fiscal year '23 to continue or to complete projects. This bill, the capital construction, also contained the emergency clause and becomes operative on July 1, 2023, the

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beginning of our next biennial budget period. LB814 was heard in Appropriations Committee on February 13, 2023 and was advanced to General File with a 9-0 vote. Next, I'm going to refer to the budget book that was passed out. And for your reference, this green is called martian green, according to the Fiscal Office, and pretty hard to miss. The first thing you'll find is a separate page called General Fund Financial Status. The financial status in the budget on page 2 has been updated. We had a couple of changes after the book went to the printer, mainly because the Forecasting Board. The Nebraska Forecasting Board made some adjustments to the net receipts items, but the book was already sent to the printer. Turn your attention to line 8 of net receipts shows the Forecasting Board-- pardon me-- Forecasting Board is forecasting for this current year, \$6.3 billion. That was a reduction of \$80 million than in the first year of the biennium starting June 1-- July 1. \$6.5 billion is-- they increased that \$25 million. And \$6.6 billion in the second year was an increase of \$55 billion. So those items, what we do with our budget, we balance our budget to the amount of revenue forecast. We can't spend more than they forecast that we're going to have. And those, those are the limitations for our budget. The-- line 12 then, if you go to line 12, is General Fund transfers out. You'll see in the second column, \$1.062 billion. \$1 billion of that is Education Future Fund and the-- which is \$1 billion that first year and then \$250 million per year after that, which is-- the purpose of that is to fund the new state aid to public schools, which-- the bill for that is in a separate committee. But this would provide funding. Then line 13 is General Fund transfers in. We have received some additional tax revenues from insurance companies, securities fees that we received. Then go down to-- line 20 is the committee recommendations. This is really where the General Fund spending totals are. The first column, \$32 million are deficit requests that agencies had spending above what they had projected in previous budget and needed to be funding to take care of their operations. Then columns two and three, \$219 million, \$235 million would be increases to agency general funds. Those would be some state wages, Medicaid providers, University of Nebraska, things like that. The detail that would be found on page 22 and 23. Then-- let's see. Go down to line 28. You'll see \$714.9 million, which is the excess that we have after allocating the spending up above. And-- but that is before any tax relief packages or any A bills, appropriation bills, from other, other bills that came out of other committees. And I had a green sheet. You'll have a green sheet provided in your-- with the agenda today. And that will show a total of A bills, which, if you total those up, is well over the amount of \$714 million. So we'll, we'll have requests well over the amount available, and that's-- what

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we've done in appropriations is prioritizing spending requests and try to honor as many as we can. And we're going to have to continue to do that as the debate goes on. And-- let's see. I think then we'll turn over to the backside here. You'll see the Cash Reserve. We're going to end-- we're ending up with a \$989.9 million Cash Reserve Fund, which is 16 percent reserved. And that's what we try to keep-- we have a target of 16 percent of our budget to provide for future downfalls in revenues so that if we have a down-- sharp downturn in revenues, we can use the Cash Reserve-- we call it the rainy day fund-- and that 16 percent is-- amounts to two months of spending. We spend over \$450 million per month to keep the state going. So over \$900 million is the target that we came up with to have stable finances in the future. General Fund highlights. If you go to page 12, line 1, you'll see Property Tax Credit Cash Fund, which is the amount that comes off your county tax bill. It's been \$313 million now, and it's showing an, an increase of \$85 million over the next two years to, to get that up to \$395 million. There's an additional property tax credit against income tax of \$548 million. That's not in the budget book because it's taken into account in the revenue forecasts, and that's an income tax credit. Page 12, third line from the bottom, also shows that Education Future Fund I mentioned. And it has priority items that-- to fully fund TEEOSA, the state aid to schools. It's going to add special education, increasing to 80 percent funding. And it's-- provide for \$1,500 per student foundation aid. And page 14, just an item. I noticed community college for state dependents. It-- we will reimburse dependents of state employees, their tuition to community college up to \$1 million the first year and \$1.5 million the second year, which--

DORN: One minute.

CLEMENTS: --I was glad to see that. The University of Nebraska people asked me about that. The increase of 2.5 percent each year for them is on page 195. If you wanted to see the amount of their budget, it's over \$650 million per year that we provide. Page 22 and 23 then would show you significant General Fund increases, state aid to governments and individuals and agency operations would be-- if you really want to look at General Fund-- more detail, page 22 and 23, I would refer you to those. And so I-- thank you, Mr. President. And I urge your support for the budget as proposed in AM915. Thank you, Mr. President.

DORN: Thank you, Senator Clements. Would also like to have Senator Dugan [PHONETIC-- Dungan] and Senator Conrad recognized that we had a little while ago in the north balcony: 25 students from Lincoln Northeast High School. They may be out in the Rotunda yet, but they didn't stay very long. So we wanted to make sure we recognize that

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they were here, though. 25 students from Lincoln Northeast High School. Mr. Clerk.

CLERK: Mr. President, Senator John Cavanaugh would move to offer AM1548.

DORN: Senator Cavanaugh, you're recognized to open.

J. CAVANAUGH: Thank you, Mr. President. So-- well, I rise to offer AM1548. And I know we've already started this conversation about the budget before we even got to the budget. And I just want to say I do appreciate-- I know how hard it is to make something like this. And I know we all have a lot of complaints, maybe some more than others. But this is one particular issue I identified with the particular budget. So AM1548 strikes language transferring \$14 million over the biennium from the Nebraska Environmental Trust Fund to the Water Resources Cash Fund. I'm moving to strike this language because the proposed transfer of funds robs dollars from the constitutional-- that have been constitutionally set aside and placed in trust by the voters of the state of Nebraska and instead uses it for agency funding for the Department of Natural Resources. It is very likely unconstitutional and completely unnecessary, given the substantial sums of money this Legislature is pouring into water projects. The Nebraska Environmental Trust was created by an act of the Legislature in 1992. That same year, the voters approved a constitutional amendment to create a state lottery. The legislator distrib-- Legislature distributed lottery dollar proceeds by statute to education and the Environmental Trust. In 2004, the funding source was placed in the Nebraska Constitution, with 44.5 percent of the proceeds going to the Environmental Trust, 44.5 percent to education, and 10 percent to the state fair. The first \$500,000 of proceeds and the remaining 1 percent were directed to Compulsive Gambling Assistance Fund. Crucially, Article III, Section 24 of the Nebraska Constitution now provides that 44.5 percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Environmental Trust for the use as provided in the nevre-- in the Nebraska Environmental Trust Act. The constitution does not grant the Legislature authority to transfer these funds outside of the operation of the Environmental Trust Act. I understand that there is some legislative intent language in LB818 that would at least try to justify this constitutionally, but it would still fundamentally go against what the voters decided. The Environmental Trust is not a pass-through for agencies to use for funding in lieu of general funds. If the department applies for any grant through the normal process, the agency's director, as a member

of the board, must recuse himself from the vote. According to the Legislative Fiscal Office Directory of State Programs and Funds, expenditures for the Water Resources Cash Fund may be made directly by the department or to natural resource districts to either achieve a substantial balance of consumptive water use or assure compliance with an interstate compact or decree or formal state contract or agreement. Funds expended for natural resources districts require a matching fund-- local funding in an amount equal to or greater than 40 percent of the total cost carrying out eligible activities. I question the need for the additional funding, given the historic amounts this Legislature has appropriated last session and is poised to appropriate this year for water projects in Nebraska. Many have been-- have raised the alarm about the Environmental Trust Board withholding funds for worthy projects, leaving funds unexpended, perhaps for a moment like this, where the funds could simply be transferred to a state agency and the trust-- which the voters of the state set aside funding for-- could be bled dry, because that-- that is what will happen if the transfer is allowed to go forward. The Legislature will have-- put a stamp of approval on raiding the Environmental Trust, even going as far as expending-- explicitly authorizing this for future State Legislatures. So, wanted to get that read just as was. But bottom line is, this transfer is unconstitutional. The voters in 2004 specifically put in the constitution-- and you can look it up if you like-- but it's Sect-- Article-- Section 3, Article-- or, Article III, Section 24. And it specifically lays out how much money of those lottery proceeds go to the Environmental Trust. We do not have the authority to change the constitution here. We have the authority to propose constitutional amendments that then would go on the ballot and the voters could change, but we do not have that authority on our own. And so this is a constitutionally suspect action by this Legislature and I assume will be prone to challenge. But aside from that, even if we could do it, it's not something we should do. The Environmental Trust has existed since 1992 and exists for a specific purpose of environmental actions. And so I, I-- we've talked about this before on the floor, and I kind of wanted to go through some of the projects that have been funded. And I thought I might start with some that were recently not funded. So the third one to miss out on funding when the Environmental Trust didn't expend all of its funding last year was Loop Central Landfill Association for a metal recycling program. So Loop Central-- maybe in Senator Briese's district, Senator Moser's district, somewhere around there-- programs like this historically had been funded to help smaller communities deal with the cost of recycling. That's the type of thing the Environmental Trust is meant for. We have a Bazile Groundwater Management Area. Continue

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development of research demonstration sites of BGM for groundwater nitrate, nitrate reduction. So, groundwater quality, things like that. Some of the projects that have been funded: Pheasants Forever, Pathway to Wildlife-- ranchers, farmers and communities, rural habitat. Next project, rural habitat. Next project, water. Next project, rural habitat. In the Natural Resources Committee this year, we had a bill from Senator Brewer that had a very interesting hearing, and it was about how Nebraska used to be a great place to hunt pheasants. And now it's not because-- and the biggest issue was lack of habitat for pheasants. So you can go to South Dakota. You can go to Kansas. They have a lot more pheasants to hunt, and that's because they have a lot more habitat. And they have other programs too, but that's the types of things, not just-- it's for use and enjoyment of our environment. But that's the intent of the Environmental Trust. But I would also point to the other constitutional allocations under that Section 3, Article II-- or, Article III, Section 24, the allotment for the state fair. I don't know-- if we go down this path and we start taking this money from the Environmental Trust that the constitution has set aside, is the next step to take the money from the state fair that's been set aside? Is that something that Senator Aguilar would be in favor of now that the state fair is out in Grand Island? I know you're listening, Senator Aguilar. But we start going down this path where we do things that we shouldn't and then we normalize that sort of conduct. Would-- I know Senator Briese, not to pick on him, but he's been a huge advocate for property tax relief. Would he be in favor of us going and taking the money out of the property tax fund that has been earmarked by the ballot initiative for the casino gambling in the state? Although, that would actually be permissible under the constitution, of course, because that ballot initiative was a statutory change and not a constitutional change. And we have the authority to make that change. But would it be advisable to change the direction of that money that the voters of the state approve casino-style gambling to direct that funding? So this is both a bad idea and one that we can't do because it violates the constitution. It exceeds our authority. So I would suggest that we strip this part from this budget and not make further attempts to go against our authority on appropriations. I do think we should give greater respect to the work of the Environmental Trust, and we should focus more on making sure that they are doing the work that we've asked them to do since 1992 and they-- we hope they continue to do in the future. Thank you, Mr. President. I ask for your green vote on AM1548.

DORN: Thank you, Senator John Cavanaugh. Senator Wishart, you're recognized to speak.

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WISHART: Thank you, Mr. President. I rise in support of LB814 and AM915. In, in regards to Senator Cavanaugh's amendment, I shared concerns in committee similar to what, what he's brought forth in this amendment around the use of these funds. And Chairman Clements will talk to the language that we included along with this appropriation to address some of the constitutionality issues. I-- colleagues, I want to step back and, and talk more broadly about this budget process. But before I go into that, I-- you know, this is a, this is a-- it's a big day for some of us who are senior members of the Appropriations Committee. This is my last opportunity to work on a biennial budget. And I want to thank all of the staff that I've been able to work with over the course of the almost seven years that I've served on the Appropriations Committee. It's been an honor of a lifetime to do this work, and I am going to deeply, deeply miss it. When I came in as a freshman senator, we were in a significant revenue shortfall. So I know what it means and what it takes to be in a situation as a state where you don't have enough funds to cover the cost of government and you have to find ways to shore up those funds by utilizing the Cash Reserve and, and then by tightening our belt. So I, I know deeply what that means, which is why as a committee this year we were very cautious about how we spent dollars, about how much money we left for the floor for individuals to utilize on, on legislative priorities, whether they be funding or revenue. And it's why we also left over \$1 billion in our rainy day fund so that, in the future, should we have another revenue shortfall like we experienced in 2016, that we have the funding available to be able to turn the ship around in, in an appropriate way without having to gut the important services that we provide to Nebraskans through our state funding. I'm proud of this budget, colleagues. This is a significant amount of work that went on with our committee, and I'm proud of all the members of the committee that I worked with on this. This budget came out 9-0. And I will tell you, we are an incredibly diverse committee when it comes to political affiliation, when it comes to geography and, and a lot of other things in terms of our diversity. And so the fact that this came out 9-0 I think speaks a lot to the balance and, and collaboration that went on when crafting this budget. You know, there's been conversations today about projects that we're funding. Those projects are mainly key infrastructure projects that we are funding out of our Cash Reserve Fund. And I want to bring your attention to that because this isn't on a whim that we funded these projects. We prioritized water, colleagues. Water. I don't know if there's anything more basic in terms of needs than access to water, to the tune of \$180 million for drinking water for southeast Nebraska. \$180 million in this budget is going to help Lincoln and the surrounding communities get a second

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water source. That's a big deal for our community. And then we invested in northeast Nebraska--

DORN: One minute.

WISHART: --in terms of their water needs as well, and in Sarpy County in terms of their water needs. And so when you're thinking about the funding, the one-time funding that we did prioritize so that we could leave \$700-plus million to everybody here to determine how they want to spend those dollars, that's going to water infrastructure first and foremost, colleagues. I don't know a single person who can say that shouldn't be a number one priority. And finally, I want to say, Senator Wayne and Senator McKinney are 100 percent accurate in terms of what they're talking about. We are long overdue in addressing criminal justice reform. And they're correct that, if we don't do something this year, by the time we finish building this new prison, we're going to be turning around and building another one. So I suggest that we listen very carefully to them and the package that they're bringing before us in the Judiciary Committee and we pair that with the work we're doing on the budget. Thank you.

DORN: Thank you, Senator Wishart. Senator McKinney, you're recognized to speak.

McKINNEY: Thank you, Mr. President. I rise. Currently, I'm opposed to the budget and AM915. I don't support the prison. I do support AM1548 from Senator John Cavanaugh. And prior, there was discussions about money set aside for reentry and things like that. It was set aside maybe two years ago, and we passed something last year to get it appropriated. I'm glad to see the committee is in support of that. But the issue with the money-- and maybe I would suggest to the Appropriations Committee, or I'll bring the amendment-- that you have to tell the department that it's not a reimbursement. Let it be a grant. Because entities that do reentry are not well-funded by philanthropy and, and other organizations. So they struggle to do-- they struggle to do, to do the work and have to live up to a reimbursement. They don't have the cash. So either I'm going to bring that amendment or the Appropriations Committee could bring that amendment that tells the "Department of Punitive Services" that it should just be a grant. And those entities don't need to reimburse the state because, just like this body and just like a lot of people across this country and this state, criminal justice-related issues and, and work is not popular, so people don't really put money into it, so those entities are not well-funded. And requiring them to have a reimbursement only further makes it tough and harder and a burden on

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those people. And it, it also prevents the individuals inside from getting the services they need. In the last decade, the Nebraskan prison population increased 21 percent, three times the increase of our state's population. Nebraska has the most acute prison overcrowding in the country. In the last decade, recidivism has not decreased. 30 percent of the individuals inside return to prison. This 30 percent is low, as it does not capture former incarcerated individuals who reoffend but do not go back to prison. If we do nothing on criminal justice reform, our state's prison population will increase by 25 percent by 2030. A replacement prison, as I've said many times, will not solve this problem. Our prisons are operating at an average of 100-- 150 percent of, of design capacity. Some facilities are over 200 percent of the design capacity. We have a problem. We can't avoid this problem. And I-- frankly, it doesn't matter where you fall on the political spectrum on this issue, in my opinion. It's a problem that we have to address. We can't just walk away and say, oh, we set money aside to build a prison. Oh, but we're continuing funding, you know, reentry and things like that. But we're not setting money aside for programming or a study of what's wrong with programming in the prison system, why is it-- why it isn't working, and things like that. It can't just be like, oh, let's throw a little \$4.3 million at this and then just be happy. I'm not happy. That's not enough. That's not close to enough. And you know it's not enough. Put more money into it. Put more language in, in the bill that requires the "Department of Punitive Services" to do a real study on why programming isn't working and why we have so many issues. Let's do that. Let's add more money. We, we could find money for everything else in this budget. We're raiding environ-- Environmental Trust funds for things like-- so, the money is there. It's just--

DORN: One minute.

McKINNEY: --is the political will there to do what's right? So, let's have fun today, continue this discussion on prisons, lack of funding for child welfare, taking money from Environmental Trust. This-- it's a lot of things going on in this budget and I think it was wrong that we had one day to look at the budget, honestly speaking. Thank you.

DORN: Thank you, Senator McKinney. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. I stand in opposition to AM1548. We'd like to discuss some of the reasoning here for the Environmental Trust transfer. I believe what we have done is constitutional. The Environmental Trust Fund was created with restrictions of its use, and

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the transfer we're, we're doing is transferring to the Department of Natural Resources for the Water Sustainability Cash Fund for clean water projects. That is an allowed use of the Environmental Trust funds. The fund was-- has historically had large cash balances, currently about \$112 million in the fund. And there's currently unobligated funds of about \$67 million, I've been told. And we're transferring, out of that \$67 million, \$7 million the first year and another \$7 million the second year, and that's been occurring over several years. With the increase of revenue from the Nebraska lottery, the fund is on track to continue to grow. And so I-- we're doing this transfer-- keeping it sustainable of the-- and it's only for these two years. We're not intending to continue to do this, but this-- we're only doing a two-year item in this budget. There is precedent for transferring dollars from the Environmental Trust Fund to the Department of Natural Resources. In 2003, in LB408, \$925,000 was transferred from the Environmental Trust to the Department of Natural Resources' cash fund, and there have been other transfers in other years. The intent of the fund is to assist in projects which have environmental benefits to the state. And the, the programs within Department of Natural Resources, where the funds are transferred, are going to have environmental benefits. Some notes I found: 2002, \$2.5 million to Department of Natural Resources for Interstate Water Rights. 2002, \$225,000 for Low-Level Radioactive Waste Cash Fund. 2004, \$1 million for Water Sustainability Cash Fund. 2005, \$2.76 million to another-- yeah, it was the University of Nebraska Fund. And so we did discuss this issue in, in the committee, and we put language in that restricts the Department of Natural Resources as to the use of the fund, to keep it according to the restrictions in the constitution in the Environmental Trust provisions. When I was opening on the amendment-- so I'm in opposition to AM1548 and think it does-- and it does no harm. On the green sheet that you have today on the back of your agenda, the back side of it will show that there are appropriations bills from other committees totaling \$575 million of additional spending. And then there are revenue bills, which would be revenue decreases totaling \$874 million. So on the green sheet, you have \$1.449 billion of--

DORN: One minute.

CLEMENTS: --of lost revenue one way or the other. We have \$714 million to the floor. So currently, we are \$735 million short if we're going to fund everything everybody wants. And that happened in Appropriations. We had 87 bills asking for \$1.3 billion. And we reduced that down by quite a bit, maybe \$400 million, something like that. We did-- we crossed out about \$900 million. So, it's a matter of

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priorities. We've tried to prioritize every request that we could that-- to, to keep things going. And I would appreciate it if you would vote green on AM915 but red on AM1548. Thank you, Mr. President.

DORN: Thank you, Senator Clements. Senator Brandt would like to introduce 30 students, fourth grade, from Tri County Schools in DeWitt, Nebraska. Please stand and be recognized by your Nebraska State Legislature. Senator Slama would like to introduce 23 students from the fourth grade from Pawnee City Elementary in Pawnee City, Nebraska. They are in the north balcony. Please stand and be recognized by your Nebraska State Legislature. Senator Vargas, you're recognized to speak.

VARGAS: Thank you very much, Senator Dorn, president. Thank you, colleagues. And I just want to thank a couple of individuals here. You know-- listening to Senator Wishart, I, I almost forgot that this is the last biennium budget that I'll be working on, which is, which is incredible. And the fact that we've-- many of us, a few of us have been on this committee the entire time of our, of our career, which-- I think for most individuals, they're, they're probably on the most-- the same, the same committee they're on for their entire career. Some people change. But it's been really amazing serving with my colleagues in my senior class and working with our wonderful Fiscal Office and our staff, both those that were-- are not with us anymore and, and the staff and have gone on to different things and retirement and the new people that have been part of this year and the last couple of years that have made this possible. And we've had a lot of turnover just-- but that also means a lot new-- fresh new faces that are going to make sure that the budget is responsible in the years from here on in. So I just-- I want to thank the staff and my own team and staff as well for all the work that they've done. And, and to the colleagues, you know, this is-- there's a couple things I want to comment on because I think it is important to get into the record, which is, like many of the other committees-- although this is much more I think focused-- is-- this is the most deliberative that we can possibly get. We work for months on end for a series of five bills. And in this instance, you know, really three bills. And it's a lot of give-and-take. It is a lot of work. It's a lot of listening. It is a lot of data and research, a lot of probing questions from us as a committee and accountability on where dollars are being spent. It's a deliberation, especially since our committee represents the entire state. And it's not easy to, to come to a consensus, given the makeup of our committee as well all the time. And when we do, it's a breath of fresh air. And so what you see in front of you is, is a reflection of that. It's the reason I support this. There are things in this budget that I support. There are things

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in this budget that I also vehemently am against. But within the process of this budget process, I also stand in support of the body of work and the package that we put together to try to balance all those needs for the state of Nebraska. It is by no means easy. And I say that on behalf of our new members that have been on the committee that are, are also going to be talking about different aspects of this budget, but there's a lot of good in here that I want to make sure is reflected for the public and for the rest of the body. And we, we're proud that we are-- the, the funding that we're providing through K-12 in terms of aid and funding TEEOSA. The funding that we're providing to the Future Fund that is meant to then provide greater funding here in the future to make sure that we're meeting our, our needs and growth, our funding and aid to community colleges and growth. The funding for the University of Nebraska to make sure that we are supporting our public institutions of higher education. I mean, even some of the funding we've provided to the state colleges and community colleges. The career scholarships which are meant for our, our long-standing-- or, sorry. Not long-standing-- new commitment, ongoing commitment to trying to retrain and attract people in the state to stay here and go to our higher education institutions. Our funding into our opportunity grants programs to make sure that we're doing a continued-- more for need-based aid funding for low-income students. \$10 million for funding, recruitment, and retention grants aimed to assist teachers, nurses, vets, and other healthcare professionals. This is meant to make sure we're retaining more people, and it's building off of what we've already seen work from federal dollars that were used this last time.

DORN: One minute.

VARGAS: Water infrastructure. There's so many things-- I'm going to get on the mike. We're going to talk about the, the positive things, the, the provider rates, that, that we're trying to make sure we are meeting the growing needs across the state. So I hope you'll support the budget. I also want to reflect and comment on, on what Senator Wayne and Senator McKinney and others have, have brought up. We need real reform that is going to make sure that we don't need to continue building more prisons. We absolutely need that. I hope as a body we support the Judiciary Committee's commitment and ongoing work to do as much as they possibly can to reduce the number of individuals going into our system and really focus on that rehab. There's a commitment on my part, and I know I'm not-- I'm just speaking for myself, but I've had this conversation with many members of our committee, that we will do more what we can within the funding side. And I will work-- and I-- and my commitment to Senator McKinney on changing the program

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to-- for rehab funds to be grant pro-- funds and not reimbursable funds because he's absolutely correct. That just makes it harder for some of these rehabilitation--

DORN: Time.

VARGAS: --organizations. Thank you.

DORN: Thank you, Senator Vargas. Senator McDonnell, you're recognized to speak.

McDONNELL: Thank you, Mr. President. Good morning, colleagues. To kind of follow up on what Senator Vargas was speaking about and Senator Wishart-- we, we've served now with Senator Clements for-- this is our seventh year on Appropriations. Appropriations Committee is a five-day committee. We do get focused on, on the work at hand. We do take a document from the, the Governor. He proposes, we depose. As the numbers have been mentioned before, we have 75 agencies we've, we've, we've visit with. They come in front of us. They, they explain things. They ask for things. We go through that process, along with the 87 bills that have been brought to us by all of you on, on this floor. But this, this is the process we go through. And I want to thank Senator Clements for his leadership as the Chair of Appropriations. He put a great deal of time in, which we knew he would. And for, for us as the remainder members of the committee, the other eight of us, have made the, the work easier. Also with the Fiscal Office. The Fiscal Office does a great job. And they had a lot of new people. It's not the same Fiscal Office we started with when we began in 2017. And was mentioned earlier: we did, we did inherit some problems in '17 and we had some problems to solve, and, and we did that and we learned from that. Now, knowing that the new people came this year and there was three new faces and the questions they were asking-- you, you know, you forget about all the things you go through and the things you learn as you go through that process and gain more experience. This document is far from perfect. It's not a perfect prod-- product, because it was prepared by people, and we're the people that, that worked on preparing it as Appropriations. We stand behind this document because we went through the process as fairly as we could. We listened to the agencies. We listened to the, the senators. We worked with the Governor's Office and his team. And, and they were always willing to, to visit whenever we needed that, that opportunity to ask them questions and, and try to see if we could, we could make changes. So I appreciate, I appreciate the process. And again, not that the process is perfect, but now it's here. It's here, and it's up to you as our fellow senators to say, OK. We, we understand this, we don't

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understand this. We like this. We think we can improve somewhere, or we don't like this. That's, that's fine. And that's, that's part of the process. But it's now. It's now-- you can either talk to us-- the nine of us are available. The Fiscal Office is here. They're available. We're here to try to answer your questions and-- but I do stand behind this document. I stand behind LB814. And the process we went through with the amendment, AM915. Not saying it's perfect and not saying that we couldn't make improvements, but I do stand behind it as a whole because I think it was a, a fair process and I think we had an opportunity to, to hear from, again, our fellow senators and the agencies and the Governor's Office and others. So, please talk to us. This is going to be a, a long process, and this is where we are. Just like we have in the past over the years, there's people that aren't completely happy and there's people that want to make changes. Well, let us know. Come to us. Talk to us privately. Talk to us on the mike. And we will try to get your questions answered. And we will definitely, as we have through this process, continue to listen. But I do support LB814 and AM915. Thank you, Mr. President.

DORN: Thank you, Senator McDonnell. Senator Erdman, you're recognized to speak.

ERDMAN: Thank you, Mr. President. And good morning. I stand in opposition of AM1548 and support of AM915. That shouldn't come as any shock to anyone. So we hear numerous times on the floor of the Legislature, "it's unconstitutional." We hear that all the time. It's not unconstitutional till some court rules it's unconstitutional. But if you're a lawyer, I guess you can say things that have more weight than other people. Senator Clements pointed out the fact that we've done this before. We can do this again. Senator John Cavanaugh was commenting about the pheasant population. They have plenty of money to do whatever they need to do to enhance the populations of the pheasants, and Game and Parks does as well. Game and Parks has millions of dollars that they could use for habitat enhancement, and they don't. They have a reserve of \$173 million, or they did have. So it's not a shortage of money that's the problem with these agencies. It's the lack of performance. And so the Revenue Committee determines how much revenue we get, and we get that from the Forecasting Board, what we should try to appropriate equal to what the revenue is projected to be. And Senator Stinner used to be the Chairman of Appropriations and he would say, when we've appropriated every dollar that the Forecasting Board says we're going to get, he called that structural balance. Now, since Senator Stinner's not been here for a year, that has not been said much, but that's basically what we do. So, Senator Clements put in countless hours working on the budget, far

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and above what the Appropriations Committee did, and I thank him for that and I thank him for his leadership. And those people that worked with the Appropriations Committee, the staff, and the Fiscal Office need to be thanked as well because they put in as much time as we did. And one day, I was-- for lack of a better term-- whining about having to go to Appropriations for the fourth time that day. My rowmate, Senator Halloran, said, remember, you signed up for this. I said, oh, yes. I did. And I didn't whine any more after that. So we dealt with this budget numerous hours to conclude what we did. I think it's a fair budget. I think we thought through the process. I think we made decisions that are fair. And I understand there will be people that won't like what we've done. But it's an arduous process to get through 75 agencies and 87 bills and satisfy everyone. So what we've tried to do is spend the money wisely as best we could to make the best benefit for as many people as we can. That won't make everybody happy. I understand that. And Senator Machaela Cavanaugh said she's disappointed in the Appropriations Committee. I understand that. But that's the way things work here. Someone has to make a decision, and others can either disagree or disagree. But in the end, we will vote. And if we have enough votes to approve AM915, the budget will be adopted. And there will be those of you who vote against it, and I understand that. But I will ask you right now, do not support AM1548. And I would ask you to put a green light up for AM915. As Senator McDonnell rightfully stated, if you have questions or concerns or ideas, come and talk to us. But with the information that we had from the hearings that we heard and the agencies that made their presentation, we made what we think is the best decisions with the--

DORN: One minute.

ERDMAN: --money we have to spend. So we will get this budget adopted. We got-- we have until May 18, 80 days, to do this. And we've always done this in the past. And I want to answer one question that was asked this morning in the briefing that didn't get an answer, from Senator von Gillern. His question was, how much reserve do each one of these-- how much cash reserve do each one of these agencies have? And the answer is, it's about \$8.6 billion. But you got to take out the rainy day fund. So you figure it out. \$6.5 billion, \$7 billion in cash reserves in all the agencies of the state. Game and Parks had \$173 million alone just in Game and Parks. So there's plenty of money there. In '17, we balanced the budget by sweeping those cash accounts, and we made no cuts at all on \$1.1 billion deficit. So, the sky is not falling. We will get through this. Thank you.

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DORN: Time. Thank you, Senator Erdman. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. There's a, a lot to respond to. But first, I wanted to say, Senator Erdman, I think I coined the phrase "rowmate," but I appreciate you bringing it into brighter-- broader use. So, Senator Clements first talked about previous times where the Legislature has taken money from the Environmental Trust. And I would just point out that all but one of those were before the adoption of this constitutional amendment, which means, though ill-advised perhaps, was constitutional. And the only one that was after the adoption of the constitutional amendment in 2004-- so the constitutional amendment was adopted in the election of 2004, went into effect after that-- was the appropriation in 2006, which was LB1061: authorize a transfer of \$2.76 million from the trust fund to the University of Nebraska's Central Administration designated cash fund for the cleanup costs of the University of Nebraska Mead Agricultural Research and Development Center. Sounds familiar. Cleanup in Mead was a considered an appropriate transfer. You can go and look at the World-Herald. Actually, I just looked up an article written by Martha Stoddard back at that time covering that, and there was opposition to that transfer for similar reasons. But I would say the distinction between that transfer and this one is that it went to a specific project that would have qualified for Environmental Trust grant, and it was for an environmental cleanup in Mead of a Superfund site. This transfer is to an agency with no specific project in mind. This goes to the Water Resource Cash Fund, which then the Department of Natural Resources hands out to other specific projects which are not just for environmental projects, but they are for water management, water quality, consumptive use, lots of different projects in compliance with interstate compacts. Those-- a number of those things would not be allowable expenses under the Environmental Trust. And to be clear, the constitution says that the 44.5 percent of the funds go to the Environmental Trust for uses consistent with the Environmental Trust's authorization. And that is not consistent with the authorization of the Environmental Trust. And so that's why it would be an unconstitutional appropriation. And to Senator Erdman's point about things are constitutional until somebody says they're not, some things are just clearly unconstitutional. The, the authority of the Legislature of the state of Nebraska, Article III, Section 1, says that the Legislature have-- invested in the Legislature in one Chamber, the people reserve to themselves power and purpose to amend the constitution. The Legislature have the power to propose laws and amend the constitution-- propose laws and amendments to the

constitution and to enact and reject the same at the polls. So what it's saying is that the Legislature has the ability to make changes to the law and propose amendments to the constitution, not to change the constitution itself. And then there's that specific other section that says how the Environmental Trust Fund-- how the lottery funds are appropriated. 44.5 percent go to the Environmental Trust. That does not say they go to the Legislature to appropriate as the Legislature sees fit for things that maybe are within the sphere of this area and that somebody might think is similar. So-- and the-- there is one other point I think that Senator Clements brought up, which was, in 2011, LB20-- LB229 required the Department of Natural Resources to apply to the Environmental Trust for water management activities and to provide the department application 50 bonus points. So what that was was the Legislature specifically told the department for this similar project to apply to the Environmental Trust and advised-- or, told the Environmental Trust--

DORN: One minute.

J. CAVANAUGH: Thank you, Mr. President-- that, in-- to grant those applications a preference, which is still suspect but is a different approach, where the Legislature is changing the, the criteria by which the Environmental Trust is granting these awards. But again, this is an unconstitutional diversion of funds. And I think when we're talking about the budget here, there's a, a concern about litigation and what happens if somebody sues and wins on a portion of the budget. That's an open question. There's not a severability clause in this bill. I don't know if we want to find out if this budget stands up in the courts as a whole product or what happens when somebody has a meritorious claim against an appropriation in this budget. So, Senator Erdman, you're right. And until a judge tells us otherwise, it might be constitutional. But do you want to find out in the courts? Thank you, Mr. President.

DORN: Thank you, Senator John Cavanaugh. Senator Linehan, you're recognized to speak.

LINEHAN: Thank you, Mr. President. Good morning, colleagues. I rise in support of the committee's budget. Do I love everything in it? No, but I, I want to thank Chairman Clements, Vice Chair Wishart, Senator Dorn, Erdman, McDonnell, and Vargas. And I especially want to thank the freshman class of Armendariz, Dover, and Lippincott for the work they've done on this budget. It's a very hard committee. They work really hard. I-- I'm a little-- like, they have not been hiding the ball. They've had public hearings. You could talk to them any time you

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wanted to. I've been informed what's going on. I don't think-- I'm-- I had two bills in front of the Appropriations Committee. One was to increase legislative staff salaries because we are embarrassing in how little we pay our staff. And the committee has included that in the budget. What else had they included in the budget? The Education Future Funding, which is \$1 billion. And then I think if you look at I think, if I'm-- know this right, Senator Clements said-- Chairman Clements said this morning, \$250 million for the next three years. That's for public K-12 education. And it's going to, for the first time, cover 80 percent of every child's special ed cost in public school in the state. Whether they're in Sterling, Nebraska or Omaha, Nebraska, every child's going to get their special ed, which will mean that we are doing a better job than we have been doing. When you look at the green sheet, there are several bills on here. But I was going to ask-- Senator Wishart, could you yield for a question, please?

DORN: Senator Wishart, would you yield for a question?

WISHART: Yes.

LINEHAN: So, Senator Wishart, I spoke to you a little bit earlier. On the green sheet on the back, where they say that some of the bills that are on Final Reading or Select File, this can be a little misleading, right? Because the Change Economic Recovery Act, which is Senator Wayne's bill, I believe, or Senator McKinney's, or both of their bills, that \$545 million-- some of that's already in the budget that's in this book, right?

WISHART: Yes, it is. So Senator Wayne and Senator McKinney were smart in bringing two different pieces of legislation: one that went to Urban Affairs and one that went to Appropriations. So we did fund a portion of the economic recovery funding that they had requested for east Omaha to the-- \$240 million, to be specific.

LINEHAN: Thank you very much. I-- other things that are in the budget that I think-- when I hear people say that we-- you know, profit over people, there is a significant increase in provider rates for hospitals, which I support. I can't remember how much it is each year versus the biennium, but it is significant. We, we have a lot of programs and-- good programs, and we should keep them, and they're funded in this bill. The Children's Health Insurance Program, Medicaid. This is not-- I get tired of hearing that we don't take care of people here. The largest part of our budget is aid, by far and away. The other thing that I want to thank the Appropriations

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Committee for is I remember a year ago when the bill had come to the floor and not a single person was-- except for one, because they--

DORN: One minute.

LINEHAN: --piled amendment on amendment-- got to speak to the budget, let alone offer amendments. So to complain about this Appropriation Committee means that you either-- and freshmen weren't here, so that's excusable-- but you have forgotten completely how little-- we were basically told, hands off. It's our budget. Vote it up or down. No one could even offer an amendment. So, I would like to thank the Appropriations Committee for bringing a budget to the floor, leaving money on the floor for discussion. Thank you, Mr. President.

DORN: Thank you, Senator Linehan. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. And colleagues, I, I want to echo a number of the, the sentiments we've already heard here today. I do think there was a lot of effort and time put into the budget, but that doesn't necessarily always mean we agree with everything in it. And I think that the conversation we're starting here today is one that we're going to continue for a number of days. And I think we're touching on some important issues that Senators Wayne, McKinney have brought up multiple times throughout the session, as well as other folks and the issues that they've raised. I think this is a really great opportunity to have these conversations. Specifically, though, I do rise in support of AM1548. I know that we are talking about the budget as a whole, but I do want to make sure that I kind of refocus my conversation on the amendment brought by Senator Cavanaugh with regard to the Nebraska Environmental Trust Fund. I'll be honest, this is an issue that was raised with me relatively recently, so I'm a little bit new to this party, but it's an issue that immediately caught my attention because it seems like a real fundamental problem with the way that some of these resources are being diverted or, or utilized for different resources. I want to make one thing clear. This is not a competition over what's better between the Nebraska Environmental Trust Fund and the Water Cash Resource Fund. This is not saying that one does good work and the other does bad work. The issue, as Senator John Cavanaugh, my rowmate, has pointed out multiple times here is whether or not this is a constitutional provision and whether or not this violates the provision of how we actually can utilize those funds. And even beyond that, if it is constitutional, which I, I believe it might not be, I think we have to ask ourselves whether or not this is what the funds were intended to be used for. Our Nebraska

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Environmental Trust Fund utilizes grants to give money out to cities big, small, urban, rural for certain, very specific purposes. I was especially struck by the fact that there's a number of small towns that would not have a recycling program but for grants that they received from the Environmental Trust Fund. And so the Environmental Trust Fund is incredibly important to a number of these places throughout our state to make sure that we can fulfill our obligations to our residents to continue to keep Nebraska safe with regards to clean water, clean air and things like that. And so when it was brought to my attention that there are currently grants, that are not being fulfilled by the Nebraska Environmental Trust Fund-- grants that probably should have been, been given-- and instead, that money is being sort of kept to ultimately be diverted to another fund, it struck me as problematic at best. I want to make sure that our Environmental Trust Fund stays robust. I want to make sure that we continue to utilize that Environmental Trust Fund the way that it was intended to be used. And if we are considering depleting those resources to the tune of ultimately denying small towns the possibility of having things like recycling programs, I think we're doing ourselves a disservice. I don't necessarily think it was malicious that this was the intention. Again, I think that the Water Cash Resource Fund does really good work, but I think that we have to be cognizant of these kind of things. And that's why I really appreciate this issue being brought to my attention and why I join Senator John Cavanaugh in expressing these concerns. One of the other things that he touched on that I think is also important is whether or not the budget would be severable if this claim were to be meritorious or granted in court. You know, we're talking about the importance of this budget. We all have things in here that we like. There's things we don't like. But one thing we know is that, as a state, we need to have a budget passed at some point in time. And if the budget is found unconstitutional by virtue of us including a provision that is, in fact, violating the constitutional provisions of how this money is allocated, that's going to leave us in quite the lurch. And I don't think anybody wants to find themselves in that position. And this is not meant to be fearmongering. I'm not trying to scare people into supporting an amendment, but I just want to make sure we raise this concern for folks down the road--

DORN: One minute.

DUNGAN: Thank you, Mr. President-- in case this issue becomes something that we all have to deal with sometime in the future. Again, I would encourage my colleagues to go look at the Nebraska Environmental Trust, look at the way these grants are being currently

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rewarded-- or, awarded, rather. I want you to go look and see what services the Environmental Trust Fund currently goes for because it really is essential to all of us across the state. This is not a Lincoln issue. It's not an Omaha issue. It's not purely a rural issue. I think every single person in this room has constituents that benefit from continuing to have a robust Environmental Trust Fund, and I just want to make sure that this budget continues to do that. So colleagues, I would urge you to support AM1548. I have yet to hear a compelling reason why not to. And so I would urge my colleagues to look more at the language of the amendment. And we can continue this conversation. Thank you, Mr. President.

DORN: Thank you, Senator Dungan. Senator Blood, you're recognized to speak.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I stand in strong support of Senator John Cavanaugh's amendment. I do support the underlying bill and committee amendment. And I'm hoping that Senator Dorn will come off of his perch there this afternoon because I do have a question in reference to his part of the bill. But with that said, I am not going to talk about the legality of what's going on with the trust fund. I want to talk about the ethics of it. I was made aware of this actually back in 2022. I believe that what's going on is really truly a blatant disregard for the true intent of the Environmental Trust Fund. That intent is to conserve, enhance and restore Nebraska's natural environment. So Senator Clements is indeed correct, in past years, when the trust fund was used to fill holes in our state budget. And they decided recently in 2022 that they were going to be given priority over more worthwhile projects. If you look at this bill closely, friends, this shift is more than a third of the funds that they are allowed to grant, grant out each year. And frankly, if the Governor's Office feels that their water projects are so worthy of these funds, why did they not apply for these funds like everybody else? Being part of the executive branch does not make you carte blanche when it comes to the piggy bank that we call appropriations. So under the biennium, this trust was authorized to spend around \$20 million. But in 2022, it raised a lot of red flags because they only authorized \$13.5 million in grant dollars. That means 35 projects, to be really clear. And the question that everybody had and when people started calling my office-- I'm guessing they called your offices too, and hopefully your staff let you know about that. They left money on the table-- \$7 million, to be precise. And to put it in perspective, there were still 83 projects that had qualified that did not get funded even though we had \$7 million left. So when I investigated it, it was clear that the scoring criteria that was used

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had not changed. But all of a sudden, people that had in the past been given funds to perpetuate really good projects, especially in our more rural communities, all of a sudden, the scoring had changed. So \$7 million on the table. Scoring had changed. It seemed kind of like a red flag, and the optics looked bad that they were trying to save up money for something. Well, what a big surprise. Earlier on a bill-- I think it was on the broadband bill and putting that in the executive branch-- I said, just because we can do something doesn't mean that we should do something. Here's a really good example. Why do we let people jump to the front of the line when there's a process in place that they can request the funds just like everybody else? 87 grant requests. 40 deemed ineligible even though approved in the past years. Why are we diminishing one fund just to serve another fund? That is not the purpose of the Environmental Trust. The one thing that I talk about frequently, actually, in the body is, I wonder sometimes what senators did before they were senators. Senator Walz and I had that discussion just yesterday. I'll say, don't you remember in 2010 when somebody else was Governor and they passed this bill and it did this and it did that? And she's like--

DORN: One minute.

BLOOD: --no, I was probably working, Carol. I don't know what the conversation was. But I have a very long memory for policy because I've known since fourth grade I wanted to be a state senator. And my-- it was very exciting the first time I got a legislative update in the mail out on the farm. But I just want you guys to know that a lot of you are just going to push green and you're not paying attention. Please take a minute. Go to the internet. There's been a lot of great media sources that have reported on this very scandal. Why do you want to perpetuate the scandal by allowing them to go ahead and do whatever the heck they want, be it right or be it wrong? Thank you, Mr. President.

DORN: Thank you, Senator Blood. Senator Brandt, you're recognized to speak.

BRANDT: Thank you, Mr. President. And I would like to thank the committee for their hard work. I mean, for-- people in the state of Nebraska maybe do not understand that the Appropriations Committee: this is all they do, these nine people. So thank you for that. Today, I'm wearing my green jacket. Why? It's not the Masters. It's because we're talking about money. Green is a color of money. And so that's kind of the theme today. So when we got our books yesterday, on page 3, halfway down on the Cash Reserve Fund, there is a-- we're spending,

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spending, spending. And then it says, from the Universal Service Fund, \$40 million. And serving on the T&T Committee, Transportation and Telecommunications, this service fund is administered by the Public Service Commission. And in this service fund, there are \$129 million, and they have appropriated \$132 million. When you get your cell phone bill and you look at those little taxes on there, one of those is for the Nebraska Universal Service Fund, and it's \$2 or \$3 that everybody in the state contributes. And that goes to outbuild in rural Nebraska. And why is this important? When I was in high school-- and I'm not going into too much detail here-- but when we would plant, we used an Allis Chalmers WD-45 and a six-row Allis Chalmers planter, and you put a marker down and you went both ways. Flash forward 50 years. Today, we've got a 16-row planter with no markers and the tractor drives itself. None of that happens in rural Nebraska without technology. This program gets technology to rural Nebraska. This is critical. When we talk about our cell phone towers and broadband and satellites, this is probably more critical for rural. Because as we have fewer and fewer people live out there, technology replaces a lot of our labor. And we like to think we do it better than we did the year before. But it's critical that we work with our partners in state government to make this happen. Would Senator Clements be available for a question?

DORN: Senator Clements, would you yield to a question?

CLEMENTS: Yes.

BRANDT: Senator Clements, why was the Universal Service Fund singled out for a \$40 million contribution to the Cash Reserve Fund?

CLEMENTS: I would say that we did see that it had over \$100 million. And in the past, the Public Service Commission hasn't been spending it all. And normally, it's not that much obligated. Thinking there was-- those funds were not obligated, and we wanted to keep the cash reserve up to our 16 percent goal. We were expecting, actually, that the Forecasting Board was going to drop our revenues more than that amount. And I would say it was because of anticipating a revenue forecast that was very negative. But we were fortunate that the Forecasting Board did not reduce revenues that much. And so it was cautionary because we had to make these decisions before the Forecasting Board met.

BRANDT: OK. And it's my understanding-- I talked to you about this before I got on the mike-- that there could be some revision to this. Is that correct?

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CLEMENTS: Would you restate that, please?

BRANDT: It's my understanding--

DORN: One minute.

BRANDT: --that there could be some revision to the \$40 million contribution.

CLEMENTS: Yes. I understand that there's an amendment being drafted to change that transfer. Right.

BRANDT: All right. And your committee would be supportive of that?

CLEMENTS: Well, I can't speak for everyone. I would not object to that transfer--

BRANDT: All right.

CLEMENTS: --at this time.

BRANDT: Thank you, Chairman Clements. Thank you, Mr. President.

DORN: Thank you, Senator Brandt and Senator Clements. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. Good after-- or, good morning still, colleagues. I wanted to rise in support of Senator John Cavanaugh's amendment and offer some additional deliberations in regards to that particular amendment and measure and then talk more broadly about the mainline budget bill before us and maybe reaffirm some sound principles of budget analysis that we can use as a framework to work through some of these challenging issues. So number one, I think at the heart of Senator John Cavanaugh's amendment is a clear understanding that the Legislature should not disrupt the will of the people, and it should not do so needlessly or carelessly. And whether or not we like it, whether or not it's been a while since we reviewed it, this funding structure was put in place by a vote of the people for specific purposes. And those structures have been established to carry out the will of the people, and they have done so, generally speaking, without a significant amount of controversy until fairly recently, when a significant amount of politics were injected into the process of the Environmental Trust, subverting the will of the people and the intended uses to have a laser focus on conservation and environmental justice issues. These funds are now again under fire at the trust level and now is part of the budgetary process in an effort

that not only subverts the will of the people but shows again even seemingly neutral entities are being weaponized for political gain and pet projects instead of at the direction of the people to be invested back into the public interest to lift up our shared goals around clean air, clean water, conservation, and environmentalism. There is no reason to have a raid on these cash funds at this time. Again, we cannot divorce ourselves from the simple fact that this is not a time of great economic recession. When we see those crisis moments in our economy, that's when appropriators have resorted to the last resort of shaking the couch cushions for every little cash fund that might be out there so that we don't have to have deep cuts in services and we don't have to increase taxes. We are not at that point. We have unprecedented revenues available. We should not be raiding cash funds to put together the budget at this point in time. And what that should tell you, regardless of how you feel about the Environmental Trust Fund or some of the other issues that we're going to be taking up in terms of substantive amendments, is this budget is put together with bubblegum and baling wire instead of a thoughtful road map for investment for our future now-- for, for our state now and into the future. We don't need to have gimmicks. We don't need to play games. We don't need to steal cash funds from a sundry and host of different cash-funded agencies and pots of dollars if we have a clear plan and a clear vision to carry out investments on behalf of the will of the people. So that should be problematic at the outset. And risking additional litigation should be pause for concern. Pushing the boundary needlessly in a time of economic prosperity should--

DORN: One minute.

CONRAD: --be cause for concern. Additionally, it's been said that we have plenty of money for the floor and we'll have other opportunities to take up these other issues. Colleagues, let me be clear. Generally, as I understand it, there's about \$700 million or so available, quote unquote, for the floor for additional deliberations outside of the budget proposal. However, that's eaten up in, like, one tax bill. So it's not really left for the floor, right? We have to be really clear about what that means. I'm deeply concerned about the budget package items that include a new-- a massive new prison, a canal to nowhere, an environmental justice raid on the Environmental Trust that steals money from the poor and the TANF rainy day fund, a lake meant to benefit private developers, and little investment to not even cover the cost of inflation for medical healthcare providers--

DORN: Time.

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CONRAD: --and higher education. Thank you, Mr. President.

DORN: Thank you, Senator Conrad. Senator McKinney, you're recognized to speak.

McKINNEY: Thank you, Mr. President. I rise again to continue the discussion. And I thought it was interesting-- you know, all committees are busy. Everyone on a committee is busy. It's not just the Appropriations Committee, which is why it would have been fair to give us the budget last week so we could look at it over the weekend so we could dive through it and not have 24 hours and have to scramble with our staff to try to figure out what's in it, do we need to amend something? I think that would have been fair because we're busy as well. We're working to try to get things done in our committees and things like that as well as the Appropriations Committee. So I, I honestly think it would have been fair to get the budget over the weekend. Again, you know, this prison is a problem for me, and there's many reasons why. In 2021 and 2022, I was on a task force with former Governor Ricketts, former director Frakes, former Senator, Senators Lathrop and Geist and a host of other individuals involved in the criminal justice system. We spent pretty much a whole interim going through, you know, data and what was going on in our criminal justice system. And then we got policy options to explore for the Legislature. There were 17 consensus items and there were 5-- 3, 3 to 5 that weren't. But even though we said there were 17 consensus items, honestly, when the bill got introduced from former Senator Geist, not all 17 consensus items was in it because after the county attorneys got a hold of what was a consensus, 3 to 4 of them got pulled. And that's just being honest. Even in the conversations during the whole task force thing-- we, we had frank conversations and, you know, there would be people-- I won't say their names because I don't-- it was a private conversation. But we would talk about an issue and say, oh, what do you think about this? And one person would say, yeah, I think that's a good idea. And then here comes the county attorney's fearmongering. No, this is going to destroy the world. And then, no. No, we can't support it. And that's the problem. The County Attorney's Association is probably the biggest impediment to real criminal justice reform in this state and real policy changes in this state because they're an association that doesn't want to see change. They just want to railroad people and keep people locked up. And, and that's the truth. Because one of the things that we talked about on the task force was preserve prison beds for the most serious system-involved individuals. This fact is that-- the, the average length of stay for prison sentences grew by 38 percent from 2011 to 2020. Nebraska have lengthy sentences for both nonviolent and violent

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criminal behaviors. Recommendations were to modify sentencing laws to reserve, you know, things for, you know, our most serious, serious system-involved individuals. County attorneys don't care. They just want to see the prison-- the, the, the length of stays keep rising, oversentence individuals, and no one wants to come back and try to address those issues. And constitutionally, we can't do a lot. But what we could, but what we could do is-- you know, I proposed a bill called the Second Look Act, that says, after a certain length of time, an individual could go before the parole board and, and have a look-- and, and have them review you. And this is important because if you ever spent time in the prisons, you would realize the individuals that are serving long-term sentences--

DORN: One minute.

McKINNEY: --are doing some amazing things. They're getting college degrees. They're taking advantage of whatever programming they can take advantage of. They're peer mentors and things like that. So, yeah. Maybe after a certain period of time, let's have them reviewed to see if this individual is changed. If it's about corrections and rehabilitation, let's pass policies that prioritizes rehabilitation and correction. Currently, we're just a punitive system, and that's the problem. We're not giving people real second chances. We're just throwing them away and saying, hey, we're just going to keep building prisons because we don't care about you. We're just going to give developers more money to build prisons, you know, vendors more money to overcharge people for commissary, phone providers more money for overcharging you for calls, all those type of things. So that's the problem. And that's why I oppose the prison. There's nothing to talk about-- operation cost, programming in the future. Nothing. And, you know, demolish NSP--

DORN: Time.

McKINNEY: --anyway. Thank you.

DORN: Thank you, Senator McKinney. Senator Wishart, you're recognized to speak.

WISHART: Thank you, Mr. President. Again, colleagues, I appreciate the amendment that Senator John Cavanaugh has brought before this body. This is an issue that I had concerns with in the Appropriations Committee, but we were able to put some intent language onto this transfer that requires these dollars to be spent in line with the mission of the Environmental Trust. And so because of that, I'm

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comfortable with the decisions that we made in, in the budget and, and will not be able to support AM1548. I do believe that our decision is constitutional. I also wanted to share with colleagues some of the other things just broadly that we've done in this budget. And again, appreciate the comments about needing more time to review and reflect prior to a budget discussion. I think that's fair. And I think in the future, it's something we should consider is, is providing more of a weekend for review. So it's, it's noted. But before I get into that, I do want to thank Chairman Clements for his leadership on this budget. Being a Chair in this body is incredibly challenging work, a lot of pressure and responsibility, and I appreciate the work that he did to pull us all together, and it reflects in a budget that came out 9-0. So thank you, Chairman Clements, for that work. A couple of other items that I wanted to alert senators to are on page 80. If you look at that, it reflects all of the pieces of legislation that we included in, in the budget bill. And one that is particularly important to me was introduced by Senator Tom Brewer. I know he's not here today to speak to this, but as many of you are probably aware, Nebraska, over the last summer and, and into the fall, experienced a series of wildfires across the state-- most recently, a wildfire that actually came very close to affecting District 27. And it was a wildfire in which four people lost some of their property and, and their homes and a firefighter was, was severely injured. And then as you're aware-- and Senator Jacobson has, has talked about the wildfire that burned through our national forest in, in Halsey and some of the work that's being done to repair that. So in light of that, Senator Brewer introduced a bill that allows for us to upgrade the radio systems for firefighters across the state. Currently, they are-- many of them-- our volunteer firefighters are working off of separate radio systems in which they cannot communicate with each other effectively. Fires don't follow county boundaries, and so, oftentimes, you have different volunteer forces coming together to support each other as they're battling a fire. And so we were able to put \$5 million towards a grant program that will allow our rural firefighters across the state to all get unified on one radio system that will allow them to communicate with each other as we anticipate the-- having to, to battle more and more fires into the future across our state and the importance of that public safety investment. Another area that I wanted to discuss is-- the Health Care Cash Fund was brought up and, and its importance of its sustainability. And just to brief the, the new members to this Legislature, the Health Care Cash Fund when I, when I first started--

DORN: One minute.

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WISHART: --we were at a, at a point where we were depleting that cash fund at a rate in which there was concern about its sustainability. In fact, this Appropriations Committee has worked for the past six years to get to a point where we have had sign-off from those who have been following that cash fund that we are at a point of sustainability. So we have worked to preserve those dollars and move out of that Health Care Cash Fund long-term funding that should be obligated with general funds and instead focus more on what-- the intent of that was for one-time funding. So I do want to put forth to this body that when we're talking about the Health Care Cash Fund, that actually is a cash fund that this Appropriations Committee has been dutiful ensuring that we are setting that fund up and have set up that fund to exist in perpetuity for future Legislatures to be able to support one-time funding that improves healthcare.

DORN: Time.

WISHART: Thank you.

DORN: Senator Moser just informed us that there is a group of, I think, fourth grade students in the north balcony from Columbus area, maybe Columbus Lakeview, and we just wanted to recognize them before we adjourn today. Please stand and be recognized. Mr. Clerk for announcements.

ASSISTANT CLERK: Thank you, Mr. President. Your Committee on Judiciary reports LB14, LB139, and LB157 all to General File with committee amendments attached. Committee on Transportation reports LB124 to General File. Urban Affairs reports LB532 to General File with committee amendments attached. An announcement: the Judiciary Committee will hold an Executive Session in room 1524 at 1:30 p.m. this afternoon. And finally, priority motion: Senator Hunt would move to recess until 1:00 p.m.

DORN: All in favor, say aye. Opposed, same sign. Motion carries. We are in recess till 1:00.

[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. Roll call. Mr. Clerk, please record.

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

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

CLERK: I have no items at this time.

ARCH: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR110, LR111, LB112, LR113, and LR114. Clerk, we will proceed to the first item on this afternoon's agenda.

CLERK: Mr. President, LB814. When the Legislature left, pending were both the Appropriations Committee amendment as well as an amendment to those amendments from Senator John Cavanaugh.

ARCH: Returning to the queue. Senator Vargas, you are recognized to speak.

VARGAS: That was quick. Thank you, colleagues. Hope everybody had a good lunch. Just wanted to chime back in here on the budget. I share a lot of similar views, specifically on this amendment regarding-- right now, I'm, I'm not in support of it, and we'd heard a lot of information in regards to the sustainability and, you know, we're going off the information that we have in, in the iterative process in the committee. But I did want to come and talk about some of the other items that are in this and also a little bit about just the culture of, of how we've been doing things. I want to thank the Chairman again for his, his work and leadership in this. It's not easy, especially with a lot of new senators and some senators that have been part of this committee for nearly seven years now, going on, going on eight heading into next year. That is just always difficult to be able to corral and make sure that we're managing expectations on the balance within this budget. And some of the things that are, are potentially really important about this is in years where we're having more funds and resources still leaving \$700 million for the floor, but in particular prioritizing the things that the Governor is also bringing in terms of his main priorities, but focusing on the provider rates is something that we have been trying to rightsize for years. Very, very thankful for Senator Dorn's leadership on the committee, as well as others that have brought specific bills, either having to deal with child welfare, developmental disabilities, hospital, Medicaid provider rates. I think we've even seen from, from the individuals outside in the Rotunda that there's just a need to, to do multiple things at once, which we're doing in the budget and what we're asking the executive branch to do, which is the funds that are currently existing within, within the DD, let's say, for example, or within HHS that we're getting funds out that were allocated in, in specific to ARPA,

that we're also dedicating or reallocating unused funds from this previous biennium, and then we are also looking at increasing base rates, which is represented in this, in this increase in provider rates. This is healthcare access. This is access that is absolutely necessary. This is making sure we're maintaining the workforce that is needed and is a really big deal when we're looking at a 3 percent and a 2 percent. When we're talking about making sure we're continuing to make investments in the work that legislators are bringing, there are several bills that-- and, and many have been sort of pulled out of here-- that are important to acknowledge that are as part of this work that's being done for economic development for east Omaha, which-- and, and also water infrastructure that was mentioned by Senator Wishart. These are important investments that we need to make. Some of these things, even for water infrastructure at the state level, are things that I haven't supported in the past. But looking at the larger body of work of this Legislature, we're trying to make sure we are trying to fund as many things as possible that are rising to the level of priorities, which is one of the reasons why looking at water infrastructure and looking at eastside recovery is critical, important, and something that I also worked on, important investments into housing and other economic development projects, some of the things that Senator McDonnell had been working on, are really important. Some of the different projects that were brought for not only rehabilitation that we're continuing to fund into the Corrections system, but the salary increases that we put into this budget are incredibly important. The Corrections system as we currently have, there was many instances where not only in my visits to, you know, NSP in the past, we were understaffed across the Corrections system because of the historic increases in salary. From the previous administration to this continued administration supporting it--

HANSEN: One minute.

VARGAS: --we are able to have a, an actual workforce that can meet the needs of our Corrections system. This is also including the health, the mental health and behavioral health supports that's needed. We had many positions that were left unfilled for two, three-plus years. So making sure we're filling these positions is ensuring that individuals within our Corrections system are getting the resources and the support that they need, which is one of the things that we've been talking about. Colleagues, I urge you to look into the balance of the types of bills that are part of this that came to our committee. The balance of the investments in higher education and healthcare access and providers and also making sure we're doing everything we can to be responsible fiscal stewards of our state budget. At a 2 percent level,

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this is something that, again, we're continuing to set a new bar for how we're being lean. And while I-- there's many things that I wish we can do a lot more of that I would--if I-- if it was up to me, I would do within this--

HANSEN: That's time, Senator.

VARGAS: Thank you very, very much.

HANSEN: Thank you, Senator Vargas. Senator Raybould, you're recognized.

RAYBOULD: Thank you, Mr. President. Good afternoon, colleagues. Good afternoon, fellow Nebraskans watching on TV. I first and foremost want to say thank you so much to the Appropriations Committee. And I want to give a shout-out to the freshman senators on the Appropriations Committee. You were just kind of really thrown in to the swimming pool and you had a sink or swim. And there is-- you know, now that I realize also being a freshman senator, the tremendous amount of work that goes into what you do and all the hearings that you have. I also want to thank all the Fiscal Analysts and the forecasters. I know this is not easy, but I do have reservations about going forward and the sustainability of the budget that has been presented and that we're working on. I also truly appreciate some of the comments from Senator Wishart because of mentioning that this is really not a normal year and how the, the budget is, is given to the, the senators and that we have a little bit more time than just 24 hours to digest a budget. We understand that this has been a long process where we've heard bits and pieces and it's now finally seeing it put into place. I do have concerns. I know some of the things that the Governor has proposed and-- we're going to be working through those issues-- are truly transformative, but they're also costly, and are we able to sustain them? I had passed out an article that was written by Curt Friesen and Paul Schumacher, former state senators, you know, expressing their same concerns that you've heard me say before. And, you know, I look at all the fiscal projections myself, and I've been saying this for a long time: we have interest rate increases. We have inflation. We have, once again, volatility in our banking industry. And we have a very scary debt ceiling looming that could really throw a monkey wrench in all of this. And I know that I've proposed a couple of amendments to, to really find triggers or breaks so that we can reassess our financial well-being before we move forward. But here are some of the things that I've mentioned before: interest rates, inflation, and here are some of the data. You know, the U.S., our, our growth in our GDP was at 1 percent. That's not a lot of growth and

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that's enough reason to, to give pause on, on how we spend our budgets. And then last year, it was at 1.6 percent. So there is a slowdown that we should be mindful of. I can tell you in the 12 years that I've been doing budgets for governments, we have been very thoughtful, very deliberative, and also super conservative. And I know our forecasters are trying to be as conservative as possible as well. But when we look at some of the projections in the General Fund, if we throw everything into the General Fund that the Governor has proposed, by year 2025, we're looking at a deficit in our General Fund financial status of 12-- almost \$12 million. By 2025, we're looking at a deficit of \$127 million. But we have to get that deficit from somewhere, and it's going to be coming from our reserves. That's not a good policy to use your reserve funding for corporate tax cuts and individual tax cuts. I think I've been pretty clear on that. And the amendments that I'm proposing will hopefully put a break on a couple of the corporate income taxes and put some triggers in place so that it doesn't become the responsibility of future senators to, to be fiscal-- better fiscal stewards going forward. And I, I do appreciate Senator Linehan's comment saying, Jane, you're going to be in the, the Legislature for a while and I'm sure you'll be a, a pit bull on the financial forecasting and projections for our state. But you know, you just can't have one state senator be a fiscal fortress when it comes to standing--

HANSEN: One minute.

RAYBOULD: --thank you, Mr. President-- and standing up and saying we have to be mindful of what we're spending and install triggers so that future senators aren't going to be the bad guys saying, OK, you know, that tax cut we had proposed to go in to effect for the next biennium? We can't afford it. We just can't afford it. And I have concerns like many of the other state senators have expressed. are we going to be able to sustain this? I think the transformative public funding approach is incredible, and it is long overdue that we reassess how we fund public education and make sure that it's not a burden on our property taxpayers and our local taxpayers. So I think that in itself is transformative. And I just ask everybody, be cautious. Be cautious as we move forward on some of these ideas before we implement them. Thank you, Mr. President.

HANSEN: Thank you, Senator Raybould. Senator John Cavanaugh, you are recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I believe this is my third time on this. Is that--

HANSEN: Yes, this is your third time before your close. Thank you.

J. CAVANAUGH: Thank you, Mr. President. So again, I rise in support of my amendment AM1548. And just to kind of refresh everybody, I know we had a nice lunch break and we're back talking about this. And-- so what this amendment does is it strikes the transfer of funds from the Environmental Trust. And to remind you the Environmental Trust appropriation comes from the state lottery funds and is in the Constitution of the state of Nebraska. 44.5 percent of the state lottery funds go to the Environmental Trust, and then 44.5 percent go to education, and 10 percent go to the State Fair and then the remainder goes to problem gamblers fund. So that's-- the crux of the problem here is that we don't have the authority to do this. The Legislature doesn't have the authority to, on its own, change the constitution. We can propose a change, put it on the ballot for the voters, and they can make that decision and then we can act accordingly, which is what we've done in the past as it pertains to this very issue. But I also wanted to point out that this transfer is being transferred to the Department of Natural Resources Water Resources Cash Fund, which is a cash fund within the Department of Natural Resources. So we're transferring funds from the Environmental Trust, which does a lot of very good things, to the Water Resources Cash Fund, which may also do some good things, and it has-- grants out money for water projects. The expenditures in the Water Resources Cash Fund may be made directly by the Department of Natural Resources to districts-- by the department or to natural resource districts to either achieve a sustainable balance of consumption-- consumptive water uses or assure compliance with interstate compacts or decrees of formal state contracts or agreements. So that's what it's for that's what this would go to. Some of those might be in line with the intention of the Environmental Trust, some would not. And the other issue here is-- I'm looking in this book that I got from the Fiscal Office, which is the LFO Directory 2022, State Agency Programs and Funds. And you can see on page 346 of that the beginning balance and ending balance for the Water Resources Cash Fund. And in 20-- 2020-2021, the beginning balance, \$25 million; ending balance, \$28 million, with a \$6.4 million transfer and \$3.8 million in expenditures. 2021-2022, beginning balance, \$28 million; ending balance, \$27,400,000, with a expenditure of \$4.3 million. The point I'm making here is that this fund has \$27 million in it and is spending at-- in the last four bienniums, the highest rate is \$4.6 million, which means this fund is going to be funded for about the next, oh, let's say five years, without this particular appropriation. So why are we doing a constitutionally suspect transfer from the

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Environmental Trust Fund to a fund that already has \$27 million in it to service projects that it's funding at \$4.3 million a biennium? So there's no rush to do this. If we strike, if we adopt my amendment, AM1548, there's no need to backfill that funding from another source because this fund will-- it will still be sustainable without it. We'll probably have to come back in a future biennium and continue to appropriate funds, as we've done in the past, of \$3.3 million last biennium, \$6.4 million, 5-- \$6.5 million, going back to 2018, \$13 million. So there's no reason to do it at this point. It's constitutionally suspect, and so I think that's a good reason.

HANSEN: One minute.

J. CAVANAUGH: Thank you, Mr. President. Additionally, as we're considering this budget and we're making transfers, one, that are unnecessary, but, two, we-- they're-- it's a transfer to an organization that makes grants. So it's not for a specific project like some of these other transfers we're talking about. It's not like the canal, which I'll have things to say about in another day. It's not like the prison, which I'll probably have things to say about today. But it's not transferring-- we're not transferring the \$7 million each of these years for a specific project to this. We're transferring it to essentially fund an ongoing grant program of the Department of Natural Resources. And that's not what the Environmental Trust is for, it's a violation of the constitution, and it is unnecessary at this point in time. So I would encourage your green vote on AM1548. Thank you, Mr. President.

HANSEN: Thank you, Senator John Cavanaugh. Senator Conrad, you are recognized to speak. Not seeing Senator Conrad. Senator Erdman, you're recognized to speak.

ERDMAN: Thank you, Mr. President. And good afternoon. We've been talking several times, people have about the budget, about the amendment, and it's very similar to what happens every time we have a budget. We seem to love it to death. We're actually going to vote on this very soon, I would hope. And there are other amendments, I think, that are significant that need to come up. And the longer we drag this out and we continue to stall, I don't believe you're changing anybody's mind. That very seldom happens. And so I think whatever we're going to do, everybody's decided on that. Let's just vote and have it over with. So that's my opinion. And I would yield the rest of my time to Senator Clements.

HANSEN: Thank you, Senator Erdman. Senator Clements, you have 4:50.

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CLEMENTS: Thank you, Mr. President. I would like to respond again to this Environmental Trust Fund transfer. It's been mentioned that Department of Natural Resources does apply for grants from the trust fund, and that's because they are allowed by statute 50 extra points in their application for grants. And that effectively guarantees the Department of Natural Resources that they'll be rewarded-- awarded their grant requests. The 50-point bonus has been in statute for a while and it's not been challenged. And so a, a direct transfer accomplishes the same purpose as giving them 50 points and having them go through the process of being awarded the money. As long as the funds are used according to the restrictions of the trust, I believe it's inappropriate, and we did put that language in the bill, is to be used in accordance with the Environmental Trust restrictions. And again, it's been mentioned that the Water Sustainability [SIC-- Resources] Cash Fund does have funds, but the Environmental Trust has \$112 million, I've been told, and it's growing yearly from lottery funds, which I believe are increasing, and that there were \$67 million unobligated, which would leave still \$53 million unobligated, not taking the fund down to zero or causing a hardship. And so I do continue to oppose AM1548 and ask you to vote no on that. And that's all I have at this time. Thank you, Mr. President.

HANSEN: Thank you, Senator Clements. Senator Dorn, you're recognized to speak.

DORN: Thank you, Mr. President. Didn't get an opportunity to speak this morning, so I wanted to get up and speak a little bit on the budget being on the Appropriations Committee. I too want to thank Senator Clements for his leadership this year and working through this process. We did have kind of a light moment one afternoon, kind of a hectic afternoon, and Senator Clements made the comment and we all got a good laugh out of it. He said, you're going to have to have patient with-- patience with me. I'm new at this. And we all got a very good laugh out of that. So there was a lot of working through a lot of different things this year with a new, a new Chairman. We had Senator Stinner here before, who'd been here six years. But it-- also, I thought the committee came together very well and worked very good. But I really wanted to thank Keisha and the rest of the Fiscal staff here. You would be amazed at how often, just like other committees, those staff people, you rely on them so much, you ask them so many questions and hopefully they don't get fed up with us and keep giving us some answers or whatever to help us through some of these issues we have with the budget. One of the things I always like to talk about in the budget, and I've gotten up every year and talked about it, is how we in the appropriation process-- yes, we make the budget. We look at,

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I call it, do we need to reappropriate or do we need to make some corrections to this year's budget that ends July 31? But then we make the next two-year biennium budget. But a good part also of our conversation is when you look at-- on page, I don't know, it's three or whatever, our financial status and you look at the next two years out-- and we do a lot of planning not only for these next two years but, I call it, the two years after that to make sure that, as a state, we are being fiscally responsible, that we leave our state in a good, sound, solid financial position so that, as some people mentioned this morning, if we have times of downturn of revenue or as we're facing today in the economy in the state of Nebraska and nationwide, as we're facing the inflation that we're having to deal with, so that we have funds available and that we do a good job of planning so that, in those out-years, it looks like we should have very solid financial numbers. Because I wanted to point out on the one page where, where, where we-- it shows we're coming to the floor with \$714 million. If you take that forward and look out there in two years, assuming the revenue, what the Forecasting Board, assuming the revenue stays there and is there, and that we have appropriations at the level or the amount that we have in this budget, 2.3 to 3 percent, that in four years or at the end of the second biennium-- or, the second two years of this-- the two out-years of this budget, we will be back to a little bit over \$2 billion again. I think that should give a lot of people some assurance that some of these programs that we're funding we can fund and that we have the ability as a state of Nebraska to do that. When I look at some of those numbers, those are what I look at. Yes, there are very, very important things in this year's budget, very, very important things that we need to fund. We need to continue to fund new programs that are requiring funding. But when I like to always look at, what I call, the longer term view, right now, according to these numbers and accounting to projections-- and that's what they are. These are not set in stone, but if we have--

HANSEN: One minute.

DORN: --downturns or if we have-- thank you, Mr. President-- other issues to deal with, there is a solid financial base here that we can rely on and can use going forward. Thank you, Mr. President.

HANSEN: Thank you, Senator Dorn. Senator Linehan, you're recognized to speak.

LINEHAN: Thank you, Mr. President. I'm going to try to be lighthearted. And I did give Senator Raybould a heads-up not to go to this editorial that was written by two former state senators. This is

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where we should have all stopped reading it if we were reading it: Now, however, there seem to be very few in the Legislature who care about the state's financial health. Really? Very few. That's where we should have all stopped reading, right there because you know it's not true. Then it goes on to say: When we were in the Legislature, we faced many tough decisions. Revenues were consistently down. We had to make budget cuts year after year. OK. I would like you to pick up your budget book and turn to page 11. Page 11 has a very nice graph that shows you what our revenues have done since 2002. And over on the right-hand column, it will tell you just how much they went up every year. 2008 and 2009, before either one of these senators were here, we did have a revenue loss. It was the Great Recession. So, yes, but that was before they were here. So if you look down the only year-- we were never down. We might have been not as high as forecast, but revenues have not been down. Then we go: To make it work, we have spent decades cutting spending, hacking away at government grizzle, and putting agency budgets in a chokehold. Now I'd like you to turn to page 19, where you can see the historical General Fund appropriations. So let's look at university and state colleges, first line, 2014-15, 5,000,900-- excuse me-- \$592 million. Let's look at '24-25. 500-- excuse me-- 758, almost \$759 million. Oh, let's go down to Health and Human Services. '14-15, \$210 million, let's say. '24-25, \$355 million. Let's go down to all other agencies. '14-15, \$166.5 million. '24-25, \$260 million. We can go down to Medicaid. 2014-15, \$778 million, let's say. '24-25, \$1,019,462,441. We can go to child welfare. '14-15, 137-- let's make it \$138 million. '24-25, \$198 million. Look through them all, guys. Find me where the big budget cuts are that we had to scrape for. There aren't any. Then there's another paragraph here: How can we have a budget of just over \$5 million and have this huge surplus? Because people are paying too much in taxes. That's why we have a huge surplus. And we are not being irresponsible. We're not using the surplus to cut taxes. The tax cuts are going to come out of the General Fund, if they pass, on your green sheet here. And your green sheet shows you clearly that there are 700-- there is 714, almost \$715 million--

HANSEN: One minute.

LINEHAN: --in the next biennium and over \$2 billion in the biennium after that. Plenty of room for tax cuts and other A bills. And on top of this money, we have a Cash Reserve that-- it's still going to be almost \$1 billion, which is 16 percent, which we've never had before. And we've taken \$1 billion and put it in educational futures [SIC-- Education Future] trust fund, plus \$250 million a year. To say this is not sustainable or to say that we have cut government for 10 years

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is-- it's silly. None of, none of those things-- we can say things all day long. But if you're going to say them, back them up with some numbers, at least one or two numbers. Thank you, Mr. President.

HANSEN: Thank you, Senator Linehan. Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. I do stand in support of AM1548 introduced by Senator John Cavanaugh. And I do appreciate Senator Linehan's comments. And, you know, I look at, at numbers all day long too. Not as much as our Fiscal Analysts or the forecasters, but, you know, there's some numbers that really pop out to, to me a tremendous amount. You know, when I look-- we have given corporate tax cuts through LB873. But what is the trade-off? Are we seeing a big bang for our buck? Are we getting corporations flocking to us? And that's a question I've asked all the state senators. Name me a state where you have had that reduction in corporate tax-- taxes. And how are they flooding to your state? The reality is-- and this is a number that comes from census.gov, the library on the, the business formation statistics. And so right now, the state of Nebraska is down 3.7 percent in the number of applications for incorporation. So that's kind of a-- a great indicator, is how many companies are forming in our state, which is a good bellwether of, are we growing our state? The reality is that our GDP is lagging behind that of the United States, and that's not something to really be proud of or to be able to-- you can make projections from it, but are, are they reasonable and sound projections going forward for some of the amazing programs that we want to launch this year and to sustain going forward? And as I mentioned before, in the Governor's budget, with everything thrown in, we are going to be at a deficit in 2025 and 2026 in our general funds if everything is passed. Now, that's a big if. If we pass everything. And I think it's important, again and always, to have those triggers so that we're not putting that burden on future senators so that we can, we can rein in based on what the actual numbers are coming in at. And we know the state of Nebraska is not keeping pace with all the other states surrounding us as-- and all the other states in the United States when it comes to increasing our income. And so these are a few things that we need to be mindful of and, and be concerned about. And I'm hoping, Senator Clements, with the time I have left, will you yield to a few questions?

HANSEN: Senator Clements, will you yield?

CLEMENTS: Yes.

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RAYBOULD: So Senator Clements, you know, I know that there have been some increases for our provider rates, but I know that I, I keep getting emails from people saying it's not enough, it's not-- the current rates are continuing to lag behind for the actual cost, tighter labor markets, inflation. So could you talk a little bit about the provider rates in the budget so we can have a better understanding?

CLEMENTS: Yes. The budget gives 3 percent increase the first year, 2 percent the next year, which is a total of \$80 million to various Medicaid providers. Last year, they received 15 percent increases. And on top of that, ARPA money, especially developmental disability and nursing homes, will continue to get \$15 million this year in the first year and \$12.5 million the second year, which is for those who-- use is another 7 percent and 5 percent. And so they're-- I have, I have heard the same thing that they say that they've used the money to increase salaries and, and pay, but we have tried to catch them up with that 15 percent last year and some more additional this year.

RAYBOULD: Thank you very much. I have another question because I know that some of the providers, and certainly a lot of the nursing homes we've known-- that-- and we have known and seen that so many of the nursing homes have closed across the state of Nebraska. So I guess is it too little too late? Because I don't think we're going to be reopening or opening new nursing homes, but--

HANSEN: One minute.

RAYBOULD: --thank you, Mr. President-- is there-- I guess the concerns that they're saying to us, and you have heard them as well, that even though the increases that are being proposed of 2 percent and 3 percent on top of the 15 percent is not enough to, to make them viable. Do you have some thoughts on that?

CLEMENTS: Well, they have been having to hire contract nurses, especially for two and a half times the pay. And I'm really hoping that they can get back to standard pay. And the, the COVID situation did increase their costs a lot for personnel. And it's just not sustainable ever, no matter how much we give them, if they continue to have to hire people at that rate.

HANSEN: That's time, Senator.

RAYBOULD: Thank you. Thank you, Senator Clements. Thank you, Mr. President.

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HANSEN: Seeing nobody else in the queue, Senator John Cavanaugh, you're recognized to close.

J. CAVANAUGH: Thank you, Mr. President. I appreciate the discussion, colleagues, on this important issue. And just a few-- wanted to circle back on the things we've talked about. So top-line item is obviously that this appropriation is in the constitution and is not within our authority to do. So that's the number one reason you should vote for AM1548. Senator Clements has pointed out a few instances in which this body has acted contrary to that. Most of those happened before this was enshrined in the constitution. There have been a few after, and one of them he just mentioned last time was about where this Legislature had basically advised the Department of Natural Resources to apply for these grants through the Environmental Trust and had instructed the Environmental Trust to give those 50 points. I would say that's distinguishable from what's going on here is because, for one, the department then had-- did have to apply, go through the application process, had to qualify. And 50 points, though a lot, was not-- is not dispositive. If you only got 50 points, you would still not get a grant under that-- the old rubric. Additionally, when the grant was granted under that system, the grantee-- being the department for this purpose-- was still subjected to oversight and jurisdiction of the Environmental Trust to make sure that they are reporting and following those requirements. This is different. This is where the, the Appropriations Committee and the Legislature is just sending the money directly to the department. No oversight by the Environmental Trust, not subjecting themselves to the requirements of the, the grant process itself. So that is clearly a violation of the intent of the constitution and the, the letter of the constitution. I would point out there is a discrepancy about how much money is outstanding in the, in the Environmental Trust, and looking through the LFO Directory, page 378 has the Environmental Trust allotment there, and it has the cash in and outs. Essentially, what you can really say is the Environmental Trust gets about \$20 million a year from the lottery funds and gives out most of that \$20 million every year. Some of it they didn't grant out last year, which is a problem with the Environmental Trust Board, which this body knows I have raised over my three years now here about the Environmental Trust Board becoming increasingly politicized and making political decisions rather than decisions based off of objective standards in the granting process. But that is not a reason for us to circumvent the constitution and take that money away. That's a reason for the board to be subjected to more oversight when they come back for reappointments, making sure that they're actually doing things the way

that they're supposed to be doing things. And so they were-- they did refuse to grant a certain number of projects last year that would have qualified in previous years and refused to allocate the full allotment. But in all previous years, they have basically granted out all the money they had and then just cut the line at the last place where there was funding available. So they were using the funding for qualified projects that went through the grant application process that subjected themselves to the Environmental, Environmental Trust and oversight, which is how it's supposed to work under the constitution and under the laws of the state of Nebraska. So this is-- and again, for those of you who weren't here earlier, the Water Resources Cash Fund currently has, or at least last year had, a balance of \$27 million and was paying out about \$4.3 to \$4.6 million a year, which means it is a funded cash fund that has enough funds to meet its obligations, current obligations and future obligations for the foreseeable future and we may have to revisit it later. This is not an emergency infusion of cash from the Environmental Trust. It's an unnecessary and unconstitutional infusion of cash from the Environmental Trust and is not something we should be doing at this time and we shouldn't do at a future date either when the, the Water Resources Fund would become insolvent if we don't fund it. So I would ask for your--

HANSEN: One minute.

J. CAVANAUGH: --green vote on AM1548. And again, I appreciate the discussion on this, and I look forward to further discussion on the appropriations. And, Mr. President, I would ask for a call of the house.

HANSEN: Thank you, Senator John Cavanaugh. There has been request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 16 ayes, 7 nays to place the house under call.

HANSEN: 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 Blood, Senator DeBoer, Senator McKinney, Senator DeKay, Senator Holdcroft, Senator Moser, Senator Ibach, Senator Bosn, please return to the Chamber. The house is under call. All unexcused members are now present. Colleagues, the question before the body is the adoption of

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AM1548. All those in favor, please vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 12 ayes, 28 nays on the adoption of the amendment.

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

CLERK: Mr. President, next amendment. Senator Dungan would move to amend with AM1581.

HANSEN: Senator Dungan, you're recognized to open.

DUNGAN: Thank you, Mr. President. Colleagues, I just want to open up briefly on AM1581. I want to, first of all, again, thank the Appropriations Committee for their care that went into a lot of this budget. I know there's things, again, we disagree with, things we agree with. But AM1581 is a friendly amendment where I've spoken with Senator Clements and-- as well as a couple of other members of the Appropriations about it. So I just want to give you a little bit of background here. AM1581 is an appropriation of \$200,000 per year for the next biennium to the Nebraska Supreme Court for the purpose of increasing wages for our court interpreters. Nebraska-certified court interpreters have not seen a pay increase for 18 years. Because of this, Nebraska has not certified a court interpreter since 2016. Here in Nebraska, we have over 90,000 Nebraskans who speak English less than well, people who either are hard of hearing, speak ASL, or speak other languages. This includes people who are, in fact, deaf and hard of hearing who have to also be in the courtroom. We have a constitutional obligation to ensure that people understand what is happening when they're in the court for whatever reason. And I would also point to-- we actually have a statute on that at 25-2401, where we as a Legislature have actually written that: It is hereby declared to be the policy of the state that the constitutional rights of persons unable to communicate the English language cannot be fully protected unless interpreters are available to assist such persons in legal proceedings. So we actually have gotten together and stated in our statutes that people who are unable to speak the, the language of the court have to have the-- some sort of accommodations there to make sure they can do that. I have personal experiences having worked with court interpreters, as many of you have heard during our various debates. I've served in courtrooms for a number of years, and I can tell you that when you don't have court interpreters who know what they're doing or if you don't simply have court interpreters, it makes the process incredibly difficult. I have worked with clients who could have resolved their cases on the day that we were in court; but due to

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a lack of court interpreters, cases have been continued, and people have actually remained maybe in custody longer than they should have or they've had cases drawn out over a longer period of time. I also want to speak to the general professionalism of the interpreters that we do have here in Nebraska. All of the interpreters that I worked with at the Lancaster, Lancaster County Courthouse were fantastic. They were incredibly well-trained, but we simply don't have enough of them, and we don't have enough of them continuing to get certified because there's not ample payment for them to do so. A number of the interpreters that I worked with who were incredible at their job were forced to leave doing court contracts and going into the private realm simply because they weren't being reimbursed adequately for the services they were doing as court interpreters. And so this legislation was one of two major priorities for the Supreme Court. I've spoken with Corey Steel, the State Court Administrator for the Supreme Court, at great length, and he stated the importance of including this in the budget. If we do not adopt this amendment, the consequences will be harsh, not only for the people who need an interpreter but also for taxpayers. When an interpreter is unavailable, the taxpayer is on the hook for costs associated with that delay. As I indicated before, I've actually seen people remain in custody for a month or longer because we didn't have an interpreter at the courthouse that day, and that ultimately cost the taxpayer thousands of dollars to continue to house that person in jail. With the support of court interpreters, the Supreme Court, and the members of the Appropriations Committee, I would hope to urge your green vote for this on AM1581 so that we can fulfill our constitutional duty of providing a means of communication for Nebraskans involved in our judicial system. I'm happy to answer any questions that anybody may have. Happy to continue to have a conversation about the importance of court interpreters. And with that, I would just urge your support of AM1581. Thank you.

HANSEN: Thank you, Senator Dungan. Senator Hughes would like to welcome 35 fourth graders from Seward Elementary School in the north balcony. Please stand and be recognized. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. Welcome, kids from Seward. Don't be shy. You guys can stand up. We all are happy to see you. There we go. Yeah. Well, welcome. We appreciate the kids coming. I rise in support of AM1581. I appreciate Senator Dungan bringing this amendment. I have obviously similar experience to Senator Dungan working in the courthouse as a public defender, and the services of the court-certified interpreters are essential to the functions of our

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court systems. And I've seen on countless occasions where the courts grind to a halt because we don't have enough interpreters in the courthouse. And, you know, we're getting-- growing as a-- just a pluralistic society, a lot more folks coming here that speak different languages, more, you know, regional dialects and things like that, and we need more specialized interpreters to make sure our system continues to function. And as Senator Dungan pointed out in his introduction, that the cost is borne by the taxpayers in the state when the court systems slow down because we're paying for, you know, the, the sheriffs to keep the courts open, we're paying for the judges, we're paying for the bailiffs, paying for the clerk time, and all of those things. And so when we drag out and create extra hearings and things just because we couldn't get an interpreter there, that is a cost that is borne by the state and is an inefficiency in the system. Additionally, as Senator Dungan pointed out, justice delayed is justice denied. Somebody who is held in jail for one day longer than they need to because of some sort of technical or procedural or, you know, clerical hurdle in our court system is an injustice. And so we need to make sure that we are making-- that people have access to that opportunity to have their day in court when their day in court happens and that it doesn't get delayed just because we don't have enough interpreters. And so this is a modest proposal by Senator Dungan to make sure that our court interpreters are getting the first pay raise in 18 years and to make sure that we have enough interpreters to make sure all of our courts are functioning, not just the ones in Douglas and Lancaster County, but the counties across the state who are having increased need for these sorts of services. So I would encourage your green vote on AM1581. And thank you, Mr. President.

HANSEN: Thank you, Senator John Cavanaugh. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. I rise to say that this is a friendly amendment and give an explanation why it was not in the budget. The judicial branch, we approve the Supreme Court's finances or the salaries of all of their judges and all their court clerks. It's over \$200 million, as I recall. And they, they brought us a list of priorities: one, two, three, four, five, six, base appropriation, administration and probation salaries, problem-solving courts, provider rate increases, clerks of the District Court, probation workload study. We approved many items. This item was never brought to a vote, and I didn't really realize it was that critical. The court has-- excuse me-- the bill was asking for \$600,000 per year. As I looked at that amount, that would provide enough increase to make us

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the highest of 14 states around here. The court give-- gave me a survey of interpreter rates. And this, rather than putting us above all the states around us, it puts us in line. It would be about 11 percent increase, putting us in line with states that are around us. And I think that is reasonable. And like many items we had in our budget, people had requests for a higher amount, and many of us-- I was one of them, my bill got cut in half, and a number of others did too. So I appreciate Senator Dungan for agreeing to work with a lesser amount, and I believe this will provide what is needed at this time for this purpose. So I do support AM1581. Thank you, Mr. President.

HANSEN: Thank you, Senator Clements. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. And good afternoon, colleagues. Before I jump in to some commentary in regards to AM1581 brought forward by my friend, Senator Dungan, I just also wanted to give voice to and acknowledge the very powerful event that many of us had an opportunity to attend over the noon hour in the Rotunda today with Arc of Nebraska and Nebraska neighbors across the state who were here to advocate for funding for service providers and families and individuals in the developmental disabilities community. It was well-attended and I think a testament to their incredible advocacy for the work that they've been doing in Nebraska for some time, and wanted to give credit where credit is due in acknowledgment to the new administration, to Governor Pillen for finding solutions to move already appropriated dollars out faster and directly to benefit those that those appropriations were intended to benefit by utilizing the power of the executive branch. And I think that's very meaningful and appreciated and just wanted to acknowledge that. I appreciate Senator Dungan for bringing forward this measure. As a longtime civil rights attorney, I know that these issues are hand in glove with access-- to ensuring access to justice. And we have obligations, legal obligations, policy, and practical considerations to think about when it comes to ensuring that all Nebraskans have an opportunity to interface with their government in a meaningful and efficient and effective way. We have particular obligations, heightened obligations when it comes to some of the decisions, particularly in the criminal justice system, to ensure that when liberty is at risk that we have clear lines of communication available for all stakeholders. So I wanted to acknowledge Chief Justice Heavican and the court's ongoing commitment to ensuring appropriate tools are in place to continually strengthen access to justice, whether that's for English-language learners, low-income Nebraskans, Nebraskans who are in need of accommodations for other disabilities. I do think that this is an area

where we have continued to make modest improvements, and I'm glad that we're making some very modest improvements in regards to the translators that are key to serving that access to justice in our courtrooms across the state. The other thing I just want to note in closing in regards to this amendment-- and this is something that I think will be a frequent refrain in regards to this budget and then looking at other related issues when it comes to cash funds, we're seeing an increased utilization of cash funds to fund core functions of government. That's not what's happening with Senator Dungan's amendment, and I'm glad to see it. When it comes to core functions of government, like access to the courts, we need to ensure that those measures are paid for and supported by general funds. Because when we push more and more core functions of government onto cash funds, things like court fees-- which have particular burden on those who can least afford them-- we're really, I think, muddying the water in terms of what the core functions of government cost to put together a sound and thoughtful budget. And we're tipping the scales in the wrong direction when it comes to income inequality and overall equity as well. So--

HANSEN: One minute.

CONRAD: --I'm pleased to see-- thank you, Mr. President-- not only this amendment come forward in terms of its importance and its-- in terms of substance, but also wanted to take a note in regards to the propriety of the funding source, which should be general funds for core functions of government. Thank you, Mr. President.

HANSEN: Thank you, Senator Conrad. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. And to just piggyback on Senator Conrad's comments, I did-- I was remiss in not using this opportunity to thank the Appropriations Committee and the Governor for including a \$1 million appropriation annually for the Commission on Public Advocacy. The commission is-- provides essential indigent defense, meaning for people who can't afford their own lawyer, for serious offenses, mostly in rural Nebraska. This makes sure that our legal system functions appropriately, make sure that people get adequate defense when they're facing serious time in prison, and make sure that we don't have mistakes in the criminal justice system that then lead to cases being overturned and then we have to litigate them again at a higher cost to the state. And this cost is borne by the state of Nebraska and not those smaller counties. Most of you represent a lot of these smaller counties that when they have a

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serious offense happens, like a homicide in the county, if the commission didn't exist, your county would bear the cost of that at property taxpayer expense. And so this allocation is a, is a form of property tax relief to the smaller counties in the state of Nebraska. It is a, a recognition of the importance of a functioning criminal justice system that provides adequate defense for accused individuals. And to Senator Conrad's point, it does it in a smart way that recognizes this is a general obligation of the state and not something to be borne by court fees solely. And so the commission does receive some court fee funding, but those court fees are not paying enough to keep the commission operating. And so the Governor and the Appropriations Committee, thank, thank you for doing that and recognizing that it's important that we put some funds into this and make sure that it can continue to operate and provide access to adequate representation for those individuals being charged and providing property tax relief to the counties in the state of Nebraska. So I again would encourage your vote on AM1581. And thank you, Mr. President.

HANSEN: Thank you, Senator John Cavanaugh. Senator Linehan, you're recognized to speak.

LINEHAN: I'm just going to get up real quick and say I agree with everything that Senator Dungan said and Senator Cavanaugh said and Senator Conrad said. On this subject. Not every subject, but on this subject. I think they are right. And I would actually hope that maybe we can do more. If we can't do more this year, next year on the million dollars. So, thank you, Mr. President.

HANSEN: Thank you, Senator Linehan. Seeming-- seeing no one else in the queue, Senator Dungan, you're recognized to close.

DUNGAN: Thank you, Mr. President. And thank you, colleagues, everybody who, who spoke on that, Senator Clements and Senator Linehan, Senator Cavanaugh. I really appreciate the different perspectives on that. I just want to highlight for folks, again, when we had the Chief Justice of the Supreme Court here earlier this year, he spoke about a number of things that were important to him in our court system. One of the things that he specifically highlighted was making sure that we have better access to justice. We have entire programs in our court system that focus on access to justice, and a major component of that is ensuring that folks can actually understand what's going on. I was just having a conversation over here under the balcony about how terrifying it must be if you don't speak a language and you're involved in a court system. The court system is daunting enough for

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people who don't regularly interact with it. Imagine standing in a courtroom and not understanding a single word that anybody is saying. So I, I agree this is one step forward to ensuring we continue to fully fund our court interpreters. I will probably continue to have these conversations into the future with my colleagues about the importance of this, but I appreciate everybody's support. And I would appreciate your green vote on AM1581.

HANSEN: Thank you, Senator Dungan. The question before the body is the adoption of AM1581. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 31 ayes, 1 nay, Mr. President, on adoption of the amendment.

HANSEN: The amendment passes. Mr. Clerk.

CLERK: Mr. President, next amendment-- excuse me-- some items quickly. Senator Conrad new LR: LR124 and LR125, both referred to the Executive Board interim studies. Concerning LB814, Mr. President, Senator Linehan would move to offer AM1573.

HANSEN: Senator Linehan, you're recognized open on your amendment.

LINEHAN: Thank you, Mr. President. I'm going to-- I've talked to the Speaker about this. I'm just going to talk about this for, whatever, five minutes. Wave me off. And then I'll pull it down. The Department of Ed this year asked for money to help improve the teaching techniques of teachers in our elementary schools. I do, I do appreciate what Senator Erdman said this morning about Senator Patty Pansing Brooks and my work, and my work on this issue. And we've made progress. It's, it's, it's just like pushing a rock up the mountain, though. The Department of Ed, if you go to their website now and you search "dyslexia," they've got-- they-- it's all there. It's, like, you can read about it and they can give you suggestions, but who's going to go to the Department of Ed's website and read? Like, teachers aren't sitting around on their hands looking for things to do. And we had-- and Senator Walz and I have talked about this. She's very lucky she had a-- Senator Walz, would you yield to a question?

HANSEN: Senator Walz, will you yield to a question?

WALZ: Yes.

LINEHAN: Senator Walz, you went, you went to college to be a teacher, right?

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WALZ: Yes.

LINEHAN: And that was a time when there was an argument about whole language versus phonics.

WALZ: Yes, it was.

LINEHAN: And what did your instructor, who you still remember, tell you about that?

WALZ: Well, whole language was really popular when I was going to school. And my instructor said, you know, I'm going to have to teach you whole language, but I want you to understand that phonics is really the best way to teach kids how to read.

LINEHAN: Thank you.

WALZ: Yes.

LINEHAN: So there are many kids, and I had a couple, that-- easy, it was easy to read. I have some grandchildren that are reading way beyond grade level, but there are children that can't do whole language. They have to have phonics. And then you have children who are dyslexic-- and I would say there's several different programs, but what they need is phonics on steroids. I mean, they have to learn the sounds, they learn how to put it together, and then they can read. And this has to happen when they're little so they don't get to the third grade-- this is actually-- this is all connected-- Senator McKinney, I don't see him. I don't know if Senator Wayne is here-- but this is all connected. If you're a small child and you are frustrated and you're hating school by the third grade because you can't read, and when the teacher calls on you to read out loud, you'd rather throw your desk across the room. So-- not this year, but I hope we can come back to the subject next year because we-- it's not the teacher's fault. It's not schools fault. There's just a lack of information. And the teachers I found who are doing this had somebody they loved or a student they couldn't understand. And they've done the research themselves. But there's nobody out there pushing this issue as hard as it needs to be pushed. And just for inspiration, this morning, just this morning, I got a letter from a grandmother who had a daughter-- I'm not going to read their names-- and her daughter, she knew she was bright, but she couldn't read, so they put her in special ed classes. Well, if you go to special ed classes all through K-12, you're not going to college. You're just not. So her daughter didn't, but now she has-- she had three children and she's got-- I don't know how many

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grandchildren-- but she's got three grandchildren that are having the same issues. So this is a generation, folks. She's raised one daughter. Now she has three grandchildren, and it's the same problem. Nothing's changed. And just the last thing-- and I know you'll talk to your schools. I would-- this will be a challenge for the summer. I would challenge all of you. Talk to your schools. Ask them what they're doing about dyslexia. Because by law, by law, they're supposed to be addressing this. And when they say we're handling it, ask them to show you how are they handling it. Not special ed. There are certain reading programs that can be used that work. I'm not going to advertise them. There are three-- the Department of Ed can help people get to them. But if they can't show you what they're doing and if they're putting them in special ed class or putting them in a corner, that's not going to work. So with that, I'll pull the amendment. Thank you, Mr. President.

HANSEN: Thank you, Senator Linehan. The amendment was withdrawn. Mr. Clerk.

CLERK: Mr. President, Senator McDonnell would move to amend with AM1568.

HANSEN: Senator McDonnell, you are recognized open on your amendment.

McDONNELL: Thank you, Mr. President. I bring this from the-- as, as Chair of the Retirement Committee, amendment to look at an actuarial study, to complete an actuarial study. The amendment pursuant to Rule 5, Section 15(c) that allow, allows the Retirement Committee to amend an appropriations bill to conduct an actuarial study for a state agency retirement plan. The rule requires that the study be completed prior to the enactment of a bill that impacts benefits or funding sources. AM1568 provides cash fund authority to NPERS to conduct a study for LB196 that proposes contribution rate changes, surviving spouse benefits, and cost of living adjustments to the State Patrol retirement plan. Both the rule and the amendment require the study to be completed by November 15 of 2023. This will be taken out of cash funds for \$10,000. Thank you, Mr. President.

HANSEN: Thank you, Senator McDonnell. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. Would Senator McDonnell yield to a question?

HANSEN: Senator McDonnell, will you yield?

McDONNELL: Yes.

CLEMENTS: Which retirement plan is this going to be affecting?

McDONNELL: The State Patrol.

CLEMENTS: Thank you. That's what I thought. The Nebraska State Patrol, we've made some adjustments in-- I'm on the Retirement Committee as well, and we made some adjustments in the provisions of their retirement plan. And by statute, I believe, or at least regulation, we're required to have an actuary evaluate the effect of those changes on the retirement plan. And this \$10,000 expense will hire an actuary to give a report to let the Retirement Committee know what the effect is of the changes that we've made and let us know what the funding percentage will-- how it will affect the funding status of that retirement plan. There are minor changes. It's not going to be a major difference, but I do support AM1568. And it's a necessary thing that-- it just needs to be an adjustment to our budget for the Retirement Committee. With that, that's-- I just ask for your green vote on AM1568. Thank you, Mr. President.

HANSEN: Thank you, Senator Clements. Seeing no one else in the queue, Senator McDonnell, you are recognized to close. He waives closing. Colleagues, the question for the body is the adoption of AM1568. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 28 ayes, 0 nays, Mr. President, on the adoption of the amendment.

HANSEN: The amendment is adopted. Mr. Clerk.

CLERK: Mr. President, next amendment. Senator Machaela Cavanaugh would move to amend the committee amendments with AM1589.

HANSEN: Senator Cavanaugh, you're recognized to open on your amendment.

M. CAVANAUGH: Thank you, Mr. President. Colleagues, AM1589 moves the appropriation of TANF funds for two different programs, the-- let me get them straight here. So LB112, which was the child advocacy centers' bill that appropriated funds for child advocacy centers. In the amendment, AM915, the Appropriations Committee, instead of using general funds for the increased appropriation, used 700-- 700. I'm sorry-- \$7.5 million in TANF funds and an additional \$500,000 for the coordination of the activities. And then LB739 for the domestic

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violence services-- again, instead of using general funds, the committee is using \$3 million in federal TANF funds for the domestic violence services. Colleagues, both of these programs are currently funded with general funds. This is an increase in funding. And these are General Fund items. And they should be funded through the general funds. And that is why I have introduced this amendment. It doesn't remove the funding from either of these programs. It doesn't remove the appropriation. It merely takes it out of TANF, Temporary Assistance to Needy Families, and puts it into the appropriate category, which is the general funds. We do have \$3,012,178 allocated in general funds for Program 354, Child Welfare Aid, currently in the budget, and we have \$1.98 million in general funds for Program-- for Program 354 for the domestic violence services. So this would just increase that General Fund appropriation to be the total of the \$3 million plus the 700-- \$7.5 million and the \$1.98 million to increase by \$3 million. I knew this was coming. I knew this was coming. I knew that people were going to go after the TANF funds. I hoped that it wouldn't happen. I hoped that my colleagues on the Appropriations Committee would use better judgment. But I knew it was coming. There's an additional TANF designation for the food pantries, which I also believe should be general funds, and I have an amendment for that. However, I have not introduced that amendment yet because I think that that is a separate issue, as it is a one-time expense and it is much easier to ensure that those funds are going to be used for the intended population of TANF. TANF funds come with a lot of strings attached, federal strings. And it, first of all, will be significantly easier for the domestic violence services and the child advocacy centers to utilize the funds that we are giving them if they are general funds. It will be significantly easier, and the administrative burden will be reduced significantly. TANF funds are intended for a specific population of people; and as the Legislature has not sought to increase eligibility for TANF for decades, it is a very restrictive population. And utilization of TANF funds should take into consideration the population that we as a Legislature have set forth that they are for, and that is 50 percent of the poverty level. So if we are to use TANF funds for child advocacy centers, if we are to use TANF funds for domestic violence services, if we are to use TANF funds for food pantries, then we must ensure that those funds are only being expended on individuals that qualify for TANF at 50 percent. And that is not a very large population. And while I think that these are very worthy expenses, they should be general funds. And with general funds, we can serve a larger population with these funds. But as this Legislature has decided that expend-- expanding eligibility for TANF is not a priority, our eligibility in the state remains at 50 percent,

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50 percent of poverty. To put that into context for you, most of our other public assistance programs, at a minimum, start at 130 percent. At a minimum, TANF is at 50 percent of poverty. So we are giving these funds, we are increasing funds for these programs with enormous restrictions and enormous amounts of accountability. And the reality is that these bills were introduced as General Fund allocations to begin with. They were not introduced to be TANF. The committee itself decided to shift this financial burden to TANF. We are essentially robbing a fund intended for people in severe poverty, and we should not be doing that, colleagues. We should not be doing that. We should be using the funds for what they are intended for, and this is not what they are intended for. Unless we are saying, OK, child advocacy centers, we're going to give you \$7.5 million to serve people who are 50 percent poverty. That is a significant amount of money for the number of people that are in that population, but OK. Domestic violence services, we're going to give you \$3 million to serve people who are at 50 percent poverty. Again, significant amount of money for a very restricted population. And how are these entities going to track this? When somebody comes to a domestic violence service center, are we going to ask them, oh, well, we need to know what money we're going to be using to fund giving you services, so, first, we need, we need your financial statements because we have to report to the federal government if you qualify for this pot of money to be used for the services that we want to provide to you. Or we could just allocate the general funds. If it is the intention of this Legislature to fund these programs, then we should fund these programs. But we should not be stealing from TANF to do it, Temporary Assistance to Needy Families. TANF. I don't have any, any illusions whatsoever that this amendment will be attached, primarily because the nine people who serve on this committee made the choice to go after this fund, made the choice to inappropriately appropriate these funds. And it was a choice made as a group. And it is unfortunate. I've been sitting here today-- honestly, I have a huge knot in my stomach. I'm so-- getting the budget with only 24 hours means that you're reading the budget while debating the budget. You are uncovering things in the budget and trying to digest them and think about them and strategize about the appropriateness or inappropriateness of them all in real time. And that is an overwhelming thing for all of us. And I am overwhelmed by it, but I'm also devastated by it. I am--

HANSEN: One minute.

M. CAVANAUGH: --devastated by this budget. I am devastated by the work of this committee because, to me, this budget reflects a purposeful intention to shift money around so that there's more money on the

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floor for General Fund appropriations for tax cuts for the wealthy or pet projects for members of this Legislature, and I find that unconscionable. And I'm extremely disappointed. I didn't know that I could be this disappointed in the Appropriations Committee, but I am. I truly am. I find this budget to be heartbreaking. I really do. And that is not a reflection on the work of the staff. That is a reflection on the work of the committee members. Nine people did this. It's disappointing. I'll get back in the queue. Thank you, Mr. President.

HANSEN: Thank you, Senator Machaela Cavanaugh. Senator Conrad, you're recognized to, to speak.

CONRAD: Thank you so much, Mr. President. Good afternoon, colleagues. I rise in support of Senator Cavanaugh's amendment. And I want to perhaps just acknowledge a, a couple of the issues that she mentioned and perhaps reframe some of my perspective in regards to how we got to where we are on this issue. So, number one, I think this lifts up perhaps a structural deficiency in terms of our process. So rather than casting blame at individual members, I want to acknowledge the fact that TANF rainy day funds and policies surrounding the utilization thereof, the eligibility for those, those measures have been referenced, in my view, appropriately to the Health and Human Services Committee. So Senator Cavanaugh and others of-- members of that committee have heard year after year after year that we're going to have a plan to deal with TANF rainy day funds and that we'll take up appropriate statutory reforms or changes to effectuate that. So I can definitely appreciate and understand her frustration in having heard, you know, that same kind of tired, broken record year over year over year. And I know that this is an issue that has risen to top of mind for members of the Health and Human Services Committee, really across the political spectrum, the deep concern for the level of funds that are available in our TANF rainy day fund without a clear plan for utilization. So we have that kind of happening on one track. On the other track, we have a host of worthy proposals like the ones brought forward from the child advocacy centers and the food banks and the domestic violence folks that are looking for resources to carry out their critical work as well. And the Appropriations Committee perhaps does not know about that longstanding policy discussion that's happening before the Health and Human Services Committee and the introduced legislation to address that when they're trying to figure out which pots of money to utilize to meet these other critical needs that these organizations provide in the health and human services round-- realm all across our state. So I think there's perhaps initially at least a structural problem or deficiency, which this

issue raises up an opportunity to make sure that we're not siloed and we're doing a better job of communicating with each other and other stakeholders about these parallel tracks that are happening so we don't find ourselves in this solu-- in this situation kind of moving forward. To get to another point of it, I, I really do feel like this proposal as part of the budget really puts us in between a rock and a hard place. Because on the one hand, we don't want these TANF funds just sitting in a fund unutilized by Nebraskans. That's not a advantageous kind of outcome that, that we would like to see. On the other hand, we don't want these TANF funds that were provided to the state for a very, very specific purpose to help the neediest of families to be siphoned off, to pad the bottom lines of any bureaucracy or any nonprofit agency, no matter how deserving or how important their work is. And again, this is not a referendum on the important, good, and incredible work of the food banks, the DV organizations, or the child advocacy organizations. But these funds were not intended for those purposes, and they should not be diluted or utilized for those purposes. Those should be funded by General Fund dollars if we do choose to fund them, and I think that we do, and Senator Machaela Cavanaugh's amendment allows us to do just that.

HANSEN: One minute.

CONRAD: Thank you, Mr. President. The other piece that I want to talk about-- and if I run out of time, I'll pension again just a little bit-- was also this structural problem that an approach like this really lifts up. The TANF rainy day funds have continually seen additional infusions of resources for a host of different reasons, primarily because we have not adjusted and updated our eligibility levels to ensure that those dollars are getting to the families that are most in need. But they-- this really shouldn't be an ongoing slush fund, cash fund, ongoing sort of, sort of funding resource for any of these purposes to help the food banks' or the child advocacy centers' or the domestic violence centers' programs and services. So we've also got kind of that structural problem baked in here in terms of one time versus ongoing funding that we need to really grapple with and think about.

HANSEN: That's time, Senator.

CONRAD: OK.

HANSEN: Thank you, Senator Conrad. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. Temporary Assistance for Needy Families funds primarily for direct cash assistance. TANF is a federal program that provides financial assistance to low-income families with children. The program is designed to help families achieve self-sufficiency by providing temporary assistance in the form of cash, employment training, and other supportive services. However, in recent years, there has been a trend towards using TANF funds for purposes other than direct cash assistance. Many states have diverted TANF funds to cover the costs of other programs such as childcare or transportation services. While these programs are undoubtedly important, they should not come at the expense of direct cash assistance. Direct cash assistance is crucial for families in need. It provides them with the resources they need to pay for basic necessities like food, rent, utilities. It allows them to maintain their dignity and autonomy by enabling them to make their own choices about how to spend their money. Additionally, direct cash assistance has been shown to have positive effects on children's health, education, and long-term outcomes. Direct cash assistance is a flexible form of support that can be tailored to the unique needs of each family. This is particularly important in the context of COVID-19 and the pandemic, which had-- has had a disproportionate impact on low-income families. Direct cash assistance can help these families meet their immediate needs and stabilize their finances, allowing them to focus on longer term goals like finding stable employment and pursuing education. Direct cash assistance should be the primary focus of TANF funding. Other supportive services are important, and they-- but they should not come at the expense of direct cash assistance. By providing families with the resources they need to meet their base-- basic needs, we can help them achieve self-sufficiency. We can help them build a brighter future, future for themselves and for their children. TANF funds should not be used instead of general funds. It's a specific federal program designed to provide temporary financial assistance to low-income families with children. It has a set of guidelines and requirements that must be followed in order to receive and use the funds. General funds, on the other hand, are funds that come from the state's and municipalities' general budget and can be used for any purpose deemed appropriate by this body. These funds are not subject to the same rules and requirements as TANF funds and are not specifically earmarked for the support of low-income families. By using TANF funds instead of general funds, we ensure that the funds are targeted towards fam-- we must ensure that target-- the funds are targeted towards families who are most in need of assistance. This helps to prevent the funds from being diverted to other programs and uses that may not be as effective in supporting low-income families.

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TANF funds-- using TANF funds for their intended purpose ensures that states are in compliance with federal regulations and requirements. I've heard many people tell me, it's allowable. Other states do it. That's not modeling good behavior. TANF funds should not be used instead of general funds because TANF is a specific federal program designed to provide targeted support to low-income families with children, and using these funds there-- using these funds for their intended purpose can help to ensure that the funds are being used effectively and efficiently to support those in need.

HANSEN: One minute.

M. CAVANAUGH: Thank you, Mr. President. I will get back in the queue for my last time on the microphone. I will say that I am extraordinarily disappointed that no one on the committee is even speaking about why they chose to use TANF funds. This just has really been a, a very upsetting debate. And I anticipated that it was going to be difficult, but the fact that the Appropriations Committee is treating this as though we should just rubber-stamp the budget I think is disrespectful to the body and disrespectful to the people of Nebraska. Thank you, Mr. President.

HANSEN: Thank you, Senator Cavanaugh. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. I'm sorry. I just ran out on, on my last time at the mike and wanted to add just a few additional reflections in terms of this issue. And I think there's always hope, but I think we're all probably pretty clear-eyed about the, the fate of AM1589 at this stage of debate. So what I am hopeful for is that this can have the benefit of raising the issue, raising awareness, perhaps an opportunity for us to continue dialogue from General to Select File or even into the next biennium to ensure that we have the right and a robust set of stakeholders together between legislative and executive branches, between appropriators and HHS, to figure out finally, finally, a thoughtful approach to utilizing TANF rainy day funds. And just so folks know what we're talking about here, these, you know, are some of the structures that were put in place post-welfare reform that were meant to change welfare as we knew it, quote unquote-- if you might remember some of those slogans from the public dialogue around that time-- but then to also maintain a few critical lifelines for families who are working their way out of poverty. And one of them is through direct cash assistance, and that's really what these TANF dollars are about. So whenever we divert these funds for other purposes, it's really a disservice to what these

dollars were meant to do. And if we need to adjust our eligibility framework, we, we really should look at doing that because, as I understand it, there's, you know, roughly over about \$130 million or so sitting in this TANF rainy day fund. We've been hearing about the possibility of plans or adjustments and things of that nature since maybe 2017. And here we are in 2023, still waiting for a comprehensive approach. And I think what's really important to remember is Senator Machaela Cavanaugh, Senator John Cavanaugh, and myself all have legislative bills that are sitting before the Health and Human Services Committee this session that take up policy changes to effectuate these exact issues that we're talking about here today. And, of course, we don't expect our colleagues on Appropriations to know about that work and that dialogue that's happening at HHS and vice versa. So I, I really do want to lift those up as a more appropriate way to address these measures by ensuring fidelity to the purpose of the funds, making adjustments to eligibility or otherwise so that the funds can go to the people who need them and not be diverted for other sources. And then let me tell you why I think that's really important as well in addition to the historical context. The research shows us that direct cash assistance is the most effective way to help families find a, a pathway out of poverty. It's not through jump-- jumping through hoops. It's not through additional programs or services. It's direct cash assistance is the fastest, most effective way to help family meet-- families meet basic needs, and it provides a multiplier effect for the local community, and it meets the fidelity of the, the fund's purpose in its first instance. The other thing that I want to talk about in addition to the research, which shows us the most effective way to address families needs is through direct cash assistance, is it recognizes the dignity of Nebraskans in need. Nebraskans in need know what their families need to meet their basic needs, whether it's transportation, food costs, childcare, clothing, medical costs--

HANSEN: One minute.

CONRAD: --what have you. Thank you, Mr. President. And this was clear at the committee hearings where we had the substantive measures coming forward. We do not need an administration or well-intentioned stakeholder groups to come forward and say, let me tell you what low-income families need. We need to move away from that mindset that is tired and ineffective. And we need to trust families to make the right decisions for them, for them and their kids, to figure out the path forward, which is the intent of this purpose of these funds, which recognizes their autonomy and their dignity, which does not seek to grow government by building bureaucracies or additional programs

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and services. The fastest, most effective way to use these dollars is as they were intended, and they should be in the pockets of the moms and dads who need to make those decisions who are struggling on a temporary basis. So we can actually, I think, find a lot of common ground here.

HANSEN: That's time, Senator.

CONRAD: Thank you, Mr. President.

HANSEN: Thank you, Senator Conrad. Senator Halloran would like to welcome 68 fourth graders from Adams Central in Hastings. They are located in the north balcony. Please stand and be recognized. Senator Clements, you are recognized to speak.

CLEMENTS: Thank you, Mr. President. I will speak to this item. This issue comes from two bills that we heard to-- LB739 from Senator Raybould was regarding domestic violence, asking for \$5 million-- about \$5 million per year. And we did approve \$3 million per year. The other item, child advocacy, was LB112 from Senator McDonnell asking for \$8 million per year, a total of 16, 16 plus 6, total of \$22 million. And those are two of the 87 bills that we had requests for \$1.3 billion. The Governor's preliminary budget allowed for \$200 million of spending, which sounded like a lot of money to me until I saw \$1.3 billion of requests. And so there were definitely many, many bills. Half our bills didn't get funded at all. And these two I'm not sure they had the votes to come out of committee as general funds. The child advocacy issue, the Fiscal Office did research that and found that this, this funding has been used from TANF funds in the past in another state. And there-- so there is a precedent for the use of the funds for child advocacy. The-- again, it's been mentioned the TANF cash balance is about \$130 million. This would be using \$22 million of it, which leaves over \$100 million in the fund and it's-- we, we do check on whether-- when we take money out of a cash fund, whether it's sustainable, and we don't take them down to zero where their other uses are restricted. And it's mainly because there is adequate fusing-- funding here. Domestic violence and child advocacy do serve needy families. And I believe that the way the, the funding is in the budget is acceptable. And I oppose AM1589 and ask you to vote red, vote no on that. Thank you, Mr. President.

HANSEN: Thank you, Senator Clements. Senator Machaela Cavanaugh, you're recognized to speak. And this is your third opportunity before your close.

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M. CAVANAUGH: Thank you, Mr. President. Would Senator Clements yield to a question?

HANSEN: Senator Clements, will you yield to a question?

CLEMENTS: Yes.

M. CAVANAUGH: Thank you, Senator Clements. Are you aware that the eligibility for TANF funds is 50 percent of the poverty level?

CLEMENTS: No, I was not.

M. CAVANAUGH: Are you aware that, to use TANF funds, they must serve that population that is eligible for the funds?

CLEMENTS: Yes, I was aware that--

M. CAVANAUGH: And are you aware that you are allocating funds for two things in the-- within the budget that will be restricted to the guidelines and for utilization of eligibility for 50 percent of the poverty level? And do you know if that is going to be feasible for these programs that you're utilizing these funds when they ask for general funds?

CLEMENTS: No, I don't believe we had a report from HHS regarding that population.

M. CAVANAUGH: Did you ask if these funds could fully be utilized by the programs? Did you ask if 50 percent of the poverty population is who they would be serving with these programs?

CLEMENTS: I did not. I had other members of the committee that made the suggestion, and I was glad to be able to find funding. But those details, I did not realize.

M. CAVANAUGH: I see that there's \$700 million still available in general funds if we pass this budget. So if we amend it-- adopted my amendment, it would be that amount that's on the green sheet minus the \$11 million that I'm proposing we shift back to general funds that would make it possible for these programs that you said you intended to fund to actually utilize the funds we give them. Are you aware that the funds you're giving to these programs come with enormous strings attached?

CLEMENTS: I knew there were strings attached. I had, had that brought forward in the committee.

M. CAVANAUGH: If we were to move forward with the budget as it is written right now, the people who are, who are going to receive these funds are going to have to ensure that the population that they serve meet the TANF qualifications, as opposed to just serving the populations that they serve. So in, in shifting this away from the general funds, which was the initial requests of both of the bills that we're talking about, and putting it into TANF, you have also added restrictions to the utilization of the funds. And I feel that perhaps you did this without thinking it through, and now you have an opportunity to make an adjustment by shifting it back to the general funds. Thank you, Senator Clements. Colleagues, this is hugely problematic. It's hugely problematic. This is from cc-- cbpp.org. Even when states spend TANF funds on work, education, and training activities, generally they don't always target the funds to the families most in need. Some states reported spending large shares of their TANF dollars on education and training. In the past few years, spent much of it on state universities and scholarships for students with low or moderate incomes. For example, Hawaii and Mississippi spent a relatively large share of their TANF funds on work-related activities, 19 and 30 percent of their total TANF funds in 2020, respectively. In both states, nearly all that spending went to college financial aid to serve families with incomes up to 300 percent of the poverty line, which is completely, completely outside the guidelines of TANF. What we are doing with these TANF funds is restricting the intention--

HANSEN: One minute.

M. CAVANAUGH: --of the funding that we are giving to these programs. The Environmental Trust Fund, the Universal Services Fund, the Health Care Cash Fund, the TANF Fund. If you're going to use specific funds, especially if those funds are federal programs, you should first clearly understand the intention, purpose, restrictions, guidelines, all of it. These two programs are very worthy programs, and they should be funded with general funds. Our utilization, as Senator Conrad pointed out, is restricted to 50 percent of the poverty level because this body has decided--

HANSEN: That's time, Senator.

M. CAVANAUGH: Thank you.

HANSEN: Thank you, Senator Machaela Cavanaugh. Senator Conrad, you're recognized to speak.

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CONRAD: Thank you, Mr. President. I think this is my third time, so everybody can breathe a sigh of relief.

HANSEN: You are correct.

CONRAD: Very good. Thank you, Mr. President. So I, I just wanted to, to finish up my comments in regards to these issues, because these economic justice issues are so near and dear to my heart and so critical for my district. And some of you may know that I started my career as a baby lawyer, kind of running around this body helping to build a policy program for Nebraska Appleseed. And that experience was so formative because I was able to glean a deeper understanding about how these programs and services and structures are meant to help our neighbors in need. And there have always been issues that I've been really interested in and bring some experience and expertise on to the body and then are aligned very, very closely with the top needs of my district in north Lincoln. So the other thing that I think is important to remember, we all have different passion areas, different priorities, but one thing that I do think it is incumbent upon us to remember is that it's important that we are strong voices for those who don't have strong voices in the halls of power. Well-funded corporations, big institutions and entities, they've got a ton of lobbyists that are out there. And they have a right to do that. They have a right to organize. They have a right to associate. They have a right to petition their government. And usually, you can find a lot of opportunities to work together to advance the public interest. But that takes a lot of money and a lot of resources to put together a political effort like that. Who doesn't have the time, energy, resources, capacity, and connection to do that? Everyday working Nebraskans, and particularly low-income working Nebraskans. And it's important that we are their voice when they're not represented by a host of high-compensated, powerful lobbyists. We have to remember who sent us here. We have to remember who doesn't have a voice in who we can be a voice for. And that's what I'm trying to do today, I think Senator Cavanaugh is trying to do as well. And I'm hopeful that we can continue this dialogue because of the importance of being strong advocates for those without a lot of power. We need to remember that it's our job and duty to be a voice for the voiceless, against the strength of big government in particular. I also wanted to offer perhaps another brief general history lesson, and I guess to what's past is prologue would be fitting for this component of my time on the mike. But when Senator Cavanaugh, John Cavanaugh, Machaela Cavanaugh and myself brought forward policy measures that are currently pending in the Health and Human Services Committee to address this issue through structural changes to eligibility and otherwise and draw down

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that TANF rainy day funds-- which now, I think, Nebraska is, last I looked, maybe second in the country for unexpended funds in this regard. We need to really remember that over the course of this body's august history, whenever we've made structural, major changes to benefit economic development and job creators, big corporations, we haven't forgotten about those Nebraskans in need. So when the Nebraska Legislature adopted LB775 and these big tax incentive programs and made big changes and shifts in our corporate tax policy or economic development policies, they also made adjustments for Nebraskans in need. They did it on a parallel track together. We have made the tiniest of baby steps forward when it comes to the SNAP bill that we took up as part of the Health and Human Services budget-- or, committee package, a couple of weeks ago. But these bigger structural issues on ADC, on TANF, these are issues that we need to take up now because the corporate adjustments and giveaways are huge in terms of our fiscal picture and that are embedded in this budget. So if we're going to move in that direction to provide a significant outlay of state resources to the wealthiest and to the largest corporations, we got to continue that history of moving down a parallel, parallel path to provide for equity for low-income working families that don't have a host of lobbyists out here, but to ensure equity and to ensure that they have an opportunity to participate in our economy. Because you know what, colleagues? When we all do better, we all do better. And--

HANSEN: That's time, Senator.

CONRAD: --this is one way we can do better together. Thank you, Mr. President.

HANSEN: Thank you, Senator Conrad. Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. I would like to yield the rest of my time to Senator Machava-- Machaela Cavanaugh.

HANSEN: Senator Machaela Cavanaugh, you are yielded 4:48.

M. CAVANAUGH: Thank you, Mr. President. And thank you, Senator Raybould. And I appreciate so much that Senator Raybould specifically yielded me time because this impacts her bill. This impacts her bill. And I don't want to jeopardize funding for her bill. But what the Appropriations Committee has done jeopardizes funding for the intention of her bill. And I know that they take a blood, blood oath and they don't vote against anything unless they all get agreement to

vote for, or against, or whatever and-- it is what it is. And only Senator Clements has had even the modicum of courage to stand up and defend the position of, of himself in stealing from the poor to pay for the rich. The remaining eight members of the committee have remained silent. There are several shifts of funds in this budget, and the intention is very clear that we are shifting things out of the General Fund. We are trying to accomplish funding things in government that we should and can fund by finding other funding sources, inappropriate funding sources. And we're doing that so that we can have more money on the ledger, on the green sheet, when we get to the floor so we've got the money for the massive tax cuts for the wealthiest Nebraskans. This is literally the definition of stealing from the poor for the rich. And while we do that, the populations that would be served by this funding in AM1589 are going to have restrictions that make it very difficult for them to deliver the services that we intend for them to deliver to the people we intend them to deliver them to in the way that we intended them to do it. Colleagues, I really encourage you to take a step back from all of this and think about, when you walk away from this session, will you be proud of what you've done today? Not like, will you be OK? Like, well, it's the budget. It's our constitutional responsibility to pass the budget, so what choice do I have? You do have a choice. When amendments are put up there to make changes to the budget, you do have a choice. You absolutely have a choice. And are you going to be happy with the choice that you make? Are you going to walk away from today and feel comfortable and knowing that if we don't move this away from TANF and to the general funds, are you going to be comfortable with that decision of the implications of that for the people that are supposed to be served by these funds? Because you should not be. And it's clear from my conversation with the Chair of the committee that the Chair of the committee didn't understand--

DeBOER: One minute.

M. CAVANAUGH: --what it meant to use TANF funds instead of general funds. It's clear. It's unfortunate because HHS works on TANF all the time. We've had so many briefings about TANF. These bills, if they were supposed to be funded by TANF, should have been bills, policy decisions that came to HHS to be integrated into a greater conversation of TANF as a program. It's not a slush fund. It's a program. And it shouldn't be raided by the Appropriations Committee. Thank you. Thank you, Senator Raybould, for the time.

DeBOER: Thank you, Senator Machaela Cavanaugh. Senator Dorn, you are recognized.

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DORN: Thank you, Madam President. Senator Cavanaugh brought up some points there, and just want to get up and I guess talk a little bit about how we sometimes look at things in the appropriation budget-- Appropriations Committee, appropriation budget. One thing she brought up I'd really like to comment on is the fact that Health and Human Services Committee has dealt extensively with the TANF funds. That committee then has a lot more knowledge, a lot more expertise in those funds than, I call it, many of us do on Appropriations Committee. I don't remember exactly when we started talking about TANF funds to use this year in Appropriations Committee, but it wasn't just the last week. There were several times that we talked about TANF funds. And how that came about, the TANF funds-- TANF funds are expended in the neighborhood of \$50 million to \$55 million a year. You need to remember there's about \$130 million in that account. They get in about \$50 million to \$55 million a year. They've been expending about \$50 million to \$55 million a year. So basically, what we were told in the Appropriations Committee, there's approximately \$80 million above and beyond that hasn't been touched. And they told us for the last several years how often that hasn't been touched, that that's always sitting there. So Senator Cavanaugh brings up a good point of the use for all of these 50 percent of poverty people and how we should use these funds for that. I will also counter that point and make this observation. If there's \$80 million sitting in there every year and never being used, how is that helping the low income or the poverty people? We didn't just go and decide in Appropriations Committee. Senator Clements led the discussion. Other senators led the discussion on this with those TANF funds. I didn't even know when we started this how to spell it. I had to ask somebody how to spell TANF. That shows you what some of us in Appropriations are familiar with this. We relied a lot on our staff, on our Fiscal staff. We several times delayed votes on this so that the Fiscal staff could, I call it, research. Are these appropriate use of these funds? Have they been used in other states? I remember one time they came back and said, this many states are now using these TANF funds for these type of programs. So all of those things were brought into the decision of why we use these two bills and why we used TANF funds. It wasn't taken lightly that we just go and grab some cash from another fund and use that to fund here. There was discussion. There was conversation. Is this appropriate or not? Does this meet the qualifications? But we also look at, I call it, the other aspect of that. And this year, it happened quite often in Appropriations Committee. There are numerous, I call it, cash funds out there that \$80 million or whatever amount is sitting out there for the last X number of years, 2, 4, 6 years. That budget has always been there and not been used. I don't know if that's

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a good use of state funds either, that we just have an account sitting there with that many extra funds year after year after year. We need to, as a state, make sure that we are using all of the funds appropriately, not just one in TANF and, and one in something else.

DeBOER: One minute.

DORN: Thank you. I yield my time

DeBOER: Thank you, Senator Dorn. Senator Raybould, you're recognized.

RAYBOULD: Thank you, Madam President. And I do appreciate tremendously this discussion and dialogue. I know the funding for domestic violence is really an emergency funding because the federal funding that helps do the work that they do has been literally reduced dramatically so that they have a tremendous gap. And the sad news is the cases and incidents of domestic violence are increasing in our state, all over our state. And the funding-- I, I feel confident-- as much as I-- I hate to see it come out of TANF, but I think Senator Dorn raises a great point. There are millions of dollars in TANF that are not being used for its intended purpose. I feel very confident based on the concerns and the pleas from the dives-- domestic violence agencies that are servicing survivors and vict-- victims of domestic violence, which include, you know, families with small children. Their greatest need and unmet need is trying to find affordable housing, affordable shelter, affordable temporary shelter for these individuals. And I, I, I really can't speak for the agency, but I know they would go through hell and high water and no matter how much paperwork they, they would have to go through to get these funds to the people that so desperately need it. And in addition to temporary shelter and shelter. Of course, it's food with food dollars, shelter increasing-- their budgets don't even permit that. And of course, transportation for the families, families with small children is also a big component of that. And-- as well as clothing. You know, they typically flee their home with nothing. So there-- these dollars, however, however they get assigned or appropriated, are so essential. And I do appreciate the discussion, but there is a lot of foundational truth, as I'm finding out as a new senator, that there are so many funds in different agencies that are just sitting there idle-- not being distributed, not being dispersed to those agencies, service providers that so desperately need the funding to continue to do the good things they do for so many fellow Nebraskans. So I appreciate the dialogue. I, I know the agencies would do whatever is required of them to, to make sure the funding is used appropriately and correctly and primarily to, to help those that are in such desperate and dire straits, for shelter,

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for food, for clothing, and for transportation. So-- and I don't know how to, to reconcile this concern, because I think it is a legitimate concern. I know that the Appropriations is literally in hearings all day long, being tossed and-- and many, many requests cross our desk, and trying to struggle to find and recognize that there, there is a tremendous need out there for so many good causes. So perhaps when we do our budget again, to come up with better checks and balances. OK. Have you reached out to the agency? Are they going to realize that this is an imped-- impediment to them? But I've heard that talked about when we were before Appropriations, say, this would be a great cause or request of the TANF funds to be used for this emergency program, for domestic violence programs throughout our state. So thank you, Mr.-- Madam Chair-- Madam President, for being here and the colleagues for this discussion.

DeBOER: Thank you, Senator Raybould. Senator Clements, you're recognized.

CLEMENTS: Thank you, Madam President. I have been given a-- the handout that we received in the committee that I had-- didn't have earlier in the information from-- our Fiscal Office did a lot of research on whether this was an acceptable use of funds. And regarding the child advocacy centers, I want to read a couple of paragraphs of this memo. Arkansas has an approved state TANF plan that allows for funding of their child advocacy centers and their state child advocacy chapter under a grandfather provision in the federal Personal Responsibility and Work Opportunities Reconciliation Act of 1996. This is the federal act that governs TANF. Under that provision, states that covered children in the child welfare and juvenile justice system in their Aid to Dependent Children programs prior to passage of PRWORA are allowed to use TANF for child welfare services. The Nebraska plan-- in effect in 1995-- included children in the child welfare system, which appears to clear the way for child advocacy centers to receive TANF funds as contemplated in the amendment. We don't just allocate money out of some fund like this to build a softball field somewhere. We are diligent in looking at what uses are appropriate from a fund, and then that there is adequate money in that fund to, to make it sustainable. The, the over \$130 million in this fund is going to leave over \$100 million. And the amount there is going to be more than adequate. And we're not causing harm. And we have received expert research saying that that particular item is allowable for Nebraska under this amendment that we-- that Nebraska uses for TANF funds. So I again oppose LB1589 [SIC-- AM1589]. Thank you, Madam President.

DeBOER: Thank you, Senator Clements. Senator Hunt, you're recognized.

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HUNT: Thank you, Madam President. I will yield my time to Senator Machaela Cavanaugh. And Senator Cavanaugh, let me know if you'd like more time. Thank you.

M. CAVANAUGH: Thank you. Thank you, Senator--

DeBOER: Senator Cavanaugh, you're yielded 4:46.

M. CAVANAUGH: Thank you, Senator Hunt. I would take more time if you have it. Thank you. Senator Conrad has mentioned several times, Senator Dorn, about TANF bills introduced this year. Three of them: LB290, LB310, and LB233. Yes, yes, we have TANF money. It is a federal program with federal guidelines, and we have not expanded eligibility, changed eligibility, increased payments in decades. And this body and previous versions of this Legislature have chosen not to do that. And in choosing not to do that, we have contributed to the increase in the rainy day fund. So if we all of a sudden are concerned about \$130 million sitting in a rainy day fund, a concern I have expressed on a regular basis-- so glad you've all joined me today in that concern-- then we should be looking at expanding the eligibility with one of these three bills. But, but we won't, because expanding the eligibility for direct cash assistance to needy families will decrease the available funds for inappropriate usage. If we expand the eligibility for TANF, then we'd have to use General Fund appropriations for general funds programming. Yeah, you can find a way to make this square peg fit into the circle hole, for sure. You can just hammer it in there. Eventually, the edges will get shaved off and it'll fit. Doesn't mean that it is an appropriate thing to put a square peg in a circle hole. And that's what we're doing with these two programs, and funding them with TANF. You can make it work. It's going to take work to make it work. It's not the intended use of the program. And if you want to get indignant about the money sitting there, then how about we do something about it? Senator John Cavanaugh's bill would utilize \$13 million in TANF funds. Senator Conrad's bill would utilize-- I may be-- wait. I might have the numbers wrong. Well, I'll read the numbers of the bills because I can't-- doesn't say whose bill is whose. LB290 would utilize \$18.6 million in 2024 of TANF funds. LB233 would utilize \$13.336 million in 2023, and the same amount, or there's about, in 2024 in TANF funds. LB310 would utilize \$5.64 million in 2023 and \$7.521 million in 2024. But we're not doing that. We're not doing that. Instead, we are raiding the fund for other things. That is the problem. It's not a complicated problem. It's not a nuanced problem. Direct cash assistance to needy families. That's what this is intended for. First, we should be doing that.

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DeBOER: One minute.

M. CAVANAUGH: And then after we do that, we should look at programming within the four pillars. But the fact that we already use general funds for the two programs that we are talking about in AM1589 should indicate to everyone in this room and everyone outside this Chamber that the fact that we already use federal funds means that this is a General Fund appropriation, and we are only using TANF funds because we're taking a square peg and shoving it into a circle hole and making it work instead of using General Fund appropriation. Yes, we can, but we shouldn't. We absolutely shouldn't. And we should fund these programs with general funds. And we should fund--

DeBOER: That's time, Senator.

M. CAVANAUGH: Thank you.

DeBOER: Thank you, Senator Hunt and Cavanaugh. Senator Hunt, you're recognized.

HUNT: Thank you, Madam President. I will yield my time to Senator Machaela Cavanaugh.

DeBOER: Senator Cavanaugh, you are yielded 4:54.

M. CAVANAUGH: Thank you, Madam President. We should fund these programs. We should fund them with general funds. We should increase eligibility for TANF funds so that we are maximizing utilization of TANF funds. We should be giving money to people in poverty to help them live their lives, to help them take care of their children first and foremost. First and foremost. And we are not doing that. We are negligent in our duty. And not only are we negligent in our duty, we are pilfering the fund. And we don't have to. We don't have to. This isn't a crisis. This isn't a budget crisis. We don't have to do this. We have \$714 million on the green sheet. This is approximately \$11 million. So if we adopted this amendment, we would have \$703 million on the green sheet tomorrow. We don't-- sorry. \$703 million, not \$13 million. \$703 million on the green sheet tomorrow. We don't have to do this. We can do this the right way. We can fund these programs the right way. And it is clear that the Appropriations Committee did not have a clear understanding of what they were doing. We don't have to take TANF funds and use them this way. We can use general funds. We have the money. We have the money. If we were trying to help child advocacy centers, if we were trying to help domestic violence programs be-- and-- because they're in crisis-- and they're always in crisis,

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so we should be trying to help them-- but if we were trying to help them and we were in a financial crisis and we were like, this is really important, but we don't have any money, so let's use TANF, that would be a different conversation. That's not what's happening here. We have \$714 million on this green sheet. We are choosing, choosing to steal from this money and choosing to not increase eligibility so that we have the money to steal. We are choosing to not utilize TANF the way it was intended for the program to be utilized. We are choosing that so that it is a cash slush fund. This is a choice we have made. This is a, a situation we have created. People are hurting economically in this state every day. The cost of everything has grown exponentially. Milk. Milk is very expensive now. Eggs. General just groceries. Gasoline. All of it. All of it is expensive. But we haven't increased the payments that we are making to temporar-- to families in need and we haven't increased the eligibility of the people that can receive the payments. We have made that decision. We make that decision year after year after year to not do that. We have created the slush fund and now we are pilfering the slush fund that we have stood in the way of helping people in poverty.

DeBOER: One minute.

M. CAVANAUGH: This, for me, is a crisis of conscience. And I am disappointed. I am disappointed that the committee hasn't been more thoughtful. And honestly, I'm disappointed that the committee, the Appropriations Committee, will go forth and put things in the budget for a federal program without talking to the HHS Committee when we have clearly bills pending, clearly bills pending that are TANF, for the intended use of the program. And yet you decided in your silo of nine to go forth and steal from the fund. Let's fix it, colleagues. AM1589 fixes it.

DeBOER: Time, Senator.

M. CAVANAUGH: Thank you.

DeBOER: Thank you, Senator Hunt and Cavanaugh. Senator Hunt, you're recognized. And this is your third opportunity.

HUNT: Thank you, colleagues. I have been lis-- I haven't really piped up much today, have I? I've been listening to both sides of this argument, and two things at least are super clear to me. One, it is deranged that we only had 24 hours to look at this budget. Typically, we get maybe a week, at least a weekend. One of our colleagues was telling me about her tradition of sitting at Panera, and she gets

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there when they open, and she doesn't leave until she's done going through the budget. And that's been her tradition every year. And for the first time on an election night too, you know, we're all just kind of cramming this budget overnight. The reason we have so much money in general is in part due to an infusion of federal relief funds that were meant to help people who were recovering from the COVID-19 pandemic-- businesses, individuals, families, workers, whatever-- for the state to use as they saw fit to get our state back on track, recovering from COVID-19. These funds were never meant to be used in a shell game to fund corporate tax relief. So the things that are clear to me is, one, we didn't have enough time to look at this budget, so why is that? Anybody of any political persuasion, of any ideological background, should be curious about that and should be skeptical about that. What is the reason that we have to move this so quickly? Another thing we know for sure is that we're taking a lot of money out of a lot of different funds, as Senator Dungan has talked about, as Senator John Cavanaugh has talked about, and Senator Machaela Cavanaugh now. We're acting like-- it's the kind of behavior when you don't have enough money in the budget, not when you have a surplus. And it's curious, and I think that we should all interrogate that a little bit further. I'm undecided on my vote on AM1589, but I'm likely to support it from what I've heard so far because I also don't like taking money out of funds like TANF that's meant for something else, especially if that can potentially get us into legal trouble with the feds who are funding us. We're moving around funds, doing whatever it is we need to do to fund these corporate tax breaks-- the tax breaks, the ditch, and the prison. Three things I got a problem with. And I don't think that we should be raiding these other funds to do that. And regardless of if Machaela is your favorite person, Senator Cavanaugh, or, you know, where you are ideologically on here, you should have a problem with that too. And you should question any kind of institution that's asking you to rubber-stamp this budget. And be curious about why that is. Any time I have left, Madam President, I'll yield to Senator Machaela Cavanaugh.

DeBOER: Senator Machaela Cavanaugh, you're yielded 1:42.

M. CAVANAUGH: Thank you, Madam President. And thank you, Senator Hunt. So, I, I have a floor amendment pending. I think it's pending now. I, I put it in because I know that-- I-- Senator McKinney was working on getting something drafted and it, it wasn't quite coming to fruition. And so just, just in case, I put in a floor amendment that strikes Section 177. 177 of the budget is the prison.

DeBOER: One minute.

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M. CAVANAUGH: Thank you. I bring this up because it is very much directly tied to the underutilization of direct cash assistance to needy families. We operate in the most illogical manner possible, the most inefficient way to achieve our ends in this government. Our appropriations bill, what could be a thoughtful consideration of what we want our state to be, instead takes money away that should be going to direct cash assistance to the most needy people in our state, the same people who are more likely, significantly disproportionately more likely to be incarcerated, and takes more, more money from the General Fund--

DeBOER: Time, Senator.

M. CAVANAUGH: Thank you.

DeBOER: Thank you, Senator Cavanaugh. Seeing no one else in the queue, Senator Machaela Cavanaugh, you're welcome to close on AM1589.

M. CAVANAUGH: Thank you, Madam President. We're taking money away from people who need it the most when we have money to do what it is we seek to do with these programs. We're making a prison that will likely incarcerate many of the people that we're taking money away from. It's not how I thought policy should be made. It's not how I think policy should be made. It's disappointing. It's also disappointing that I know, without-- I don't have to even ask. I know for a fact that not a single member of the Appropriations Committee will vote for this amendment because they make an agreement in private on the budget. I don't know any other bill that comes out of any other committee where committee members aren't allowed to vote for amendments onto the bills. That's all we've been doing for the last several weeks, is voting for amendments onto other bills. Changes, substantive changes. But I know the Appropriations Committee won't do that. They'll vote in a bloc. So. AM1589 shifts the funding for two programs back to the general funds where it belongs. It takes it away from TANF, that comes with a lot of obligations and a lot of strings attached, because TANF isn't a cash fund. TANF is a federal program. AM1589 takes it out of the federal program of TANF and puts it back in the general funds where it was always supposed to be and where it started. Thank you, Madam President. Call of the House.

DeBOER: Thank you. Senator Machaela Cavanaugh. There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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CLERK: 12 ayes, 3 nays, Madam President, on the call of the house.

DeBOER: The house is under call. Senators, please record your presence. Those unexcused senators, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Blood, DeKay, Jacobson, Dover, Holdcroft, Ibach, Wayne, and Bosn, please return to the Chamber. The house is under call. Senators Blood and Dover, the house is under call. Please return to the Chamber. The house is under call. Senator Dover, the house is under call. Please return to the Chamber, Senator Dover. The house is under call. All unexcused senators have now returned to the Chamber. The question before the body is the adoption of AM1589 to the committee amendments to LB814. All those in favor vote aye; all those opposed vote nay. Have all voted who care to? Record, Mr. Clerk.

CLERK: 10 ayes, 27 nays, Madam President, on the adoption of the amendment.

DeBOER: The amendment is not adopted. Mr. Clerk for items. I raise the call.

CLERK: Madam President, amendment to be printed from Senator Hansen to LB814.

DeBOER: Senator Hansen, you're rec--

CLERK: Madam President, next amendment from Senator Machaela Cavanaugh: AM1588.

DeBOER: Senator Machaela Cavanaugh, you're welcome to open on your amendment.

M. CAVANAUGH: Thank you, Madam President. And this is Madam President's bill, so I am not going to take this to a vote because I don't think that it's appropriate to not allow her the opportunity to speak to it. This is taking the other program, which is the food pantries that are using TANF funds and shifting it to general funds as well. Same song, different tune. Same tune, different song, I don't know. Whatever. Clearly, 10 people at most are going to support it, so. But I am going to take a few minutes to talk about Arkansas. Shall we? We shall. OK. And their utilization of TANF. "Arkansas TANF Spending." This is again CBPP, Center on Budget and Policy Priorities. In 2020-- in 2021, Arkansas spent about \$88 million in federal and state funds under the Temporary Assistance for Needy Families programs. It spent 4 percent of these funds on basic assis--

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assistance-- 4 percent. Cool-- generally as cash assistance to, to TANF fund-- families. In 2021, Arkansas ranked 49th among the states and Washington, D.C. for percentage of TANF funds spent on basic assistance. Federal Spending and TANF Spending by categories. Basic assistance, \$4 million, 4 percent. Work activities, \$11 million, 13 percent. Work supports and supportive services, \$300,000, 0.3 percent. Childcare, \$5, million, 6 percent. Administration and systems, \$15 million, 17 percent. Tax credits, \$0. Pre-K, \$30 million, 34 percent. Child welfare, \$4 million, 4 percent. Other services, \$20 million, 22 percent. Curious what the other services are. Federal and State TANF Spending on Activities, Millions. Basic assistance-- they-- in 20-- 2006, spent \$15 million on basic assistance. In 2021, they spent \$4 million. Federal TANF Allocation and State Maintenance of Effort, or MOE, amounts. In 2021, Arkansas was awarded its TANF block grant of \$57 million and an additional \$7 million in contingency funds. Since unspent block grant funds can be carried over to future years, a state may spend more or less than its annual block grant allocation in any given year. As of 2021, Arkansas has accumulated 130 mil-- \$13 million in unspent TANF block grant funds, equal to 199 percent of its block grant. Every year, each state must also spend from its own funds at least 80 percent of its historical spending on low-income families with children. A state may spend more than its minimum. This MOE requirement can be reduced to 75 percent if a state made specific work participation rate requirements. In 2021, Arkansas met these requirements and was subject to the 75 percent MOE obligation. Here's Nebraska's. We spend 26 percent on basic assistance. So I guess at least we're not Arkansas yet. Yet. Steps to Evaluate TANF Funding Proposals. There are a few basic steps a state should take when evaluating a proposal to initiate a new TANF-funded program. The first step is to identify how this program meets one of our-- one of the four purposes of the TANF statute. As a general rule, states must use TANF funds for eligible needy families with a child and for one of the four purposes of the TANF program. The next step is to determine whether or not the benefits constitute, quote, assistance as defined under federal regulations. As noted previously, items following-- falling under assistance are subject to a number of requirements, including work, time limits, child support assignment, and data reporting. So again, TANF funds, as defined under federal regulations, must constitute assistance, and items following assistance are subject to regulations and requirements. The third step is to establish eligibility criteria, including a definition of "needy," generally in the form of income and or resource standards. If the TANF program meets purpose one or two under the TANF statute, a state can have a different definition of needy for different programs. The fourth step

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is to decide how to fund the program, federal TANF or state MOE funds. The fifth step is to consider the requirements, limitations, and restrictions that apply to the selected activities or services. How much time do we have left, Mrs.-- Madam President?

DeBOER: 4:22.

M. CAVANAUGH: Well, I think since Madam President is in the Chair and it's her bill, I'm just going to go ahead and withdraw my amendment. Thank you.

DeBOER: Without objection, it's withdrawn, Mr. Clerk for the next item.

CLERK: Madam President, Senator Wayne offering AM1545 would withdraw and substitute for AM1596.

DeBOER: With no objections, it's so ordered. Senator Wayne, you're welcome to open on your amendment.

WAYNE: Thank you, Mr. President. Colleagues, this was the PTS bill that I was talking about, LB7-- LB972 [SIC-- LB792]. What'll happen in this regard is a couple things. The substitute amendment uses \$5 million for two years out of the Health Care Cash Fund, which we have money in, and then the future appropriations will come from the next biennium out of the-- some, some kind of cash reserve or general files or some-- somewhere else. But this starts a pilot program. It will be ran through D-- Health and Human Services, through Charles Drew, who will have to do a RFP, send it out to community providers to begin the process of developing and funding this PTSD pilot program. I talked earlier at great lengths about the importance of PTSD in our community, and I won't repeat that. I know many people have been talking on the budget, and now my fear was this might get lost in there. That's why I took time out this morning. So I'm available for any questions, any thoughts, any concerns. But this amendment has been worked on with the fiscal with many people. I view it as a friendly amendment. Don't know if everybody else does. I haven't heard any objections yet as I've been-- this has been on there for some time now. So again, it's \$5 million from Health and Human-- I mean-- Health and Human-- health cash fund for two years. And then down the road, it'll come from cash funds or general funds. There is going to be a counterpart that I would like to do with LB792 just to make sure that the pilot program is in place for five years. And there's some language around it because sometimes when you read the budget bill, you get a little lost sometimes because it's often a thick bill. So

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I'll figure out how to do that down the road. But again, this is a pilot program. We talked about the importance of PTSD, not just in Omaha, but across the, the state. And this is, again, \$5 million for two years per year, and then future commitments, hopefully, by this body for three years of \$5 million per year. This was worked out with a lot of people, so I would ask for your green vote on this. Thank you, Mr. President.

DeBOER: Thank you, Senator Wayne. Senator Conrad, you're recognized.

CONRAD: Thank you, Mr. President. I just wanted to rise in support of Senator Wayne's effort. I think every dollar that we can possibly allocate to address unmet needs in regards to mental health and behavioral health are critical to solving some of the significant challenges before our communities and our state, whether that's in terms of educational opportunity and success, whether that's in terms of family safety and security, whether it's in regards to making sure our first responders stay safe on the front lines, or whether it's in response to gun violence or entanglement in the criminal justice system. We know that there is a nexus with unmet mental health needs, including those suffering from PTSD. And so the more that we can do to find these common ground, commonsense solutions to make additional innovations and investments, it's going to pay dividends across various and sundry systems. It's going to help to address quality-of-life issues, human rights issues, and have better outcomes for our Nebraska neighbors and all Nebraska taxpayers. So I know that Senator Wayne brought this in light of the unrecognized-- the uncompensated needs that he has identified, but I also want to of course draw the clear connection between our mental health crisis, our behavioral health crisis, and our prison overcrowding crisis. And again, we know that our prison system is one of the most overcrowded in the country, has some of the most significant racial disparities in the country. And every dollar that we can invest on the front end to address root causes that drive criminal behavior, like behavioral health, like mental health, and keep people out of those systems, that can make a real and significant difference. So I definitely want to make sure that we are staying watchful in regards to stability and sustainability of the Health Care Cash Fund, which has been an ongoing dialogue in the state for a host of reasons, and we'll dig a little bit more deeply into that. But when it comes to finding resources to address PTSD, behavioral health, and mental health, I think these are solutions that we all can and should get behind. Thank you, Mr. President.

DeBOER: Thank you, Senator Conrad. Senator Dungan, you're recognized.

DUNGAN: Thank you, Madam President. And colleagues, I do rise in support of AM1596. I don't want to belabor the point too much, but I do think that as we start to segue into more of a conversation regarding some of the reform issues that have been attempted by this body, both in the past and currently, it is impossible to have conversations about our current criminal justice system without talking about issues that one might deal with that are behavioral health issues, including but not limited to PTSD. I think Senator Wayne hit the nail on the head earlier this morning when talking about one of the major root causes that we see across the board. No matter, kind of, what demographic you're looking at, when you're looking at the, the involvement in the criminal justice system is PTSD. And one of the most, I think, alarming and unique things about PTSD is that it compounds upon itself. Right? It is inherently exponential. When you have PTSD from a traumatic event that's happened and then something else bad happens to you, it adds to that sort of PTSD, and it just-- it, it adds to itself over time. So imagine, if you will, somebody has this PTSD that is, to put an oversimplified version of it, is, is triggered in a situation where they're having law enforcement involvement. And then that leads to more charges, which could potentially lead to somebody being further incarcerated, and then their time incarcerated further adds to their trauma. The trauma of being incarcerated can then add to their PTSD, and it becomes this cycle of, essentially, perpetual violence and perpetual mental health crisis. And it's people like that that you see in the criminal justice system who never really have a chance to break that cycle. And we just see increased recidivism over time. And the one thing I think that we can all agree about as a body is, regardless of how we reach the solution, is that we want to reduce recidivism rates because we know for a fact that our prisons are overcrowded, right? We make national headlines on lists with regard to whether or not-- where we fall on that, that overcrowding. And that's a huge problem. So we should all be in agreement that we need to reduce recidivism and reduce the population in our prison. Another facet of this PTSD that I think is important-- and I, I-- some others have also hit upon this-- is that it is cross demographic. You see this amongst people no matter who they are, is that PTSD leads to these problems. One unique area too that I wanted to point out that we, we acknowledge this is a problem and try to deal with it differently is in our problem-solving courts. Our problem-solving courts here in Lancaster County in particular have been expanded because there's been this acknowledgment that people have different walks of life that sometimes lead them into involvement in the criminal justice system. And we want to take into account their background and their history before we end up having them sentenced

and, and, and further incarcerated. A good example of that here in Lancaster County is our Veterans Court. The Vets Court, as we call it, is for folks who served their country and are now involved in the criminal justice system; but prior to a sentencing, can go through a program that takes into account their very specific needs that a veteran experiences that maybe a civilian doesn't have, and it tries to accommodate those needs and accommodate that background in such a way that it deals with the mental health issues, the behavioral health issues, and understands that sort of unique circumstance that brought that person to where they are today. And so PTSD obviously is a major component that a number of our vets have experienced. And I, for one, have seen that program do an incredible job of working with folks who are involved in the justice system. And I think a facet of that is the focus on PTSD. And so if we as a society, and specifically us as a Legislature, want to do everything that we possibly can do--

DeBOER: One minute.

DUNGAN: Thank you-- do everything we possibly can do to reduce our prison overcrowding, reduce the amount of people who are involved in the criminal justice system, we have to look at the root causes. And we talked about it previously. We're going to continue to talk about it today. But going upstream, dealing with these problems before they start to compound or exponentially grow is the only way that we can do it in a way that's economically viable. And so addressing PTSD at the root cause I think is crucial. I think Senator Wayne's amendment here is a, a spectacular step forward by funding that pilot program. And my hope is that we can start working on that now and then figure out ways to deal with PTSD and behavioral health issues across the entire state. So colleagues, I would urge your support of AM1596. And I would yield the remainder of my time. Thank you.

DeBOER: Thank you, Senator Dungan. Senator Briese would like to announce 28 fourth graders from Wood River Elementary, who are located in the north balcony. Please stand and be recognized by your Nebraska Legislature. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Madam President. I would echo the sentiments of Senator Wayne and Senator Conrad and Senator Dungan about the importance of PTSD and early intervention. And I would rise in support of AM1596 and Senator Wayne's approach to this. I think that a pilot program to look into how to address early intervention with PTSD, as you just heard Senator Dungan talking about, we have-- we have a Vets Court in Douglas County as well. And the-- obviously, a lot of the issues presented by people who have served our country and had some

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traumatic experiences associated with that and find themselves in the criminal justice system is obviously in some way related to PTSD. And that is a recognition that it's something that can be addressed and treated through other means besides incarceration. But there are a whole lot of other folks in the criminal justice system who do find themselves violating the law that-- for one reason or another-- and a lot of it is related to mental health issues and a lot of it is related to PTSD. And I was just looking at the, the NDCS Quarterly Population Summary, October to December 2022. So they have these basically every quarter of who's in the Department of Corrections. And then there's sections about a lot of different things, but one of them that I thought was relevant here is talking about which programs people are engaging in while they're in the department. And you have-- 180 folks are taking Thinking for a Change. 60 are taking Moral Recognition-- Moral Recognition [SIC-- Reconation] Therapy. And you have Substance Abuse/Residential Treatment, about 68 people. Substance Abuse-Nonresidential, about 140. Anger Management, High Risk, 20. Violence Reduction Programming, 40. And so you have all of these classes which people are engaging in, programming, which we talk a lot about, how there's not enough programming available for people. They have this other section about Nonresidential Substance Abuse, Outstanding Clinical Program Recommendations, and that's-- 1,400, 1,500 people are recommended to take Nonresidential Substance Abuse Treatment programs. And then there's a little less than 200 people, Residential Substance Abuse Treatment programs. In a lot of these, though not all, necessarily, people who have substance abuse issues in the beginning of that can often be an undiagnosed mental health issue, including things like PTSD. And so identifying the root causes of these and the beginnings of that and, and limiting those things can bear great fruit and-- down the road for decreasing number of people incarcerated. But more importantly, if we can find ways to ensure that not as many people are experiencing PTSD, then those folks will have a better life, be more productive, enjoy their, their life and their families more. So I appreciate-- and I think this is a really important program, a real step in the right direction. And doing it as a pilot program I think is smart. We can take some best practices, figure out what'll work, and apply it other places. So I would encourage your green vote on AM1596. Thank you, Madam President.

DeBOER: Thank you, Senator John Cavanaugh. Senator Wayne, you're recognized.

WAYNE: Thank you, Madam President. So here's-- let me tell you-- explain the amendment a little bit so people aren't confused. The amendment is adding money to the money that we're already giving to

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the federy-- federal qualified health centers by \$5 million. That \$5 million will be earmarked to go to a specific federally qualified health center to provide an RFP out to providers to, to work with kids who suffer from gun violence. That's what it is. It is, it is a two-year commitment right now from this body to target some of our most vulnerable kids who are dealing with some of the most violence. And again, I can explain where this came from. It literally came from a conversation with Senator Brewer about what adults go through in a war zone. And we think about a war zone being shot at, not being able to sleep at night, always on edge when you're driving through a certain part of town because it's a different part of town. I can literally say that all comes down to how most of our kids live in north Omaha and south Omaha when it comes to gang life. You're driving through another part of town and you might be in the wrong area and you're on edge. There are gunshots being fired at a party or at a, at a neighborhood or somebody you're walking down the street translates to the same thing in a war zone. People were actually afraid when we were talking about this over the summer, for me to use the word "war zone," but that's what it is. And I just call it like it is. So all we're trying to do is establish some really deep research into the fact that we are working with children and people who are suffering from violence and making sure we don't repeat the cycle of PTSD. And people are saying, well, what about the amount? One, we don't have to spend all the money. But two, we're talking about significant mental and behavioral interventions. Those cost dollars. And if we can reduce the risk-- people going to prison, if we can reduce suspensions, if we can reduce behavioral problems. I mean, we have bills every year on behavioral problems, particularly violence in schools. Many of these kids are coming from the same backgrounds that I'm talking about. We set up special court programs, special intervention programs for adults coming back in military. And I am simply saying, what are we doing for the kids who are going through the same things? This isn't a permanent thing going on forever, because I want to see the data too. But that's why we establish pilot programs. And we spent a lot of money on a lot of other things. But this one I think-- if truth be told, I used to think LB1024 was probably going to have the biggest impact in north Omaha. But the more I met with these community organiz-- or, community health centers and people who are in the mental and behavioral health section, the trauma that we are now seeing in our community, this may be the most important bill as far as getting to the root cause and data points of how we can change a community. We all talk about mental health. We all talk about mental health. But this is actually us putting dollars behind some of our most vulnerable people. And while it is a Omaha issue, I passed out an

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article this morning that's statewide. And this program is statewide. This isn't limited just to Omaha. I have it running through one federally qualified health center. But my conversation is they're going to be MOUs with other ones just to make sure that we can cover the state. Again, we've put a lot of money in this budget and a lot of things. This is targeting one of, I think, the most important things we can do when it comes to children, and those individuals who are suffering from PTSD, from violence and gunshots and other things--

DeBOER: One minute.

WAYNE: --that we see going on. If you don't believe me, go ask somebody in the hallway who works with kids, go talk to any juvenile prosecutor, and you'll talk about this reoccurring thing of people who are in the system coming back into the system, and now their kids are in the system, and then their grandkids are in the system. I truly believe one of the biggest factors is this issue of violence that these individuals see that makes it a norm. And when it becomes a norm in their culture, in their life, it changes how they operate. And so we are providing strategic interventions and making sure that this isn't necessarily a government-based solution. We're asking providers to do a RFP to make sure they come out and present the best solutions. That's what we're trying to do here. So we are taking-- there's already money going to these organizations. We're only simply adding \$5 million. And the thing of it is it doesn't come out of general funds.

DeBOER: Time, Senator.

WAYNE: It doesn't come-- Thank you, Mis-- Madam President.

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

M. CAVANAUGH: Thank you, Madam President. Would Senator Wayne want my time? I'd-- happy to yield my time to Senator Wayne if he would like it.

WAYNE: I'm sorry, what?

M. CAVANAUGH: I'm happy to yield you my time if you would like it.

WAYNE: Oh, I have to talk to--

M. CAVANAUGH: OK. Then I'll take-- I'll-- I'll-- would you-- Senator McKinney. I will yield my time to Senator McKinney.

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DeBOER: Senator McKinney, you're yielded 4:35.

McKINNEY: Thank you, Madam President. I stand in support of AM1596 because I understand the importance of addressing PTSD. I work with kids, and I was a kid that, you know, seen a lot of things that you shouldn't see, or you shouldn't get used to as a kid, but it becomes normal. And it shouldn't be normal: laying on the ground because somebody's shooting, walking from school and bullets going across your-- going past your head, things like that. Seeing people laid on the ground with gunshots in their head. That's the things that kids in my community see far too often. Dealing with family members that are losing their lives. So a lot of things as to why PTSD needs to be addressed, because it, it, it intersects so many things, whether it's our educational system, it's kids going to school the next day after seeing some horrific things or hav-- having to live through horrific things, which is why this is needed. And I think we should fund this. We can't stand up and say we care about kids' lives and the protection of the innocence of kids, and all the things that we heard this year, and not fund something like this. Because if we truly care about Nebraskan kids that are dealing with these type of issues, we try to address this through funding through the state. It's our moral document. We can't walk away from here and say we truly care about Nebraskan kids and we're not trying to make sure that we address the trauma that they're living through day to day. And it's frequent trauma. And it's hard to even say it's post-traumatic stress disorder because it's stress that's continuing. Its continue for the kids and it's continuing for the adults. And that's why we have so many issues when people come up and say, you know, what's the solution to change your community? It's not one solution, but this is part of the solution, addressing the, the, the stress that, you know, kids are under. And it's been documented that the stress that black kids have lived through over the years have changed our DNA because of stress. This is why this is important. It's a way to address the criminal justice system, the juvenile justice system, the educational system and, you know, schools saying, oh, we don't know what to do with kids because they're acting out. A lot of these kids aren't bad kids. They're just dealing with problems that adults are pushing to the side and refusing to address. They're dealing with issues and problems that the state has refused to address on a mass scale, that the city of Omaha has failed to address on a mass scale, that the Douglas County has failed to address. And the effect of that, in my honest opinion, is an overcrowded prison system, with most of those individuals coming from Senator Wayne and, and, and my community. We have to hit

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everything at the root. The solution cannot be let's build a prison. The solution cannot be let's be tough on crime.

DeBOER: One minute.

McKINNEY: The solution has to be smart measures to swim upstream to address the root causes to all these issues that we deal with. Money won't just solve. And it's saying, oh, you know, you guys got money. That should be all you guys should be asking for. And this is-- and I know this is about money, but the, the money isn't the, the need for this. The need is to make changes in kids' lives. It shouldn't-- the dollar amount shouldn't even matter when it comes to kids if everybody cares about kids in Nebraska this year. We care about protecting them and keeping them safe. This shouldn't even be an issue. The Appropriations Committee should just throw it in the budget or they should have thrown it in the budget. It shouldn't be an issue for the Governor if he truly cares about the lives of kids and protecting kids in the state of Nebraska. This should not be an issue. This should be a 49-0 vote, to vote this into the budget to protect kids and make sure--

DeBOER: Time, Senator.

McKINNEY: --that-- oh, thank you.

DeBOER: But you're next in the queue.

McKINNEY: Thank you, Madam President. I like that. Stay up there. But truly, honestly, you know, for the past whatever months we've been in session, many of you individuals who are on the fence about supporting this stood up and said you cared about the protection of kids in the state of Nebraska. You said you wanted to make sure kids were safe and taken care of and that we, we, we do things to ensure that their futures are successful. This is something that will aid in that, which is why we should support it. Because although you may not have to live it, many of the kids that I represent live through it. Even I, as an adult, I, I've lived through it. I hear the shots at night. I hear the sirens at night. It's right out my window every night. Do you, do you not think that-- you know, me as an adult, I don't remember the times where I had to get on a floor and hope that a bullet didn't hit me or the times I'm walking from school and I'm hearing [WHOOOSH] and a bullet going across my head and I got to drop to the floor. Kids are living through that. They're walking from school and dealing with these issues and they have to go back. And then if they act out, the school system is saying that's a bad kid. They're not a bad kid.

They're just-- they just have unaddressed trauma, which is why this Appropriations Committee as a whole should stand up and support this. This is why this body as a whole should stand up and support this. This is why the Governor should be outside this window, or his staff, imploring everybody in this building to support this. If you truly care about the kids in Nebraska. If you truly care about decreasing the trajectory of the potential, you know, rate of people going inside of our state prisons or our jails or detention centers. Unaddressed trauma is why you see kids on the news for acting out. Unaddressed trauma is why you see 13-year-olds doing things that they shouldn't be doing. \$5 million is nothing to address that, especially when we're just throwing money at things that aren't even a guarantee. I don't even know why I have to stand up and make this argument. I, I think everybody should be, should be standing up and saying, we support this. Everybody's light should be on and saying saying, I care about kids in Nebraska and I want to address trauma and we should support this. Everybody in this body should be doing this. There shouldn't be a red light when we take this vote. And a red light, when we take this vote, just tells me how much you truly care about kids in the state of Nebraska, and you're putting politics over kids. And then you will stand up and say, let's protect kids and let's protect life and let's make sure, you know, kids aren't harmed, and all this stuff. It's, it's all fluff. That's what it will be for me, and, and, we'll just leave it there. The money should not be an issue, especially when Senator Erdman stood up and said there's \$8-point-something billion in Cash Reserve funds. We walked into this se-- we walked into this session with \$2.3 billion or \$3 billion in cash reserves and things like that. Money is not an issue. It's political will to do the right thing, putting politics and party affiliation aside and looking at it through a logical lens and saying, we should be doing these things.

DeBOER: One minute.

McKINNEY: If you can't put aside your political differences and your political affiliations and people outside the window who don't have the power of your vote, why are you here? So just think about that. Thank you.

DeBOER: Thank you. Senator McKinney. Senator Erdman, you're recognized.

ERDMAN: Thank you, Madam President. And good afternoon. So I hadn't had a chance to see this amendment. It is up now on the gadget, I looked at it. And Senator Wayne had told me that it was a bill in HHS and it was LB792. So I looked up LB792, and that vote was 5 in favor

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and 2 in opposition. And one of those happened to be Senator Hardin. And I was wondering if Senator Hardin would yield to a question.

DeBOER: Senator Hardin, will you yield?

HARDIN: Yes.

ERDMAN: Senator Hardin, I noticed on the committee statement that you were a "no" on LB792. Can you elaborate or share with us why you were in opposition?

HARDIN: I was in opposition because of the paradigm shift that happens as soon as we acknowledge that PTSD and PTSI-- injury instead of disorder-- gets moved out of the realm of first responders and, for example, military personnel to a civilian setting, that as a society is not something that has happened in a widespread fashion. I agree with Senator McKinney and Senator Wayne that this is an impactful and meaningful issue. My concern is that perhaps this bill doesn't acknowledge enough. Because I-- I've worked in some inner city scenarios around the country--

ERDMAN: OK.

HARDIN: --and violent ones at that. On a personal basis, I can say I, I understand what it's like as well when someone dies in your arms. I've had that opportunity in life because of things I've been involved with in a public service capacity, and it is something that injures you. In fact, one of the most impactful testimonies that was given during that hearing was from the Douglas County sheriff. And he talked about his injury. And as he stated, an injury is a little different from the perspective that you have the injury, you heal from the injury, you move on. We have kids who are experiencing hard things. The reason I voted against it is because we really are dealing with an enormous paradigm shift when we're saying this applies to the general society. That's never been done--

ERDMAN: OK.

HARDIN: --in that broad stroke of the brush.

ERDMAN: All right.

HARDIN: That doesn't mean that it's not an important issue. I think it's more important than what was dealt with, and, and I think it, it is a significant issue that needs deep and, and, shall we say, abiding attention.

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ERDMAN: Thank you very much. Nice explanation. I was wondering if Senator Wayne would yield to a question.

DeBOER: Senator Wayne, will you yield?

WAYNE: Yes.

ERDMAN: Senator Wayne, so hearing what Senator Hardin had to say, and it being a significant issue that he believes needs to be dealt with, would this be an opportunity for us to do an interim study and have a little more information about how it was going to be implemented rather than just throwing \$5 million up and hope somebody can figure it out?

WAYNE: I would disagree with that. He's-- he talked about a paradigm shift from the military. But from a clinical perspective, PTSD is applied to civilians every day.

ERDMAN: OK. So I noticed in 5-- in LB792, you had a \$25 million request. Is that correct?

WAYNE: Yes.

ERDMAN: And you've amended that to be \$5 million for two years out of a cash fund?

WAYNE: Out of the-- yes.

ERDMAN: And it was out of the Health Care Cash Fund at first?

WAYNE: Yes.

ERDMAN: And now it's just out of the cash fund?

WAYNE: No. It's out of the Health Care Cash Fund for two years. And then the remaining years, the next Legislature will have to figure out where the fund goes from.

ERDMAN: So then--

DeBOER: One minute.

ERDMAN: --it'll be an ongoing obligation in the future?

WAYNE: No. I just was talking to Speaker Arch about having some more language in here to make sure the pilot program ends within five years. That was the original LB792. The problem with budget bills is

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its intent language. And so I asked Senator McKinney to make sure in LB531, we add the pilot language to make sure--

ERDMAN: OK.

WAYNE: --this ends in five years.

ERDMAN: So how is it that you arrived at \$5 million? How do you know that's enough to do what you need to do?

WAYNE: By meeting with some of our largest providers who are in this area. They initially asked for \$25 million each year. Obviously, I went back down and said, if we focus just on kids, not entire families, what can we do this for to make the impact and show the data? And they said \$5 million.

ERDMAN: OK. I'm not, I'm not sure at this point in the discussion I have enough information to, to vote for this. I'm not saying that what you're trying to do is not important. It's just that I don't have a comprehension that \$5 million is the correct number. And therefore, I think we need more information in order to vote--

DeBOER: Time, Senator.

ERDMAN: --and make a decision. Thank you.

DeBOER: Thank you, Senator Hardin, Senator Erdman, and Senator Wayne. Senator Machaela Cavanaugh, you're next in the queue.

M. CAVANAUGH: Thank you, Madam President. I would yield my time to Senator Wayne if he'd like it.

DeBOER: Senator Wayne, you're yielded 4:53.

WAYNE: Thank you. Colleagues, many of you know me well enough to know when I say I'm going to work with you, I work with you, even at some point negotiating as myself to make sure we get this done. So what I would submit to you, Senator Erdman, is vote yes and help me figure out what you need. And then if you don't like it on Select, that's fine. But I'm not going to bring this back on Select. I'm, I'm not going to-- I'm not going to keep fighting for it. This is my priority bill, LB792. I recognize that it won't be heard. I tried to attach it to other bills. But out of respect for the body and the individual owners of those bills, I did not attach them. And if you don't believe me, you can-- I can print off all the amendments to every Health and Human Service bill that came out, and even bills that maybe don't

necessarily apply to Health and Human Services, even though that's the committee. This is a bill that isn't owned by anybody. It's the budget. It's owned by all of us, so I think it's different. I think it's different when you go after a senator's bill and attach something that might bog something down even if it's your personal one. And you can decide whether or not, as a professional courtesy, whether to do so or don't do so. In my time, I've done both, but I let senators know that I'm going to put an un-so-friendly amendment on. Sometimes I don't. That's what happened here because of the nature of what was going on in this body. I didn't create any more angst. I found the pathway to put this bill into a budget bill. I found the dollars. And since it was originally health care cash funds for all five years, I got feedback from fiscal that say that might not work with the obligations, so can you do two? I had multiple amendments. The reason my amendment was originally supposed to be third, I was waiting on another amendment because I kept having conversations of where the cash would come from. I'm committed to finding dollars. I'm committed to having more conversations. What I'm saying right now is I'm not going to bring this bill back up, because, one, I, I had an hour this morning talking about the impact of PTSD. Many people here can understand what I've already said. Many people can read the articles. PTSD is an important issue facing many communities, particularly east Omaha, and, and small town. One of the articles was referencing small town Nebraska. I respect what Senator Hardin said, but the label shouldn't change what happens to our kids and how we treat people. We shouldn't say that PTSD is exclusively military, when I would submit one of the most honorable person I ever known is Senator Brewer, who said that's exactly what's going on in north Omaha. What you describe is what happened to me in Afghanistan and the people I served with. So no, it's not military related, but a label shouldn't be defined by whether one's in the military or not. We're talking about the issue and the issue that kids are dealing with. And every day, what's interesting is-- I'll give you an example of one of the things that happened in Judiciary. There is an individual who got up with a bag and the sh-- the State Patrol put his hand on his gun. There were only two people in that room who noticed that, and that was Senator McKinney and I. Because any time an officer moves, we see it. And I actually backed up and scooted over to my clerk because I didn't know what was going to happen. Now, my PTSD is not necessarily as severe as some of these other ones, but the fact that that happened and my hands started sweating and I had to say, Ms. Angenita, you need to scoot over a little bit. She's like, what's going on? I said, he has his head on his weapon. How did you see that? Because that is ingrained in me. No quick moves around anybody, especially somebody with a gun like

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a officer. And if he's reaching for something on his side, you better believe he's going to use it. I can't imagine what some of the kids go through by hearing a firecracker in their school--

DeBOER: One minute.

WAYNE: --or how they're supposed to be able to work the rest of the day knowing that they just heard gunshots. While homicides may have went down in Omaha, there is a shooting every night. Multiple shootings. So yeah, I'm trying something new. I'm trying not only economic impacts, I'm saying let's get to the core of young people who are dealing with violence. I can give you volumes and books on the impact violence has with young people. But either you're going to give this a chance or you're not. And today, I'm asking for that opportunity and that chance. Thank you, Mr. President.

DeBOER: Thank you, Senator Wayne and Senator Machaela Cavanaugh. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Madam President. Well, I again rise in support of AM1596, and I appreciate Senator Wayne passing it out, and I have it here in my hand. I would, obviously, echo a lot of the comments. I, I think that we need to look at this like an investment, that this is \$5 million, and if the problem is we need to make a trade-off somewhere, I'm sure we can find it in this budget and the tax cuts and things that we've got-- we're talking about, that there's, there's \$5 million. It's about-- it's a question of a priority. And the question is whether we want to prioritize the mental health of the young people in this state. And this is an opportunity to look at a new way to do that and to help a generation of kids have a better life. And it has the added benefit of improving outcomes in schools, improving outcomes, improving lives for families, improving the whole issue we're facing with crowding in our criminal justice system. It has a lot of downstream effects, but ultimately it's an investment in improving the lives of these kids. And-- so I think \$5 million is, as Senator Wayne said, he's talked with people, experts in this field, figured out what is the most targeted way they can achieve this. And this is the number they came to. I think it's a reasonable number. I think it's a smart investment. And I would say if the question is referring to the words post-traumatic stress disorder in the bill is a problem for some people, I'm sure there's a way to find a different definition for psychological trauma as a result of some sort of violent event. I think it is pretty clear that that is the definition of PTSD, post-traumatic stress disorder, that is being experienced by these kids. But I think in the interest of getting help

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for them, I'm sure, as Senator Wayne said, he would be willing to work and find a way to make this palatable and work for everybody. So I would encourage a green vote on AM1596. Thank you, Madam President.

DeBOER: Thank you, Senator John Cavanaugh. Senator Dungan, you're recognized.

DUNGAN: Thank you, Madam President. And again, colleagues, I also rise still in support of AM1596. And I, I just wanted to, I guess, share a little bit more about my own personal experiences working in juvenile court. I think the point's been made repeatedly here that this is a real issue, that what we're talking about are kids who are seeing violence, experiencing violence, whether it's gun violence or other kinds of physical violence in their communities, in their homes, and the effect that that's having on them with regard to PTSD and, and what that lasting impact is, I can tell you that almost every single youth that I worked with in juvenile court that I represented had some very serious trauma from their background. And although we don't screen every single one of those youth-- even though I, I think we probably should-- for PTSD, it was very evident from conversations and from pre-disposition interviews that were done with the juvenile probation office that almost every single one of these kids that we worked with had gone through something incredibly stressful and traumatic. And what we also knew is that a number of those, those PTSDs or the, the traumas they'd gone through, came from seeing or witnessing or being around violence. And the fact that a lot of these youth were experiencing that had so many negative impacts on their lives. But one of the biggest ones was that we would see them on a regular basis becoming numb to certain things around them. And sometimes that numbness that you would see, whether it was numbness or a need to put up a, a shell, or however you want to say it, would be misinterpreted by the courts or misinterpreted by the probation office as not caring or not thinking these things are important. But it would have negative impacts on the outcome of their actual case, where kids would have experienced this PTSD throughout their lives and then essentially be held to account for it by the juvenile probation system. And so what I'm getting at here is that I personally have spoken with and, and talked to a number of youth who have, who have-- are dealing with PTSD based on traumas and stressors that they've, that they've gone through in their life. And it's a huge problem here in Lincoln. It's a huge problem in Omaha. Frankly, it's a huge problem in rural Nebraska as well. And so, again, I think it's always important to highlight this isn't an urban or a rural problem. It's a problem that affects the entire, the entire state. I also just briefly wanted to share here, I found this publication that was done by the

National Council of Juvenile and Family Court Judges. So this is an organization that specifically works with juvenile court judges to kind of codify or come up with best practices. And they have this publication called "Ten Things Every Juvenile Court Judge Should Know about Trauma and Delinquency." And the reason I thought this was important to at least do a quick rundown of what these things are is to highlight what we know about trauma and what we know about the effect that PTSD has on juveniles who are involved in the justice system, because that's exactly what this amendment is trying to abate. 1, a traumatic experience is an event that threatens somebody's life, safety, or well-being. So that kind of lays out where that comes from. 2, child traumatic stress can lead to post-traumatic stress disorder. So we know, again, these experiences these youth are experiencing are what lead or could lead to PTSD. They go on to say that the rates of PTSD in justice-involved youth are as high as 50, 5-0, percent, which puts them on par in their estimates based on other studies with soldiers who are returning from war, which I think underlines and highlights Senator Wayne's point from his conversations with Senator Brewer. 3, trauma impacts a child's development and health throughout their life. So what we know is that trauma is going to affect their brain development as well as their physical health, which is going to continue to affect them throughout the entirety of their life.

DeBOER: One minute.

DUNGAN: Thank you, Madam President. 4, complex trauma is associated with risk of delinquency. So again, that trauma can add to that recidivism. 5, traumatic exposure, delinquency, and school failure are related. We know this is interconnected. We know that what we're trying to do is stop this problem upstream. 6, trauma assessments can reduce misdiagnosis, promote positive outcomes, and maximize resources. So if we get analysis for PTSD early on, it can actually abate misdiagnosis down the road. 7, there are mental health treatments that are effective in helping youth who are experiencing child traumatic stress. 8, there is compelling and documented need for effective family involvement. And then finally, 9-- I won't get to 10 here-- but 9, youth are resilient. We know that kids can bounce back from this if we address it at an early stage, and that's why it's integral that we do things like what Senator Wayne is proposing here so that we-- kids are able to bounce back and not deal with these issues for the remainder of their life and we abate the problems at the source. Thank you, Madam President.

DeBOER: Thank you, Senator Dungan. Senator Vargas, you're recognized.

VARGAS: Thank you very much. Colleagues, I stand in support of AM1596 for Senator Wayne. I want to lie-- lay out some of the different reasons behind that. One is-- as, as he explained, this is his priority, bill. It's something that is reaching the floor. It's reaching the floor in this manner and is focusing on the funding component. Even though the bill was originally \$25 million, looking at this as funding from the Health Care Cash Fund and \$5 million each year of this part of the biennium is much more reasonable in terms of when we're looking at the Health Care Cash Fund and an opportunity for us to invest in something that is needed. The reasons why I support this are much more pragmatic in what at least some people are used to hearing. Obviously, we have a need to address PTSD and trauma related to community gun violence. And what you heard from Senator Wayne is exactly a key reason why we should be supporting this. But the other reason, at least for me, is if we're looking at examples across the country of communities that are trying to address the long-term implications within communities of violence and how that leads to incarceration, existing and long-term-- long-term healthcare costs, and the unsurmountable, incalculable effects on a community, the amount of lost income in jobs and healthcare costs overwhelmingly are more than this investment of \$5 million each year for the next two years. Each individual that has experienced some level of gun violence in a community, in terms of the healthcare costs, different studies have shown it could be anywhere between \$30,000 to \$90,000 over a 10-year span. That is the cost to the healthcare system for each individual. And in any given week or month, there's gun violence that is existing in the east side of Omaha that is affecting people more directly and indirectly. And this is about getting to the root causes of addressing it. The language that you see in the amendment is very clearly asking for creation of the pilot project that is going to engage all the stakeholders necessarily to then do this work. I do have trust in our federally qualified health centers, specifically Charles Drew, leading this effort and bringing the conveners and doing the RFP that's necessary to do this. But I think one of the reasons it's most compelling is we each get our priority bill. We each stand by what's the most important thing that we care about. And this being Senator Wayne's priority bill, that is trying to focus on-- so much has been on economic development. But there's-- this is a different mechanism that he is pushing forward, that's saying, but we also have to treat and figure out what are the most effective treatments-- not just everything all at once-- what's the most effective treatments to addressing the trauma that comes from gun violence and violence in a community that is seen in the east side of Omaha. It's an investment, an economic investment that is going to not only be a pilot project,

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but hopefully will be a pilot project throughout the entire Midwest on what we can do. The only research studies I've been able to find on this have been on the coasts. I've seen nothing so far in the Midwest, on either the CDC, or any cities or municipalities doing this. We would be one of the first doing something like this in the Midwest. So please have faith in a future Appropriations Committees will be looking at-- and the HHS Committee, the efficacy of this type of pilot program. But what we're asking, or what at least I'm asking you to do as somebody is going to support this bill--

DeBOER: One minute.

VARGAS: --is that the \$5 million investment each of these next two years, not from the General Fund, but from the Health Care Cash Fund, is a worthwhile investment in something, and we will be able to hold this pilot program accountable. So I'm asking you to support AM1596 and to help us address the community violence that we're seeing directly from all different aspects. Thank you.

DeBOER: Thank you, Senator Vargas. Senator McKinney, you're recognized.

McKINNEY: Thank you, Madam President. I rise again in support of AM1596. And, you know, I believe the, the paradigm has shifted a long time ago around the discussion of PTSD when it comes to situations outside of somebody going to war. And I would argue that, you know, at times, it's felt like, you know, I've lived in a war zone-- hearing shots all the time, going to different places within a community, hoping, you know, you don't get shot or you got to look over your back or you got to be in and out, and those type of things. And, and you react certain ways after those type of situations happen. You get paranoid. That is stressful. And you have to en-- and our kids have to deal with that on a day-to-day basis, that stress. I don't understand the hesitation to do a pilot project. We do many pilots. We waste \$5 million on all type of things in this building. But when it comes to a pilot project to address PTSD, individuals are hesitant because the paradigm might shift. The paradigm has shifted. The, the APA is looking at this. There's studies on it. We have to-- and this is important. It's why we have to do our research and we have to be thoughtful and logical when we're voting on issues in this body, especially something so important. You can't stand up and say, we don't know, when there's countless peer reviewed articles and reports on this issue. Studies. Talk to Senator Cavanaugh and Senator Dungan. They've worked in the system. Senator Wayne. Talk to individuals that have worked in prisons. People are dealing with issues, and it's

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post-traumatic stress. Because it's hard to grow up and live in poverty, deal with, you know, violent issues and things like that. It, it, it's so many things. And to, to not be open to a pilot project and for us to have to stand up and make this lengthy argument about it just shows me where we're at as a state and as a body. We are prioritizing the wrong things. We're throwing \$500-plus million to a canal project, and the money is going to sit for nobody knows how long because it's going to be stuck in litigation. But we're hesitant to put \$5 million towards a pilot to try to help our youth and get them through life and, and try to make sure that they can see the good life in the state of Nebraska. I, I'm, I'm just not understanding, and I'm trying to understand, but I can't. It can't just be the paradigm is shifting. The paradigm has shift-- shifted a long time ago. Trauma is trauma, and we have to address it. Because if we don't address it, those things play out, in some cases, negative ways. And then you'll have people proposing bills to arrest 12-year-olds and things like that because we're not addressing trauma. We'll have people proposing bills to build more prisons and juvenile justice centers that are jails, in my opinion, that Douglas County tries to float that name to try to make it sound good.

DeBOER: One minute.

McKINNEY: But it's, it's a jail and it's a detention center. But overall, I think everybody in this body should, should be in support of AM1596. And a red light to me just shows me where you're at. And it can't just be the paradigm. We don't-- concerned about the paradigm shifting or the dollar amount. The paradigm has already shifted and we-- we're wasting money on a bunch of things. And we could run through this budget. Putting money towards kids and addressing their trauma should not take this long of a debate, and it shouldn't be that lengthy of a discussion. Thank you.

DeBOER: Thank you, Senator McKinney. Senator Conrad, you're recognized.

CONRAD: I'd yield my time to Senator McKinney if he so desires.

DeBOER: Senator McKinney, you're yielded 4:53.

McKINNEY: Thank you, Madam President. And you know, we'll continue. You know, I've been here for three years, I guess. And in my time here, you know, I sat on the, I think, the investigation committee around St. Francis and what was going on with that and that disaster in HHS. And a lot of the comments or testimony that we heard while on

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that task force were traumatic, coming from those that were involved in a, in a, in a child welfare system, in those that worked in it, and things like that. It's traumatic that, you know, our state has had kids sleeping on office floors because they didn't know where to place them. It's traumatic that we had our youth in a YRTC that was not looking the best, looking bad and horrible, and senators had to go down and try to get it addressed. It's traumatic that we have our youth coming down here and protesting at their schools trying to stand up for their rights. It's traumatic that a kid has to go to sleep hungry because people are hesitant to provide them, you know, access to, you know, SNAP and things like that because people think their parents are lazy. We have to take that-- you, you can't stand up and say you care about kids and you pull these hard lines that indicate that you don't care. It just doesn't add up. We should be in full support of AM1596. This is going to be my last time speaking on this because I hope we can take this to a vote and I hope it can pass forward. And if it doesn't, that tells me everything I need to know about individuals that pretend that-- I, I won't say pretend yet, but those that say they care about kids in the state of Nebraska and our priorities. Looking at this budget, our priorities are already messed up and we have to address it, because people would like to build a prison because they think NSP is deteriorating. And they think it's 100 years old when, in reality, a lot of those buildings were built in the '80s and '90s. We need programming, but no money set aside for programming or to study. Why do we have programmatic issues in the prison system? Those type of things. We have people hesitant to pass policy reforms in the criminal justice system because, you know, the county attorneys just don't think it's a good thing, so we shouldn't do it. We were elected to be state senators. We weren't elected to be told what to do by outside forces that are not even your constituents, in a lot of cases. We should step up and be leaders. I would tell this to the kids that I coach. Step up and be a leader. To my seniors, I, I, I tell them, like, look, we-- we're a team, but we only could be a great team if you show leadership and step up and set great examples for those under you. Not voting for this and a lot of other priorities in this budget is not showing great leadership for the youth in the state of Nebraska. And we wonder why they're leaving and don't want to stay here. So the motto might be true, Nebraska is not for everybody, which was a horrible marketing--

KELLY: One minute.

McKINNEY: --slogan in the first place. But I'm going to get off the mike. Hopefully we get to a vote. And I am hopeful that, you know, my

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colleagues will see the importance of addressing PTSD and vote yes on AM1596. Thank you.

KELLY: Thank you, Senator McKinney. Senator Wayne, you're recognized to speak. And this is your last opportunity before your close.

WAYNE: Thank you, Mr. President. Glad to see you in the chair, sir. So there's a couple-- there've been a couple of questions about Charles Drew, and, and why-- so I'll give you the background. One of the things that we were trying to do is make sure, at least in the Omaha area, we were trying to make sure it was something locally in the community and we weren't having a whole bunch of people outside the community dictate to the community. If you recognize history, our community has been dictated to enough. However, in those conversations, you have CHI, you have-- CHI is actually building a new facility that we helped give money to around juveniles. It's actually in my district on 72nd to actually do-- doing construction right now. So the key is we're trying to keep somebody who is at least accountable to the community from the community. But move-- I mean, that doesn't mean we're excluding anybody. Again, this is statewide. So these federally health qualified centers are Kearney-- Kearney Regional Hospital, whoever is dealing with kids who are going through this are going to be a part of what we're trying to do here. But for us, we recognized-- or, for me, we recognized the main one or the main area is east Omaha, so we were going to try to headquarter it there and then have partnerships throughout the entire state. Again, I will tell you I'm open to anything. I ask for a green vote to get this-- again-- so we-- in so we can have a conversation from now until Select. I'm willing to work on it, divide it up to figure out whatever we got to do to make this work. That's the best I can do at this point. But this is a serious issue that we're facing, and I'm hoping you'll press green so we can figure out how to get everybody on board and move this aga-- forward. Again, this is my personal priority, and I was trying to figure out a way to do it. I found a way to put this in the budget. And with budget, it gives you a little more flexibility to add some different language. So I'm, I'm willing to sit down and work with some language. I'm willing to get as much information and get this through. Usually, if you know me, I work my bills ahead of time. But today, I talked this morning. And then I was in Judiciary, oh, about 3, 3.5 hours working on, working on criminal justice and, and those priorities. So I ask for some leeway. I've seen you guys do it all the time from my colleagues, so I'm asking for that same respect. And I'd ask for a green vote on AM1596. Thank you, Mr. President.

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KELLY: Thank you, Senator Wayne. Senator Aguilar, you're recognized to speak.

AGUILAR: Question.

KELLY: The question's been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye; all those opposed vote nay. Has everyone voted who wishes to vote? Record, Mr. Clerk.

CLERK: 12 ayes, 13 nays to cease debate.

KELLY: Debate does not cease. Senator Erdman, you're recognized to speak.

ERDMAN: Thank you, Mr. President. Good afternoon again. Still trying to figure this out. I wonder if Senator Wayne would yield to a question or two.

ERDMAN: Senator Wayne, would you yield to a question?

WAYNE: Yes.

ERDMAN: Senator Wayne, try to help me understand. OK. So we, we have a young person that goes into treatment for PTSD and then-- how will we know when that person is recovered and no longer needs treatment?

WAYNE: Well, I'm not, I'm not a doctor, but typically what happens is you don't-- these are one of them things, to Senator Hardin's point, you don't necessarily overcome, you-- you learn how to cope and you deal with coping mechanisms to move forward. And in some cases, it becomes such a natural reaction that you don't have the reactions you had previously from PTSD.

ERDMAN: OK. So are they, are they treating that at this point? Is there any treatment for it now?

WAYNE: Yes. There are treatments all the time right now. The best example I can use is from nonviolence, which would be in a car wreck. So somebody gets in a car wreck when they going through a green light. They have PTSD, who'll-- every time they go to a green light, they, they get nervous or get uncomfortable because of that. So that's a type of PTSD. This is the-- we're limiting ours to guns-- or, violence.

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ERDMAN: OK. So am I correct in understanding this is just for the metropolitan city?

WAYNE: No. And if that is how that amendment reads, I would, I would be open with arms to making this statewide. In fact, how it came out of committee was statewide.

ERDMAN: Does, does this amendment not say metropolitan class?

WAYNE: I think it does, which is why we've been dealing with some issues, but we'll get there. And you have my commitment right here on the floor that I will open up because the amended version of LB792 is to the entire state.

ERDMAN: OK. All right. Thank you. Thank you for answering those. I-- I'm still trying to figure this out. I, I understand the significance of what we're trying to do. I'm just a little bit fuzzy on how we're going to implement this and what it means going forward. My concern is, once you open this up, who determines whether the person is now no longer needed, no longer needs the care? And are we opening up a can of worms that we can't close? So I'm just trying to, I'm trying to figure out what this means going forward. And, and we could be funding this for a long time, and who knows what may happen next? But I guess what I'm saying is I haven't got a complete, complete picture of how I'm going to vote on this one yet, but I do understand that it's a significant problem. Thank you.

KELLY: Thank you, Senator Erdman. Senator Slama, you're recognized to speak.

SLAMA: Thank you, Mr. President. I, I rise in support of AM1596, and I think this is maybe one of the first times I've ever voted [INAUDIBLE] Senator Aguilar motion, so sorry about that. But I rise in support of AM1596 because, yes, it needs cleanup on Select. I think Senator Wayne has made it very clear he's open to that. However, those of us who have been on the floor debating a budget before know that this issue isn't going to come back up on its own on Select File. It's easy for us to throw the cleanup language into the cleanup amendment that will come up on Select. But in terms of this issue itself coming up again, it's really highly unlikely. I, I support this pilot program beyond just the uses that Senator McKinney and Senator Wayne have spoken to. In eastern Nebraska, rural eastern Nebraska, we have kids suffering from PTSD because of their exposure to other issues, like drug use in the home or domestic violence. And we see this translate to behaviors in schools. And I see this treatment for PTSD for our kids to be a way

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of getting these kids the treatment they need, giving them the chance to recover and succeed in school and succeed in their early lives to where they're not just stuck in this cycle of drug use and violence because it's, it's what their brains have been trained to do. Because of the PTSD, they're in survival mode from age six or seven. So giving these kids access to treatment is hugely important. And I'm grateful to Senator Wayne for making this his priority bill. And with that, I'd really encourage your green light support for AM1596.

KELLY: Thank you, Senator Slama. Senator Linehan, you're recognized to speak.

LINEHAN: Thank you, Mr. President. I rise in support of Senator Wayne's amendment. I'm-- I think we just-- been a lot of emotion today and all session, but if we just stop and think about our own personal lives and children we know who have been involved in an accident or there is a tragedy at school, the first thing they do is call in the counselors. We all know that. And we all know that's a good thing. And I have a little experience with PTSD. It's not a lot, but I was in Iraq for 19 months. And I knew when I came home, this is what happens when you are constantly exposed to trauma. You lose your sense of danger. You use-- lose your sense of sleeping at night. You will take risks that you would never take if you had not been exposed to constant risk. You lose a sense. And if we think about it, when we talk about children who get in trouble at school, they-- they're crying out for help. We all know that. I mean, we, we have been hearing from educators ever since I've been in the Legislature that we have to learn about how trauma and how it affects the kid-- kids. And I'm-- failing. Somebody help me if you can get up. It is called trauma-informed care. Trauma-informed care. We've been hearing about it for six years. There are many organizations in Omaha, and I'm sure across the state, but we have Boys Town. That's what they've been doing for decades. Children's Hospital is building a new inpatient center. I, I think what I would ask-- Senator Wayne, would you yield for a question, please?

KELLY: Senator Wayne, would you yield to a question?

WAYNE: Yes.

LINEHAN: Senator Wayne, and I understand-- I think it's perfectly logical that you would want this Charles Drew Center where it's in your community and your community is involved and you're solving your own problems. Is that-- that's what you said or something like that, right?

WAYNE: Correct.

LINEHAN: So-- but you wouldn't be, as we-- from here to Select, you wouldn't be against sitting down with people who are in this field now, whether it's Children's Hospital or CHI or Boys Town, to try and figure out how the best way to go about this? Because this is a pilot, right? So--

WAYNE: Correct. No, I'm not opposed to it. The, the key is we're trying to get the providers to be from the community. So I'm willing to sit down with anybody. We just want to make sure that the providers, the people who are the boots on the ground, are from the community and working with the community. The fear was, for many people, of people coming in and talking at our community versus being a part of the community.

LINEHAN: I clearly understand that. I-- excellent explanation. So I'm going to support this. I hope all of us can. And if we have issues between now and Select, we will work them out, as we will on many things we did today. So, thank you, Mr. President.

KELLY: Thank you, Senator Linehan. Senator Wayne, you're recognized to close on the amendment.

WAYNE: Thank you. One of my colleagues, I won't say his name, Senator Erdman, just told me that from here to Select, I got to tighten up this language. And colleagues, I'm not making an excuse. You have a priority bill. You sit around and you think about how you can move it. I thought-- originally, there was a couple of bills that I wanted to put this on. But out of respect for the body and kind of the chaos we were going through, I didn't throw it on here; but I did on this budget because I thought this is the body's budget. It isn't one particular senator's. And this is something that we're, whether in a special session or now, we're going to have to pass. So what better vehicle to try to attach this to? The reason why you haven't had a lot of information-- well, this morning was just an hour of me talking, but this bill went to HHS. That was probably one of the best hearings I've ever had in a committee, by far. It was some of the most powerful testimony. But I didn't have an opportunity to walk through the floor and talk to you because, at noon, I was preparing for a Judiciary Exec. And when my amendment came up is when I've been on the floor introducing it. So I apologize for that. But I also am asking you to look at my record and say, when I say I'm going to work on it, I usually work on it until we all come to the table and we're OK with it. And if we can't deal with it, I'll be the first one to pull it

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out. That's just where it is. I think this is that important. I think by targeting these young kids and, and individuals who suffer from violence, we will truly make a difference not just in Omaha, but throughout the state. Because losing a loved one is one thing. Watching them die and fearing about other loved ones is another thing. And being able to distinguish that and treat those differently are something we have to start doing as a state and something we have to start doing in our community. So I would ask for a green vote and I would ask to work with you all from this point to Select File to come up with the language that is needed and whatever other funding sources that are needed to make this happen. Thank you, Mr. President.

KELLY: Thank you, Senator Wayne. Senators, the question is the adoption of AM1596. All those in favor vote aye; all those opposed vote nay.

ASSISTANT CLERK: 28 ayes, 3 nays, Mr. President, on the adoption of the amendment.

KELLY: The amendment is adopted. Mr. Clerk for items.

ASSISTANT CLERK: Mr. President, next item offered by Senator McKinney. This is AM1599 to LB814 committee amendments.

KELLY: Senator McKinney, you're recognized to open on AM1599.

McKINNEY: Thank you, Mr. President. AM1599 amends the budget and adds some language that I think is very important. Because, if I'm being honest-- and I'm a realist, and I would, you know, say this to anybody-- I have it on a good assumption that a huge portion of this body is going to vote to build a prison. And because of that, I think we should have some contingencies in place if you guys are going to vote to build a prison. And such authorization in this amendment says: Such authorization shall be contingent on (1) the Department of Correctional Services, in conjunction with the Department of Administrative Services, demolishing the Nebraska State Penitentiary, (2) the completion of a classification study regarding correctional facilities in the state, and (3) the passage of LB348 enacting the Community Work Release and Treatment Act and a portion of the appropriation to this program may be used for expenses necessary to demolish the Nebraska State Penitentiary. And you might be asking, why did you say demolish the Nebraska State Penitentiary? Well, for the last three years, I've heard the Nebraska State Penitentiary is deteriorating. It's in a horrible state of condition. People can't be housed there. We need to build a prison because it's bad and people

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can't live like that because it's inhumane. And if that is true, and if your argument was true, you would not oppose demolishing the Nebraska State Penitentiary. So that is why I put it in there. I also believe that we do need to complete the classific-- classification study. How can we vote on anything and we don't even have the studies back that would tell us what we really need? We don't know if we need minimum, maximum, medium, a lot of medium, a lot of minimum, only maximum, only medium. We don't know any of this, but a lot of you guys are going to vote to build this prison. So, put things in place to ensure that things are done properly: demolishing the prison, doing a classification study, and also establishing the Community Work Release and Treatment Act because we have to prioritize reentry. We have to put our money where our mouths is if we're talking about that we want to see changes in, in, in the justice system and in the prison system in our state. So we have to enact the community work release and reentry because we need it. We need to make sure people are getting proper treatment, proper programming, they're transitioning back to society in a, in a, in a in a great way that they don't "recidivize," which is why I brung this amendment. So I am looking forward to this conversation. Because if anybody stands up and says that we do not need to demolish the Nebraska State Penitentiary if we're going to vote to build a prison, that means that the argument this whole time was a lie. Because if we need a new prison, why do we not need to demolish the Nebraska State Penitentiary? It just doesn't add up. So I'm looking forward to this conversation. And honestly, this is not a joke. I know I'm smiling, but I do think the full body should support this amendment because we need a classification study to figure out what our state needs. We also need to demolish the Nebraska State Penitentiary if you guys are going to vote to build a prison. And we also need to prioritize reentry and rehabilitation treatment. So with that, I'll yield the rest of my time. And I look forward to the conversation. And I'll hop back in here as well. Thank you.

KELLY: Thank you, Senator McKinney. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I rise in support of AM1599. I thank Senator McKinney for bringing this thoughtful approach to how we should go about building a new prison. And I agree that the conversation all along has been we need to build a new prison because the Nebraska State Penitentiary is in horrible shape. It costs too much to rehabilitate. We just need to build a new prison so we can move everybody there and, and then we will get rid of the Nebraska State Penitentiary. And of course, there's never been a firm commitment. There's always been a caginess to any questions about when

or how or what exactly would happen with the decommissioning of Nebraska State Penitentiary. And-- but it's always been part of the conversation that we need to build a new prison because we can't use the current prison. So I think it is really important that we just get some clarity on that and be certain that what we're talking about. If it is-- the argument is that the Nebraska State Penitentiary is past its useful life and we just need to build a new facility to move people over to, that's a different conversation than building an additional 1,500-bed capacity prison and keeping open NSP because, of course, the operating-- additional operating costs of now operating yet another penitentiary. The additional cost of the maintenance and upkeep of NSP doesn't go away. All of the issues that it has now that everybody says are the reasons we need to build a new prison don't go away just because we build a new prison as long as we keep using Nebraska State Penitentiary. So I think that is a pretty good marker for-- along the lines of when we build a new penitentiary. I appreciate the addition of the reentry programming bill into one of the standards because we do need to take that serious conversation and approach to how are we going to get ourselves in a position where we can have the new penitentiary but eliminate Nebraska State Penitentiary because, of course, we know the capacity right now of our penitentiaries-- and I'm looking for the number right here. Here we go. So we have average daily population. And again, this-- I'm looking at the Nebraska Department of Corrections Quarterly Population Summary, October to December 2022-- average daily population, 5,584; the operational capacity, 5,074. So 500 and-- 510 people above operational capacity; design capacity, 4,059. So about 1,500 people above the design capacity. So 1,500 people above design capacity. If we build a 1,500-person capacity new prison and we eliminate Nebraska Department of-- Nebraska State Penitentiary, of course, we will be right back where we are, which is over, over capacity for our build. So we need to have a conversation about how we decrease the number of people who are incarcerated in those circumstances, and one of them is reentry. And when people get released, we need to make sure that they do not reoffend and end back up in the penitentiary. And so, again, the same quarterly study, page 3, has, number of individuals who parole revocation by month. So these are people who are discharged and then violated their parole in some capacity and then were redetained. And essentially, it looks like it's 36 people in October, 44 people in November, 19 people in December, 25 people in January. I guess these are going back a couple years. 32 people in February. So you, you quickly, month over month, have somewhere between-- it looks like 19 and 40 people, 44--

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KELLY: One minute.

J. CAVANAUGH: Thank you, Mr. President-- who have been-- completed their sentence, been paroled, and reoffend in some way, be it- whether a new law violation, which about half of the, the violations are [INAUDIBLE] law violations and half are technical violations. And so working on ensuring that people have proper support and assistance in-- when they are released, when they reenter society, decreases their reoffenses, decreases the number of people that are then going to be back in custody, and will help alleviate some of the pressures we're experiencing in our department. So I'll push my light and talk some more about the rest of this. But I appreciate Senator McKinney's approach to this. I think it is a serious point of conversation to have around if we're going to be allocating this amount of money to the building of an additional penitentiary in the state of Nebraska. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Wayne, you're recognized to speak.

WAYNE: Colleagues-- thank you, Mr. President. And colleagues, I think this is probably one of the most important issues, and I think this is actually a very thoughtful amendment. And the amendment coming up on the next bill I think is, is thoughtful. And so, the-- I think the idea and the strategy-- and this is how I read, read it-- is, what we're trying to say is it isn't just good enough to build a new prison. We have to make sure we're doing more with it. And so there's one thing right now, last that I heard, that we're slated to build a new maximum security prison. But we, we, we appropriated \$200,000 in 2021 to study classification and the issues around there. And what I would hate to do is start construction and building and getting designs and everything else done before the classification study is done. If the classification study comes back and says we actually need more community beds, that may or may not-- most likely is-- a different type of facility. So when I read this amendment, it says, hey, let's keep it in contingency. Let's make sure these other things are done first, and then it automatically goes to where it's supposed to go. We appropriated-- now just hear me out. We appropriated \$200,000 for a classification study that was already supposed to be done so that we know this year when voting on a prison what we were voting on. Colleagues, I know we're talking about the budget. I know we're thinking about food and taking a break. But just hear out what, what we said. We voted in 2021 for \$200,000 for a classification study in the prison system. And from that, we were going to help with the administration to determine what type of facility we needed. That has

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not occurred. Literally, they just said, we ain't going to do it in this amount of time. We're just going to take our time and we are going to keep delaying it. Colleagues, think about what we had to go through for LB1024. Think about what we had to go through for STARWARS. We set aside money for a study. STARWARS had to come back with the results of that study in order for us to move forward with any type of construction, any bill. Perkins Canal, we set aside money to figure out what it would actually take. Then they had to come back and say, here's what it would take, and now we are appropriating it. This is the standard practice for this body for the last seven years. But yet, when it comes to this prison, we're ignoring our practice. We're saying, no, we know it's in desire. NPS [SIC] is just not good. We got to do it anyway. We set aside money two years ago to say, tell us exactly what you need, Department of Corrections. And they've ignored it. Not only do they come out with a new master plan, the new master plan says we need 1,500 spaces and we need another prison or another additional-- up to 1,000 because we haven't got the classification study done. What if the classification says, actually, we need more community release. We need more people in the community because we have actually 800 right now, but maybe we have 1,800 that are community corrections. So why in the hell are we spending \$400 million by the time this is done on a prison we know is going to be full when we already said, OK. We have a standard. We have a practice in this body: allocate some money, get a study done, from that study we fund. That hasn't happened in this case. What this amendment does and the next amendment on the transfer funds says, let's follow the practice that we require of ourselves when it comes to STARWARS, for ourselves when it came to LB1024, for ourselves when it came to every other major project--

KELLY: One minute.

WAYNE: --like the Perkins Canal. We made a study be done first. All we're asking for, I think-- or, all Senator McKinney-- and I won't put words in his mouth-- is to do the same thing here. We've already appropriated \$200,000. We're going to build something without having the information that we need as a body to get it done. So you put a automatic transfer in there once that report is released so at least we know what we're talking about at that point. Thank you, Mr. President.

KELLY: Thank you, Senator Wayne. Senator McKinney, you're recognized to speak.

McKINNEY: Thank you, Mr. President. So let's go through some things that we do not know about the prison. Where is the prison going to be built? I remember last year we were going through LB920, and I've-- I asked the question to people in the body that are from districts that are between Omaha and Lincoln, do you want a prison in your community? Because that's where it's proposed, between Omaha and Lincoln. So where is it going to go? Do-- does Lincoln want a new prison? I don't think so. I don't think the city of Omaha wants a prison. I don't think Fremont wants a prison. So where is the prison going to go? Also, what will be the exact design of the prison or what sort of security population will it serve? Maximum security? Medium security? Minimum security? A mixture? What is the exact breakdown? Most incarcerated individuals are classified medium or minimum security. How much is this facility intended for maximum security incarcerated individuals? Will the facility be constructed for programming and treatment needs of incarcerated individuals, particularly since so many have mental health and substance treatment needs? Also, an important one because this was the mistake of the construction of Tecumseh, can we hire people to work there? Do we even have the labor force? Can we hire security and behavioral health staff? And what will happen with the State Pen? Which is why I brought this amendment. It needs to be demolished because according to everything I've heard over the last three years, NSP is in a bad state, and we should demolish it. If it's in so bad of a condition, then we shouldn't demolish it. Well, we should demolish it. But if it is not, that means many individuals have stood up and lied on the floor and to the Judiciary Committee, to the Appropriations Committee, and to the citizens of Nebraska. They've lied and, you know, misusing taxpayer dollars. Because according to everything I've heard and every argument I keep hearing, NSP is in a bad state. So why would you be opposed to demolishing NSP? I'm just curious. And there's language about decommission and what does that mean. I don't know what it means either. Because the way I read it in the budget, literally it says decommissioning for "multicustidol" level. That didn't say decommissioning so nobody would be housed there. So what that means in translation is they'll decommission it from a, from a maximum and minimum or medium, but they'll still house people there and keep it in operations. So you'll be voting for a prison and still paying money, taxpayer dollars, to keep NSP in operations if you don't demolish it. And that is the fact. But there are some things that we do know about the new prison, that it will take four to five years to be constructed and maybe more because of, you know, supply chain issues, the global climate around, a lot of issues and things like that. And when it does open, whenever it opens, it will be overcrowded. That is a guarantee.

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KELLY: One minute.

McKINNEY: And this will not solve the overcrowding problem. And if we do nothing around criminal justice reform, we will have to construct another prison in 6 to 10 years down the road, according to our own department facilities master plan. So I think everybody should be in support of this amendment. I'm not telling you not to vote for the prison. I'm just telling you to vote for it with a contingency that they complete the classification study, they demolish NSP, and they commit to community treatment and, and community work release. Thank you.

KELLY: Thank you, Senator McKinney. The Legislature will stand at ease till 6:00.

[EASE]

KELLY: The Legislature will now resume. Senator Conrad, you are recognized to speak.

CONRAD: Thank you, Pre-- Mr. President. And good evening, colleagues. I rise in support of Senator McKinney's efforts, and just wanted to take a moment to provide an overview of where we are and perhaps where we're going together. So due to failed policies like the failed war on drugs or efforts to be tough on crime, we've seen legislatures across the country and in Nebraska continually adopt laws that create new crimes and that enhance penalties for existing crimes. This has caused a system of mass incarceration that has gone-- grown so unwieldy-- now, think about this for a minute, colleagues-- when we're trying to deal with all the different challenges we have before us, our system of mass incarceration has grown so unwieldy, almost 1 in 10 kids in Nebraska will have a parent in the criminal justice system. Think about that. What does that mean for our future? And we didn't get here overnight and we're not alone. These factors are exacerbated by a lack of independence and judicial discretion, again, due to policy choices by legislators. They're deal-- they're-- part of this issue is driven by prosecutors that are seeking to mete out the same sort of tough on crime, war on drugs kind of attitude. And other states have decided to chart a better way. They've adopted smart criminal justice reform. And other states with similar political landscapes to our own are closing prisons instead of building prisons. It is undisputed that the least effective, most expensive way to address criminal justice reform is perpetually building new prisons. And the Dewberry report tells us what we already need to know. Without smart criminal justice reform, it's not one new prison, colleagues, it's two, at a minimum, just to

address emergency overcrowding levels, not to even break the cycle of racial injustice and mass incarceration. We can learn from the experiences of our sister states. We had a vibrant effort across all three branches of government led by the CJI efforts to come forward with commonsense criminal justice reform in Nebraska. That was stymied due to a lack of political will. However, we have to keep working together to figure out a way to institute smart justice reforms. When we look at the fiscal impacts, the Corrections budget is growing far, far afield in comparison to spending growth in other areas like education or economic development or healthcare. That is not sustainable, and that is immoral. We have to find a better path. Funding a massive new prison is the worst solution for taxpayers, for human rights, and for advancing our shared public safety goals. When we untangle this mindset of being tough on crime and meting out a war on drugs, the status quo is not only unsustainable, it's unsafe. When we take a different path that builds up problem-solving courts--

KELLY: One minute.

CONRAD: --on the front end, diversionary opportunities, healthcare opportunities, when we make appropriate investments inside for programs and services, and when we have true reentry support and remove the barriers of collateral consequences, those are the ways that we can get ourselves out of this mess. But we haven't taken any of the other steps. And smart criminal justice reform better be up in between General File and Select File for this budget because it's that important. And we have to be honest about what our pathway for the future is. Additionally, it's mind-boggling to me that we're investing this amount of money without a classification plan, barely analyzing the master plan, with a very limited review of programs and services, with a brand-new, jaw-dropping use of force report out of a crisis-riddled correctional system, and we have no additional money for oversight in the OIG budget.

KELLY: That's your time, Senator.

CONRAD: Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. Again, I rise in support of AM1599. And I appreciate the discussion we're having because I think it's, it's good. It's fruitful for thought and particularly the part that Senator McKinney, one of the additions in this, is the

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classification study, which was something I hadn't even really thought about being something we should do before we build a new facility. But clearly it is because if you build a maximum security facility, has-- it's obviously a different facility, has different style cells, doors, security measures, but-- than a minimum security, a medium security, a community corrections. But they also have just wildly different operating costs because of the amount of security, amount of individuals who work there. And so if you're building a prison, it would be really helpful to know which type of prison you need. And to do it without a classification study does seem like folly. And so I hadn't-- it's one of the things-- I've, I've had a lot of questions about this prison, but I hadn't had that particular one until Senator McKinney brought this amendment and we started this conversation. So, listening to the debate, having the conversation can be helpful and instructive and informative of how we make these decisions, and that's kind of the purpose we serve here. And so in my intervening time since the last time I spoke, I was looking for the classification breakdown right now. So in the-- again, going back to the NDCS Quarterly Population Summary, October to December 2022, page 1 of 8, a average-- average daily population by classification and gender. So you have about 300 people who are in intake-- so not classified yet; you have about 30 people who are safe keep-- so maybe somebody in mental health crisis or perhaps somebody who has had a threat against their person; and then you have 847 people who are in community-based corrections. You have 1,631 people who are in minimum security. And then you have 1,720 or so people in medium security. And then you have 1,082 people in maximum security. So the vast majority of individuals that are in our Department of Corrections are in medium or minimum security. And so building an additional maximum security maybe wouldn't make sense. I mean, it does partly depend on where these individuals are, where the needs are. And I think most of the maximum security folks are probably at Tecumseh. But that's-- that is a question then, of course, if we decide to build, for staffing reasons, which is one of the problems I think somebody talked about earlier, one of the problems we have with Tecumseh is that there's no-- not enough folks to work there and we bus them down from Omaha and Lincoln, and that causes problems there. And, of course, Tecumseh requires more staffing because it's a maximum security facility. And so if we make the decision in light of a classification study to build a, a maximum security facility in the Omaha area to maybe address that staffing issue, are we talking about then converting Tecumseh to a medium or minimum security facility or something along those lines? And these are questions and conversations you want to have before you spend several hundred million dollars on something. So I think that asking that we finish that classification

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study before we spend this money is smart policy and would be helpful to figure out whether we're doing the right thing or not. I would echo Senator Conrad's comments about the fact that we need to do some smart criminal justice reform.

KELLY: One minute.

J. CAVANAUGH: Thank you, Mr. President. Because again, we have overcapacity. All of our facilities are over capacity. The projections into the future from our own Department of Corrections numbers, even if we build a facility, an additional facility. So if we don't adopt Senator McKinney's bill-- or, amendment, we don't tear down NSP, we build an additional penitentiary, that penitentiary will be overcrowded on day one, and we'll have to start looking toward the future of building another potential-- penitentiary sometime in the next couple decades. And so we'll just be right back to where we started if we don't make some kind of front-end changes to making sure that we are decreasing recidivism and not incarcerating people that we don't need to incarcerate. And so I again encourage red vote-- or, green vote on AM1599. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. I stand in support of AM1599 by Senator McKinney. I love the discussion that we're having. And I think it is so fundamentally important that we, we have that classification study, what is the appropriate facility that we need for the, the inmate population that we currently have, but also an inmate population that we don't want to have. You know, we want to reduce our inmate population. And it, it just boggles my mind that we still have this discussion about building a new jail when we know it's not the right thing to do. We've seen other states be successful when they embrace criminal justice reforms, implement programming. And from my perspective, certainly as a county commissioner and on the city council and being involved in our Justice Council as well, we know that what we really need and-- I don't know if it was under consideration in terms of the classification of facilities, but we really need an expanded regional center. And if, if we could take some of the funding and direct it towards hiring top-notch psychiatrists, if we could lure at least three to five more psychiatrists and psychiatric nurses to our state, that would really help assist with the overcrowding in the jails, making sure that we are-- don't have all these unnecessary jail holds because the penitentiary is too crowded. Most importantly, the people would get the treatment that

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they need to become a more productive citizen and community member or they have been restored to competency and will finish out their term in, in the penitentiary. So I think it's really fundamentally important. I think Senator Cavanaugh did a great job of going through the existing inmate population. But-- and I think Justin-- Senator Wayne had handed out that there was appropriation funds back-- it looks like back in 2021, 2021 that I hope Senator Wayne will address to see if they've already expended those funds or was the classification study done. That is essential going forward. I think we all agree that if, if we would have stopped and reflected and implemented additional criminal justice reforms, we probably wouldn't be in this position today. If they had allowed programming to continue in the penitentiary, I don't think we would be in this position today. I think once the individuals-- inmates get the, the treatment that they need while they're in the penitentiary and the programming that will help assist them and the type of job skills that they can get while they're in, in the penitentiary, but they're not getting any of that. So it's no surprise that individuals recidivate. And I think one of the essential elements that we need to look at-- and we've been discussing this-- sentencing reform is so important. But the other thing is, you know, why are we locking up individuals that are nonviolent offenders and just filling up our prisons and penitentiary with these individuals that need either treatment, rehabilitation? And that's why our problem-solving courts are fantastic. I know that we're budgeting for additional parole and probation officers to allow us to do and support problem-solving courts. We know that they're successful. They cost the taxpayers less money. That's really a better investment of our taxpayers' funding, to make sure that people get the treatment and the skill sets that they need to succeed once they're out. And guess what? These are members of our community and they will be out back in our community, so we would want them to be successful and give them every opportunity to succeed and contribute--

KELLY: One minute.

RAYBOULD: Thank you, Mr. President-- really contribute back to society. That's our goal. That should be everyone's goal instead of building a new prison, so. Thank you, Mr. President.

KELLY: Thank you, Senator Raybould. Senator Wayne, you're recognized to speak.

WAYNE: Thank you, Mr. President. Colleagues, I know after a little dinner, we kind of want to take a nap or some people aren't here. But what I passed out on the floor-- I, I am really thinking about making

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a call for the house. I am really, really thinking about it right now. Anybody can call for it. You just got to say "call of the house." I didn't call it. It goes towards my time, but that's fine. I mean, there is a point of order. Senator McKinney did make a call.

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

ASSISTANT CLERK: 13 ayes, 5 nays to go under call.

KELLY: The house is under call. Senators, please record your presence.

WAYNE: Thank you.

KELLY: 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.

WAYNE: Thank you, Mr. President. I'm going to keep talking. I know my time is running. So what I passed out, colleagues, is an appropriations that we did on the floor, 2021, April 13. We had our budget out April 13, 2021. Huh. But in here, we appropriate money to do a study of inmate classification within the Department of Corrections, and they were to provide-- shall provide all necessary information for the study and with the university. That study is still ongoing. We think that it's supposed to be done here soon. And I guess, colleagues, what I'm saying is we truly have told Corrections what to do. The study was this body's decision to make sure we had information before we built the prison. I want to repeat that. The Legislature said we need this information before we build the prison. We don't have that information. And so when you're upset about DHHS, when you're upset about Game and Parks, when you're upset about criminal justice-- I'm just trying to think of all the other agencies that I hear, you know, a lot about-- when we tell them to do something and you get upset that they don't do it, this is another example. This is another example where they just said, we'll get to it when we get to it. And I know the information was delayed because I had conversations with UNO regarding this. So I'm truly-- you know, maybe this is the precedent. We're going to go play by play and we're just going to do what we want to do when we want to do it. But at what point does this body stand up and say, OK. Enough's enough? When we pass a bill, we expect it to go here; when we say in the budget, we expect this to happen in the budget in order for us to make future decisions. I'm not totally against the prison. In fact, Senator

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McKinney and I were talking about, OK, maybe not everything in NSP needs to be demolished. We can figure out that on Select. But we should know our classification and what it means before we just jump in and build a new prison. That's just common sense 101. And quite honestly, what we're saying is the deference to the previous Legislature, and some of us who took this vote said we want this information, we're saying to hell with that. We don't care if other agencies decide that they don't want to do it. We don't care about the delay. We're going to wait long enough and say, oh, it's an emergency. It's an emergency, now give it to us.

KELLY: One minute.

WAYNE: I don't think that's a good practice as a body for us to do. And I think this is one of the most reasonable compromises between this one and some other bill-- amendment that Senator McKinney is saying, at least give us this information first. At least create a plan on reentry first. And how about we know-- what's interesting, the new director testified to the fact in our hearing that reentry is critical. It's, it's, it's necessary, and he even specified when it comes to those doing 10 years or more, it's, it's damn near absolutely has to happen for them to be successful on the way out. That wasn't his exact words, but you can read them. It's pretty much what he said for that person who was 10 years or more. We don't even have that information. We don't have the classification. You know, my friend, my colleague, Senator Erdman--

KELLY: That's your time, Senator.

WAYNE: Thank you, Mr.--

KELLY: Thank you, Senator Wayne. I raise the call. Senator McKinney, you're next in the queue. And this is your last time on the amendment--

McKINNEY: Thank you.

KELLY: --before your, before you close, excuse me.

McKINNEY: Thank you, Mr. President. We don't have a classification study, but people would like to build a prison, but we don't even know what that would be or how much that will cost. But people would like to vote to build it. And then after I introduced this, I heard-- I, I had many people come up to me and say, hey, do you think we need to demolish all of NSP? What about this? But this whole session, I've been under the impression that NSP was in such disarray that we needed

to build a prison right away and it couldn't wait anymore. So what is it? Is all of the buildings at NSP deteriorating? Does NSP really need to go offline? Or do we really need a prison? So I encourage anybody who is opposed to demolishing NSP to tell me why they're voting for a new prison when the argument for three years has been NSP is in such bad conditions that we need to build something. Somebody didn't tell the truth. I'm not saying who it was, but somebody didn't. So if all of the buildings at NSP aren't in bad shape, then why has the argument been that we need to build a prison because it's in such bad shape? It doesn't make sense. So you're going to vote to spend \$300-plus million on a prison, not even accounting for the operation cost, and you're still arguing with me to keep NSP open, because now I guess NSP isn't isn't in such bad shape and we need to keep a couple buildings open. Tell that to the taxpayers. I want somebody to stand up and tell the truth. That's what I'm encouraging the people on Appropriations and anybody else to do: stand up and tell the truth that NSP isn't in as bad as a-- bad of a shape as advertised by people over the last three years. And there's buildings that have been constructed in the last 20 that you guys would like to save because you don't want to waste money. I'mmm I'm lost, honestly. I, I thought, you know, I propose the amendment. Let's do a classification study. Let's demolish NSP because, according to everybody, I get emails from telling me I'm crazy and NSP is in such bad shape-- Senator McKinney, I don't know how you're against it. Tell them that somebody didn't tell the truth. Please do. I invite you to. And if you don't, that's an indictment on all you guys. Tell the truth. If you don't want to demolish NSP because you think there's buildings that shouldn't be demolished because it'd be a waste of money, tell the truth that people stood up and did-- and lied and said that the campus of NSP was in such disarray that we had to spend \$300-plus million this year because the prison is needed, is needed. Why would it be-- why would NSP be needed if you're going to build this elaborate new prison that's going to solve the problem, it's going to have treatment and housing and rehabilitation and it's going to be amazing? If that's the case, don't stand next to me and say we can't demolish all of, all of NSP. Tell the Nebraskan people that somebody didn't tell the truth and that all of NSP is not in disarray and you're going to keep it open when this other prison goes online.

KELLY: One minute.

McKINNEY: Tell the truth. Thank you.

KELLY: Thank you, Senator McKinney. Senator Fredrickson, you're recognized to speak.

FREDRICKSON: Thank you, Mr. President. Good evening, colleagues. I rise today in support of Senator McKinney's AM1599. And like many of us have been-- you know, it's interesting. As a freshman senator, this is my first time sitting through an actual budget debate. And I've actually been listening very closely to a lot of the discussion today, and I'm very appreciative of it. Also really appreciative of all the work that the Appropriations Committee has, has done on this. That's no short task. That's certainly-- and I'm also looking over here at the Fiscal Office and all the work that they all do to prepare this. So, grateful for all the work that has gone into this. And I'm sure like many of you, I, I was up really late last night reviewing this green-- I think it was referred to as martian green earlier, this green book, and trying to sort of unpack as much of it as I possibly could. I think at one point I was-- Senator Hunt and I were texting. It was, like, 1:00 or 2:00 in the morning about some line item on a capital construction something. And I thought, I need-- this is, this is the sign I-- we need to stop at this point. It's, it's 2:00 in the morning. But the-- this discussion about this prison has gotten me thinking a lot because I-- and Senator McKinney and Senator Wayne have both done a lot of work, work on this issue in particular. And one thing that, that concerns me is, you know-- Nebraska, we, we, we, we, we stand apart in Nebraska from other states, and that includes states like Texas, like Louisiana. We are incarcerating in a different way here. And, you know, I, I can say with confidence: Nebraskans, we're not more prone to criminal behavior or criminal activity than folks who live in other states. But we are incarcerating at much higher rates than other states. And so, to me, that says that that's something that has more to do with policy than actual behavior here, and that's something I think we do need to really look at and take seriously as a Legislature. And this has got me thinking a lot about, what is the legislative history of this? So a lot of the time, time during the day in between listening, I was actually examining some of our legislative history of the last decade or so about criminal justice reform. And it is shown repeatedly that our state-- we, we refused to act upon repeated recommendations both by the Council of State Government, but also from the Crime and Justice Institute and our own special legislative committees. So in 2014, the state brought in the CSG, the Council of State Governments, to help us solve our growing prison overcrowding crisis. So this is something that we've known about for quite a bit of time. And the report at that time showed that between 2003 and 2013, Nebraska's prison population increased by 20 percent. The numbers today show a 35 percent increase in our prison population from 2003. And again, like I said earlier, colleagues, we are, we are an outlier here from our sister states. And

that includes, you know, states that are both red and blue in political leanings. The CSG reports from 2014 projected that the NDCS population would be lower than 140 percent of design capacity by 2020 if the Justice Reinvestment Initiatives policies were implemented. So in other words, these recommendations, the projections show that we are going to be in better shape for those. But the policies were not enacted, including sentencing reform. So some of our-- the CSG recommendations included the use of probation rather than prison or jail for nonviolent offenses, for example. The Legislature at that time chose to advance a package that enacted other measures, but it did not act upon important sentencing reforms, which is key to this whole process. In 2016, responding to the continued problem of prison overcrowding-- so this was coming back again-- the Special LR34 Legislative Committee made several recommendations, including a review of our Criminal Code-- and I'm sure many of you who are more senior members of this body recall that-- and serious sentencing reforms were proposed from that--

KELLY: One minute.

FREDRICKSON: --by several state-- thank you, Mr. President-- several state senators, but they were not enacted. Jumping ahead, the state brought in the crimin-- Crime and Justice Institute, CJI, just last year, and it projects a 23 percent increase in prison population by 2030. So according to its data, Nebraska has the most acute prison overcrowding in the country. So that is something that, again, we need to be paying attention to and taking seriously. I think Senator McKinney's amendment is a way that sort of-- it kind of holds the feet to the fire, so to speak. And I think that that sort of says, let's, let's actually put some genuine action behind what we are saying we are trying to do here. And so for those reasons, I will support this amendment. So thank you, Mr. President.

KELLY: Thank you, Senator Fredrickson. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Colleagues, I do rise today in support of AM1599 for a host of reasons. When we start having these conversations about the prison, I think it's really important that we make sure that we understand this has to be a holistic approach. And that's exactly what's been said by a number of my colleagues, both here today as well as in years past. You can't fix the symptoms of a problem without going back and fixing the actual underlying problem itself. And if all we do as a Legislature is seek to address the prison overcrowding by building the new prison without trying to

actually address the underlying problems that have led to the overcrowding, then we're not just doing a disservice to ourselves, given that the future Legislatures are going to have to deal with it, but we absolutely are doing a disservice to the people in Nebraska. It has to be this holistic approach. And some people say, you know, we have to do one part quickly. We have to do the prison now, and then later on we can address the criminal justice reform. But the prison has to happen now. I reject that binary. I think we can do both now. We can address the immediate needs of people who are incarcerated and make sure that they're, they're having their housing needs met. But we can also immediately do substantive reform that will address the overcrowding problem. And how do I know this? If you go back to 2020, we were in the midst of a pandemic. And in the middle of that pandemic, one of the largest personal parts of that crisis that I experienced was, what are we going to do with incarcerated folks in jails and in prisons? And one of the most dangerous places that you could be during the pandemic was a jail or a prison. And there were immediate decisions that were made, both here at a local level and at a federal level, to try to reduce jail populations and some prison populations in order to make sure that people were in a more safe condition or community. Here in Lancaster County, there were efforts made to address that problem by, by releasing people out on a PR bond and letting them out without having to post a bond. And we did not see a great increase in crime. We did not see some massive influx of recidivism. I think a better example of this for people who actually want to look at numbers is that at the federal level, the CARES Act allowed the federal prisons to release individuals based on a nuanced analysis of who was and who wasn't maybe going to be eligible for that. And 11,000 people were released nationwide in a very, very short period of time. The bureau that reports on the statistics for that reported back 17 people committed a crime while they were out. 11,000 were released, and 17 committed offenses. Of those other offenses they were charged with, only one of those 17 was allegedly a violent crime. The reason I highlight that is we can make decisions in a very, very short period of time and they can have a substantive effect. But if we drag our feet, we're going to leave ourselves in the problem that we're in right now. What that 11,000 people being released also demonstrates is that here in Nebraska and across this country, we have massive amounts of people incarcerated who do not need to be. The CJI Institute came and did these recommendations that have been talked about by a number of other people, and we took away from that essentially seven general policy priorities. And I know a couple of those have already been touched upon, but one of them that, that popped out to me was this bipartisan or nonpartisan group that we

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asked to come in and look at our laws, highlighted that one of the things we need to do is tailor penalties with severity of conduct. And a good example of how currently our laws don't do that is property crimes. Here in Nebraska, we essentially-- to, to simplify it-- have a three strikes law for shoplifting--

KELLY: One minute.

DUNGAN: --regardless-- thank you, Mr. President-- regardless of the value of the item-- where it becomes a felony. And I experienced this when I was working representing folks. I literally one time, colleagues-- this is not an exaggeration. This is truth. I represented a homeless man who was charged with stealing a can of soup and a pair of socks, and it was a felony. A can of soup and a pair of socks, and he was charged with a felony. That's not hyperbolic. I'm telling you an actual case that I sat next to a gentleman in district court who was charged with a felony. So when we talk about the need to reform some of these laws and tailor penalties of severity of conduct, it's real. It's tangible. These are not hyperbolic problems. And we can address them now. We can address them this session. We have to address that now if we actually want to address our overcrowding. Thank you, Mr. President.

KELLY: Thank you, Senator Dungan. Senator Conrad, you're recognized to speak. And waive. Sen-- Senator John Cavanaugh, you're recognized to speak. And this is your third opportunity.

J. CAVANAUGH: Thank you, Mr. President. Well, I appreciate the conversation and the points that have been raised by colleagues. And I do appreciate the history lesson from Senator Wayne and from Senator Fredrickson. I was here when we passed this, and I do have a recollection about-- of course, I'm talking about passing the \$200,000 for the study in fiscal year '21-22. We passed it-- or, it was an amendment on April 13, 2021. And that was part of the conversation we were having at that point about whether we should go forward with building a prison. I would just point out that, additionally, that this amendment strikes the language of "\$115 million" and inserts "\$100 million." And there was-- we didn't fully allocate the money because we hadn't yet gotten the information. And I remember Chairman Stinner of the Appropriations Committee at the time was very adamant that we needed to have the facility studies, we needed to understand what we were doing before we started allocating this money. And so I think that is-- continues to be an important question. And to Senator McKinney's point about, you know, people have been saying there are some parts of NSP that we wouldn't want to shut down. And, you know, I

think the point of this conversation is not so much that we should bulldoze the Nebraska State Penitentiary. The point of the conversation is, let's be honest about what's going on. We've been told all along that we need to build this new facility because Nebraska State Penitentiary has outlived its life, usefulness, and we need to abandon it and move on, which is just not true. There are parts of it, sure, that need to be redone, and there have been some serious, critical failures there with the pipes in the last year and other problems. And those are real issues with the Nebraska State Penitentiary that we should be making sure that we are making that, that facility habitable and safe for the individuals who are there. And in the long term, we should have a broad conversation about what that facility needs to look like going forward. But we just need to make sure when we're having this other conversation that we're not doing it with blinders on-- we're not telling ourselves, you're not telling yourself, you're not telling your constituents, you're not telling anybody else around here that we're not building a new-- an additional prison. We are building a replacement prison. That is not true. And that has been something that has been said in this conversation all along. And everybody says, yeah, I know it's not true, but that's what they're telling us at the Department of Corrections. And so the point I think-- not to put words in Senator McKinney's mouth-- but the point of this amendment, point of-- part of this conversation is just to make sure that everybody understands and we're all on the same page, when you do vote to fund this prison, that you are funding an additional prison. And that even when you fund that additional prison, it is not going to solve the problems we face in overcrowding. It is going to put a Band-Aid on it. But we are going to continue to operate the Nebraska State Penitentiary and we're going to need to make repairs at a pretty substantial dollar to that facility. We're going to have to hire more staff to staff the new facility while we continue to run the existing facilities. And again, when that new facility is finished, the projections of the Department of Corrections with our current sentencing structure and our current release rates is that the new facility with NSP still open will be crowded-- overcrowded on day one and that we will still-- we will need to start looking to how to add additional capacity going forward. And that's why the part of this conversation last session we spent so much time talking about the needs for those smart criminal justice reform--

KELLY: One minute.

J. CAVANAUGH: Thank you, Mr. President-- that was-- that came out of the conversation with CJI, who met with our law enforcement partners, our prosecutor partners, our judges, our defense attorneys, and met

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with all of those and with the Department of Corrections to come back with recommendations about what will actually help alleviate this crisis and maintain safety in our communities-- not releasing people prematurely who are going to be a danger, but making sure that the people we do release are ready to reenter society and be successful and not commit new crimes and not go back to the Department of Corrections, because that is the objective. Less crime, fewer people in the department, and saving money for the state overall by doing those things. So that's what this amendment's about. That's what this conversation is about. And I would hope that more people might engage since Senator Wayne called the, the house to hear his part of this conversation. And I think some people stuck around to hear it. So I appreciate it. And I think that we can adopt Senator McKinney's amendment.

KELLY: That's your time, Senator.

J. CAVANAUGH: Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. I'm going to give a quick history lesson and then I'm going to yield my time to Senator McKinney because Senator McKinney mentioned something about questions or concerns about money that we've spent and invested in the current prison and why would we want to decommission, tear that down when we've invested money. We've done this before, colleagues. We invested millions of dollars in the Geneva campus and then just sold it on governmentdeals.com or something, some website like that. We do things like that all the time. When we realize that the facility is no longer warranted, needed, we off-load it. Not uncommon. Page 67 of the martian green book at the bottom has Correctional Services Infrastructure and Maintenance. I highly recommend you take a look. It talks about the significant amount of maintenance that we need to still pour into NSP. And-- so I think this is a great opportun-- and a great opportunity. And I appreciate Senator McKinney for bringing it. I yield the remainder of my time to Senator McKinney if he would like it.

KELLY: Senator McKinney, that's 3:55.

McKINNEY: Thank you, Senator Machaela Cavanaugh. And if you think I'm lying about the projection that it would be overcrowded, there's a correctional facility master plan that outlines it. It showed you the

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projections over the next-- what's this, 2023?-- so, ext seven years that it would be overcrowded. There's the CJI study that states explicitly, absent policy changes, Nebraska's prison population is projected to increase roughly 25 percent by 2030. This growth will likely require building a second new prison in addition to the quarter billion dollar facility proposed by former Governor Pete Ricketts to accommodate the population. Then when you look at these numbers: by 2030, the male population is projected to be 6,765. The female population is expected to be 562, with a total of 7,327 individuals in our criminal justice system. Then when you look at this master plan, it says: construct a new fit-- 1,500-bed facility, expandable to 2,000 beds or 3,000 beds because it will be overcrowded. That's what you need the expansion for. I'm still waiting for somebody to stand up and say that for the last three years that the whole narrative around NSP wasn't true. That, one, there was never intent to close NSP; two, all of the buildings on the campus of NSP are not 100 years old. Majority were built in the '80s and '90s, and some after the 2000s. So let's have an honest conversation. Tell the taxpayers the truth that you're going to build another prison and keep a prison open. That is what you're going to vote for if you do not vote yes on this amendment. If you thought you were voting to build a prison and close NSP, you should support my amendment because it would demolish that prison and that campus. Because according to everything we've heard, according to everything you've heard, NSP is in bad shape and it needs to close and shut down because it's inhumane. The conditions are not proper. It keeps flooding. But oh, wait, the department has deferred maintenance for the last almost a decade.

KELLY: One minute.

McKINNEY: No, over a decade, actually, because they wanted a study in, I think, 2010 or 2011 to work on the maintenance. So I'm still waiting for somebody to stand up and say, taxpayers of Nebraska, we didn't tell the truth. We're not going to close-- we don't want to close NSP, but we still want to build a \$340-plus million prison. Somebody stand up and say it. Y'all know I'm not crazy and y'all know I'm telling the truth. Thank you.

KELLY: Thank you, Senator McKinney. Senator DeBoer, you're recognized to speak.

DeBOER: Thank you, Mr. President. In this conversation, there are some facts, some undisputed facts. I'd like to start with the undisputed facts so we're all sort of on the same page. Our prison system in Nebraska is extremely overcrowded. It's overcrowded. No one's

disputing that. That's the case. We can look at a number of different ways to evaluate that. It's overcrowded. No question. We are, if not the most, among the top two or three most overcrowded correctional systems in the country. That's not an opinion. That's the facts. We're continuing to grow-- grow at a rate that is faster than what we can keep up with. And it's not because we are imprisoning more discrete people. It's because we are keeping people in prison for a longer period of time. And because we are keeping people in prison for a longer period of time, it just ends up with more people in prison at any given time. So those are the facts. Here's another fact. We are more likely to jam out on our most severe offenders. To jam out means that a prisoner is released directly into our communities with no supervision of any kind at the end of their sentence, and most likely without having received any programming, directly back into our society. The most severe crimes, the folks who have committed the most severe crimes that are released from prison, those are the ones that are more likely to jam out than the less severe crimes. Those are facts. Our prison, our penitentiary, many of its buildings are in very bad shape. Note, not all of the buildings. Certainly not all of the buildings. We just finished, in the time I've been here, about 100 beds in the penitentiary. Those are very new. \$60 millionish dollars in deferred maintenance in our penitentiary. The taxpayers bought an asset-- the penitentiary-- and we did not steward it well. We did not do the upkeep and now we have some severe problems that are going to be more expensive because we deferred that maintenance. So we have not stewarded those dollars well if we are not keeping up with maintenance on an asset of the state that we are charged to take care of. We do not have, as far as I can tell, anywhere, a process for decommissioning a prison. That doesn't exist. So Senator McKinney here is trying to come up with a way to ensure that the penitentiary will be decommissioned. And his idea is to bulldoze the whole thing. That will certainly make sure that it is not used as a penitentiary in the future. I would argue that some of those buildings, including those 100 beds, might be used for something like mental health beds--

KELLY: One minute.

DeBOER: --which we also need. Here's the long and short of the whole thing. We have a budget before us today. Not everything that everyone wanted here is in the budget because the Appropriations Committee and this body has to balance all of the needs. And we know there are very good things that we are not going to pay for. We balance and we make a choice. This body makes choices every day on things that are vital, like the speed limit. When we set the speed limit higher, we know that that helps our economic system, but it also means that more people

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will die. But we balance and make that choice. Criminal justice already and always is that same sort of thing, where we balance and we make a choice. It's time to look again about our criminal justice system and say, what is the balance and what is the choice that we need to make?

KELLY: That's your time, Senator.

DeBOER: Thank you, Mr. President.

KELLY: Thank you, Senator DeBoer. Senator Brandt, you're recognized to speak.

BRANDT: Thank you, Mr. President. It's kind of interesting. When I served on Judiciary last year, we got a Nebraska State Penitentiary useful life engineering study. This is one of those high-dollar studies the Legislature paid for. If anybody wants to see this, there's some great pictures of every building in the penitentiary. And I believe the purpose of the study was to justify the new prison. It has a breakdown for each building. So it'll say, activity center deficiency cost, \$940,000. Ancillary building, \$22 million. That's the building you walk through to get into the State Penitentiary. Housing units one through five, \$96 million. Housing unit six, \$40 million. I think housing unit six is where our maximum security is at today. And if you've been in there, there is no doubt this prison has outlived its useful life as a maximum security prison. I would almost argue it's probably outlived its life as a medium security prison. But there are aspects in here that can be saved. Senator DeBoer mentioned the, the new housing unit, housing unit nine. I think that's four or five years old. That's excluded from the study. Some of the maintenance spaces, the minimum security spaces for a minimal amount, you could save those spaces. So I would, I would argue there is some value to saving this site as a minimum security prison or a work camp or, or something of that nature. So-- I don't know if Senator McKinney-- is no longer-- he has left the building. Senator Dungan, would you be available for a question?

KELLY: Senator Dungan, would you yield to a question?

DUNGAN: Yes.

BRANDT: Senator Dungan, what does it cost to incarcerate somebody for an entire year?

DUNGAN: I think right now the calculations are \$115 a day in Lancaster County. And so if you multiply 115 by 365, you get about \$42,000 per

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day for incarcerating somebody, at least in the Lancaster County jail. I'm not sure the cost in prison, but I'm guessing they're similar, if not more, expensive.

BRANDT: Yeah, and I believe that was pretty close. And Senator DeBoer's nodding her head from when, when I was on the committee. The alternative to being incarcerated is to be on house arrest or parole. And if you're in for drugs, you would be drug tested twice a day. Do you have a cost on what it costs to keep somebody at home?

DUNGAN: Well, here in Lancaster County, again, there's essentially two different levels of house arrest. I'll try to keep it simple. If you're on district court house arrest, it's \$120 a month. And so if you multiply that by 12, you're looking at about \$1,500 for the whole year. And I think in county court, it's \$10 a day. So if you multiply 10 by 365, you're looking at about \$3,600 a year.

BRANDT: OK. For me, that seems a little light. Some of the-- some of the numbers that I remember being bandied around were maybe \$8,000 a year, something of that nature. But even at \$8,000 is about 20 percent of total incarceration. And that's a significant cost savings to the people of the state. Senator Dungan, what, what would be the advantages of having somebody in their home?

DUNGAN: I mean, if somebody is in their house, one of the things that I saw on a regular basis was we're talking about people who generally have jobs. And if somebody is incarcerated even for a short period of time, they run the risk of losing their job. And once that happens, there's a snowball effect. And so if somebody's in their house and they're on house arrest, they're supervised. They have to drug test and there's a lot of pretty intensive--

KELLY: One minute.

DUNGAN: --supervision, but they definitely can keep their jobs. And then in addition to that, if somebody is in their house, the big thing is they get to keep their house. If somebody's in custody for a long period of time and perhaps they're renting, one of the things that we see on a regular basis is they actually lose their house or their apartment. And then when they get out of custody, they're homeless, and it just increases that cycle again.

BRANDT: So if somebody were to start using drugs again, if that's, if that's what they were in for, what would be the penalty for that?

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DUNGAN: If you're on house arrest and you violate your house arrest, you get taken back into custody and you actually have to serve your entire sentence. And so you don't get credit for time served while you're on house arrest. So let's say you're on day 29 of a 30-day house arrest sentence and you violate, you go to jail and you spend the entirety of your sentence then in jail. So you don't get credit for the time you spent on house arrest.

BRANDT: Thank you. Thank you, Mr. President.

KELLY: Thank you, Senators. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. I rise in opposition to AM1599. I didn't speak on Senator Wayne's AM1596. But in listening to this one, we're talking being accused of having no master plan, no oversight-- no oversight, providing funding before there's a plan, and needing a classification plan. And I didn't hear any of those, didn't see any of those in the AM1596 from Senator Wayne. And so I think it's not consistent to be accusing the current system when his own amendment really had that many deficiencies. The argument that we need inmate classification, I agree that we should have a study of inmate classification, and I'm holding an amendment from 2021 where we did allocate \$200,000 to the University of Nebraska to do that study. And I checked with the Fiscal Office. Funds are being reappropriated in the budget and can still be used by the University of Nebraska. So that has not terminated. It is ongoing funding. And I do urge you, the university, to complete the study and send us the report. So I'm glad to know that that's still pending. I did receive some information from the Policy Research Office regarding the benefits of a new prison. The State Penitentiary serves as the oldest facility in the Nebraska Corrections system, with portions of the campus dating back to 1869, 150 years old. So I agree that we should tear down obsolete buildings, but I do think we should keep options open for some of the newer buildings. We're still overcrowded. We'll still be overcrowded probably with the new prison. And if we can make some good use of existing buildings-- I've toured the prison. I saw some of the really old ones, but I saw a couple of newer, more modern ones that I think could be-- continue to be used or with a different use, possibly. Over the years, the campus has been expanded and renovated many times to allow it to remain a viable correctional facility in the system. It is, however, given its age and configuration, extremely difficult to efficiently operate as a modern correctional facility. We did have-- I understand there was a study-- I think Senator Brandt was just mentioning a cost to build-- to renovate the current facilities would

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be \$220 million. My understanding is that is a-- it's designed to hold 800 people, which now holds 1,200 people. The cost to build a new one is \$280 million, now at \$300 million. But it's designing for 1,500, so it's going to help with overcrowding, and especially being more modern. Also, it'll improve the living conditions for the inmates. The new facility will provide greatly improved living conditions, whether they're in maximum, medium, or minimum custody. It'll be ADA accessible. There's a lot of steps that are not accessible in the current buildings. It'll have natural lighting, open day spaces, programming space, visiting space, medical and therapeutic treatment space.

KELLY: One minute.

CLEMENTS: There also will be enhanced security, state-of-the-art control rooms. The control rooms, I saw them. They're completely outdated. It's difficult to get replacement parts for the panels they have. And, also makes it harder to hire employees. And we've had trouble hiring staff, so the new technology systems also require less staff than the older system at the current facility. So for that reason, I oppose AM1599 and ask for your red vote. Thank you, Mr. President.

KELLY: Thank you, Senator Clements. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. Just wanted to reiterate a couple of points here because I think this is so critical. And, yes, some of the policy decisions that are intersectional and related to how we address criminal justice reform are pending in other jurisdictional committees, hopefully will be up on the floor in between General and Select File so that we can have a better clear-eyed view of this budgetary proposal. But this budgetary proposal related to writing a significant, another significant, huge check to fund a massive new prison, which would be one of the most expensive and complex earmarks in state history, needs further deliberation and should be rejected. I want to provide another point of view. In addition to the fact that our sister states are closing down prisons, saving taxpayer dollars, and having better outcomes, we're the-- one of the only state, if not the only state, moving in the wrong direction here. And it's not just politics. There are deep red states making different choices. We have an opportunity to say, no, we don't want to continue down a failed path of being, quote unquote, tough on crime and waging a war on drugs, because it doesn't work. We can get better public safety outcomes by making investments on the front end and having reentry

support. Building massive new prisons is the most expensive, least effective way to deal with our shared challenges and to advance our shared public safety goals. And let me tell you something else that I find incredulous about this debate. I was part of litigation challenging conditions of confinement in Nebraska state prisons for years in the federal courts, saying the conditions were inhumane, that they were Eighth Amendment violations, violating our prohibitions on cruel and unusual punishment. And guess what the state of Nebraska did? Guess what the Department of Corrections and the Attorney General and the Governor's Office did? They fought that lawsuit tooth and nail and they said, nothing to see here, Your Honor. Everything's fine. There's no violations here. And you know what? A federal judge agreed with them. So you can't have it both ways. You can't go to a federal court for years and say there are no systemic violations or problems or deficiencies and then, boom, turn around and justify with no plan. A massive new prison based on, oh my gosh, you guys, the conditions are deplorable. Give me a break. The Nebraska State Penitentiary is one of our oldest state institutions and correctional facilities. That's the footprint that's over 100 years old. Most of the living spaces and medical spaces and common spaces were built in the '80s and '90s. Do we need to make investments there to update conditions? Yes. Have we tried to? Yes. The Legislature has appropriated money to the Department of Corrections to make sure the pipes don't break, to make sure we have better access to programs and services, to ensure that we can have better medical care and treatment, to ensure that we can move away from the punitive, most worst aspects of solitary confinement that were plaguing our system, including at NSP. But in many instances, the Corrections Department has refused to utilize those dollars.

KELLY: One minute.

CONRAD: And so they tell the federal court one thing. They tell the Legislature another thing. They have no plan. They get more money. Give me a break. This Legislature has held requests for appropriations at a much, much smaller dollar to a higher standard: endless meetings, constant planning. And here, no. We see our Corrections budget bust past what we're spending in terms of growth in education and human services and the budget as a whole. And we aren't charting a different path. If you build this prison without reform, it's build and build and build in perpetuity, and that will bankrupt us from a fiscal and moral perspective. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Hunt, you're recognized to speak.

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HUNT: Thank you, Mr. President. Colleagues, I'm actually going to continue right where Senator Conrad left off. We are taxing ourselves to death in this state to fuel mass incarceration, which fuels racial injustice at the local and state level. And that's what our main driver is in taxes and property taxes and all the things that you guys don't like. Incarceration and Corrections and all of that is our fastest-growing budget item, outpacing education, outpacing health and human services, economic development. Even more sad is that criminal justice reform is one of the key issues in American politics that actually still has bipartisan support on both sides, at the federal level and in our sister states. And yes, different political ideologies come at it from different ways, but they find the same powerful solutions: smart justice solutions, working to unwind mass incarceration. So the real question is, why isn't every proponent of this budget committed to bipartisan reform solutions? Why isn't every proponent of this budget committed to saying, if we are going to expand our carceral system, if we're going to expand our prison system, we want to make sure that we're pairing it with smart, bipartisan, smart justice solutions? But that's not the conversation we're having. We can't even have that conversation. Don't forget who profits from mass incarceration. Just a couple years ago, Governor Ricketts and Scott Frakes were trying to push a private prison before they folded on that and just changed the narrative yet again to building another penitentiary in the state. And big companies benefit from this too, even a public prison. And taxpayers and public safety end up being the losers. They end up losing out when we try to build our way out of mass incarceration problems, which is literally impossible, from both a fiscal and a moral perspective, without justice reforms. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator Moser, you're recognized to speak.

MOSER: Thank you, Mr. President. Good evening, colleagues. Over the last number of years, we've had an ongoing discussion about judicial reform. And there are some senators that want changes in our laws, changes in our sentencing guidelines, and looking to reduce the prison population. The prison population in the prison system we have is way over capacity. And building a new prison would give us space to make it more humane, if that's possible, being in jail and humane, I guess. But building a new prison takes the pressure off of judicial reform. So that sentence right there says everything that's going on. So there are some that don't want to build a prison because that takes the pressure off for judicial reform. They want judicial reform so that we can reduce the prison population. If we don't build a prison and we

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get to a certain trigger point and somebody takes us to court and we have no place to incarcerate people in lower concentrations, we could be forced to do some kind of judicial reform. I don't know if that's some senators' goal or not. But that's what's behind the scene here. It's not saving the taxpayers money. It's not how old the facilities are-- although, I've been there. And some parts of it are worse than others, obviously. But having two people in a lot of those cells would be so uncomfortable, so stressful. You know, it's, it's a wonder we don't have more problems with behavior in the-- in the penal system. I think we need to build a prison. We do need to do judicial reform and to make sure that our laws are fair and just. But not building a prison as a lever to getting judicial reform is, is not a reasonable strategy, in my opinion. So if you're sitting home and you're trying to figure out what's really going on here, that's my handicap of it, is some people want to have fewer people in jail and some of us want to have a more modern, safer penal system. And the judicial reform I think is a separate issue. I don't think the two should be connected, except if we get ourselves into trouble, then we have to do something, then I think that may be part of the strategy. I'm not sure. Thank you, Mr. President.

KELLY: Thank you, Senator Moser. Seeing no one else in the queue, Senator McKinney, you are recognized to close.

McKINNEY: Thank you, Mr. President. And thank you, colleagues. I rise because I encourage your green vote for AM1599 because we do need a classification study. And according to everything everybody said up until today, NSP was in such a bad condition that it needed to be decommissioned and we needed to build a new prison. But when this amendment comes up, now, oh, hold on. We need to keep our options open. We really don't need to close all of NSP. That's very funny. I'm glad it came out. And, Senator Moser, criminal justice policy changes and building a new prison are related. You can't separate the two. It's impossible to separate the two. Because, because of policies that this Legislature made over the years, we have a overcrowding problem. We have people who are spending more time than ever before in our criminal justice system, which means they are in our prisons. So that means they are interconnected. You can't separate the two. Would Senator Clements yield to a question?

KELLY: Senator Clements, will you yield to a question?

CLEMENTS: Yes.

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McKINNEY: I don't want to misquote you, but I would like to ask the question. Did you say that you did not support the demolition of NSP because you would like to keep the options open for the state?

CLEMENTS: Yes, I did. And I, I've not heard somebody say it should be totally demolished.

McKINNEY: So are you saying to Nebraska and taxpayers that you're going to vote to build a new \$340-plus million prison while also keeping NSP open?

CLEMENTS: I don't think it would be kept open as NSP, but-- for a probably-- a lower level security facility.

McKINNEY: But that would mean the prison would stay open.

CLEMENTS: It would mean-- yeah, the-- a facility would be there, I believe. We're overcrowded. I think it would help the overcrowding situation to use perfectly good buildings.

McKINNEY: So that means-- to taxpayers, if you're watching-- you're going to be spending money on a new prison, not accounting for the operation costs, and you're still going to be paying to keep NSP open.

CLEMENTS: Or we'll build another building somewhere else to house people. It would cost taxpayer dollars as well.

McKINNEY: Because there's no will to do policy changes?

CLEMENTS: We'll find out.

McKINNEY: All right. We'll see. Thank you. So, I'll keep going. Somebody asked me, like, are you, are you serious about those numbers? Yes. By, by 2030, the male population in our state prisons will be 6,765 people. And that's according to the projections coming from the Nebraska Department of "Punitive" Services. There will be a total pop-- women-- female population of 562, with an overall total of 7,327 individuals incarcerated. That is the problem. That is the issue. And you cannot separate the policy from the infrastructure. They're interconnected. I would encourage you to vote for this. Because if you don't vote for this--

KELLY: One minute.

McKINNEY: --you're telling the Nebraskan taxpayers that, for the past three years, somebody-- I'm not saying who-- somebody hasn't been

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telling the full story about this prison proposal and that you're going to keep NSP open and build another prison because you know that it's going to be overcrowded day one. So there's going to still be the State Pen, then they're going to, then they're going to build one between Omaha and Lincoln, maybe Fremont. And that's the truth. And I call-- I, I would like to call for a call of the house and-- thank you.

KELLY: Thank you, Senator McKinney. There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 17 ayes, 5 nays to place the house under call.

KELLY: House-- 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 Wayne, Riepe, and Hunt, please return to the Chamber and record your presence. The house is under call. All unexcused senators are present. Members, the question is the adoption of AM1599. Request for a roll call vote. Mr. Clerk.

CLERK: Senator Aguilar voting no. Senator Albrecht voting no. Senator Arch voting no. Senator Armendariz voting no. Senator Ballard voting no. Senator Blood voting yes. Senator Bosn voting no. Senator Bostar voting yes. Senator Bostelman. Senator Brandt voting no. Senator Brewer. Senator Briese. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting no. Senator Conrad voting yes. Senator Day. Senator DeBoer voting yes. Senator DeKay voting no. Senator Dorn voting no. Senator Dover voting no. Senator Dungan voting yes. Senator Erdman voting no. Senator Fredrickson voting yes. Senator Halloran. Senator Hansen. Senator Hardin voting no. Senator Holdcroft voting no. Senator Hughes voting no. Senator Hunt voting yes. Senator Ibach voting no. Senator Jacobson. Senator Kauth voting no. Senator Linehan not voting. Senator Lippincott voting no. Senator Lowe voting no. Senator McDonnell. Senator McKinney voting yes. Senator Moser voting no. Senator Murman voting no. Senator Raybould voting yes. Senator Riepe voting no. Senator Sanders voting no. Senator Slama. Senator Vargas voting yes. Senator von Gillern voting no. Senator Walz voting yes. Senator Wayne voting yes. Senator Wishart not voting. Vote is 14 ayes, 24 nays, Mr. President, on adoption of the amendment.

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KELLY: The amendment is not adopted. I raise the call. Mr. Clerk for items.

CLERK: Mr. President, quickly. New LR from Senator Wayne. That'll be referred to the Executive Board [Re LR126]. Concerning LB814, Senator McKinney would move to amend with AM1605.

KELLY: Senator McKinney, you're recognized to open on your amendment.

McKINNEY: Thank you, Mr. President. That was just an interesting vote; we're not going to close NSP. But this is actually a-- last one was a great amendment, and this one is an even greater one. And this just states: It is the intent of the Legislature that such grants not be reimbursed by grantees. And I brought this amendment because the department has been requiring individuals that have applied for grants for reentry to reimburse them before they could get all the funds. And this is an issue, especially for entities that work in the, in the area of reentry, restorative justice, and-- within the criminal justice system. Because, because it's not a popular industry, necessarily, as far as getting funding, these entities can't float that type of money. And I think it's just smart policy to say that it's a grant so, so they can serve the people who we're trying to help. And that's my opening. And thank you.

KELLY: Thank you, Senator McKinney. Senator Dungan, you're recognized to open.

DUNGAN: Thank you, Mr. President. Colleagues, I rise again also in favor of AM1605. I think these conversations that we're having today are really interesting. We've talked I think at great length throughout the session about the importance of criminal justice reform. But here we are today talking about the prison and talking about what we need to do in order to have a more holistic, as I said earlier, approach to what our future of criminal justice looks like here in Nebraska. What I really appreciate about Senator McKinney's amendment here and the one that we had previously is they really cut through a lot of the bogus arguments people have and they get right to the core. And one thing about this AM1605 that I think is of particular importance is it really addresses the notion of reentry and rehabilitation. I can nerd out about this for quite some time and so I'll try not to do this too much, but for those who pay attention to the way the criminal justice system works, there are four real schools of thought as it pertains to why we punish people. There's punitive, deterrence, incapacitation, and rehabilitation. Generally speaking, what that means-- punitive, right? You can punish people. You did

something to me and I'm going to do it to you, and the pure purpose of it is retribution. That's punitive as a penological goal or a reason for punishment. Deterrence. If we have a certain penalty for something, then you are less likely to commit that crime because you're scared that that penalty is going to happen to you. You are deterred from doing it. That's another school of thought. Incapacitation. If you do a crime or commit a crime, we are going to craft a penalty that literally incapacitates you or stops you from being able to do that thing in the future. And then finally, rehabilitation, where if you commit a crime, there's a fundamental belief that you should actually try to be rehabilitated or have the reasons for the commission of that crime addressed in such a way that it doesn't happen again. I think that reasonable minds can disagree about what the most important penological goals are. But I think that whenever you have a conversation about criminal justice and what we're going to be doing as a state, it's really, really important that we have the underlying conversation to figure out where we all are on that subject. What is the purpose of what we're trying to do? Are we trying to punish? Are we trying to deter? Are we trying to incapacitate? Or are we trying to rehabilitate? And you can go look up studies that have been done for decades that show if you don't have rehabilitation as a core tenet of your punitive system, you're not only going to find yourself in a cycle where recidivism continues to occur, but you're actually going to probably see increase in crime from people who are having that trauma we talked about earlier from when they're in prison. If you look at the history of prisons in the United States prior to the 1970s, there was actually a fairly large push for rehabilitation to be something that we cared a lot about as a punitive system or as a criminal justice system. But starting in sometime around the '70s, moving into the '80s, and especially in the '90s, we started to hear this tough on crime rhetoric and we shifted more into the punitive or pure punishment model. And what we can see from data, because I think data is really, really important when we're making big decisions like that, is that purely punitive measures or predominantly punitive measures-- some accidental alliteration, I apologize-- don't work. And when all you do is punish, nobody benefits. And when you look at other studies and data sets that have been put together that have analyzed rehabilitative models, specifically comparing American models to, let's say, European models with rehabilitation at the core of a lot of their tenets, you see a bigger benefit--

KELLY: One minute.

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DUNGAN: Thank you, Mr. President-- you see a bigger benefit from these rehabilitative models. And you see that when folks are incarcerated in prisons that work on rehabilitation rather than punitive measures, they benefit more and we see less recidivism. Now, the reason I highlight this-- and I'm probably going to punch in again and continue to talk about this. I'm not just trying to bore people to death here at 7:30 in the evening. But a major component of rehabilitation is reentry. And if we don't actually have a model of reentry that is functioning, that is beneficial, and that actually works for the people that are doing the reentry, then we are going to fail at rehabilitation. And so what I really, really appreciate about Senator McKinney starting this conversation yet again and bringing this amendment is we have an opportunity to better our reentry model here in Nebraska. And I think that if we do that, we do a real service to the folks who could benefit from that rehabilitation. And so I would urge your green vote on AM1605. I'll probably punch my light in again to keep talking about this, but please listen to the conversations--

ARCH: Time, Senator.

DUNGAN: --around this, colleagues. Thank you, Mr.--

ARCH: Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Mr. President. I rise in support of AM1605, and I just wondered if Senator McKinney would yield to some questions. We could have a conversation about this amendment.

ARCH: Senator McKinney, will you yield?

McKINNEY: Yes.

J. CAVANAUGH: Thank you, Senator McKinney. OK. So just so I understand, and the folks here, so AM1605 adds some language to the section that's on page 86 through 88 of the budget, which is vocational life skills. Is that right?

McKINNEY: Yes.

J. CAVANAUGH: And your language specifically says that those service providers shall not have to reimburse the grants.

McKINNEY: Yes.

J. CAVANAUGH: Could you kind of just, I guess, clarify for me what exactly that means?

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McKINNEY: So basically what is happening now-- say, for a hypothetical, I got a grant for \$100,000 from NDCS. I would have to spend my money first, then go back to the department with my receipts to get the money back.

J. CAVANAUGH: OK.

McKINNEY: The issue is small nonprofits in the criminal justice space don't have the resources to float that type of money up front, and it makes it hard for them to keep doing programming without going under and just saying, I can't do it.

J. CAVANAUGH: So this doesn't change the dollar amount being allocated.

McKINNEY: No.

J. CAVANAUGH: This just changes, rather than pay-- after services are provided, we pay up front to make sure that they have the ability to provide those services.

McKINNEY: Yes.

J. CAVANAUGH: OK. Thank you, Senator McKinney. I just wanted to clarify that so everybody here is on the same page. So my understanding-- and, obviously, you can correct me on, on your time, if you like-- is that we have-- this is about \$4.8 million that we, we are already appropriating. So this is in this-- the budget bill. And all that this amendment is saying is that when the service providers-- who, a lot of them, are people doing this really out of-- it's a passion for them. They have a passion for making sure that people get back on their feet, get the right services they need. So it's for permanent supportive housing, programming. Let's see, some of these-- for release from a commitment, reentry centers, transitional community and halfway houses, supportive permanent housing, wrap-around services, facilities-- facility-based programming, including unit-based program-- programming, community corrections, front-end, middle, and back-end services. So when people get out, they're looking for a place to live, to get back on their feet. They're looking for maybe some assistance getting transition with a job and with some care. And as Senator McKinney said, right now, we ask those providers to provide the service and then get reimbursed. And a lot of these are small facilities, you know, maybe a couple to a dozen people living there, in halfway houses and things, and so they're on a tight budget. And so what this would do is allow them to be approved as a provider,

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get the money up front, and then provide those services, which I think would-- is a, is a very rational step to making sure that we have more stable and approved options for folks when they come out of the Department of Corrections. And that stability, that very stability, decreases recidivism. And so this, this simple change in how we are-- basically an accounting change that Senator McKinney is proposing here-- could have a substantial improvement in outcomes for people in-- returning from custody. So it's not going to cost us anything. It's just going to change how we're doing this paying and billing. So I think it's a really smart suggestion by Senator McKinney. And, you know, I think the last conversation some people probably were listening to and thought this is a statement piece, the la-- the last amendment we were talking about. I just want to be clear: this is not a statement. This is a serious conversation we're having about a, a serious way in which we can make just one small change. It's not going to cost us any money--

ARCH: One minute.

J. CAVANAUGH: --to how we deal with this billing issue that could have a serious, positive impact on, on outcomes for people, for our state, for when people get released, for better outcomes, decreased recidivism. And, of course, decreased recidivism, decreased crime, decreased number of people who are victims of crime, and decreasing our prison population, which saves us money in the long run. So again, I encourage your green vote on AM1605. I appreciate Senator McKinney's extremely smart approach to this. Thank you, Mr. President.

ARCH: Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. And I rise in support of Senator McKinney's amendment. And I think it is a modest but meaningful change to ensure that frontline service providers that we partner with, particularly in the reentry space, have a little bit more flexibility in terms of how we compensate them for their important services. And so I will be supporting that. But I wanted to also add some additional thinking in terms of where we are with this budgetary proposal and some of the very disappointing commentary that we've heard in regards to the lack of progress on criminal justice reform in Nebraska thus far. So I would challenge the senators who have worked hard to oppose commonsense measures carefully deliberated and brought forward by all three branches of government, whether it was through CSG years ago, CJI more recently, thoughtful proposals that have been brought-- put for-- put forward by well-established entities, like Right on Crime, bringing a strong libertarian and conservative viewpoint to criminal

justice reform because, indeed, they recognize the incredible burden on the taxpayer that a lack of justice reform reaps. I would ask you why we have not, in Nebraska, at least followed the model that President Trump and a very conservative administration helped to pass in regards to the First Step Act for criminal justice reform on the federal level that some of our federal representatives supported. You have to wake up to the fact that every other state and the federal government has turned a different path on criminal justice reform. There's no reason for Nebraska to be an outlier in this regard, except a complete lack of political will to do the right thing for better outcomes for the taxpayers. And we need to have this conversation in terms of the massive budget proposal being brought forward and the yet-to-be-debated criminal justice package. And if I keep hearing, yes, we need to do something, but not that; we need to do something, but not that-- what's your idea? And I challenge any of the senators who are supporting this prison to get up and share your vision, vision for criminal justice reform. What is it? Say it out loud. Help us find the common ground and consensus so that we can work our way out of this mess that we have found ourselves in: the most overcrowded prison system in the country, the most significant racial disparities. And your only solution is to build prisons with no plan for how to build them or how to get out of this broken cycle. So if you say we have to do this, but we also have to bring other solutions to criminal justice reform, what are they? What's your ideas? Why aren't you injecting them into the debate? And if you're not going to do the work and be honest about criminal justice reform, as Senator Clements has indicated, this isn't indeed just about building a new prison, this is about refurbishing NSP and building a new prison, what is it? Be clear. This is a massive appropriation. That's not too much to ask. That's not even political, to ask for some basic clarity in terms of what your plans are. And what's your plan after the new prison?

KELLY: One minute.

CONRAD: What's your plan? Are you going to meet us to build up diversion and problem-solving courts? Are you going to work diligently to build up behavioral health opportunities and access? Are you going to join with us for no-cost, low-cost alternatives that address reentry reform, like voting rights restoration, like access to food stamps and the safety net program, removing barriers to education and housing, removing barriers to employment so that people have access to prosocial behaviors so that they can help to break the cycle of recidivism? I don't see any of you running to punch in your lights. I don't see you raising your hand. I don't see you putting forward bills

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that are thoughtful in terms of reducing our prison population. What is your plan with this appropriation and for the future?

KELLY: That's your time, Senator.

CONRAD: And if you can't answer it, you shouldn't vote for it.

KELLY: Thank you, Senator. Senator DeBoer, you're recognized to speak.

DeBOER: Thank you, Mr. President. I just wanted to try and draw all my colleagues' attention to this particular amendment, because this is a very different kind of amendment than the ones that we have been talking about a lot of the day. This amendment is-- it's kind of a cleanup amendment. It's an amendment that says that, right now, we have nonprofits. These are small nonprofits. This is not, like, a huge, conglomerate nonprofit. These are small, individual nonprofits who work in the area of transitional housing, for example, who provide services. Sometimes a house has, like, 12 guys in it, and these 12 guys come and they-- it's like a halfway house, right? They, they sort of get them back out into society by providing them a first place, giving them some structure, all of these kinds of things. They're terribly successful. But the way that we have them getting funded is that they must do all of the work, front all of the money to their employees for that work, and then and only then we will reimburse them. Now, any of you who've run a business understand why that is problematic. Now, what we would like to do is give them the money so that they can provide those services without having to front the money for the government. Imagine asking a small nonprofit who is doing this tremendously important work to front the money for the state of Nebraska in providing these services, and only then will we repay them. I would argue that the current AM1605 doesn't quite have all of the language exactly perfectly to do what we would like to do. But you've heard others and me say on the mike, that is what is being attempted here. What we're trying to do is change the timing of when folks are being paid for providing these very essential services that, literally, I don't think you could find anyone who would say these are not essential services to our society because they help people when they get out of prison to not just go back to their old ways. By providing that transition, they help them to get on a different path when they come out of prison. These are essential, essential programs. And what they do is very important, so we want to help them to thrive by just giving them a little more of a cost flow kind of a help from us so that they're not fronting those funds, basically, the services, for the government. So this is-- we say "serious amendment" a lot, but this is a different kind of amendment. If I can stress that enough,

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this is a different kind of amendment from what we are talking about. This is a good government, a way of getting things to work. I will talk to any of you who would like to about how this works. My hope would be that since the language isn't perfect yet, that we would pass this amendment and, between General and Select, Senator McKinney and the Appropriations Committee should work together with the Fiscal Office to get the language to do what the intent of his amendment is, which is to just help with the cash flow issue for these small nonprofits, these small entities that are providing services to our communities to transition people to help with this programming piece that everybody under-- everybody universally understands that programming and these kinds of transitional services are absolutely crucial to what we're trying to do in the correctional system.

KELLY: One minute.

DeBOER: So I would ask you all, I know that we've kind of all gone to our sides. It's late at night, whatever. It's not that late, but it's kind of late. And we've all gone to our sides and we're not really paying attention. Please, colleagues, please, let's, let's help Senator McKinney out on this amendment. Let's pass this amendment. This is very different. This is not some big political statement. That's nothing that's happening here. This is just trying to help make things work that work. Thank you, Mr. President.

KELLY: Thank you, Senator DeBoer. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. I rise in opposition to AM1605. The language of it is not clear. The wording is obscure. I had to ask Senator McKinney what this really meant. First of all, it's not worded properly, and I think this amendment would call it out of order. This is changing an existing program function in the Corrections agency, and the Judiciary Committee needs to do this in a hearing. They need to hear from the providers and the agency and the public as to the pros and cons of making this change. It's quite a change. It means-- currently, providers that are helping inmates or those getting out of prison, helping them with programming and rehabilitation, and that's a good thing. Currently, they contract to do that work; they do the work, and if it's done acceptably, then they get paid. And this amendment would change that to where the provider would get paid first and then hopefully would do the work correctly and would need to be maybe audited as to whether it was done correctly. I work for people and I do the work and then I get paid here at the Capitol. My paycheck comes on the last day of the month, not the first day of the month,

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after I've done a month's work. And I think it's a normal practice to do the work that you've agreed to do and then get paid after it's satisfactory. There are some days I'm not sure I earn that here at the Legislature, but I really try. So I do think this should be something that the Judiciary Committee should hear in a bill and-- to be able to have providers and the agency and the public input. We're not the Judiciary Committee. We're the Appropriations Committee. This is a budget, not a Judiciary Committee meeting. And-- so this would make a major change in existing function of a program. And the language is not clear. So I oppose AM1605. I ask for your red vote on that. Thank you, Mr. President.

KELLY: Thank you, Senator Clements. Senator von Gillern, you're recognized to speak.

VON GILLERN: Thank you, Mr. President. Senator Clements, I, I, I would be of the similar mindset regarding the way that most businesses operated. It's pretty rare that you would be fronted a payment before services are rendered and-- that would be unusual. However, I do-- I, I believe I'm grasping the-- at least the intent or the philosophy behind what is trying to, to-- the change that's trying to be implemented here. So if Senator McKinney would yield to a question or two, I would sure appreciate it.

KELLY: Senator McKinney, would you yield to a question?

McKINNEY: Yes.

VON GILLERN: Thank you. Senator McKinney, my understanding is that it's your intention that this is simply a change in the cash flow and it would not be one of the questions that I, I had earlier. There's a \$4.8 million appropriation with this, and certainly you're not talking about all of that appropriation being made at one time. Are you, are you thinking that these would be monthly advances? What, what's your thought on that?

McKINNEY: The intent-- so history behind this is the intent was to provide grants to nonprofit entities that work in the space. And I'm saying grants because the intent was a grant. When you apply for a grant and you get a grant in the, in the world-- and we're talking about the business world-- you're not required to reimburse the grant. It's a grant. The original intent of it was to be a grant. It was never supposed to be a reimbursement.

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von GILLERN: OK. Thank you. If the-- so if the grant-- grantee doesn't spend all of those funds, is there currently a requirement or would there be any new requirement to reimburse those or return those funds?

McKINNEY: I'm, I'm open to working on, working on that over-- from General to Select. I'm working-- I'm open to working on that language.

von GILLERN: OK. Thank you. And could you share with me a couple of the examples of who these grantees are and what services they provide?

McKINNEY: So you have entities like RISE that provide programming in and outside of our, our criminal justice system. They do things around job training, entrepreneurship, helping individuals when they get out get access to-- they, they help pick them up and take them to work or, you know, different appointments and things like that.

von GILLERN: OK. Thank you. And then some of the items that Senator DeBoer mentioned, certainly it sounds like you're willing to work on those between now and the next round of debate to, to make, to make sure that your intent is achieved with this amendment.

McKINNEY: Yes. Yes. And it, and it wasn't my intent to try to put up a, a bad amendment, necessarily, just because. I wish I would have been able to see the budget a lot sooner. And I would have addressed it a lot sooner, but because of time, I, I, I had no choice.

von GILLERN: Great. All right. Thank you.

McKINNEY: Yep.

von GILLERN: Well, certainly this appears to be more pragmatic than it is philosophical or political. And, and so I'll certainly consider supporting the amendment. Thank you.

KELLY: Thank you, Senators. Senator Vargas, you're recognized to speak.

VARGAS: Thank you very much. I don't have a lot to say. I just wanted to make sure to get it clear. And I talked to Senator McKinney about this too. I understand his intent. And, you know, my concern is that even if we do pass it in this current version, it won't do exactly what he wants and what I actually also agree with. I've had a lot of conversations with a couple of the Fiscal Analysts as well about this. I'm hoping that there's intent language we can do that directly gets this to organizations. At the minimum, the worry that I've always had is, as somebody that's come from the nonprofit world, is, how often do

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you actually get reimbursed right now? What I don't want the situation happening is we had the food banks, the-- you know, that were requesting reimbursements for nearly seven, six months from DHHS on different grant programs, which means that they had to pay out six months of funds, and then got reimbursed eventually. But we put them in, in a terrible situation fiscally. And these aren't businesses in the-- in, in that they don't have that much free cash flow. I want to make sure that that doesn't happen to these entities and organizations, specifically nonprofit organizations. So, you know, at a minimum, providing monthly or biweekly reimbursements, which is much more intensive, but that, that, that's the minimum that we should be doing. Hopefully, we can do something here. I know Senator McKinney has talked to Senator Clements, Senator Wishart, and myself and others on the committee, and we're, as one member, committed to doing something that is going to try to address this so it's not hard for these organizations to do the work that's intended. It's critically important that that work that they're doing works and they're able to manage it and we have the most effective and the most fiscally responsible way of doing it. So, thank you.

KELLY: Thank you, Senator Vargas. Senator Bosn, you're recognized to speak.

BOSN: Thank you, Mr. Speaker. I am asking to clarify some of the conversations that I've had an opportunity to have with Senator McKinney and others about the intent of this language. It's my understanding in those conversations this is not an addition of any funding. This is not a change in the amount that we would be putting forward. It merely is intended to clarify that this is a down payment for those companies that are willing to provide these services on the front end in order to have companies be willing to provide these services. And then that's-- as opposed to being reimbursed when this is-- when the services are over. Here's my example. If you agree to provide a bed for 25 individuals who are in a halfway house, that's a huge investment for those companies to say, yes, I'm willing to do that. And rather than say we will reimburse you \$1.2 million at the end of the year for those beds, what this-- the intention of Senator McKinney's amendment is to say we will pay you \$1.2 million. You have to provide X services for that year for those 20-- those individuals who are being placed there. So I think whether you support or don't support it, the intention is not to add funds or to change anything like that, just a prepayment versus a reimbursement. Thank you, Mr. President.

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KELLY: Thank you, Senator Bosn. Senator McKinney, you're recognized to close on the amendment.

McKINNEY: Thank you, Mr. President. This is actually a very important amendment, and I think it's important for us to make sure that if we're saying something is a grant, that it's a grant. We can't burden our providers with, you know, providing reentry services and saying, hey, we got a grant if you provide reentry services, but hold on, front all the money, and then hopefully in 90 days you could get the money back. We said it was a grant, and that was the intent of the policy in the legislation. Let's make sure this is a grant. And I understand people have questions, but I would ask you to vote yes on this. And we can work between now and Select to get the language right. But I think it's important and we should get it on today. And I would ask for a call of the house. Thank you.

KELLY: Thank you, Senator McKinney. There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 10 ayes, 1 nay to place the house under call.

KELLY: 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. All unexcused senators are present. Members, the question is the adoption of AM1605. All those in favor vote aye; all those-- request for-- excuse-- reverse order. Mr. Clerk.

CLERK: Senator Wishart vot-- voting yes. Senator Wayne voting yes. Senator Walz voting yes. Senator von Gillern voting yes. Senator Vargas voting yes. Senator Slama. Senator Sanders voting yes. Senator Riepe not voting. Senator Raybould voting yes. Senator Murman not voting. Senator Moser voting no. Senator McKinney voting yes. Senator McDonnell. Senator Lowe voting no. Senator Lippincott voting no. Senator Linehan voting yes. Senator Kauth not voting. Senator Jacobson voting yes. Senator Ibach voting yes. Senator Hunt voting yes. Senator Hughes voting yes. Senator Holdcroft voting yes. Senator Hardin voting no. Senator Hansen. Senator Halloran voting no. Senator Fredrickson voting yes. Senator Erdman voting no. Senator Dungan voting yes. Senator Dover voting yes. Senator Dorn voting yes. Senator DeKay not voting. Senator DeBoer voting yes. Senator Day. Senator Conrad voting yes. Senator Clements voting no. Senator Machaela Cavanaugh voting

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yes. Senator John Cavanaugh voting yes. Senator Briese. Senator Brewer. Senator Brandt voting yes. Senator Bostelman. Senator Bostar voting yes. Senator Bosn voting yes. Senator Blood voting yes. Senator Ballard voting yes. Senator Armendariz voting yes. Senator Arch not voting. Senator Albrecht voting no. Senator Aguilar voting yes. Vote is 29 ayes, 8 nays, Mr. President, on the adoption of the amendment.

KELLY: The amendment is adopted. I raise the call. Mr. Clerk for items.

CLERK: Mr. President, concerning LB814, the next amendment from Senator Machaela Cavanaugh, she would move to amend with AM1597.

KELLY: Senator Machaela Cavanaugh, you're recognized to open.

M. CAVANAUGH: Thank you, Mr. President. Honestly, I didn't know we were going to get to it, so. I had set it aside, AM1597. OK. I-- this does intent language around TANF. And I apologize because I put all my stuff in a nice, neat little pile and I'm not sure where I put AM1857 [SIC-- AM1597]. OK. One moment. Oh, thank you. Thank you. OK. So, this is intent language. OK. This is TANF. Remember TANF from this morning, afternoon, who knows? Yesterday, maybe. This amendment allows the department to have a ca-- it puts a cap that the department cannot utilize more than \$5 million in TANF to-- for projects without the Legislature specifically appropriating it. So part of the reason to do this is that there is \$130 million sitting in the TANF rainy day fund. And, clearly, there's lots of eyes on that money. And the department can utilize it for various things, but they can't utilize it for the primary purpose until we increase the appropriation-- or, the-- sorry. They can't utilize it for the initial reason, for the Aid to Dependent Children, ADC, unless we increase eligibility, which I was talking about earlier today with the three different bills that we had talked about, LB233, LB310, and LB290-- all three TANF bills sitting in HHS that would change eligibility in various ways and change the amount of payments in various ways. And so in an effort to maintain our authority over programming and directing funds, this amendment would just put a cap on how much the department, DHHS, can appropriate and utilize without the Legislature's authority. So, it says the department shall not use or allocate federal Temporary Assistance for Needy Families funds for projects over \$5 million without specific legislative appropriation. On page 6, after line 29, insert the following new paragraph: The department shall not use or allocate federal Temporary Assistance for Needy Families funds for projects over \$5 million without specific legislative appropriation. On page 5, after line 5, insert the following new paragraph: The Department shall

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not use or allocate federal Temporary Assistance for Needy Families for projects over \$5 million without specific legislative appropriation. It's just intent language for us to say and make it clear that we don't want the department to move forward with draining the rainy day fund without our oversight. So that's pretty much it. That's what AM1597 is. That's what it does. Yeah. I'm not sure what else to say about it. And honestly, I would say let's just go to a vote but we got to go to cloture on this, on this bill, and cloture isn't for 10 more minutes, so I'll just take some time and go back to an oldie but a goodie: reading the budget. Shall we? OK. So, continuing on with the theme of the previous two amendments brought by Senator McKinney, let's talk about construction. On page 66 of the budget, we have Capital Construction Summary: New construction refers to projects initiated in 2023 session, while reaffirmations refers to funding needed to complete projects authorized and initial funding provided in prior legislative sessions. The Nebraska Capital Construction Fund, NCCF, was originally created in the early '70s to account for 5 percent-- to account for a \$0.05 cigarette tax earmarked to build Devaney Sports Center. Over time, the cigarette tax that had originally flowed to the NCCF has been basically reallocated and earmarked for other items. Table 29, Construction Totals by Fund Source, '23-24 through '26-27. I'm going to skip to the next page, page 67. All of the general funds included in the committee budget for capital construction are to cover the dollar amounts needed to complete funding for projects approved in previous sessions, commonly referred to as reaffirmations. There are several new projects which are funded either through transfers from the Cash Reserve Fund to the Nebraska Capital Construction Fund or through agency cash funds: Nebraska State College System, University of Nebraska, Department of Veterans Affairs, Correctional Services, security systems upgrades. Under here, it says the project would upgrade security systems at various facilities to include, but not limited to, replacement of door, door controls, per-- perimeter detection systems, upgrade, upgrade of existing video equipment, and upgrade and replacement of security camera systems. The appropriation is for \$2.5 million in FY '23-24 and \$2.5 million in FY '24-25 for these upgrades. Colleagues, it just occurred to me that I have another amendment, floor amendment next, that strikes the prison from the budget, so. I am going to yield the remainder of my time. And I'll waive my closing so we can vote on this. Thank you.

KELLY: Thank you, Senator Cavanaugh. Senator Jacobson annou-- announces a guest under the north balcony: his wife, Julie Jacobson. Please stand and be recognized by your Nebraska Legislature. Senators,

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the question is the adoption of AM1597. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 9 ayes, 28 nays, Mr. President, on adoption of the amendment.

KELLY: The amendment fails. Mr. Clerk for items.

CLERK: Mr. President, Senator-- excuse me. Amendments to be printed: Senator Moser to LB818 and Senator Clements to LB813. Mr. President, Senator Machaela Cavanaugh would move to amend the bill with FA85.

KELLY: Senator Machaela Cavanaugh, you're recognized to open on FA85.

M. CAVANAUGH: Thank you, Mr. President. OK. FA85 strikes Section 177. So let's make sure that I am striking the right section. That's 195. OK. This is on page 88 of AM915. So Section 177: Agency-- Department of Correctional Services, Correctional Facilities: Site Selection and Planning. So this is the construction fund for \$70 million in 2023-24, \$120,083,000 in '24-25. And then it says: Future, Future, \$145 million. The Department of Correctional Services is hereby authorized to continue the process of acquiring property for designing, constructing, and developing a new multi-custody-level correctional facility with capacity to house approximately 1,512 inmates, with a mix of maximum, medium, and minimum custody beds, as referenced to in the 2022 Master Plan Final Report, published on January 27, 2023, with options to purchase the property. Such authorization shall be contingent on the Department of Correctional Services, in conjunction with the Department of Administrative Services at the appropriately deemed time, beginning the decommissioning of a multi-custody-level correctional facis-- facility. Decommissioning of such facility, in part or in whole, shall comply with Sections 72-812 to 72-818. A portion of the appropriations to this program may be used for the expenses necessary to decommission such a facility. The new facility shall be constructed in a manner that ensures adequate space, housing features, and other amenities that will facilitate meaningful reentry, programming, and clinical treatment. All features of the construction shall be done in a manner that positively impacts inmate behavior-- this is interesting language in the [INAUDIBLE]-- OK-- shall be done in a manner that positively impacts behavior, including, but not limited to, providing appropriate correctional beds for both long-term and specialized housing, prove-- provide-- proving design capacity for living spaces, common spaces, telehealth stations dedicated for programming, and other relevant areas that allow for substance abuse and mental health counseling and treatment, job training, educational services, and any other program or services that allow for humane care

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and housing and contribute to reduced recidivism rates. So this amendment strikes all of that. OK. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Cavanaugh, you're recognized to close. And she waives. Request for a roll call vote on FA85. Mr. Clerk.

CLERK: Senator Wishart not voting. Senator Wayne. Senator Walz not voting. Senator von Gillern voting no. Senator Vargas not voting. Senator Slama voting no. Senator Sanders voting no. Senator Riepe not voting. Senator Raybould voting yes. Senator Murman voting no. Senator Moser voting no. Senator McKinney voting yes. Senator McDonnell voting no. Senator Lowe voting no. Senator Lippincott voting no. Senator Linehan voting no. Senator Kauth voting no. Senator Jacobson voting no. Senator Ibach voting no. Senator Hunt voting yes. Senator Hughes voting no. Senator Holdcroft voting no. Senator Hardin voting no. Senator Hansen voting no. Senator Halloran voting no. Senator Fredrickson not voting. Senator Erdman voting no. Senator Dungan voting yes. Senator Dover voting no. Senator Dorn voting no. Senator DeKay voting no. Senator DeBoer not voting. Senator Day. Senator Conrad voting yes. Senator Clements voting no. Senator Machaela Cavanaugh voting yes. Senator John Cavanaugh voting yes. Senator Briese. Senator Brewer. Senator Brandt voting no. Senator Bostelman voting no. Senator Bostar not voting. Senator Bosn voting no. Senator Blood voting yes. Senator Ballard voting no. Senator Armendariz voting no. Senator Arch voting no. Senator Albrecht. Senator Aguilar voting no. Vote is 8 ayes, 29 nays, Mr. President, on adoption of the amendment.

KELLY: The amendment is not adopted. Mr. Clerk, you have a motion on your desk.

CLERK: I do, Mr. President. Speaker Arch would move to invoke cloture pursuant to Rule 7, Section 10 on LB814.

KELLY: Senator Arch, for what purpose do you rise?

ARCH: Call of the house and roll call vote, regular order.

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

CLERK: 35 ayes, 3 nays to place the house under call.

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KELLY: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chambers, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Wayne, please return to the Chamber and record your presence. The house is under call. Senator Wayne, please return to the Chamber and record your presence. The house is under call. All unexcused members are present. Members, the first vote is the motion to invoke cloture. And there's been a request for a roll call vote, regular order. Mr. Clerk.

CLERK: Senator Aguilar voting yes. Senator Albrecht. Senator Arch voting yes. Senator Armendariz voting yes. Senator Ballard voting yes. Senator Blood voting yes. Senator Bosn voting yes. Senator Bostar voting yes. Senator Bostelman voting yes. Senator Brandt voting yes. Senator Brewer. Senator Briese. Senator John Cavanaugh not voting. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Conrad voting yes. Senator Day. Senator DeBoer voting yes. Senator DeKay voting yes. Senator Dorn voting yes. Senator Dover voting yes. Senator Dungan not voting. Senator Erdman voting yes. Senator Fredrickson voting yes. Senator Halloran voting yes. Senator Hansen voting yes. Senator Hardin voting yes. Senator Holdcroft voting yes. Senator Hughes voting yes. Senator Hunt voting no. Senator Ibach voting yes. Senator Jacobson voting yes. Senator Kauth voting yes. Senator Linehan voting yes. Senator Lippincott voting yes. Senator Lowe voting yes. Senator McDonnell voting yes. Senator McKinney voting no. Senator Moser voting yes. Senator Murman voting yes. Senator Raybould not voting. Senator Riepe voting yes. Senator Sanders voting yes. Senator Slama voting yes. Senator Vargas voting yes. Senator von Gillern voting yes. Senator Walz voting yes. Senator Wayne not voting. Senator Wishart voting yes. Vote is 38 ayes, 3 nays, Mr. President, to invoke cloture.

KELLY: The motion is adopted. Members, the next vote is on the adoption of AM915 to LB814. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 37 ayes, 4 nays on the adoption of the committee amendment.

KELLY: The amendment is adopted. The next vote is on the motion to advance LB814 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 36 ayes, 4 nays on advancement of the bill, Mr. President.

KELLY: The bill is advanced. I raise the call. Mr. Clerk for items.

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CLERK: Mr. President, Senator Conrad would add her name to LB724 and LB774. And a priority motion: Senator Vargas would move to adjourn the body until Thursday, May 4 at 9:00 a.m.

KELLY: Members, you've heard the motion. All those in favor say aye. Those opposed, nay. We are adjourned.