

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 19, 2025

Rough Draft

ARCH: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-eighth day of the One Hundred Ninth Legislature, First Session. Our chaplain for today is Major Scott Shelbourn from Western Division of the Salvation Army in Omaha, Senator Brad von Gillern's district. Please rise.

SCOTT SHELBOURN: Dear Heavenly Father, we come before you today with grateful hearts, thanking you for the many blessings we-- you have bestowed upon this great state of Nebraska. We ask for your wisdom and guidance as this Legislature before me gathers today to discuss proposals and make decisions that will impact the lives of our fellow citizens. Lord, I pray for your divine presence to be upon each member of this Unicameral. Grant each of them discernment that they need to act with integrity, compassion, and justice. Help this body to set aside personal interests and to work together for the common good of our great state. May your presence be tangible in this body today. May your mercy and peace fill this space with understanding and respect for one another, and may your call to lead and represent the citizens of every district never be a burden. And we pray that every leader here would always strive to serve with humility as we pray for your strength and courage to face every challenge before us so that every citizen may experience equality before the law. We pray today for the health of our state, its leaders, and for all who call Nebraska home. Protect and bless our families, friends and neighbors. And may we always strive to serve and reflect your love and forgiveness in all that we do. In Jesus' name, we pray. Amen.

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

STROMMEN: Thank you, Mr. President. 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 twenty-eighth day of the One Hundred Ninth Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

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

CLERK: I, I do have a correction, Mr. President. On page 523, line 31, strike room 1023 and replace with room 2102. That's all I have.

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

CLERK: There are, Mr. President. Notice of committee hearing from the Judiciary Committee. That's all I have at this time.

ARCH: Thank you, Mr. Clerk. We will now proceed to the first item on the agenda.

CLERK: Mr. President, first item on the agenda, a motion to withdraw from Senator Ibach, withdrawing LB708. Pending was a reconsideration motion on the successful motion to withdraw MO38 from Senator Conrad.

ARCH: Senator Conrad, you have one minute to refresh the body on your reconsideration motion.

CONRAD: Thank you, Mr. President. This is a reconsideration motion on the motion to withdraw.

ARCH: Sena-- Senator Conrad, you are recognized to speak.

CONRAD: Thank you, Mr. President. Since there's no other place in the agenda, I thought that it might be helpful in setting our intentions for not only today, but perhaps the session. As many members know, according to Nebraska revised statute 84-104-04, that is the designation of the George W. Norris Day, and it delineates a manner of observance. Typically, we celebrate this together at the commencement of each new legislative session as this observance is held on January 5th of each year. But due to the calendar dynamics, we started our session a little bit later than we normally do. As part of the commemoration for George W. Norris Day, recently we have also worked with historical organizations and civic organizations to identify a senator in the body to read all or part of Senator George Norris' fir-- address to the first Unicameral Legislature in 1937. I've had the honor to do so in the past. I know Senator Ebke, Senator McCollister, Senator Aguilar and, and others have been bestowed with that opportunity as well. Since we-- the timing did not work out due to how the actual calendar and the legislative calendar came together, we did not have an opportunity, as we have recently, to set our intentions based on the unique institution that we serve in, and as designated under state law to have suitable exercises in schools, in state government, and otherwise to celebrate George Norris and the establishment of a nonpartisan unicameral legislature, his work to establish the Tennessee Valley Authority, the development of electricity in rural areas of the state and nation, the passage of the

20th Amendment to the United States Constitution, commonly known as the lame Duck amendment and the Norris-LaGuardia Act, which outlawed yellow dog contracts and were a great boon to working men and women across the nation. So in-- as Nebraskans are well familiar, Senator Norris was a key primary driving force in the citizen initiative to establish a nonpartisan unicameral legislature, which was adopted by our citizenry and has served our state uniquely and well for almost 100 years. And we reflect upon his address to the inaugural Unicameral Legislature because it helps us to reset our intentions grounded in history and remembering the unique nature of the institution that we serve in and why it was important to Nebraska voters and why it remains important to Nebraska voters. So I'm going to take some time this morning. It's not a very lengthy speech. It's a few paragraphs, but it has critical themes that really are important for contextualizing our work together, particularly as this session sees attack after attack after attack on working families and the voters themselves. Even with the next bill on the agenda today, it really stands in stark contrast to Senator George Norris's vision for this nonpartisan Unicameral Legislature. I see that my time is almost out, so rather than interrupting, I'll just go ahead and yield the rest and then punch in.

ARCH: You are next in the queue.

CONRAD: So this can also be found in the Legislative Journal and is easily ascertainable through simple Google searches and otherwise. This was an address by Senator George W. Norris on the first day of the first Unicameral session back in January 5th, 1937. Dear Mr. President and members of the Legislature, I congratulate you on being members of the first Unicameral Legislature. The opportunities that will come to you officially to better the conditions of our people by the improvement of the legislative machinery are very great. Your work will attract the attention not only of the people of our great commonwealth, but of the entire country. Upon you and your work will be focused the eyes of all students of government all over our nation. Now listen carefully to the next component. Every professional lobbyist, every professional politician, every representative of greed and monopoly is hoping and praying that your work will be a failure. Everything that special interests can do to embarrass you, misinterpret your action will be attempted. On the other hand, every lover of his fellow man, every person who wants to place our state on a higher standard of efficiency, every person who is anxious to bring about improvement in our state affairs, every patriot who wants to place our government on a higher level of good, every lover of human

liberty and equal justice, and every believer in the business administration of state affairs, as distinguished from political machine control, is hoping, praying, and believing that your official work will be crowned with unlimited success and to the satisfaction and approval of believers in good government everywhere. The unicameral legislative amendment was adopted by an overwhelming majority of our people. The adoption of the amendment was opposed by lobbyists, was opposed by professional politicians of all parties, and was opposed by every person or corporation who expected to get advantages, financial or otherwise, in securing the passage of legislation favorable to their ideas. Many honest people voted against the adoption of the amendment for one reason or another, which appeared adequate and insufficient to them. But all such people are earnestly desiring the new amendment be given a fair and honest test. You are members of the first Legislature of Nebraska to hold your positions without partisan political obligation to any machine, boss, or alleged political leader. Your constituents do not expect perfection. They know that it is human to err but they do expect, and they have the right to expect, absolute honesty, unlimited courage, and a reasonable degree of efficiency and wisdom. The people of Nebraska will not condemn you even if they do not agree with your official actions. We realize that honest men, patriotic men, and wise men do not always agree. In fact, disagreement on things which are not fundamental is an evidence of courage and independence. We expect an economical and efficient administration and, above all, an honest administration free from partisan, partisan bias, political prejudice, and improper motive. You have an opportunity to render a service to your fellow citizens no other Legislature has ever had. I believe you will meet your responsibilities with courage and ability. From now on, Nebraska has the right to expect business administration. Your work, work will be watched to a greater extent than the work of any other Legislature in the past. When you carry out the theory and the principles of this new amendment, it will be easy to observe everything you do. Publicity to your acts will help to reward the faithful and punish those who do not follow the true spirit of the new amendment that your work may be successful and that it may receive the approval of honest minded citizens. It is not only my personal wish, but I believe it is the hope and desire of a great majority of the loyal citizens of Nebraska. Thank you, Mr. President.

ARCH: Seeing no one left in the queue, Senator Conrad, you're welcome to close on your reconsideration motion. Senator Conrad waives close. Colleagues, the question before the body is the motion to reconsider

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the vote. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 0 nays, 31-- 0 ayes, 31 nays, Mr. President, on the motion to reconsider.

ARCH: The motion to reconsider is not successful. Mr. Clerk, next item.

CLERK: Mr. President, next item on the agenda. Select File, LB229. Pending before the Legislature when the Legislature left was Senator Hallstrom's AM112. Pursuant to LB229, Mr. President, Senator Conrad would move to recommit LB229.

ARCH: Senator Hallstrom, you are recognized for one minute refresher on your bill and amendment.

HALLSTROM: Yeah. The bill and the amendment, AM112 are designed-- the bill is designed to clarify that individuals engaged in the marketplace network platform are independent contractors, and we accomplish this objective by excluding the services of such workers from the definition of employment under our unemployment insurance laws. LB112 [SIC] is designed to clarify the original bill to ensure that the bill covers DoorDash in a-- in addition to Uber and Lyft, and would simply do so by removing some of the language in the bill regarding to the delivery of parcels, freight, etc.

ARCH: Senator Conrad, you are recognized to open on your motion to recommit.

CONRAD: How much time do I have, Mr. President?

ARCH: Ten minutes.

CONRAD: Very good. Thank you, Mr. President. I appreciate the opportunity to open on this motion to recommit. And just at the outset, I appreciate and have stayed in dialogue with Senator Hallstrom over the long weekend, and I understand what his perspective is both strategically and substantively. I don't necessarily agree with his assessment, and of course I've expressed consistent disagreement with the underlying legislation, but I do appreciate his communications and have acted in good faith to share those with other opponents of this legislation and folks who are impacted by these issues on the front lines as well. I filed a motion to recommit to committee late in our, in our debate last week as the amendment that

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Senator Hallstrom filed I believe is perhaps expansive and does insert additional ambiguity as to the nature of the legislation it seeks to amend. That was not subject to public hearing necessarily. And in fact, Senator Hallstrom has indicated it was brought forward in response to questions that Senator John Cavanaugh had inserted into the record and the debate, I believe, on General File. So I do appreciate he's trying to work in good faith as debate remains fluid, as it always does. But I do believe that it is expansive, was not subject to public hearing, and does indeed have perhaps a significant amount of un-- unintended consequences. In subsequent conversation, and as Senator Hallstrom has filed additional amendments, the strategy is very confusing to me. Senator Hallstrom has indicated he sees no expansion or ambiguity in the amendment that he filed last week. So I do not have any understanding why he would seek to file additional amendments or to substitute his pending amendment. That, that just doesn't make sense from a logical perspective. If he does not believe the amendment as filed is problematic, he would not file additional amendments and seek to substitute them with other language. And if and when there is a motion to substitute such, of course it will not receive unanimous support and there will be an objection. I think it's also important to remember that I have never supported this legislation and will not do so. I have been consistent with my opposition, as have other senators throughout the course of our debate on General and Select File. The amendments do not change my opposition, but did cause pause for concern to perhaps be nimble in regards to strategy. And in talking with impacted drivers on the front lines and their representatives, they do see this as an expansion and beyond the scope of the bill that emanated from the Business and Labor Committee. Thus I filed this amendment, I filed this motion to structure and extend debate, but also to ask that the committee look at it seriously and send this back to the committee for additional work and deliberation, which I think is appropriate in this case based upon the record that has been built. I would ask members to also think carefully about what's at stake here and the rights that are at risk for drivers of various gig companies to have government interfere with the free market as it seeks to do in this legislation and have big government put its thumb on the scale in favor of large corporations and against workers rights, health, and safety. Additionally, this approach even belies the very public comments from some of the big corporations that are some of the biggest corporations in the world and very, very profitable have made to the contrary, where after a dizzying maze of legislation and litigation on the federal level and on the state levels, there have been a host of concessions made by

Uber and other similarly situated companies to say, let's evaluate a third way. Let's allow for a new economic model to maintain an independent contractor status, but let's figure out ways that we can extend employment protections against discrimination to those who drive for our companies. Let's figure out a way that we can assure some minimum standards in regards to compensation. Let's figure out a way that we can pool resources to ensure better workers' financial security when risks arise. Let's figure out a way that we can improve conditions for workers who are utilizing this new model. But those public comments, that public position is not present in this debate. There have been good faith efforts to say let's negotiate a minimum wage standard rejected. There have been good faith efforts to say let's slow this down and figure out what we can do where everybody maybe gives a little and gets a little bit rejected. It's back on the agenda day after day after day after day with no true concession or good faith negotiation. So even the companies that seek this protection, this special protection in law due to the product of a very wide, well-financed national campaign, wherein big corporations are coming together, spending millions of dollars to work on the federal level and state by state and in an administrative capacity to protect their business model against ensuring basic employment protections for their workers, for whom their profits are responsible. And we'll have plenty of time today and/or on Final Reading to talk about the different tests that are out there in regards to discerning whether or not somebody is truly an independent contractor or truly an employee. Those tests have been changed recently at the federal level. There is significant disagreement as to whether or not this business model would or would not meet the tenets of those tests. Those tests themselves are subject to litigation and most likely will be changed or amended under the new presidential administration. So this dizzying maze of legislation and litigation is also complicated by shifts in the political landscape as well in an ever evolving landscape impacting drivers and other gig workers. So the time is not right to move forward with this legislation. And if, in fact you believe in a free market approach to our economy, allow the free market to dictate this, this situation. The status quo, wherein drivers in Nebraska are organized as independent contractors is working. Uber and Lyft are-- and DoorDash are flourishing in Nebraska and the other states without similar legislation. There's no reason to have this legislation put forward. The only reason is it's part of a national effort to undermine workers' rights, health, and safety and their ability to associate and organize, and to protect these companies from having the same obligations that our local mom and pop and brick and mortar

stores in Nebraska have, where they provide wages and compensation, and benefits, and leave, and pay into workers comp, and pay into unemployment. So what Senator Hallstrom and his allies are asking you to do is to give special favors to large out-of-state corporations that interfere with the free market and that undercut local businesses and workers' rights, health, and safety. And that's wrong. Thank you, Mr. President.

ARCH: Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I rise in support of the motion to recommit and opposed to AM112 and opposed to LB229. And actually, I would be more in support of the motion to recommit if it was to recommit to the Judiciary Committee, because I know there was some question about appropriate referencing. And, you know, we've been on this bill for how many days now? Maybe Judiciary could, if we recommitted to Judiciary, they'd fix whatever our problem is. So I appreciate Senator Conrad's comments on both this motion to recommit and also about Senator Norris and the foundation of the Unicameral. I think that's really good stuff to keep in mind as we consider everything before us. So I've been opposed to this bill in principle the whole time. I did identify the issue that is the subject of AM112, and fixing that problem in the bill, I think, makes it more true to the intention of, of the introducer and the businesses that are advocates for this bill, but I oppose that interest. So that's why I'm opposed to AM112 and LB229. But I rose to talk about our four day weekend. I took the opportunity to go to a play at the Bluebarn. If you have an opportunity, I think this play runs until the first week of March. It's fantastic. It's a drama, very intense, but the acting is fantastic. So I'd suggest you check it out if you have an opportunity to see that play or any play at the Bluebarn really. It's a great place. But anyway, when I was going to the play, I rode an Uber. I still have never done Uber Eats or DoorDash nor had food delivered, but I did ride in an Uber this weekend and of course I took the opportunity of that ride to talk with the driver about his thoughts on this bill. And, you know, of course, he didn't know that this bill was a thing or that it existed. And so when I kind of talked through what this was about, I said, you know, would you be interested in being treated as an employee as opposed to a contractor? And he said, of course I want to be an employee. He said, I want I want unemployment benefits, I want health care, I want pension, I want paid time off. I want all the things that come with being an employee as opposed to an independent contractor. And he said, I asked him, you know, what kind of constraints there were. He said he can work no more

than 12 hours a day, 12 hours a day. That's the limit they put. And he said that he has regularly hit that limit of 12, of 12 hours a day. And he had just hit it the previous day, which was Valentine's Day. I guess he'd done a lot of driving on Valentine's Day, hit his 12 hour limit. And this is his second job. His other job is working at a restaurant. And when he came to pick me up, he had just come from the restaurant, so I was his first ride of the day. He additionally said that Uber takes 25% of the fare. So whatever the fare was that I paid for that ride, he got 75%, Uber took 25%. And then, of course, you know, there's the tip. So he works a lot at this job. Obviously, between the two days of the weekend, as up to Saturday he probably worked close to 20 hours. But he would, this one driver, obviously, this is an anecdotal situation, but this one driver expressed his desire for us not to pass this bill. And I know we had one letter, I think it's still on my desk somewhere from somebody who said that they wanted to be able to continue to be an independent contractor. And so, of course, not passing this bill still maintains the independent contractor status, does not shift any of these folks to being an employee as opposed to an independent contractor. But passing this bill forecloses the opportunity for people to pursue that opportunity. And of course, I've talked to Senator Hallstrom, he said that it doesn't prevent Uber from, in contracting with folks in whatever way that Uber finds appropriate, but it certainly shifts the balance away from this guy who is working two jobs, one at a restaurant and one driving 12 hours a day for Uber to make ends meet. It shifts the power away from him and in favor of Uber, which is fundamentally why-- what my problem with this bill is, is that this guy doesn't have time to come down here and complain to us that he doesn't like this bill. He doesn't have time to write a letter. He doesn't have time to keep up on what's going on in the Legislature, even though it might affect his livelihood because he's too busy trying to stay alive working two jobs. And we are here taking away any future opportunity for people to become more secure in their employment through their relationship to their employer or contractor or whoever is paying them, I guess, however you want to characterize it. So that's my opposition to this bill.

ARCH: Time Senator.

J. CAVANAUGH: Thank you, Mr. President.

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

McKINNEY: Thank you, Mr. President. I rise in support of the recommit to committee and still in opposition of LB 229. As I was in committee, I'm opposed to AM122 [SIC], and I think there's another amendment that I'm opposed to as well. And I'm opposed to this bill because it is clear that Uber, Lyft and these other companies would like these drivers to be misclassified in order to continue to exploit them in the name of innovation and convenience, in the name of not being held accountable to provide these individuals with adequate compensation, to provide, you know, insurance and all the things that come along. But also this bill is being pushed to preempt the opportunity for drivers to wake up tomorrow and say we would like to be considered workers. My question still hasn't been answered about why this bill was needed if the current model is going so great. Why does drivers want to, you know, not be classified differently? You know, if this is working so well, why does this need to be introduced? But at least one driver identified by Senator John Cavanaugh would like to be a worker. And I'm sure there are others out there. But if this, if this law passes, that will not be possible. And that is the issue. And that's why we're having this conversation, because we need to make sure that we're protecting the rights of people. So I was reading some things, and it was identified in Massachusetts that Uber and Lyft avoided paying more than \$266 million in state worker's compensation, unemployment insurance, and paid family leave, by not classifying these individuals as workers. They're getting away with highway robbery, and this bill would allow that to happen. We should respect people rights. We should respect the free market. Everybody loves a free market until companies like Uber or Lyft say, hold on, the free market shouldn't work for some people. I don't understand. Because the other thing that we're not having a conversation about is the wages or the compensation is happening because the drivers who Uber would like to classify as independent contractors who currently are considered independent contractors but for some reason it needs to be codified in law, some of them are making below the minimum wage. And why is that so? You have to factor in insurance cost, gas cost, wait times, mileage, a bunch of other factors. And then you'll see that a lot of drivers are not making what people think they are making. And some are losing. Because, number one, they can't negotiate their prices. They have to take it or leave it. Because true, independent contractors can negotiate the fares. They can say, OK, if you're saying \$10, actually I need \$15 because the price of gas has risen. Actually, I need \$20. But they can't do that. But there can-- but we want to consider them independent contractors. We should be working to protect people in this body, and this bill wouldn't do that. It only protects those

rideshare apps, those delivery services like Instacart, DoorDash, and in those things. Thank you.

ARCH: Senator Dorn would like to recognize some guests. Leadership Nebraska, 15 members from Beatrice in the north balcony. Please rise and be welcomed by your Legislature. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Good morning, colleagues. I do rise today in favor of Senator Conrad's motion to recommit to committee. I am opposed to both AM112 and LB229. I think we've talked about this a couple of times, but to make sure that it's clear on the record and kind of where we stand here today, my opposition to the bill is fundamentally about what the bill just seeks to do. As I've spoken multiple times on the microphone, I've said that my opposition to this is essentially this bill places its thumb on the scale of justice in a way that I think is just not necessary. Senator McKinney just did a really good job of pointing out that this is not a bill that we need. And as I've also mentioned previously in the debate on this issue, I often try to understand why we need a certain bill. And in this circumstance, this to me seems like an issue that is often left up to the courts. Unless, of course, we are trying to influence it one way or the other. And so in this circumstance, if we assume the intent of the bill is to influence the outcome of whether the determination is made that these are independent contractors or employees in one direction or another, it's very clear that what LB229 seeks to do is benefit the companies and benefit the corporations by clarifying, or codifying, I suppose that these people are independent contractors instead of employees. And I simply just disagree. I disagree that we should do that. And I disagree that we should be benefiting these companies and these corporations in that way when the courts are well equipped to make this determination on their own. I understand that AM112 seeks to answer some questions I know that Senator John Cavanaugh brought up in the past with regards to UberEats or DoorDash. I'm still flabbergasted that he's never had UberEats or DoorDash or any other food delivered, but I don't know, maybe we can remedy that at some point. Either way, I, I do believe that the AM opens up additional questions with regards to who this does or doesn't apply to. I've spoken in the past about Amazon Express or Amazon Flex, whatever the company is called, where people can sign up and deliver Amazon on their own time and with their own car. And I, I know that there's other amendments floating around out there, but I continue to have concerns about the unintended consequences of what we're trying to do. The very fact that this amendment is on the board

is indicative of the fact that it's unclear what LB229 does and who it does or doesn't affect. And then the fact that there's a need for an additional amendment in some people's minds to possibly further clarify I think means that there just continues to be ambiguity in these definitions. And when we legislate, I think we need to be very clear about the effect that our bills have and the outcome that we are going to see once we pass this legislation. And the fact that this is, I think, being brought up and discussed is indicative of the fact that this just isn't clear. I know that a number of other states have also begun to have these conversations in the state legislatures. And as I've also pointed out previously, in a lot of the states where they have codified that these individuals are independent contractors, they've done so with the additional protection of certain minimum wage requirements or certain benefits that they would receive. And so it's been done in sort of a negotiation. It's been done by saying we're going to provide some of the protections and benefits that you'd see as an employee, even though we're codifying and saying that you're an independent contractor. I know one that's often discussed is California. I think it was Prop 22, which was a ballot initiative essentially where folks voted and there was a determination made that these individuals were independent contractors. But again, that's comparing apples to oranges. The bill that we are considering here today does not provide additional benefits. It does not provide any protections. And so to say that this is becoming a settled issue across the country, I think is a slight misunderstanding of what the standard is throughout the other states that have begun to address this issue. I've also had the opportunity to do a little more research into what the ramifications are to the state's finances by saying these folks are independent contractors instead of employees. And my yellow light is on, so I don't have enough time right now to get into this. But the state auditor of Massachusetts actually released a report digging into the effects of independent contractor status versus employment status for Uber and Lyft drivers for drivers on their state finances that I thought was very illuminating. And I will probably talk a little bit more about that, because in a, in a time where we are always talking about money in this Legislature, I think it's important to look at the dollars and the cents when we're trying to determine whether or not a bill makes sense. With that, I will punch in again. Thank you, Mr. President.

ARCH: Senator Conrad, you are recognized to speak.

CONRAD: Thank you, Mr. President. And just continuing on a point in my opening on the motion, the other piece that I wanted to lift up in

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regards to, of course, the evolving nature of our politics and the legal standards put forward recently or updated recently by the Federal Department of Labor that kind of updates the test utilized by the authorities and by employers to figure out whether or not an employee is an employee or whether or not they are a true independent contractor. A lot of these issues as well need to be resolved by the National Labor Relations Board. And according to recent news reports, even the one I'm looking at from MoneyWatch, dated February 10th, 2025, additional resolution of these matters is going to be next to impossible in the short term, as the title of this headline reads, Trump has paralyzed agency that safeguards workers' rights, labor experts and advocates say, by a very troubling dismissal of some long time members of the National Labor Relations Board, now-- which is also subject to litigation. The board, as it's comprised today, does not have the quorum or ability to resolve any disagreements in regards to these and other questions that fall under the jurisdiction of the National Labor Relations Board. So to make sudden changes while there is weakened or no enforcement of labor law questions and issues on the federal level due to the dismantling of the National Labor Relations Board just in the last few days and weeks, that should be yet another reason to not act suddenly or full heartedly, but to allow the legal landscape to settle so that the appropriate forum for some of these questions can at least operate, can at least answer some of these questions. And even according to Uber and other company officials' statements, they feel very confident that they can maintain the independent contractor classifica-- classification even under the new Department of Labor test. But nevertheless, we, we don't even have the ability to have these issues sorted out on a collective or, or individual basis as our federal enforcement entities, which are supposed to exercise independence, who have expertise on these matters, have been hollowed out by President Trump and have no ability to act. I also want to read a little bit from a constituent that contacted me who drives for one of these companies, and he was watching the debate last week when we were in session, just happened to catch it, did not know that this issue was before the Legislature, but was-- wanted to add his perspective as we were engaged in debate. And he said, I really appreciate your efforts to protect us drivers. I tried to put a comment on the bill today, but I'm afraid it's probably too late. But yeah, we're definitely not independent contractors. We don't have any choice over where our drop offs go. We don't have any choice of the price we're paid for the trip. And if we cancel the ride after accepting it, we get docked. We also get docked for not accepting rides. Also, there are tiers to driving where you only get

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information about rides if you take enough rides. Otherwise it's completely blind. I had no idea the bill was even a thing until it got to the floor and I tuned in today. I'm sorry I'm late to the party, but I appreciate what you're doing to stand up for workers' rights. And you know what?

ARCH: Time, Senator.

CONRAD: Every day-- Thank you, Mr. President.

ARCH: Senator Hansen, you are recognized to speak.

HANSEN: Thank you, Mr. Speaker. Colleagues, I, I know we're, we're up here, we got some time yet left on this bill, and I know we're taking time discussing certain things. So I want to get a few my thoughts. And I appreciate my colleague, Senator Conrad, discussing George Norris Day or-- I don't-- yeah, I didn't even know he had a day. So I'm sure he's a swell guy. And, and at the time when he brought up the notion of moving to a unicameral in the state of Nebraska, hard to tell, I think it may have been warranted at the time possibly. You know, we, we had a greater distribution of representation throughout the state of Nebraska in population. And so that brings me to one of my concerns about being a unicameral. And this is, I think, a topic the state of Nebraska and the Legislature as a whole is going to have to wrestle with when I'm gone and in the future. And something that I hear from not just my constituents, but anybody pretty much living west of Columbus or York is a lack of representation now in western Nebraska and rural Nebraska. And I think that's mainly due to us being a unicameral. Many rural states in Nebraska are bicameral, which means they have representatives and they also have a senate. The representatives are there to represent the people, I think the senate is there to represent the state in a way, just like we do federally. And so that's something that I want to talk a little bit about and something that I'm hoping that the state of Nebraska can eventually look at. Who knows, maybe we can be the first nonpartisan, bicameral in the state of Nebraska. You know, I hate to burst everyone's bubble listening right now, but the unicameral is not nonpartisan. I don't think it has been for a long time or ever. Been here for six years now. Nothing indicates to me that we are nonpartisan. I like the idea of being nonpartisan. I think there are some people in here who are nonpartisan. But I think it's also a natural tendency for us to flock towards people of like minded political philosophies. Which then would make us partisan? I don't know, Again, just something I hope we can kind of think about in the future and not be afraid to bring it up

that maybe at some point we might have to move back to a bicameral. We have some senators here, you know, who have 13 or 14 counties. Senator Storer, I think, is one of them. Senator Strommen. And so if you can't-- if your representative who's supposed to represent you in the Unicameral is 2.5 hours away, three hours away, it's kind of hard for them to accurately represent you. And so that's the whole notion of going back to a bicameral. The idea that your representative lives closer to your community and represents your values maybe a little bit better. And if people are familiar with economics, they might have heard of a Pareto distribution model. The idea that resources, population, politics. It's the 80/20 rule that eventually it all tends to go towards 20%. And we have seen that in the state of Nebraska over the course of time where our representation has gone towards 80% of representation is in 20% of the state, turning into some kind of quasi metro tyranny where the idea is a lot of our representation comes from two areas of the state, which is Lincoln and Omaha. And so, again, just a concern. I would like to raise a little bit and something the new senators here, the people in the state of Nebraska, and in the rural areas of Nebraska, I feel maybe aren't getting the representation that they should. And in some way, I won't say we're punishing them, but just because we can't change the economics of Nebraska and how we-- in agriculture, say, in Nebraska, we have fewer people owning more land and then they have less representation. I don't know how you fix that, but I think-- this is just one of the things I have heard more and more every year that I'm here. And that's why I bring up the topic of possibly the idea of going back to a bicameral something that maybe we can think about in the future. Since we're sitting here discussing things, I just bring that up, share my thoughts. Thank you, Mr. Speaker.

ARCH: Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I appreciate Senator Ben Hansen's comments. It's one of my favorite topics to talk about. So I, I do agree this is a aspirationally nonpartisan Unicameral Legislature. It is a body made up of people, though, and people are flawed and, you know, have their preconceptions. And that brings certain virtues and detractors, I guess, to this place. But we should always aspire to that goal of being nonpartisan and looking at the ideas and not the, the person's parti-- partisan affiliation outside of the body. But anyway, so I appreciate that. And as to the bicameralism, even if we went to a bicameral, which I disagree with, going to a bicameral for a number of reasons, it would still be held to the standard of one person, one vote. So ev-- if we went to a

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senate of 25 senators and kept a house of 49, or we went to a house of 75 and a senate of 40 or something like that, they would still have to be relatively close in population. And I say that because when we did redistricting in 2021, we redistricted to-- the Congressional districts had to be very close. I can't remember what the exact number was, but it was within like a couple hundred. The Congressional districts as drafted were closer in population than the legislative districts. This-- the median or middle, I'm not, I'm not an economist or mathematician like Senator Hansen just said, but the middle number was 40,000. So-- and it was a deviation from that and it was about 5%, I think was the number that we-- you could deviate from is what we settled on without it being obviously challengeable by a court objection to, to the courts. And so we tried to stick within that range, which meant that my district was 41,300 people, I think. So about 1,400, 1,300 people more than the middle number. And then it meant that, and I'm not picking on Senator Lippincott, but I just know this because I looked it up, that his district ended up at like something like 37,800 people, so about 2,200 below the population of, of the median. But that meant that his district had about 3,000 or 4,000 people fewer than my district. So when folks say, you know, you have a lot of land and they get less representation, that's not, in fact true. Throughout that redistricting, we as-- we systematically made all of the rural districts have fewer people in them and the urban districts have more people. My district, Senator Hunt's district, Senator Guereca's district, the other Senator Cavanaugh's district, Senator Raybould's district. Senator Fredrickson's district, let's see, who else do I know have-- oh, Senator Juarez's district, all have more than 40,000 people in them. And some of them have-- I think Senator Hunt's district might have the most at 40, almost 42,000 people. So we disproportionately packed more people into the urban districts in the interest of trying not to eliminate another rural district. We had Senator Worded-- Wordekemper's district crept out of Dodge County and into Douglas County. And then we-- Senator Holdcroft's district was the district we pushed into sarpy County, took it from Senator Matt Williams, Gothenburg. That was the district that was eliminated from western Nebraska. But-- and then we have, of course, Senator Brandt's district and Senator Dorn's district and Senator Clements' district all creep into Lancaster County as a way to prevent us from having an extra Lancaster County district. We do all of those things. We twist ourselves into knots. We give disproportionate representation to folks who have less density, fewer people, more land. We do that on purpose. And then folks come and say, we really should not adhere to one person, one vote even more than

that, because people have lived, chose to live, choose to live in less density and therefore deserve more representation, disproportionate representation. So I was going to talk about this bill. Again, I oppose LB229. I support the motion recommit. I oppose AM112. But don't trick yourselves into thinking that folks in rural Nebraska are not getting adequate representation. They are getting disproportionately more representation than the folks in Omaha, and I don't know the numbers in Lincoln, sorry, Lincoln people, but I assume Lincoln as well. So even if you go back to a bicameral, you're still going to have to adhere to that and you're going to have to just double the amount of contortions you go into to get people, to get rural Nebraska more representation. The problem is there are fewer and fewer people in rural Nebraska and more and more people in the cities.

ARCH: Time, Senator.

J. CAVANAUGH: Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President, and good morning, colleagues. Well, you're getting the two for one Cavanaugh special on this. It is also one of my favorite topics to talk about is the nonpartisan Unicameral. I would like to say, first of all, Senator Hansen, I'm wounded that you think that we're so partisan because I consider you a friend and a person who I have collaborated with a lot in our six years so far together. So I'm sure you didn't mean it directed at me, but, you know, I took it that way. And Senator Ernie Chambers used to say, I'm just a hat maker, so if the hat fits, that's on you. So I guess today you're the hat maker and I'm the one who is receiving it. I love our nonpartisan Unicameral. And I, to counter Senator Hansen's view on us being partisan as a member of the minority party in the nonpartisan Unicameral, I would say that literally everything that I do has to be nonpartisan or bipartisan, however you want to look at it. I haven't passed a single bill. I haven't got a single resolution or anything moved without having the buy-in of multiple political ideologies. One of the things that I love about that, as somebody who has a background in public administration, is the fact that that creates a stronger public policy, that I can't just sit in a vacuum with my own ideas and I can't just talk in an echo chamber with people who agree with me on policy and approach. I have to, I'm forced to listen to everyone, take that feedback, and make something better. I-- my legislation starts with an idea of something that I want to do to improve the lives of Nebraskans. And then from there, it's this

wonderful, messy, long process that's very deliberative where I have to talk to my colleagues. In fact, I was about to talk to two of my colleagues right before Senator Hansen got on the microphone, and I didn't want to stand blocking the camera so I, I stepped away. And don't worry. I'm coming back. I'm coming back. Check in how the day's going. But I, I do have to talk to my colleagues and, and find out what matters to them. And I also oftentimes find that my differences in opinion span the political spectrum. I don't always agree with Senator Cavanaugh or Senator Hunt. I don't always disagree with Senator Hansen or, I'm looking around, well, yeah, I, I disagree with you a lot. Senator Riepe, I almost always agree with you. Almost. That, I think that would mean like 51% of the time? Well, that's not almost always. A majority of the time I agree with you. He said 20%, 20% is not almost always. I love our nonpartisan Unicameral. I think it is just one of the many spectacular things that makes Nebraska great. And it speaks to the fact that it doesn't matter who you are or where you come from. In Nebraska, we are all in this together. We all want to make our lives and our communities better and stronger. And because we're nonpartisan, we are able to do that in a way that no other governing body does. We don't take marching orders from political parties. We don't have a caucus of political leadership. Nobody tells me how I have to vote. And I don't tell anybody how they have to vote. I have to persuade my Democratic colleagues to support my legislation, just as I have to persuade my conservative or Republican colleagues to support my legislation. And I think that makes for better process, better policy. And I think we all do better when we have to talk to each other. So I appreciate that. And thank you, Mr. President.

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

QUICK: Thank you, Mr. President. I'm going to oppose LB229 at this moment. I'm not sure where I'm at on the amendment. And-- but I do support the motion to recommit to committee. I think one thing that, you know, for the Uber and Lyft drivers, they probably don't even realize that we're here trying to help protect their rights. And so I think that's something that, you know, we do in the Legislature. You know, as bills come up, we look at what's, what could be helpful and what maybe would have long term effects that could be detrimental to them. So I'm going to read something out of an article that I had received. And it talks about some of the issues that maybe are going on with maybe this particular bill. So tech-mediated gig work is the latest iteration of a 50 year old pattern of workplace fissuring -- the rise of "nonstandard" or "contingent" work that is subcontracted,

franchised, temporary, on-demand, or freelance. Gig companies are simply using newfangled methods of labor mediation to extract rents from workers, and shift risks and costs onto workers, consumers, and the general public. This recognition helps to debunk a narrative put forward by gig companies that their "innovation economy" represents an inevitable future of work that must be protected and nurtured exactly as it is at all costs, lest we, lest we foil our economy-- our economic destiny. So I think that's what, what's telling, what it's telling me is, is that their business model is looking to disenfranchise workers, take away some of their rights, and reduce actually the amount that maybe they receive in pay, even though they don't recognize it. I look at maybe some places like in rural Nebraska, maybe, I'll, I'll just use Grand Island, for example. An Uber driver or a Lyft driver probably isn't going to make as much money there as they would in a place like Lincoln or Omaha, or if you look at someplace like New York City. And so you may be figuring out what you're making in that, in that job. And it could, you know, break down to maybe you're only making \$5 an hour. But you have to figure that out in your costs, and so when you're having to put fuel in that car, you're having to buy your own insurance, keep up that car for-- so that you can provide those rides and make sure you have a, a, a car that people actually would prefer to get into. Those costs are going to be on you, not on the company. And so when you're looking at what you're making per hour, it could be detrimental to what you think is, is, is that you're actually being provided a good wage. And, and I think that's important for, for us to remember, if, if we're going to put something like this into action and not allow the people who are working for these companies to ever maybe decide that they don't like the way this is working, that they want, they would like to organize. They still like working for the company, but they'd like to organize, this doesn't allow for that. I'm going to change the subject a little bit because they were talking about the districts and wanting to maybe go away from a Unicameral. But one of the things when I was going door to door and talking to people was about how important the Unicameral is to the state of Nebraska, and how much I admired being able to, to, to, or was honored to be able to serve as a legislator. Because for me, it's about people. It's about representing everyone in your district. And I'm actually so I-- everybody know I'm a registered Democrat, but I live in a Republican district. It's, I think the last time I checked, 53% Republican. So for me to go out and talk to people, I have to gain Republican votes to win an election there. And so I think by talking to people at their doors and telling them that for me it was more about representing the people that I serve in my

district over representing a political party, I think that just proves that this can be a nonpartisan Legislature. I look at us, 49 personalities, we're like one big family, and sometimes we don't always get along with everybody in our family. So we're, you know, working on bills together to try to, to come to the middle and make an agreement on it. This bill in particular for me is something that, you know, if we could make it better, I would--

ARCH: Time. Senator.

QUICK: Thank you.

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

McKINNEY: Thank you, Mr. President. I rise in support of the recommit motion and still in opposition of LB229. It-- you know, we've been here for, I think, talking about this bill for like three weeks now. And it's clear to me that this law to try to codify gig workers as independent contractor, it would primarily and only benefit the interest of Uber, Lyft and other gig platforms for many reasons. It would, number one, it would prevent the reclassification of these individuals. And that is the problem. It would preempt any court ruling or legislation that would classify them as employees. It would also protect the profits of these companies. If drivers were classified as employees, companies would be responsible for payroll taxes, benefits, minimum wage protections, and other labor costs. Keeping them as independent contractors helps these companies maintain their high profit margins. It keeps the rich rich and the poor poor. That's the issue. Blocking worker rights efforts in the future if they were to happen because currently are not happening right now, but this would stop that. If a law explicitly defines gig workers as independent contractors, it would make it harder for workers to push for the labor rights, unionization, or employee benefits. It will solidify the current model and limit future challenges. That is what this is doing. Why do we need this? What are we scared of? What-- if their current model is so great and working so well, why is LB229 needed? Why do we need legislation? If the drivers are so happy, why do we need this legislation? I would ask the question, did the drivers bring this bill to Senator Hallstrom or did the companies? Did the drivers or did the companies? I think that's a fair question, because if the current model is working, why is this needed? Why do we need to codify this? And we talk about the free market. But if you talk to a driver that drives Uber or Lyft, it's understood that they cannot negotiate their prices, but we would like to call them independent

contractors. Most independent contractors I know can put in bids for their contracts. They could say, you know, I want to place a bid on this contract and this is what I'll do it for. But these drivers can't. They have to accept whatever the, the price is. There's no negotiating there. And hopefully, you know, they get a tip from whoever rides, which is helpful for the driver. But overall, a lot of drivers are barely making minimum wage because if you factor in insurance costs, which are rising, gas, which has been rising, wait times, those type of things, mileage, they're breaking even, maybe, or less. That is the issue. Why do we need this if the current model is working? Another question, did the drivers go to Senator Hallstrom for this bill, or did the companies? That is a fair question as well. Was this brought to Senator Hallstrom by the drivers or the companies? And that will lead you to the conclusion that I, I, I think we all should see. Thank you.

ARCH: Senator Conrad, you're recognized to speak. And this is your third opportunity on the motion.

CONRAD: And just to pick up where I left off, I think on my last time on the microphone, it is the right of these large corporate interests to organize, associate, and petition their government and to spend millions and millions of dollars on sophisticated public relations and lobbying campaigns in advance of legislative efforts like this in Nebraska and our sister states and on the federal level. But one of the reasons why I wanted to read into the record the Norris address was not only because we missed it timewise, of course, in regards to the designation on January 5th and the later start of the legislative session, but it was it was also a clarion call to policymakers to stand firm for the people and against manipulation and exploitation by large corporations. Now, the corporations looked really different, obviously, in 1937 than they do today. And perhaps many of these new gig companies or tech companies or business models couldn't have been envisioned at that point in time. But, but the message was the same regardless of the corporate status or model. It was a clarion call to policymakers to stand on the side of people when they're being exploited by large corporate interests, which is really what's at the heart of the legislation before you. And it's important to remember, even though those corporations have the right to engage in well-orchestrated, well-funded public media, public relations, lobbying campaigns as they're doing in Nebraska and beyond, that should meet resistance from the people, the people who were elected by working families, by consumers all across the state in each of our districts to stand up and at least express skepticism on their behalf,

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if not be willing to go to the mat to fight for working people when they're being exploited by large corporations. Everyday working people don't have high powered lobbyists and expensive lobbyists to push this, but they're supposed to have us, their representatives to be a check on that corporate power. I'd also encourage my colleagues to Google and look at an op ed written by the CEO of Uber that was published in the New York Times August 10th, 2020. The title is I am the CEO of Uber, and gig workers deserve better. The CEO and the author goes on to talk about identifying perhaps a third way beyond the binary of the independent contractor classification and employee status to catch up the law and our regulatory approach to this business model. Now, without fully conceding that that's the only or right solution, it is interesting, but it also belies the company's corporate statements when they're talking about we want our workers to have access to benefits, we want our workers to have access to nondiscrimination provisions, we're working to do this, we've settled to ensure minimum wage protections in other jurisdictions, and it goes on and on and on. But where-- Senator Hallstrom and members of the lobby who represent these corporations, where are those proposals? Why do you only put forward a proposal on behalf of corporate interests to undercut workers? Why don't you also follow the corporate direction to ensure nondiscrimination protection, to ensure wage protection, to ensure access to benefits? Perhaps you're bringing those measures next year. But the company themselves are saying, at least publicly, that a third way or additional protections is important to them. But those who carry their water in this body bring only that component of their agenda that undercuts workers rights, health, and safety.

ARCH: Time, Senator.

CONRAD: Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. Colleagues, I again rise in favor of Senator Conrad's motion to recommit and opposed to AM112 and LB229. When I was last on the mic, I was talking about some of the other states that have looked into this issue. And I think that it's very informative to look at some of the other analysis that has been done with regards to lost money as it pertains to benefits and other various state programs when you misclassify somebody as an independent contractor versus an employee. One of the informative things that I was able to find is a report that was done by the state auditor's office in Massachusetts when there was a discussion going on there

with regards to the classification of Uber and Lyft, ride share drivers generally speaking. Referencing that report, they actually talk about a statement that was made by the office of the Attorney General, again, this is in Massachusetts who said, quote, by misclassifying drivers as independent contractors, Uber and Lyft deny their drivers basic protections under the Massachusetts wage and hour laws. Many drivers are not even guaranteed the same minimum wage or overtime because the companies don't pay them for time spent between rides or reimburse them for necessary business expenses such as fuel, vehicle maintenance, and insurance. The companies only recently began offering drivers temporary paid leave due to Covid 19. But even these new policies fail to comply with the Massachusetts earned sick time law, and drivers who think they were wrongly suspended or terminated cannot challenge those actions in court because their service agreements require them to go into arbitration. I think that's a really succinct analysis of the concern that I have that a number of others have. As I've already stated, the courts are addressing these issues and the courts are well equipped to make these determinations. But I think even the analysis the courts used possibly is outdated and requires updating. As our economy continues to shift into a more online driven economic base, as we, as we continue to shift into these new models of employment, which we're talking about here with Uber and Lyft, but then also the Amazon Flex and things that we probably haven't even frankly thought about yet, I think that we as a, as a country and as a, as a judicial system need to evolve our analysis of what is an independent contractor versus an employee. Certainly Uber drivers and Lyft drivers, like all individuals, are not a monolith. I'm guessing there is no unanimous agreement or consensus amongst the drivers about how they would like to be classified. And I'm going to go out on a limb and tell you that the vast majority of people that are currently working for Uber and Lyft probably haven't thought about this, because like Senator John Cavanaugh talked about, they're working 12 hour shifts after they get off their other job, treating their job as Uber and Lyft as though it is their full time employment or at least one of their full time employments. So I'm guessing they haven't always given it a ton of thought how the Nebraska state Legislature is going to classify them. And that's why I find it problematic that we could potentially make this decision and essentially do it on behalf of a number of folks who probably haven't had the due time to actually reach out to us or have their voices heard. I know there was an effort over the four day weekend to get a hold of some, some Uber drivers or Lyft drivers or at least solicit from anybody their stories or their opinion on which direction they'd

like to go. And not surprisingly, I don't think I heard from very many people, but again, that's because a lot of those folks on a four day weekend are working and probably don't have a ton of time to devote to reaching out to us to talk about LB229 or AM112. And so my opposition, while generally founded in my objection to what this bill seeks to do, I think is also founded in a lack of input that I think I've heard from the individuals that this bill purports to protect or I guess generally affects. And so I, I just think we need more time, colleagues, I think we need a little bit more time to figure out what exactly this bill does. As we've already discussed at great length, AM112 I think is ambiguous at best. And even the proposed fixes to that I think remain somewhat ambiguous. And whether or not they address the concerns that have been raised by the individuals this would affect such as the hard working people working for Amazon Flex or other companies like that. So I continue to stand opposed to the AM and the LB and for the motion to recommit. I continue to stand in favor of our workers and I want to make sure that we do everything we can to ensure that their rights are being protected, not just now but into the future. Thank you, Mr. President.

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

HOLDCROFT: Thank you, Mr. President. And I just wanted to continue my positive notes on our two-- on the Department of Health and Human Services and also the Department of Corrections. I didn't quite finish the history between the Department of Corrections, so I'd like to do that. And again, or just a reminder, in 2024, we had about --just under 6,500-- 5,880 incarcerated individuals in our prison system. In 2024, there were 2,132 admissions, and the average length of stay is three and a half years. And again, from the director, Jeffreys, this is his quote. Through developing our people, following sound correctional policies and investing in our physical plants, we provide program opportunities for our population to develop the tools and skills to successfully reenter their communities. And Se-- Director Jeffreys is all about reentry. That's why we hired him. Again, there are nine correction facilities: the Nebraska State Penitentiary in Lincoln, the Reception and Treatment Center in Lincoln, the Omaha Corrections Center in Omaha, the Tecumseh State Correctional Center in Tecumseh, and the Women's Corrections Center in York, and then we have the three community correction centers, which are work release, one in Omaha and really two in here in Lincoln, one for men, one for women, and we have the Work Ethic Camp in McCook. Continuing through the history of the correction centers, and remember dates back to pre-statehood, but we were up to 1942 and in 1942, of course, a World

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War Two timeframe, the, the prisons were challenged by staff shortages caused by employees being called up for military service or obtaining more lucrative jobs in defense plants. Prison industries, shops, made articles of clothing for the army and the navy, and salaries for prison officers during the war were \$100 a month for wall guards and between \$125 to \$145 per month for other correction staff. Agricultural operations formed an important component of the prison during these years. A first class dairy operation was a prime herd-- with a prime herd of cows providing milk and other dairy products to the institutions, and this program was discontinued in late 1973. The facilities also ran a poultry operation, along with hog raising and grain crops. That was in 1942. Jumping up to 1957, the training program for custodial staff was upgraded. Guards, now called correction officers, were trained in modern penology techniques. In 1957 educational services were expanded to assist inmates with literacy challenges and those who wanted to obtain an eighth grade diploma. Eighth grade diploma. Correspondence courses in high school and college studies were also offered. And to-- see here. In 1968, the first women were employed in custodial positions in the department. In 1972, de facto inmate racial segregation ended at the penitentiary when the previously white only east cellblock was integrated following a federal court order. In 1973, the Department of Corrections was established as a freestanding agency separate from the Department of Public Institutions. Victor G. Walker was named as the first director, and the department supervised the the penal complex, the Reformatory for Women and the Youth Development Center in Kearney for Boys and Geneva for Girls and the state's parole administration. In 1979, with funding provided by the Nebraska Legislature, the department was able to open several new facilities. This is 1979. The Lincoln Correction Center replaced the old state reformatory. The old cellblocks and administrative complex were replaced with new housing units, an administrative building, and a power plant at the penitentiary. And a diagnostic and reception center was-- were opened, replacing the old reception center, and the Nebraska Penal and Correction complex was dissolved. In 1984, the Omaha Correction Center was opened. And then we jump to 2001, I believe, I lost my place here. 2001, the Work Ethic Camp for probationers and inmates was opened in McCook. 2008--

ARCH: Time, Senator.

HOLDCROFT: Thank you, Mr. President.

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

HUNT: Thank you, Mr. President. Good morning, colleagues and Nebraskans. Colleagues, if you are a lover of liberty, if you are a lover of free markets, supporting this bill is philosophically dumb. It's deeply stupid. It makes no sense. This is not the job of government to decide how workers of specific businesses are classified. Period. And this is not a low stakes bill to me either, because it represents an advancement, an expansion of government that we should find totally unacceptable. The fact that we're this deep in a serious conversation going into, like, what's happening in Massachusetts, what's happening in economies and other places because of bills like this, it doesn't matter, it really doesn't matter. It's not the job of government to set employment status in stone, it's between employers and employees. And that's what the status quo is right now. This bill is a gift wrapped in a bow with a little card on it from the Legislature to corporations. And it's not the job of government to do things like that. It doesn't matter if the corporation is operating ethically or not, it's between employers and employees. It doesn't matter what economic impact it has on states like California and Massachusetts, although it's interesting, although we can learn from those things, it doesn't matter, it's between employers and employees. There is a question of philosophical integrity that supporters of this bill have completely lost. And if you have promised a cloture vote to Senator Hallstrom, there's nothing wrong with going and letting him know that you've changed your mind. Bills like this are not the business of government. When you look at the text of the bill, all kinds of different businesses, any business, any business you can think of, limited only by your imagination, is incited to abandon the traditional business organization with defined roles, employer, employee, capital and labor, in favor of a contractor model. Every industry. A roofing platform could have an app, and they could sign up contractors for a roofing business. And then the platform orders the supplies, that hire the contractors, they acquire the customers, they collect the payments, they retain fees and charges that they decide what those are, remits payment to the contractor. Then the contractor falls off a roof. Too bad you're out of luck. That's the business model that the Legislature has set in stone. Too bad. What about an escort platform? For escorts online. The platform can advertise the, advertise the services, they can book the clients, they can arrange the facilities, they can collect the payments, and then remit a payment to the escort. No muss, no fuss. Easy. The list is only limited by your lack of imagination. This bill is just another example of many examples where the committee failed to understand the big picture. One thing that's interesting to me, on page 13 of the

bill, or page 12 of the bill line 31, it excludes any kind of services that's booked by telephone, fax, in person at a retail location. So why is the bill treating taxi companies or any business that books rides by telephone differently from businesses that book rides online? Why is that the business of government to do? Who benefits from this? Are trucking companies that book loads online, are they being given an advantage over companies that book by telephone? Yes. Why should the Legislature play favorites based on what technology is used to book business? Think seriously. Supporters of the bill, you know, you support people-- I'm punching in again. Supporters of the bill support it because they support people being independent contractors instead of employees. That's fine. That's already existing. That is between the employer and the employee. It is not the job of government to do that. And the bill has a lot of problems in it. It's interesting, section B on page 13, it says the bill doesn't apply to a platform if there, there's a federal grant or tax credit that reimburses the employer's contribution to the state unemployment compensation fund. So soak the federal government when you can. The bill is fishy, it's poorly written, and it's not the job of government to interfere in the relationships between employers and employees. Period. That's it. That's a position of political and philosophical integrity that if you are a lover of liberty, free markets, individual responsibility, the rights of employers and employees, the right to organize, that's where you should come down on this bill. And that's it. Thank you, Mr. President.

ARCH: Senator Guereca, you are recognized to speak. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. Well, again, colleagues, I rise in support of the motion to recommit, opposed to AM112, and opposed to LB229. I didn't really get to talk my second time because I was talking about my passion project of one person, one vote. I think we should all be passionate about one person, one vote. But I guess I just feel particularly passionate about it. But anyway, so I think a lot of folks have raised a lot of points. And I think somebody, I thought it was maybe Senator Dungan, but others have raised the, the, the problem of, you know, people not having commented on this bill. And I, I did tell that story when we first started debate here about an hour and a half ago that, you know, went into the field and did some research. Talked to an actual person engaging in this line of work. Senator Dungan talked about, I think it's in Massachusetts, where there-- the-- there's the complaint essentially about Uber is engaging in I think maybe the word is wage theft where they're taking

folks' money and not remitting it to the state. But, you know, I've talked all along on General File a couple of times and on Select now, I think we're on our third day on this bill in Select about my philosophical problem with this. And I don't know if I'll get a chance to talk again, so I'm going to just reiterate that, that we have obviously limited ability to change the laws here. We have-- people can only introduce 20 bills now. We have hearings, we have time constraints, we have 90 days this year, 60 days next year. And so what we choose to change should be significant. It should improve people's lives. My standard, when I'm thinking about whether I'm going to vote for a bill or not, or whether I'm going to introduce a bill is whether or not I think it's going to improve someone's life, some Nebraskan's life. And this bill doesn't do that. This bill puts into statute the current relationship between folks in one particular field and says-- shifts that balance away from those workers' ability to change that situation in the future. There are these massive corporations, like Uber, like Lyft, like Google, like Amazon that have a lot of power as it pertains to their relationship with the people who do the work that make them the millions, billions. And there's not really an affirmative reason why we should put this in statute. We should be asking ourselves, how do we make the lives of these drivers better as opposed to making it harder for them to get into a situation where they can get benefits, where they can pay unemployment, where they can pay Social Security, where they can make enough money, get health insurance so that they don't have to be on Medicaid, where they don't have to be on food stamps, or SNAP, whatever the word is now. Because what happens in these situations are if folks work 12 hours a day and still don't make enough money doing that to support themselves, they are falling back on the state to ensure that they can get-- can live, that they can have a place to live, that they can have food, that they can get health care. That's the state picking up the tab. So this bill is just further shifting the balance away from those employees to the employer and shifting the burden further on to the state to make sure that these folks can survive. We're creating a situation where someone can work two full time jobs and not be able to afford to live in this economy. That's what this bill is continuing to do, exacerbating. It's not improving anyone's life. It is making these corporations, out of state corporations, richer and making their lives easier. That's all it does. It is not improving the situation of any Nebraskans, it's not improving anybody's life. So that's my fundamental opposition to this bill. That'll be my opposition to a number of bills that come through this body this year, it sounds like. We should be asking ourselves that question. Does this bill make Nebraskans' lives better? This bill

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does not. That's why I oppose AM112, it's why I oppose LB229, that's why I support the motion to recommit. So whenever the time comes, I would encourage your red vote on LB229, AM112 and your green vote on the motion to recommit. And if we do get to cloture, I'd certainly encourage your red vote on the mo-- on the cloture motion. Thank you, Mr. President.

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

QUICK: Thank you, Mr. President. And I'm still opposed to LB229 as it is written. If we could find some way to, to address some of my concerns on this bill. I do support Senator Conrad's recommit motion. And with that, if she would like the rest of my time, I'll yield my time to Senator Conrad.

ARCH: Senator Conrad four minute, 30.

CONRAD: Thank you. Thank you, Mr. President. And thank you to my friend, Senator Quick. Friends, we've had a chance to talk a lot about the legal issues, the policy issues, the practical issues. We've had a chance to learn a little bit more about the ever evolving landscape on the local level, in our sister states, and on the federal level. And nobody had denied that the current status quo in Nebraska protects Uber and Lyft's business model. And it's operating just fine. They have not put forward a clear reasoning, a public policy basis, as to why government interference in the private market is warranted in this instance. None. Hasn't been put forward. Well, you know, friends, this is a well known proposition that we all know, that we teach to our kids, that we talk about in our homes, at our businesses, in our churches, in our schools. You can tell a lot about people by what they do with their power. And when they're in a position of power, who do they help and who do they hurt? Who do they lift up and who do they punch down on? And we're going to have an opportunity to have a really clear, unequivocal historical record on the upcoming cloture vote in just a few minutes so that it's preserved in perpetuity, so that every Nebraskan working person, consumer, every Nebraska family, every Nebraska voter, can see unequivocally who uses the power that has been bestowed on them by the people, to serve in the people's branch. What senators will use their power to lift up by voting red? What senators will use their power to help out by voting red? And what senators will use their power to help the powerful over the powerless by voting green. What senators will use their power to punch down on workers who have less power than the senators who hold their fate in their hand, and the big corporations waging costly lobbying, litigation, and

public relations campaigns to seek market interference to prop up their business model? So think about it. People always say you can tell a lot about a person by how they treat somebody in a different position of power. How do you treat the people who bring you your meal in a restaurant? Do you have kindness to provide a tip because there's a power differential there? That's a microcosm of what's happening with this bill. Do you use your power in this body to lift up working families and workers and allow the status quo and the market which you proclaim to support handle this, or do you use your power to punch down? Do you use your power to put your thumb on the scales for the largest corporations and against everyday working Nebraskans who are working multiple jobs, who are working into retirement, who don't speak with one voice about whether or not this business model is working for them? Do you take the corporations that are pushing this bill at face value when they publish editorials saying we need laws to protect gig workers through nondiscrimination, through benefits? We've negotiated settlements on minimum wages in other localities and states. But that is absent from this debate. Those are the kinds of concessions that stop a filibuster, Senator Hallstrom, and you know it. Because even though you're a freshman, you've been around these halls for decades putting up amendments that do nothing except add ambiguity and uncertainty and expansion, do not stop a filibuster, but start one.

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

McKINNEY: Thank you, Mr. President. Still rising to support the recommit motion and opposed to LB229. This is, as we come to a close, I think we should just point out that hopefully my questions get answered, that why is this bill needed? If the model is working and the system is great, why is LB229 needed in the state of Nebraska? Why do we need a bill to preempt drivers from one day deciding to reclassify themselves as workers? Why is it needed if the model is working? Two, who brought this bill to Senator Hallstrom? Was it Uber, Lyft, DoorDash, Instacart, or whoever else? Or was it the drivers? Those are valid questions that deserve answers. Because I think if you get the right answer, it will help you reach your conclusion a lot better. Because in other states it has been shown that Uber, Lyft has been taking advantage, exploiting drivers, and getting away with highway robbery because of it. Now, they will say that if drivers decided to classify themselves as workers, it will hurt their business model. But that isn't true. Because there are too many examples in other places in the country and across the world where Uber is, is

still in operation, is still making profits, but they're not taking advantage of the drivers. Because if these drivers were truly independent contractors, they would be allowed to negotiate their prices. What would have really been an interesting amendment if Senator Hallstrom was really, truly trying to make sure that these drivers were independent contractors, he would have proposed an amendment that said these drivers can negotiate their prices. That if drivers were utilizing these platforms as independent contractors, they can negotiate prices for, for rides or prices for picking up groceries or picking up stuff from convenience stores. I would have-- that would have been an interesting amendment. If drive-- if, if they're truly independent contractors, why not throw that amendment on the board to say-- if they're truly independent contractors, throw that amendment on the board that says in the state of Nebraska, independent contractors that utilize platforms, gig, gig platforms, can negotiate their prices. I would have loved to see that amendment. But we don't have that amendment. Why not? If they're truly independent contractors, why can't they negotiate their prices? Why can't they put in bids to say, hey, this person would like a ride, but it says \$10. I want to counter that \$10 ride and say I need \$15, I need \$20. Why can't they do that? They're independent contractors, right? Why can't they negotiate that? It's a fair question. Why isn't that amendment on the board? If we're presenting amendments, why can't they negotiate prices? Who brought this bill? Was it Uber, Lyft, DoorDash, Instacart? Or was it the drivers? Because again, I will bring you all back to the hearing. Not one driver came to testify, although Senator Hallstrom did bring a letter from a driver. At the hearing, there was no proponents testifying that were drivers. That is clear, and it's also clear in the online, online comments. He did present a letter, though, so he will say that. But no drivers came in support. It, it-- even so, that's just one if he has a letter from one, but I've only seen one. And Senator Cavanaugh rode in a, I think a Uber last weekend, that driver--

ARCH: Time, Senator.

McKINNEY: --wants to be a worker. Thank you.

ARCH: Mr. Clerk, you have a motion on the desk?

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

ARCH: Senator Hallstrom, for what purpose do you rise?

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HALLSTROM: Call of the house.

ARCH: There's been a request to place the house under call. All those in favor vote aye; all those opposed vote nay. Record Mr. Clerk.

CLERK: 24 ayes, 0 nays on the motion to place the house under call.

ARCH: 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 von Gillern. Senator Bosn. Senator Armendariz. Please return to the Chamber. The House is under call. Senators von Gillern, Bosn, Armendariz, please return to the Chamber. The house is under call. Senators Von Gillern, Armendariz, please return to the Chamber. The house is under call. All unexcused members are now present. Members, the first vote is the motion to invoke cloture. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 33 ayes, 16 nays to invoke cloture, Mr. President.

ARCH: The motion to invoke cloture is adopted. Members, the next vote is the motion to recommit to committee. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 14 ayes, 33-- 34 nays to recommit the bill, Mr. President.

ARCH: The motion to recommit is not successful. Colleagues, the next vote is AM112. All those in favor vote aye, all those opposed vote nay. Mr. Clerk, please record.

CLERK: 32 ayes, 16 nays on adoption of the amendment, Mr. President.

ARCH: Senator Guereca for a motion. Senator Guereca for a motion.

GUERECA: Mr. President. Gosh. I move that LB221 be advanced, LB229 be advanced to E&R for engrossing for adoption.

ARCH: There has been a request for a roll call vote. Mr. Clerk.

CLERK: Senator Andersen voting yes. Senator Arch voting yes. Senator Armendariz voting yes. Senator Ballard voting yes. Senator Bosn voting yes. Senator Bostar voting no. Senator Brandt voting yes. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Clouse close voting yes. Senator Conrad

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voting no. Senator DeBoer voting no. Senator DeKay voting yes. Senator Dorn voting yes. Senator Dover voting yes. Senator Dungan voting no. Senator Fredrickson voting no. Senator Guereca voting no. Senator Hallstrom voting yes. Andrew 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 Juarez voting no. Senator Kauth voting yes. Senator Lippincott voting yes. Senator Lonowski voting yes. Senator McKeon voting yes. Senator McKinney voting no. Senator Meyer voting yes. Senator Moser voting yes. Senator Murman voting yes. Senator Prokop voting no. Senator Quick voting no. Senator Raybould voting yes. Senator Riepe voting yes. Senator Rountree voting no. Senator Sanders voting yes. Senator Sorrentino voting yes. Senator Spivey voting no. Senator Storer voting yes. Senator Storm voting yes. Senator Strommen voting yes. Senator von Gillern voting yes. Senator Wordekemper voting no. The vote is 33 ayes, 16 nays, Mr. President, on advancement of the bill.

ARCH: LB229 advances to E&R for engrossing. I raise the call. Mr. Clerk, for items.

CLERK: Thank you, Mr. President. Your committee on Transportation and Telecommunications, chaired by Senator Moser, reports LB97 and LB568 to General File, both having committee amendments. Additionally, amendments to be printed from Senator Sorrentino to LB441. Motions to be printed from Senator Conrad to LB513 and LB345. Notice of hearing from the General Affairs Committee as well as the Revenue Committee. That's all I have at this time, Mr. President.

ARCH: Mr. Clerk, next item.

CLERK: Mr. President, next item on the agenda. Select File, LB42. Senator, I have nothing on the bill.

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB42 be advanced to E&R for engrossing.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. All those opposed, nay. LB42 advanced. Mr. Clerk.

CLERK: Mr. President, Select File LB10. Senator, I have E&R amendments first of all.

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ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that, that the E&R amendments to LB10 be adopted.

ARCH: You've heard the motion. All those in favor say aye. All those opposed, nay. E&R is adopted. Senator Guereca.

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

ARCH: Senator Guereca.

GUERECA: Mr. President, I move that LB10 be advanced to E&R for engrossing.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. LB10 advances. Mr. Clerk.

CLERK: Mr. President, Select File LB362. First of all, Senator, there are E&R amendments.

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that the E&R amendments to LB362 be adva-- be adopted.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. E&R amendments are adopted.

CLERK: Mr. President, Senator DeBoer would move to amend with AM255.

ARCH: Senator DeBoer, you're recognized to open.

DeBOER: Thank you, Mr. President. Colleagues, this amendment was flagged by the E&R process, and while it is a simple clean up amendment, represents what could be construed to be a policy choice so it is not eligible for an E&R amendment. This amendment reinstates a stricken "and" that was erra-- errantly struck and makes the provision guiding the use of a fund difficult to understand. So we errantly struck an "and." This is putting it back in. I would please ask you to vote green on AM255 to ensure our statutes are easy to read and understand. Thank you, Mr. President.

ARCH: Seeing no one in the queue, you're recognized to close. Senator DeBoer waives close. Colleagues, the question before the body is the

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adoption of AM255. All those in favor vote aye; all those opposed vote nay. Mr. Clerk.

CLERK: 33 ayes, 0 nays on adoption of the amendment, Mr. President.

ARCH: The amendment is adopted.

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

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move LB362 be advanced to E&R for engrossing.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. LB362 does advance. Mr. Clerk.

CLERK: Mr. President. Select File LB139. Senator, there are E&R amendments.

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that the E&R amendments to LB139 be adopted.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. All those opposed, nay. E&R is adopted.

GUERECA: Senator, I have nothing further on the bill.

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB139 be advanced to E&R for engrossing.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. LB139 advances. Mr. Clerk.

CLERK: Mr. President, the next bill, Select File LB231. Senator Hallstrom would move to amend with AM216.

ARCH: Senator Hallstrom, you're recognized to open on your amendment.

HALLSTROM: Mr. President, colleagues, thank you. AM216 is a simple amendment. This is a model act relating to special deposits, and the bill as drafted simply makes a reference to department currently, and

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AM216 would clarify that it's the Department of Banking and Finance, and I'd ask for your green vote.

ARCH: Seeing no one in the queue, Senator Hallstrom, you're recognized to close. Senator Hallstrom waives close. Colleagues, the question before the body is the adoption of AM216. All those in favor vote aye, all those opposed vote nay. Mr. Clerk.

CLERK: 31 ayes, 0 nays on adoption of the amendment, Mr. President.

ARCH: The amendment is adopted.

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

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB231 be advanced to E&R for engrossing.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. LB231 does advance. Mr. Clerk.

CLERK: Mr. President, Select File LB180. First of all, Senator, there are E&R amendments.

ARCH: Senator Guereca.

GUERECA: Mr. President, I move that the E&R amendments to LB180 be adopted.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. The E&R amendments are adopted.

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

ARCH: Senator Guereca for a motion.

ARCH: Mr. President, I move that LB180 be advanced to E&R for engrossing.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. LB180 advances. Mr. Clerk.

CLERK: Mr. President, Select File LB59. First of all, Senator, there are E&R amendments.

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ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that the E&R amendments to LB59 be adopted.

ARCH: Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. E&R amendments are adopted.

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

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB59 be advanced to E&R for engrossing.

ARCH: Colleagues, you have heard the motion. All those in favor say aye. Opposed, nay. LB59. Does advance. Mr. Clerk. Next item. Excuse me, Mr. Clerk. There are some guests in the north balcony. Senator Dungan would like to recognize the Nebraskans for the Arts all across Nebraska. Please rise and be recognized by your Nebraska Legislature. We have other guests. Senator Hughes would like to recognize a group from Leadership York in the north balcony. Please rise and be recognized by your Nebraska Legislature. Mr. Clerk, next item.

CLERK: Mr. President, General File LB247, introduced by Senator DeKay. It's a bill relating to the Department of Environment and Energy; amends sections 13-2042, section 66-1519; changes provisions relating to fees and distribution proceeds under the Integrated Solid Waste Management Act and the uses of and transfers from the Petroleum Release Remedial Action Cash Fund; provides an operative date and repeals the original section; declares an emergency. The bill was read for first time on January 14th of this year and referred to the Natural Resources Committee. That committee placed the bill on General File. When the Legislature left the bill, discussion was pending on February 12th of this year, Mr. President.

Speaker 1: Senator DeKay, you're recognized for a minute to refresh the body on your bill.

DeKAY: Thank you, Mr. President. LB247 would establish a more sustainable funding mechanism to meet Nebraska's Superfund obligations while ensuring continued support for waste reduction and recycling initiatives. The Nebraska Department of Environment and Energy currently manages 11, 11 active orphan Environmental Protection Agency designated Superfund sites where there are no financially viable

responsible parties to conduct remediation. Nebraska faces significant challenges in, in funding its Superfund cost share responsibility, which pose ongoing environmental and public health risk. LB247 would change the funding source from Petroleum Release Remedial Action Cash Fund to Integrated Solid Waste Management Fund and slightly increase fees to provide a more sustainable way of fulfilling our state's Superfund cost share responsibilities. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Good morning, colleagues. I want to thank my friend, Senator DeKay, for bringing forward this legislation. I understand why he was asked to carry it, and I actually really appreciated and enjoyed learning more about these programs during the Natural Resources Committee hearing. If you check your committee statement, you can see that I was a no vote out of committee, and I'm planning to maintain opposition to this measure moving forward, even though I completely and totally understand and appreciate where the department is coming from and where my friend Senator DeKay is coming from as well. My opposition is not personal nor political, but it is policy based, and here's why. This is part of a larger practice before the body this year where we increase fees and we nickel and dime Nebraskans to death, and the fee increases contained in this legislation will result in increased garbage fees for, for all families. And that hits hardest on people living on a fixed income and working families. There's no reason to increase to fees across the board, Game and Parks, DMV, Department of Energy. The list goes on and on and on and on. There's plenty of bills out there before all of the different jurisdictional committees that are helping to build the pyramid scheme upon which the governor's budget is balanced upon. And it's the same opposition that I had to the governor's sales tax hikes last session and during this special session. It's wrong to put the burden on those who can least afford it, either through increasing sales taxes or increasing fees. We're scrambling to cover a huge budget deficit, not the making of a recession or an economic downturn or a natural disaster. We have a budget deficit because this body and the governor pushed forward Kansas style tax cuts that benefit the largest, wealthiest corporations and do little to anything for everyday working Nebraskans. So to pay for those unsustainable, inequitable tax cuts, you're going to see bill after bill after bill just like this one, where we're asking Nebraskans to pay more in fees and then they may cover the services or they may be swept for property tax schemes that benefit the largest, wealthiest landowners or other

priorities of the governor. So I appreciate Senator DeKay is looking at this, laser focused on this fund and the important work they do. But I oppose it out of principle, as I will all of the fee increases that come before the body this year to say we should not be nickel and diming working Nebraskans and seniors to death by asking them to pay more and more and more and more to prop up tax cuts for the rich. Thank you, Mr. President.

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

BRANDT: Thank you, Mr. President. I appreciate Senator Conrad's position on no new taxes anywhere. But let's give a little background on this. When this came through the Natural Resources Committee, I mean, really, that was, I believe, her only objection was, was the increase in taxes. And I guess, would Senator DeKay yield to a question?

ARCH: Senator DeKay, will you yield?

DeKAY: Yes.

BRANDT: Senator DeKay, how big of an increase are we talking about here?

DeKAY: \$1.09. It would go to-- from \$1.25 to \$2.34 on solid waste for three yards of cubed or compacted soil and then \$1.25 for solid waste.

BRANDT: Can you tell me the last time this fee was raised?

DeKAY: 1992.

BRANDT: 1992. So it's, it's been a while, right?

DeKAY: According to my math, about 33 years.

BRANDT: 33, 33 years. And what is this fee specifically used for?

DeKAY: It's to clean up oil spills, it's to comp-- and it actually-- it's a fee, not a tax in my mind, because it's applied to the people that have contributed to the spills. So if they aren't able to pay it, if they're out of business, bankrupt or whatever, this fee helps cover the costs of oil spills across the state on the orphan of sites, and there's 11 of them across the state. And there's 18 sites across the state in the Superfund, but 11 of them are orphaned that are covered by this.

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BRANDT: Is, is there enough money in that fund?

DeKAY: Not at this-- it is right now, but going forward, no, there won't be because we are allocating about \$2.3 million to that, so. And right now, we-- this year we're covered, but going forward, it's going to be taken down as we go forward. So this is trying to replenish that fund.

BRANDT: All right. Thank you. Would Senator Moser be available for a question?

ARCH: Senator Moser, will you yield?

MOSER: Yes, I would.

BRANDT: Senator Moser, you're on the committee.

MOSER: Yes.

BRANDT: And when this bill came up, I believe you told the committee what your current fees are for the city of Columbus since you're the past mayor there.

MOSER: Yeah, It's \$69 a ton to pay the dump fee and to have it hauled to our landfill up by Stanton.

BRANDT: So what would this increase do to those?

MOSER: Well, it, it's not a big number compared to what the total cost of dumping and transmitting the-- carrying the stuff to our landfill. So it's, it's not a big, a big amount. And the volume of what one garbage customer provides toward the ton is so small that \$1.09 a ton is not really going to make much difference.

BRANDT: So rea--

MOSER: I don't think.

BRANDT: So really the most this would contribute it would probably raise them from \$69 to \$70.09.

MOSER: Yeah. Well, if they pass it all along, which they may well do. But that money is not used for frivolous things. It's used to clean up Superfund sites that the state inherits, and Columbus has a Superfund site where dry cleaners were dumping or spilling, I don't know exactly how that all happened, but dry cleaning fluid and it got into the

aquifer and they've been mapping the flow of the dry cleaning fluid through the aquifer. And so people in that plume can't pump water and drink it because they're going to get dry cleaning fluid in their drinking water. So even some of the city wells were affected. And we've had to go through remediation and try to get those dry cleaning chemicals out of that water. And, you know, if the city had to pay for that, then they'd have to charge more for water because you can't drink the water with the dry cleaning chemicals in it. So somebody's got to pay for it. And I think Senator DeKay's bill is a good way to move forward. Thank you.

DeKAY: All right. Thank you, Senator Moser. I yield the rest of my time to the chair.

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

SPIVEY: Thank you, Mr. President. And I just wanted to come back and punch in on this as I had some questions previously for Senator DeKay, and we talked off mic just about some of my concerns around how is this impac-- impacting larger Superfund sites, the managing of those funds. And his team did get with me as well as NDEE around some of those questions. And so I just wanted to uplift and say I appreciate just making sure that I had clarity and insight and better understanding the bill. So thank you, Senator DeKay, your team, and NDEE on that. The last thing that I would say is that, as I said, and I have been working every day with the great Committee of Appropriations around our budget, that I understand the reasoning for moving this out of the General Funds to being cash funded through our cash funds and those fees. But I do think in general as a practice, we are seeing that a lot of what we are trying to pay for are-- is going to create a dependency on cash funds, fees, and things that we are charging people in order to fund government. And so I know Senator Conrad brought that up in her remarks, and I just wanted to uplift and underscore that that is something that this body and specifically our Appropriations Committee is grappling with is this recommended dependency on cash funds, which I think is going to create down the road some other hurdles. But again, I will be supporting LB247 based on the information that I received from Senator DeKay, NDEE, and their team. So thank you. Thank you, Mr. President.

ARCH: Senator Moser, you are recognized to speak.

MOSER: Thank you, Mr. President. I was just going to add a little bit of information on Senator DeKay's bill. There are two parts of it. One

part of it is the petroleum remediation, and one part of it is Superfund remediation. The petroleum part of the remediation cleans up gas spills, and those retailers that sell gasoline pay in a small fee per gallon into this fund. And then when there is a spill, it's an insurance fund that helps pay for the cleanup of gas spills if something happens. There's a pretty large deductible that has to be met first. But then beyond that, funds from this fund can be used to pay for cleanup of petroleum spills. So that's, that's half the problem. And again, this is something we have to do. You know, we could take General Fund dollars and do this, but then we'd have to tax everybody in the state to get General Fund dollars. So why not have a small fee to the petroleum retailers, the people who actually make money selling gasoline and, and oil and other petroleum products and use that money to cover those spills. And then the same thing on the Superfund sites. Those sites have to be cleaned up. You can't let that. Well, I guess I say you have to, but it would be very foolish not to clean those sites up. They have test wells all around that area. And periodically they test the water to see if it's clean enough to drink or to use in your home. And that plume of dry cleaning chemicals is moving to the southeast, just like the flow of groundwater does. And if they don't continue to do remediation, there will be more and more people that can't drink that water. So it, it needs to be done. If you're going to make a point about increases in fees and then having those funds swept for other budget purposes, that's a different argument. And this is not the place for that argument because-- in my opinion, because this is where the problem is and the money to solve the problem comes from trash. So, you know, a dollar a ton increase based on how many little plastic containers it takes to make a ton is not a lot of money to each customer of the garbage business, but it, it is enough to solve the problem overall. So I think it's good government and I, I am encouraged that Senator DeKay decided to bring this bill. Thank you.

ARCH: Colleagues, Senator Clouse would like to recognize some special guests in the north balcony, the Kearney High School Clarinet Choir and String Quartet who will be performing at noon in the Rotunda are in the north balcony. Please rise and be welcomed by your Nebraska Legislature. Continuing to the queue, Senator Hughes, you're recognized.

HUGHES: Thank you, Mr. Speaker. I sit on Natural Resources Committee and heard this bill that Senator DeKay brought. And I just want to mention that the fees from this will be used for these orphaned Superfund sites, which actually, in District 24, we have one of these

ongoing. And just if, if people don't remember from a few days ago, the first ten years of an orphaned Superfund site, which means there isn't a business or whatever that's paying for the cleanup of that, our state is responsible for 10% per year of the cleanup. The federal money comes in for that other 90%. We've got to have that 10%, and that's for the first ten years. After that, it, it-- more falls on the state. But what we're talking about here, and I did this math when I'm sitting there at the hearing, it's \$1.25 per ton. That was put in play in 1992. So with our little handy dandy computer, our phones in our hands, I just did the math and said, OK, \$1.25 in '92, what is that today? Today, that would be \$2.81. And we're talking about \$2.34. And it was interesting because the question was asked in committee, why are we doing it two-- at \$2.34, Why not \$2.35 or \$2.40? And the answer was they didn't-- they-- the department didn't want to take this up too high. So that was-- \$2.34 is the minimum they need so that we can meet our obligation as a state for these Superfund sites that we've got to clean up with. So I think it's one, it's fiscally responsible. They're only taking it up to that \$2.34 And it just-- it makes sense when you, when you put a number in in 1992 at \$1.25, that's not growing with CPI or anything. And so I think now 30 plus years later, it's high time we look at it. And so again, it's fiscally conservative. Technically, \$1.25 would be \$2.81 today. We're not going up that high, we're going to two-- \$2.34. So this is a good bill, and it's something-- these, these fees collected go toward cleaning up these Superfund sites, which we all need across the state to protect our water. So thank you, Mr. President. And I will yield my time to Senator DeKay if he wants it.

ARCH: Senator DeKay two minute, 40.

DeKAY: Thank you, Mr. President. I do appreciate comments and testimony this morning by everybody involved, all the senators. With that, we have been cash funded since 2017. These funds puts a little more of the onus on the people causing the spills and the garbage that needs to be taken care of. So that's where-- we're not putting it on the taxpayer, We're putting it on the people that need it to be used for. With that, I yield back the rest of my time.

ARCH: Seeing no one in the queue, you are recognized to close. Senator DeKay waives close. Colleagues, the question before the body is the advancement of LB247 to E&R initial. All those in favor vote aye; all those opposed vote nay. Has everyone voted who wishes to vote? Mr. Clerk?

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CLERK: 32 ayes, 1 nay on advancement of the bill, Mr. President.

ARCH: LB247 does advance. Mr. Clerk, next item.

CLERK: Mr. President. General File LB396, introduced by Senator DeKay. It's a bill for and relating to political subdivisions; amend section 13-516 and 70-623; change provisions relating, relating to proposed budgets of certain districts and agencies and the filing of fiscal audits of certain districts; and repeals the original section. The bill was read for the first time on January 17th of this year and referred to the Natural Resources Committee. That committee placed the bill on General File. There's currently nothing on the bill, Mr. President.

ARCH: Senator DeKay, you're recognized to open on LB396.

DeKAY: Thank you, Mr. President, and good morning, colleagues, again. LB396 is a simple bill. This legislation would amend two sections of the statute. First, the bill would amend section 13-516 to eliminate the requirement that budgets of public power suppliers must be filed in a form approved by the Nebraska Power Review Board. Second, the bill would amend section 70-623 to eliminate the requirement that public power districts submit copies of their annual audit reports to the Nebraska Power Review Board. The, the requirements being repealed in this bill were seen as duplicative by both the Nebraska Power Association and Nebraska Power Review Board. Essentially what happens is that public power districts put together their yearly budget and audits and sends them over to the Power Review Board's office, where they just sit in a filing cabinet for two years before being disposed of in accordance with public record laws. This bill only meant to eliminate some of the duplicate work that is going on. The budgets and audits are available to public if you contact your public power district or search online. The audits are available on the Auditor of Public Council website. According to Mr. Tim Texel, who has been the executive director of the Power Review Board for 27 years, he can only recall a handful of times when someone asked him or his office for a copy of the Public Power District Audit or Budget. Mr. Textel does not do anything actionable with the budget or audits his office receives. His office just keeps those files in a filing cabinet in case there is a request for a copy. I will add that Mr. Texel or the Power Review Board did not request this bill. This bill was a result of discussions among the members of the Nebraska Power Association. Ultimately, with the advent of the Internet, there is increasingly diminishing returns by having Power Review Board keep copies of each Public Power

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District's budget and audit. By passing this bill, we can have the parties involved save both money on postage and staff time by getting rid of some of the busy work. LB396 came out of the Natural Resources Committee on a 7-0 vote with one member absent. With that, I would appreciate your green vote on LB396. Thank you, Mr. President.

ARCH: Seeing no one in the queue, you are recognized to close. Senator DeKay waives close. Colleagues, the question before the body is the advancement of LB396 to E&R initial. All those in favor vote aye; all those opposed vote nay. Mr. Clerk.

CLERK: 36 ayes, 0 nays on advancement of the bill, Mr. President.

ARCH: LB396 does advance. Mr. Clerk for items.

CLERK: Thank you, Mr. President. Your Committee on Enrollment and Review reports LB43 and LB108 and LB208 as correctly engrossed and placed on Final Reading. Additionally, your Committee on Enrollment and Review reports LB296, LB335, LB240, LB286, LB289, LB293, LB527, LB609, LB241, LB377, LB593 to Select File, some having E&R amendments. Your Committee on Health and Human Services, chaired by Senator Hardin reports LB83 and LB192 to General File. Notice of committee hearings from the Natural Resources Committee, as well as the Nebraska Retirement Systems Committee. Report from the Agriculture Committee concerning the gubernatorial appoint-- appointment to the Nebraska Brand Committee. That's all I have at this time.

ARCH: Mr. Clerk, next item.

CLERK: Mr. President, next item on the agenda, General File LB265, introduced by Senator Sorrentino. It's a bill for an act relating to labor; amends several sections of Chapter 48 and 81; eliminates certain funds and changes certain references to funds; changes provisions relating to state unemployment insurance tax rate and the Workforce Development Program Cash Fund; eliminates the Nebraska Worker Training Board; harmonizes provision; provides an operative date; repeals the original section, outright repeals section 48-622.03 and declares an emergency. The bill was read for the first time on January 15th of this year and referred to the Business and Labor Committee. That committee placed the bill on General File. There are no committee amendments. There are additional amendments, Mr. President.

ARCH: Senator Sorrentino, you are recognized to open on LB265.

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SORRENTINO: Thank you, Mr. President, and good late morning colleagues. I bring you to you today LB265, which is a bill brought at the request of the Nebraska Department of Labor. The purpose of this bill is to provide for a simplified and consolidated funding mechanism for Nebraska's Workforce Development programs through the Workforce Development Program Cash Fund. The Nebraska Department of Labor currently has both the Nebraska Workforce Training and Support Cash Fund and the Workforce Development Program Cash Fund. Both funds are used to award workforce development grants. By combining the funding sources for separate workforce development programs, the state will streamline efficiencies and better align workforce programs within the state. LB265 combines, being the key word, combines the funds currently held in separate accounts and, importantly, consolidates the funding mechanisms for those accounts. It also provides for the dissolution of the Nebraska Worker Training Board, as it only exists to direct the use of the Nebraska Training and Support Cash Fund, which will be deleted. Importantly, workforce development funding will still exist, but the Department of Labor will authorize the grants on a rolling basis that the board previously only awarded quarterly. This aligns with the governor's and the Legislature's vision for creating efficiencies across state government. This bill also declares an emergency so that it can go into effect July 1st, 2025. Thank you.

ARCH: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR45. Mr. Clerk for items.

CLERK: Mr. President, a pair of name adds. Senator Conrad, name added to LB76 and LB173. Additionally, priority motion. Senator Dover would move to adjourn the body until Thursday, February 20th.