duced before we recess before this afternoon's ceremonies. So would you please get all the bills that you have ready for introduction up to the desk at this time so that we can proceed. Thank you. Proceed then, Mr. Clerk, with the introduction of the bills you do have.

CLERK: Read LB 1-18 by title for the first time. (See pages 74-77 of the Legislative Journal.)

PRESIDENT: The Chair recognizes Speaker Marvel.

SPEAKER MARVEL: Is Senator Marsh in the room?

PRESIDENT: Senator Marsh is right there.

SPEAKER MARVEL: Senator Marsh, do you have a Committee on Committees report that you would like to distribute and take up at this time?

SENATOR MARSH: Yes, Mr. Clerk, would you please start the distribution.

CLERK: Yes, Senator, it is on its way.

SPEAKER MARVEL: The item that we refer to is being added to the agenda as 5(a). This is to bring before you the Committee on Committees report for your consideration.

PRESIDENT: The Chair recognizes Senator Marsh as soon as we get the...we probably ought to wait until we make sure all of the reports are distributed, Senator Marsh, so why don't you just kind of watch...

SENATOR MARSH: Mr. President, I believe we are now ready.

PRESIDENT: All right, proceed.

SENATOR MARSH: Thank you very much. I will ask that the Clerk would read the cover letter on this report.

PRESIDENT: Mr. Clerk, go ahead.

CLERK: Mr. President, a communication from Seritor Marsh addressed to Mr. Speaker and Senators: The following report is submitted as a final action of the Committee on Committees five hour meeting on Wednesday, January 7, 1981. Respectfully submitted, Shirley Marsh, Chairperson.

SENATOR MARSH: Mr. President, I move for the adoption of this report as the final action of the Committee on Committees following our five hour meeting on yesterday, January 7, 1981.

Mr. President, I have a lobby registration report for the interim period covered by April 19, 1980, through January 6, 1981. That will be inserted in the Legislative Journal. (See page 94 of the Journal.)

Mr. President, I have a reference report from the Executive Board referring legislative bills 1-36. That is signed by Senator Lamb as Chairman. (See pages 94-95 of the Legislative Journal.)

Mr. President, I have in my possession proposed lease renewals as supplied us by the State Building Division. Those will be on file in my office. I also have a report from the Nemaha Natural Resources Districts regarding payment of attorney fees. (See page 95 of the Journal.)

Mr. President, Senator Hefner would like to announce that Senator Barrett has been elected as vice chairman of the Miscellaneous Subjects Committee.

Mr. President, Senator Labedz would like to announce that Senator Pirsch has been elected vice chairman of the Constitutional Revision and Recreation Committee.

Mr. President, Senator Marvel would once again like to announce a meeting or a chairperson's caucus for Monday, January 12 at 9:00 a.m. in Room 1520. It is a chairperson's caucus for Monday, January 12 at 9:00 a.m. in Room 1520.

PRESIDENT: The Chair will recognize Speaker Marvel once more for additional announcement concerning procedure.

SPEAKER MARVEL: I think, Mr. President, the first thing we need to note is the fact that we are using valuable time that we may wish we had at the end of this session. I guess I am going to repeat this every day for a while and so would you please put on the Clerk's desk whatever legislation you have so that we can once again begin processing this legislation which means that the Exec Board needs to meet and refer the bills as soon as they have been processed by the Clerk and, therefore, I remind you first of all, get the bills in and, secondly, that the Exec Board then will have to meet to refer the bills. Now this process has to go on even if we may only meet until noon. Now, Mr. President, is that the... Pat, is there anything else to say about the reference of bills?

CLERK: No, sir, not that I am aware of. I think Senator Lamb might want to make a...

CLERK: Mr. President, LB 11 (Title read). The bill was first read on January 8 of this year. It was referred to the Ag and Environment Committee for public hearing. The bill was advanced to General File. There are committee amendments pending, Mr. President, by the Ag and Environment Committee.

PRESIDENT: The Chair recognizes Senator Schmit.

SENATOR SCHMIT: Mr. President, members of the Legislature, I have a brief amendment to the committee amendments which I would like to offer at this time, and it is being handed out.

PRESIDENT: Do you have that, Mr. Clerk? Hold up just a minute, Senator Schmit. Now you say you have an amendment to the committee amendments?

SENATOR SCHMIT: Would you read it please, Mr. Clerk?

PRESIDENT: Why don't we just have the Clerk read that. Mr. Clerk, read the amendment.

CLERK: Senator, the one I was just handed is the one you want to take up?

SENATOR SCHMIT: Yes, that is right.

CLERK: Mr. President, Senator Schmit moves to amend the committee amendments: (Read first Schmit amendment offered on page 1434, Legislative Journal.)

PRESIDENT: Senator Schmit.

SENATOR SCHMIT: Mr. President, members of the Legislature, the reason for this amendment is that the committee amendments, as do some of the old language in the earlier bills, provide for the Director, the President of the Nebraska Corn Growers Association to be an ex-officio member of the Board though he does not draw any compensation. It would have entitled him to expense allowances. There is a question as to the constitutionality of that provision. Therefore, I have asked that it be stricken and also in regard to any other place in the statute that it appears I have asked that it be stricken also. It removes the President of the Association as an ex-officio member of the Board. I ask that the amendment to the committee amendments be adopted.

PRESIDENT: Senator Maresh, did you wish to speak to the amendment to the amendment? All right, any further discussion on the amendment to the amendment. I guess that,

Senator Schmit, will conclude your remarks. The motion then is the adoption of the Schmit amendment to the committee amendment on LB 11. All those in favor vote aye, opposed nay. Have you all voted? Record the vote.

CLERK: 27 ayes, 0 mays, Mr. President, on adoption of the amendment to the committee amendments.

PRESIDENT: Motion carries. The Schmit amendment to the committee amendment is adopted. Any other amendments?

CLERK: Now we have to adopt the committee amendments.

PRESIDENT: Now the committee amendments, Senator Schmit, do you wish now to speak to the committee amendments as amended?

SENATOR SCHMIT: I have another amendment which I would like to have the Clerk...the Clerk has printed in the Journal.

CLERK: Mr. President, Senator Schmit moves to amend the committee amendments...it is found on page 1269 of the Journal, Mr. President.

PRESIDENT: Senator Schmit.

SENATOR SCHMIT: Mr. President, members of the Legislature, these amendments allow that a member of the board of the Association may sign vouchers and carry out those duties that normally would be assigned to the Executive Secretary if the board chose not to have an Executive Secretary. I ask for the adoption of the amendments.

PRESIDENT: Any further discussion to the Schmit amendment to the committee amendment? If not, Senator Schmit, will that conclude your remarks? The motion then is the adoption of the second Schmit amendment to the committee amendments. All those in favor vote aye, opposed nay. Record the vote.

CLERK: 26 ayes, 0 mays on adoption of the second Schmit amendment to the committee amendments, Mr. President.

PRESIDENT: Motion carries. The second Schmit amendment to the committee amendment is adopted. Senator Schmit.

SENATOR SCHMIT: Mr. President, now I would like to explain the committee amendments. The committee amendments are extensive and comprise the bill as it is drafted at the present time. Sections 1 to 22 of the act comprise the Grain Sorghum Resources Act, creates the Grain Sorghum Development, Utilization and Marketing Board, provides for the appointment of six members of that board by the Governor, then it provides for one additional member to be appointed by the board. The candidates for the appointment by the Governor place their names on the candidacy list for their respective districts by filing a petition signed by at least fifty resident growers of that district. It is the same as in the present provisions in LB 11 as drafted by Senator Maresh. It provides that the board may appoint and fix the salary of the Executive Directors. It provides his or her duties as they are listed in Section 11. It provides the duties and responsibilities of the board as found in Section 12, subsection (14), but Section 12 prohibits funds collected from being expended to promote or oppose any candidate or to influence legislation. There was some comment and some concern relative to whether or not the members of that checkoff board could involve themselves in any kind of litigation or legislation. For example, when the embargo was announced last year, the members of the board were undecided as to whether or not they could even testify before a Congressional committee in support of or in opposition to the embargo. This clarifies that responsibility. They may do such...take on such actions as are their responsibilities that wav but they cannot use funds to influence legislation. Under item #4. it provides that a referendum shall be held after the first three years of the program to determine whether the grain sorghum checkoff program shall continue when ten percent of the growers in the state sign a petition to that effect. If fifty-one percent of those voting shall not approve the program, all future checkoffs would cease. That is the same as in LB 11. Subsection (5), the fee paid to the board shall not exceed one cent per hundred weight except that until December 31 of this year it will only collect one-half cent per hundred weight. Subsection (6), the Grain Sorghum Development, Utilization and Marketing fund is established. The establishment of the fund has not been provided for in the statute. Therefore, in order to put funds into a fund and get them out, it had to be established. Under subsection (7), the board may contract with the Department of Agriculture, the University of Nebraska Institute of Ag and Natural Resources and other state or local, national organizations to carry out its duties. basically the same as they do now under the corn act. Section 23 to 40, this act relates to the Nebraska Wheat Resources Act. Most of these sections amend existing law to make them compatible to the following changes. I will actually read them for you. Nebraska Wheat Development, Utilization and Marketing Board is established. In the past there has never been a board. It has been a division of the Department of Agriculture. There would no longer be

a division of Wheat Development in the Department of Agriculture. The present members of the Nebraska Wheat Development, Utilization and Marketing Committee would serve as members of the initial wheat board until their respective terms are expired. #2, the members of the board would be appointed by the Governor. The Governor is encouraged to consult with the growers and Wheat Association members regarding their candidates for appointment but is not required, of course, to follow those recommendations. The wheat board may appoint and fix the salary of the Executive Director and then his or her powers are enumerated under Section 31 of the amendments. Excise tax is to be set at a limit not to exceed ten mills per bushel. The Board's Executive Director would have the responsibility to relate to the Nebraska Wheat Development, Utilization and Marketing Board. The board would limit its activities to cooperation and contracts with the Department of Agriculture and other state and local or national organizations. All records, documents, reports, surveys, files, furniture, equipment, et cetera of the Wheat Division of the Department would then be assigned and delivered to the board. Section 41 to 54 relates to the Nebraska Corn Resources Act. Most of these sections amending also existing law make the acts compatible with the wheat and with the sorghum act. The board may appoint and fix the salary of the Executive Director. His or her duties are outlined in Section 45. A referendum would be held only to determine whether the corn program shall continue. There would not be any referendum to determine whether or not the board should have an elected board or an appointed board. In the past we allowed that if the members chose after a period of time they could have an elected board rather than an appointed board. This makes the board appointments compatible with sorghum and with wheat. The board may contract with the Department of Agriculture, Institute of Agriculture and Natural Resources, University of Nebraska, other state or local, national organizations, the same as for the other two boards. Any records, documents, reports, files, et cetera that they have to be transferred to the board. Mr. President, members of the Legislature, since the time I came into this body we have enacted a number of bills relative to checkoff programs. The wheat checkoff program had started prior to the time that I became a member of this body. Under that provision the Wheat Commission was a division of the Department of Agriculture. It has functioned that way since it began. The corn checkoff board and the soybean checkoff board are separate agencies of the Department of Agriculture. At the present time, however, the Department of Administrative Services has not given the corn checkoff board a voucher number, so to speak,

so that they can sign their own reports, their own expense vouchers. So the Department of Agriculture in a rather quasi organization has been handling those documents for the board. This amendment would clarify that so that the three boards would sign their own documents and be responsible to the board directly and then also, of course, to the members of this body. I believe it is important that these boards be uniform. I believe it is important that they have a regular system of operation. I think it is also important, most of all, remember, everyone, that these boards are financed by checkoff funds, funds from the various commodities. Now there is one little difference about this kind of an operation as opposed to a private operation. Once these funds are checked off and placed in the State Treasury, they then become tax funds. There has always been some discussion as to whether or not farmers should be allowed to get a refund of these funds. I will explain it very simply and very emphatically that many of the existing farm organizations insist that there should be a refund provision for farmers to get back the funds if they choose not to participate. Now, I am a member of all of those existing farm organizations and I am a member and I check off dues with all the other organizations. The question that has to be answered is this. Do you believe it is compatible and consistent with government policy for an individual who has since raid taxes to be allowed to get a refund on those taxes if he doesn't like the way the system operates? As an example, for instance, if you were to carry that out to the extreme, since I did not get my will or my point of view did not prevail on LB 284, perhaps I should be allowed to request a refund of those taxes that would be collected and distributed under the present 284 formula. I don't think you would find that to be good government. I think those of you who do not like the entire personal property tax provision would like perhaps to have a provision that would day that your taxes as collected should not be distributed to different organizations if you don't think that it is being handled the way it sught to be. There are two basic disagreements under this bill. One is shall the three agencies, soybean, corn, wheat be a separate agency of government with their own executive director accountable to the board who is appointed by the Governor and accountable to the Legislature because those members serve with the provisions with the approval of this body, and then number two, should there be a refund provision? Now if you think, number one, that all of these agencies should be grouped under the Department of Agriculture and that they should all be subject to the approval of the Director of Agriculture and that all of their administration and activities and research and promotion should

be under the guidance of one man, then you would oppose the committee amendment. If, on the other hand, you feel that these boards, these checkoff boards as appointed by the Governor with their own executive director, approved by the Legislature, are competent to handle those funds and to do the proper work in market promotion and development,...

PRESIDENT: Your time is about up, Senator.

SENATOR SCHMIT: ...then you should support the amendment. Number two, if you think that you ought to be allowed to get your tax money back for any proposal that you don't approve of, then you shouldn't support the committee amendments. If on the other hand you think that taxes once levied and collected should be handled and distributed by the proper agencies, then you will support the amendments. Now the amendments are lengthy as I pointed out but the amendments do those two basic things. I believe you have to recognize in reference to whether or not they should come under the Department of Agriculture, that corn, sorghum, soybeans are all competitors in the world markets, and when they operate under a single agency,...

PRESIDENT: Time is up, Senator.

SENATOR SCHMIT: ...there is a chance that the best interest may not be served. I ask you to support the committee amendments and I would be glad to answer any questions you might have.

PRESIDENT: An amendment on the desk. Mr. Clerk, read the amendment.

ASSISTANT CLERK: Mr. President, I have an amendment to the committee amendment. (Read first Maresh amendment found on page 1435, Legislative Journal.) That is from Senator Maresh.

PRESIDENT: The Chair recognizes Senator Maresh.

SENATOR MARESH: Mr. President, I think if we are going to set up separate agencies, we might as well give them a name and this is what the amendment does. Senator Schmit said it does establish separate entities of government with the director head of it controlled by the board and so I move that the amendment be adopted to each one of the programs.

PRESIDENT: Senator Kahle, do you wish to speak to the Maresh amendment to the committee amendment? Okay. All right, anything further? Senator Schmit, do you wish to

speak to the Maresh amendment?

SENATOR SCHMIT: Mr. President, members of the Legislature, at this point I would oppose the Maresh amendments. believe as I outlined the committee amendments, they do the job in a clean and complete way. They establish uniformity among the various divisions. They provide for accountability. They provide for a referendum to allow for the growers to throw the program out if they don't like it but they require everyone who does produce to participate as long as there is a program. I think we recognize that it is impossible, it is absolutely impossible to provide any kind of a budget from which to work unless you know that what your budget will be. I think that to try for an executive director or a board to contract for a research contract, for example, with the University of Nebraska and say, well, we will draw this contract and it is going to cost a hundred thousand dollars and we will carry it out providing we get the funds from the checkoff program. I don't think you can operate a program that way. I don't think you can budget a family, I don't think you can budget a business, I don't think even government can budget a promotion agency that way and I think it is incompatible with the provisions we have made in the past. I recognize some of the concerns expressed by Senator Maresh and I regret that I did not introduce a separate bill at the time it was introduced but I did know that we was going to introduce a bill and did not see any need for a duplicate introduction of bills. I would hope that he would not pursue his amendments. I ask you to reject the Maresh amendments to the committee amendments.

PRESIDENT: Senator Maresh, will you close on your amendment to the committee amendment?

SENATOR MARESH: I guess that wasn't really, Mr. President, that wasn't really opposition to the amendment. He was clarifying what the bill does, the amendments do, and if we are going to establish separate entities, I think they might as well be under a certain name. So I move that the amendment be adopted.

PRESIDENT: The motion then is the adoption of the Maresh amendment to the committee amendment on LB 11. All those in favor vote aye, opposed nay. Have you all voted? We are voting on the Maresh amendment to the committee amendment. I am going to call the vote unless somebody...Senator Schmit.

SENATOR SCHMIT: A Call of the House, please.

PRESIDENT: Senator Schmit asked for a Call of the House. All those in favor of a Call of the House will please vote aye, opposed nay. Have you all voted on the motion to put the House under Call? Record the vote.

CLERK: 18 ayes, 0 mays to go under Call, Mr. President.

PRESIDENT: Motion carries. The House is under Call. Sergeant at Arms will see that all members are returned to their desk. All members will return to your desks and will register your presence at this time. Senator Haberman, would you show your presence? Senator Howard Peterson, Senator Hoagland. Senator Dworak, is he here? Senator Marvel and Senator Dworak are required. Speaker Marvel now is the only one. Senator Schmit, what do you wish to do? Do you wish to have a roll call vote? Or just take the vote? Take call ins. All right, we will take call ins on the Maresh amendment. We will take call ins at this time. The motion before the House is the adoption of the Maresh amendment to the committee amendments. Does anybody wish to hear the amendment? Go ahead, then, take in call in votes.

CLERK: How are you voting? Are you voting, Senator? Read the amendment? Mr. President, I have had a request to read the amendment. It reads as follows: (Reread the first Maresh amendment found on page 1435, Legislative Journal.)

PRESIDENT: All right, would all members now...the House is under Call. Would all members please get to your desk so that we can expedite this vote and go on with our business of the morning. All members please be at your desk so we can expedite the vote. Has everyone voted now that wants to call in a vote? All right, Senator Goodrich is voting back there.

CLERK: Senator Goodrich voting no. Senator Lamb voting aye. Senator Wesely voting aye. Senator Richard Peterson voting yes. Senator Dworak had voted yes, Senator. Senator Vickers voting yes. Senator Vickers voting no, excuse me. Senator Hoagland voting no. Senator Vard Johnson voting yes. Senator Rumery voting yes. Senator Lowell Johnson voting no.

PRESIDENT: Have you all voted?

CLERK: Senator Howard Peterson voting no.

PRESIDENT: Record the vote.

CLERK: 19 ayes, 12 nays, Mr. President, on adoption of the Maresh amendment.

PRESIDENT: The motion carries. The Maresh amendment is adopted.

CLERK: Mr. President, Senator Maresh moves to amend the committee amendments. (Read second Maresh amendment found on page 1435, Legislative Journal.)

PRESIDENT: Motion of Senator Maresh for your next amendment to the committee amendment.

SENATOR MARESH: Mr. President, I think where we are establishing separate entities we want to be careful that most of the money generated isn't used for administration. They are going to have their own offices, the way it appears, and their own administrator and I would hate to see half of our funding to be used for administration. So this puts a lid on the amount that the administrator can receive which would be two thirds of the Governor's pay. I move that the amendments be adopted.

PRESIDENT: The Chair recognizes Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, I have no particular objection to this amendment. I don't think it is necessary either but I have no particular objection to it. I think that we want to recognize that we are in the business of promotion. I am not sure that we can get the kind of people we want for this amount of money but I am willing to give it a try, therefore, I have no objection and ask that it be supported.

PRESIDENT: Senator Wagner.

SENATOR WAGNER: Mr. Speaker and members, I guess I would oppose the amendment because it is kind of putting like a top on this and I think if you maybe get a good executive director, I don't know if you can maybe totally get him for, if the Governor is getting \$40,000, two thirds of that is roughly about \$26,000, and I don't really, in my opinion, I don't think we really need the amendment. I just as soon see it not on there so, therefore, I would oppose it.

PRESIDENT: Any further discussion on the Maresh amendment to the committee amendment? If not, Senator Maresh, do you wish to close?

SENATOR MARESH: No, only in answer to Senator Wagner that I think the money should be spent overseas promoting markets and not for administration. So I move that the amendment be adopted.

PRESIDENT: Motion then is the adoption of the Maresh amendment to the committee amendment. All those in favor vote aye, opposed nay. The House is still under Call. So everyone shall be at your desk because the House is still under Call. Have you all voted? Record the vote.

CLERK: 20 ayes, 10 nays, Mr. President, on the motion to adopt.

PRESIDENT: The motion carries. The Maresh amendment is adopted. Any further amendments?

CLERK: I have no further amendments to the committee amendments, $Mr.\ President.$

PRESIDENT: All right, now for discussion on the committee amendments as amended, Senator Kahle.

SENATOR KAHLE: Mr. President, members, as a farmer and a grain dealer, I am rather confused at what we are doing here and I am sure some of my city cousins are confused and I think most of us are confused. I guess I need to ask some questions probably of Senator Schmit to get started.

PRESIDENT: Senator Schmit, will you respond?

SENATOR KAHLE: The bill originally only had to do with the milo, is that correct?

SENATOR SCHMIT: That is right, Senator.

SENATOR KAHLE: Well, then the Wheat Commission and the others decided or came in with amendments wanting to change their status?

SENATOR SCHMIT: Senator Kahle, the Wheat Division and the corn growers had contacted me prior to the start of the session relative to this. I was aware of the fact Senator Maresh was going to have a bill on sorghum checkoff. It could all be handled in one bill and there was no reason to have duplicate bills and, therefore, I did not introduce a separate bill.

SENATOR KAHLE: I guess I have a little bit of misgivings about it because there was not a hearing on it and I realize that that happens quite often but I am a little bit concerned about taking all these checkoff programs out of the Ag Depart-

ment and I realize that the Wheat Growers, they are an older outfit and they have done a lot over the world and we were privileged to witness some of that last fall and I can see why they possibly would want to be on their own. checkoffs from soybeans, corn and milo I am somewhat concerned about, taking them out of the Ag Department. I am even concerned about having two programs for milo and corn because the fact that milo and corn supplies almost the same market worldwide and even in our country. It is feed grain. You can't make cornflakes out of milo, I guess, but outside of that it is about the same. Senator Maresh tells me he can pop it and make popped milo out of it so I guess we will have to go along with that. But I just wonder about the whole issue and whether we are biting off more than we can chew and I certainly don't want to get in an argument with my rural colleagues about it but I do have...I don't know how to vote myself and I guess I need to ask Senator Schmit a little bit more about the (interruption).

PRESIDENT: Senator Schmit, will you respond? By the way, the Call is raised. Senator Pirsch asked the Call be raised and the Call is raised. So proceed with your questioning.

SENATOR KAHLE: Has the corn checkoff been changed in any way as to what was written and cassed several years ago?

SENATOR SCHMIT: No, Mr. President, the corn checkoff, the corn board is at the present time not a division of the Department of Agriculture exactly as is the soybean board. I propose that the sorghum board be handled in exactly the same manner. The only thing we have changed on the corn board is that we have removed that provision relative to the growers being able to have the referendum asking for an elected board after three years. We felt that if we were going to have an appointed board by the Governor with the fifty petition member, the people who testified supported that idea, and in reference to not having a hearing, Senator Kahle, the amendments that are here were offered at the hearing and were testified to ut great length.

SENATOR KAHLE: Then on the corn checkoff it is just exactly like it is now. They could have a referendum with ten percent of the corn growers in each district signing a petition and there is no refund?

SENATOR SCHMIT: That is exactly right, Senator.

SENATOR KAHLE: But the mile bill, as you understand it, is that it is similar only that they do not have to have ten

percent of the vote in each district, it is just total, and that there is a possibility of a refund, is this correct?

SENATOR SCHMIT: No, it calls for a ten percent of the, let's see if I can find it here, ten percent of the growers in the state is what it requires.

SENATOR KAHLE: Would you object if we put an amendment in there to make it like the corn checkoff, that it would be ten percent of the districts, and I believe there are less districts in the milo checkoff than there are in the corn checkoff?

SENATOR SCHMIT: I believe it is that way now, Senator, (interruption).

PRESIDENT: Thirty seconds...only a half a minute, Senator.

SENATOR SCHMIT: They are all the same. They are all similar. Yes.

SENATOR KAHLE: Okay, if they aren't the same, you would be willing to make them the same?

SENATOR SCHMIT: Oh, yes, yes.

SENATOR KAHLE: Okay, that helps me. But getting back to the, in the little time we have left, to the Department of Agriculture, how would this bill change what they are doing now?

SENATOR SCHMIT: It wouldn't change a thing. At the present time they are outside the board. All it would do, Senator, it would clarify the language which would provide them with the ability to have their own vouchers. They are outside the Department now but DAS said there is no clarification in the law that says they are a separate agency. Therefore, they require the Department to sign those vouchers. This would clarify that and print it up.

PRESIDENT: Time is up, Senator. Thank you. The Chair recognizes Senator Burrows speaking to the committee amendment.

SENATOR BURROWS: Mr. Chairman, members of the body, I would have to oppose the committee amendments. We are putting the various commodity groups under the same guidelines and I think to me there is a lot of difference between the commodity groups, between the wheat, and as you go into the sorghum and corn, and as another example, the soybean growers which it

doesn't catch them all but it catches most of these and I think each of them ought to be dealt with individually as they prove their responsibility in their programs. I have a fairly good feeling toward the wheat growers on their national marketing service that they provided but some of the other groups have done things that concern me considerably. Last spring when there was a price support bill in to raise the soybean support price, now the parent group to the soybean checkoff was the Soybean Growers Association. The soybean growers were back lobbying against an increased price support for soybeans, and as we expand this, we are losing control either through the Department of Agriculture. There is no refund provision where the farmer has direct control of whether he is contributing or not to this program. Whether it is benefiting him or not, he can not get a rebate on this and it becomes a pure tax. Now that presently is the situation with the wheat growers. Now the original bill, the green copy provides a refund provision for the sorghum checkoff and this is rather a key point. We are putting in a brand new program giving a tremendous source of funds to an untested program without any real and effective control of the farmers or the government over the program. we compared this, I have some real reservations about checkoff programs. I happen to be a person that believes that in labor organizations that you should pay for benefits you receive but we have some different philosophies here. think you could compare the tax on these commodities to a union set of dues that was charged to promote the end product, to promote the sale on the assumption the multinational corporations that handle this grain will trickle back part of the additional sales or profits that may result from these back to the original producer. Now I asked Leo Lucas a question at the University about twenty years ago. I have never gotten an answer and the question was, how do you force or prevent the chain store and the further retail end of the farm commodities from reducing their promotional efforts by an equal amount that was contributed here by the farmer in the base, in this base checkoff or tax. He said there is no way. So we are assuming when we promote at the far end, in wheat in national sales it has worked somewhat, but when you get to working within the country, it just doesn't work. It assumes it will trickle back through and there is no guarantee whatsoever that you are effectively enhancing farm prices with a checkoff approach. Second, It becomes a bypass, and to do it as a compulsory tax to our Appropriations Committee in getting funds for the University of Nebraska on research, they have another place to go and to tap for tax source funds to the checkoff programs when they can't sell the Appropriations Committee of this Legislature on a research project for the various commodities, and as we get this broadened again, we can, the

Legislature's control over the University system as to where tax dollars are spent for research. I hope you will look seriously at these committee amendments and reject them. do not care if the green copy bill is passed. I don't even like it very much but I could go along as long as it has a rebate provision to the farmer because the farmers that don't like it can get the rebate and those that would desire the program can continue to contribute and they can make the farmer that way...make the program accountable to the farmer with a rebate provision. I think that the Legislature should look seriously in this concept in putting a compulsory straight out tax for a very questionable set of organizations and call it a checkoff. It is not a checkoff when it is compulsory, it is a tax. There is no rebate provision in the committee amendment, and to put a tax in there for a group of people to administer for what they think is right for agriculture with the political forces working both for raising farm prices and also some of those that seem to work against higher support prices. I urge the body to oppose the committee amendments, and then if they want the green copy of the bill, the original copy, go ahead and proceed with that but I think it is really too much to ask for to pass these committee amendments. Thank you.

PRESIDENT: The Chair recognizes Senator Maresh.

SENATOR MARESH: Mr. President, members of the Legislature, Senator Schmit said that the corn board remains the way they were up to now. I beg to differ with him on this because to look on page 40, it says, "On the operative date of this section of rules, regulations and procedures adopted and promulgated by the Department of Agriculture shall be considered to be the rules, regulations and procedures of the Corn Development, Utilization and Marketing Board and shall remain in effect until the board amends, alters or repeals such rules, regulations or procedures. All records, reports, documents, surveys, books, files, papers, or orther writings in the possession of the Department of Agriculture relating to the Nebraska Corn Resources Act shall be delivered to the custody of the board. All furniture, office equipment, motor vehicles and other tangible property employed or used by the department in carrying on its powers, duties, and functions pursuant to Chapter 2, Article 36 shall be assigned and set over to the board. All funds, credits, or other assets held in connection with the Nebraska Corn Resources Act shall be assigned to the board. All funds credited to the Nebraska Corn Development, Utilization, and Marketing Fund shall be available to the board for the purpose of carrying out its duties pursuant to

the Nebraska to the Nebraska Corn Resources Act. All property rights, contracts, obligations, and choses in action of any kind held by or belonging to the Department of Agriculture in connection with Chapter 2, article 36, existing prior to the effective date of this section, shall be transferred to, assumed, and carried out by the board." So we see that there is no more and there no longer will be a connection with the Agriculture Department. Even all these agencies will have their own motor vehicles according to the act and I think something that Senator Schmit hasn't brought out which I don't oppose is the doubling of the wheat tax. I don't think Senator Schmit referred to that but that is one of the provisions in this which didn't have a public hearing to let the wheat growers know that their tax has been doubled. I oppose the white copy. I hope we can go back to the green copy and then, Senator Schmit, if you want to do some amending on the wheat, with the wheat board, to give them more flexibility to be more like the soybean and the corn boards, I would work with you. In fact I have amendments drafted to the green copy. I think probably they are tied too closely with the Agriculture Department and I would go along with giving them a little more leeway such as the corn and soybean people have. Relative to the corn checkoff board and the soyhean checkoff board. I have letters from them stating that they do not wish to change the arrangement they have with the Ag Department and they are concerned that by moving out from the Ag Department, this will increase the cost of maintaining their offices and they don't want This letter, signed by the Corn Marketing Board says, "Dear Senator Schmit: For purcose of record I would like to advise the Agriculture Committee that the Nebraska Corn Development, Utilization, and Marketing Board is satisfied with ou: working relationship with the Nebraska Department of Agriculture. We do not want to see our legislation changed to jeopardize this relationship. They are presently contracting for fee collection personnel and office space within the Department of Agriculture. The board feels this contractual agreement is the most efficient method in keeping our administrative costs at a minimum." And the soybear people state about the same thing. Although they aren't affected by this act, they are concerned that by splitting the wheat and the corn people and the wheat people from the Ag Department, they will increase their cost. The letter states, "The Nebraska Soybean Association urges your close attention to the issues surrounding LB 11 on commodity checkoff legislation. This association representing Nebraska soybean producers adopted the following resolution at our recent annual meeting", and this is dated March 20th, "Resolve that the Nebraska Soybean Association would be opposed to any change and any of the checkoff legislation that would

weaken the efforts of the Nebraska soybean growers through the Nebraska Soybean Development, Utilization, and Marketing Roard.

SENATOR MARVEL PRESIDING

SENATOR MARVEL: You have forty-five seconds.

SENATOR MARESH: By removing the administration of the checkoff on wheat, corn and grain sorghum from the Nebraska Department of Agriculture and establishing a separate agency as proposed by the amendment to LB 11, the administrative costs-sharing currently available to the soybean checkoff of the department would be lost and added administrative costs could be assessed against soybean checkoff funds resulting in less funding for reasearch and market development. In summary, our association supports the original text of LB 11 as introduced by Senator Maresh for establishing a grain sorghum checkoff. We do not support any of the several proposed changes to this bill through the committee amendment." And speaking to the refund. I know the corn checkoff seems to be working well without a checkoff but so is the soybean checkoff. They have a refund provision and only one half of one percent of the growers are asking for a refund and they find this is usually in one community where the elevator operator talks the producers into asking for a refund, and by talking to the people in that locality, they sometimes get this turned around and the checkoff fails to be refunded in that area. So I think...

SENATOR MARVEL: Your time is up.

SENATOR MARESH: Thank you.

SENATOR MARVEL: Senator Vickers.

SENATOR VICKERS: Mr. President, I call the question.

SENATOR MARVEL: The question has been called for. Do I see five hands? Do I see five hands? Okay, all those in favor of ceasing debate vote aye, opposed no. Shall debate cease? Would you please record if you are in favor of ceasing debate, otherwise we will just proceed. Record.

CLERK: 26 ayes, 1 may to cease debate, Mr. President.

SENATOR MARVEL: Debate is ceased. Senator Schmit, you are closing on the adoption of the committee amendments.

SENATOR SCHMIT: Yes, Mr. President, in answer to the challenge

of Senator Maresh relative to the position with the Department of Agriculture, at the present time the sovbean and the corn growers checkoff programs are outside the Department. They are contracting with the Department at the present time. This, the amendment to LB 11, changed none of that. They can still contract. Item #2, the question as to the handling of the equipment. They will get their equipment in the same manner that they get it now. The automobiles, et cetera, will come from the Department of Transportation Services. No problem there. The only problem that we have, the reason I outlined those issues, are so that those items purchased with corn funds, with sorghum funds, the soybean funds be identified and be retained. In the past, if we want to get into that, and I can do it but I would rather not. the equipment purchased by wheat growers funds have disappeared, gone back into the general fund. I don't think that was the intent when we organized the act. Maresh referred to the corn board members. It is not unanimous by any means as to how they prefer to be associated, but in the event they did want to work entirely under the auspices of the Department of Agriculture, they have every right to do so under this act. Nothing is changed. As I pointed out earlier, there are two provisions of this act that are controversial. One, shall there be separate agencies under the authority of a director, an executive director, relative to the provision of responding to the membership of the board, confirmed by the Legislature, and then, number two, shall there be a refund provision? There is no refund provision at the present time on wheat or corn. There is one on sovbeans. Senator Maresh says it is working fine. That is fine with me. I would suggest, Senator Maresh, that he will find a lot more sorghum will be grown in the large western areas of this state, and I can tell you very frankly that those large growers are going to get their refunds back and the little grower is going to be left holding the bag. I don't think you can ask for a tax back. If you are going to provide that, we should have provided that amendment on LB 284 and every other bill we have here in the body. We are not and we do not have the provision to get our taxes I know Senator Burrows feels strongly about this. Sorry, Senator Burrows, I wish that there were a better way to handle it. If you want to handle it through private funds and private subscription, I am willing to go along with that. The facts are that once you get the money in the coffers of the state I don't see how anyone can consistently say that it should go back if I don't like the way the money is being spent. My gosh, where would government end up at. I don't like the way some money is being

spent in every instance but that doesn't allow me to request any sales tax money back, any property tax money back or anything else. The amendments clean up all of those acts. They write language into the law specifying responsibilities and duties. It clarifies the provisions as to the refund. It clarifies the provision as to who is responsible. It makes the boards responsible to the Governor and to us. I don't know what more you can ask for. The executive director is subject to the approval of this body. What more can you ask for? Senator Maresh has an amendment on there which limits the salary to two thirds that of the Governor. I don't like the amendment. You can hire anyone. You can hire someone to sit on his rearend for \$12,000 a year. He won't sell a damn thing. If that is what you want, go ahead and do it but I don't hire that kind of help. I think that cheap help is the highest priced help you can hire. If you want to hire cheap help, vote for the Maresh amendment, vote for that sort of nonesense. I don't agree with it. I think you have to recognize, first of all, we have a corn checkoff program that is independent. We have a sorghum program which I think should be independent. We have a soybean program which is independent. I think they ought to be compatible to be consistent. I know, ladies and gentlemen, there are other issues entering into the vote on this bill.

SPEAKER MARVEL: Thirty seconds.

SENATOR SCHMIT: I wish you would vote on the merits of the bill. If you vote on the merits of the amendment, the amendment will pass substantially. The amendment has been researched carefully. It is not something that has been dreamed up off the top of my head. I have gone through all of these programs and I suggest that if you want to be consistent and if you want to be accountable that you vote to adopt the committee amendments.

SPEAKER MARVEL: Okay, we are now voting on the adoption of the committee amendments. All those in favor of adopting the committee amendments vote aye, opposed vote no. Have you all voted? Have you all voted? Senator Schmit.

SENATOR SCHMIT: Mr. President, I think we ought to have a Call of the House and a roll call vote. I would like to have this on the record please.

SPEAKER MARVEL: Shall the House go under Call? All those in favor of that motion vote aye, opposed vote no. Record.

CLERK: 15 ayes, 0 mays to go under Call, Mr. President.

SPEAKER MARVEL: The House is under Call. All legislators return to your seats, record your presence. I ask and encourage those who should not be on the floor, I encourage them to be elsewhere. Senator Goodrich, Senator Chambers, Senator Hoagland, Senator Higgins, Senator Pirsch, Senator Wesely. Mr. Sergeant at Arms, we are looking for Senator Goodrich, Senator Chambers, Senator Hoagland, Senator Higgins, Senator Pirsch, Senator Wesely. We have four absent, Senator Schmit. Goodrich, Hoagland, Chambers and Pirsch. Did you want a roll call? Have you located anybody, Mr. Sergeart at Arms? Okay, Senator Schmit, everybody but Goodrich has been located? Should we start the roll call? Everyone is accounted for except Senator Hoagland and Senator Pirson. Sinator Schmit, there is still Senator Hoagland and Senator Pinsch. We can't locate them. Shall we go ahead with the roll call? Okay. Please return to your seats and we will start the roll call vote.

CLERK: Mr. President, we are voting on the adoption of the committee amendments as amended.

SPEAKER MARVEL: Call the roll.

CLERK: (Roll call vote taken. See page 1436, Legislative Journal.) 13 ayes, 20 nays, Mr. President, on the adoption of the committee amendments.

SPEAKER MARVEL: Motion lost. What else do you have?

CLERK: Mr. President, first I have an amendment to the bill. Mr. President, the first amendment I have is from Senator DeCamp. (Read DeCamp amendment on page 1436, Legislative Journal.)

SPEAKER MARVEL: Senator DeCamp.

SENATOR Decamp: Mr. President and members of the Legislature, this is one bill I wasn't going to get involved in but when the committee amendments failed I felt I had an obligation to at least attempt this. Section 15, if you will read, is the refund mechanism. I feel that section just wipes out... wipes out all your programs. They have used it in some other states. That makes the whole system unworkable. Why? Can you imagine our litter tax, our train mile or ton mile, whichever it is this week, tax, any of the other various taxes, and that is what they are, they are taxes, that we have everybody pay them in and then each say, however, any of you guys that don't like it, you just send us a note and we will give

you all your money back. It makes all your budgeting, everything unpredictable. It makes it unworkable, would recommend you either kill the bill, if you are not going to adopt a workable mechanism of collecting and holding onto the money, and there is no need having checkoff programs if you are going to have them unworkable and have them so that it is just a voluntary thing. The whole theory of it is for the benefit of the industry, for the benefit of this particular industry, you set up a government sanctioned mechanism to collect some money that goes to very specific and limited purpose of promoting that product. You have the referendum of the people voting and being involved in it, go by a majority vote, and then you use the money for those purposes. But section 15 wipes out the rest of the bill in my humble opinion, and if you are going to go with the till, which apparently there is a mood to do, at least make it some kind of a functional bill rather than a comedy, as they have had, as I say, in a couple of other states where they collect \$500,000 and then \$200,000 of it or \$300,000 gets refunded and they are back to ground point zero. So I urge adoption of this amendment. It just strikes the refund mechanism and I haven't checked the bill thoroughly to make sure if I have to change any of the language but I think that is the only section. I urge you adopt the amendment.

SPEAKER MARVEL: Senator Wagner and then Senator Kahle.

SENATOR WAGNER: Mr. Speaker, members, I would support John on this because I think absolutely to make a program go you need a solid amount of dollars coming in and, basically, if you start a program and if everybody or a good portion would make a refund, it really leaves you with not knowing what kind of a budget you could adopt. I think taking that away or allowing anybody to make a refund like that just kind of lets you hang it limbo, therefore, I support Senator DeCamp and his amendment.

SPEAKER MARVEL: Senator Kahle.

SENATOR KAHLE: Mr. Speaker and members, I support what Senator DeCamp is trying to do and I am not sure either whether it covers it all in the total bill but when we passed the corn checkoff a couple of years ago that was a bone of contention and so none of our farm organizations oppose not being able to get the refund just on their philosophy and I admire them for that. But I look at this whole picture as being somewhat changeable in the future. As Senator Schmit mentioned awhile ago, I think we are going to change the type of crops we raise under irrigation

and especially under pivot irrigation. We have these large corporations coming in which we are tussling with now and we are trying to pass legislation to stop them from coming in and doing the things they are doing but we are a little bit afraid to pass legislation that might force a farmer to pay his checkoff and then not be able to get it back. Now we, as legislators, do have some responsibility in that respect. We like to have freedom to an extent but if it is going to wreck a program why then your freedom doesn't amount to much. But let's just say, for instance, that Foxley or the Prudential people that are now developing land decided to raise, let's say, milo which I think is entirely possible. If it wasn't for the cornstalks that the sandhills cattle want to eat and the ranchers want, I am sure it would change. The little farmers here in eastern Nebraska, and I call it small by comparison, that raise 50,000 bushels of milo, perhaps 20,000 bushels of milo would pay their checkoff and they wouldn't expect a refund, but if the large producers decided they wanted a refund back and they would be the ones that would do it because they are the pencil pushers and they want to make it come out as close as they can, they are going to watch every bit of their cost, it would wreck the program and you guys, you small producers, would be the ones that are paying the bill. So I have problems with the refund and I know the wheat program has almost been wrecked, for instance, in the State of Texas where they can get a refund and you can't have worldwide offices to sell our products, such as wheat and feed grain, which we are selling all over the world, soybeans, and not know where the funding is coming from. It is just disastrous and it is expensive to go in and establish those offices and the staff, and you not only work with that staff, you work with the people in the country which we found out over in Taiwan. The Taiwanese flour millers are our allies. They are the ones that buy our wheat. They are the ones that market that flour and they are doing a good job of it, and if we did not have a solid substantial amount of money coming in for that purpose, we would wipe out what we have already done. Now that is in the wheat program. The corn and milo and soybeans hasn't developed quite that much, but as long as you have a referendum in there so that if you get sick and tired of the whole thing, you certainly can kill it and get rid of the whole program and you can do it any time after the first three years, I believe it was on corn. That time will soon be up and milo I think would be the same way. Now soybeans, they say, has worked good with the refund provision. Generally, generally in Nebraska, soybeans aren't raised on the large acreages as

corn and milo will be and wheat. So I support the DeCamp amendment.

SPEAKER MARVEL: Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the body, I think Senator DeCamp gave the greatest argument for opposing his amendment. In these states where the programs got so irresponsible they couldn't keep a majority of those funds in there and the farmers went to the rebate system, that is the very reason the rebate system needs to be in there so the farmers have some discipline over the program. It is a direct deal. Now what we are starting with this bill is an experimental program. We don't have a tested program like the wheat program. We are starting a new program and what direction it is going to go is going to depend on the people that end up on these boards. There are so many questionable natures about checkoffs to begin with. Part of that money is used to sell more product, to attempt to sell more product on the assumption it will raise and enhance the price to the farmer, while another share of that money is spent on research projects to raise more product to depress the price. You can't have both. When you are spending it out both sides and part of that money is being spent on research to increase production, you are working directly against the farmer on the supply side, on the other side, the assumption that it will trickle back through supply and demand economics when you have got multinational corporations dominating the pricing in these commodities in between that final market and the farmer. Second when it came to these commodity groups, where were they when the grain embargo came? It took them six months to figure out that the embargo against Russia probably affected the grain sales in the United States more than what they have done in the checkoff programs over the last twenty years. It nullified, the embargo nullified all the results of the grain checkoffs and I think at best I can see this going through with a rebate provision. But no way should you lay another tax on the farmer to increase his production so there is more supply working on him and also we are trying to sell it with the embargo potential of the federal government over sale that is negotiated or worked on and developed by these associations. And then we provide that the associations can't come in and politically fight the embargoes that would destroy the positive effects of anything the farm programs are doing. We have taken more money out of the farmer's hands figuring he has solved his problem when he hasn't even touched it until he gets into the political system with the federal

government that is generally going to have to at least show apathy for the farmer instead of directly working against him. I think if you pass this bill with another tax, another tax is not what agriculture needs and another tax that can go in any direction as far as the farmer's benefits go. I oppose the amendment. I think the bill originally drafted was a reasonable bill to work into a program with all the questions I have on it, but a reasonable approach that at least left the farmer some protection on the thing. Thank you.

SPEAKER MARVEL: Senator DeCamp, do you want to close on your amendment?

SENATOR DeCAMP: Mr. President, members of the Legislature, it makes no great never mind to me what you do. I am just trying to say that whether you have corn or grain or soybeans or whatever, it just don't make a heck of a lot of sense to set up a special government system to collect money to promote it and then set up a sieve so that only those that want to pay the money can pay it. It just doesn't make a heck of a lot of sense but whatever you think is right.

SPEAKER MARVEL: The motion is the adoption of the DeCamp amendment to LB 11. All those in favor of the DeCamp amendment vote aye, opposed vote no. The motion is the adoption of the DeCamp amendment. Have you all voted? One last time, have you all voted? Record.

CLERK: 25 ayes, 12 mays on adoption of Senator DeCamp's amendment.

SPEAKER MARVEL: The motion carried. The amendment is adopted.

CLERK: Mr. President, Senator Maresh moves to amend the bill. (Read Maresh amendment on page 1436, Legislative Journal.)

SPEAKER MARVEL: Senator Maresh.

SENATOR MARESH: Mr. Speaker and members of the Legislature, now this was a drafting error and I was going to propose this to the committee, but when they didn't consider the green copy, I didn't get a chance to do this. So now since we are back to the green copy, I am trying to amend this to have "hundred weight" in both places. One place they refer to "bushel", in another place "hundred weight". And the other amendment has to do with the board so the

number would be according to the original time. So I move that the housekeeping amendment be adopted.

SPEAKER MARVEL: All those in favor of the adoption of the Maresh amendment vote aye, opposed vote no. Have you all voted? Record.

CLERK: 26 ayes, 0 nays on adoption of Senator Maresh's amendment.

SPEAKER MARVEL: Now the motion is the advancement of the bill.

SENATOR MARESH: Mr. Speaker and members of the Legislature, this bill will help to develop new strains of grain sorghum. As I was telling one reporter that presently we have the problem with chinch bugs which are really threatening our crop production and we need to come up with a variety that won't be so attractive to the chinch bugs and this is one area we can provide money for our agriculture college to come up with higher yielding grain sorghum, market development to find new markets overseas, new uses here in the United States, such as alcohol production, and nobody knows what is coming in the future as far as the uses of this fine product. Grain sorghum is drouth resistant and with the water level dropping and having critical areas we need to look for more production of grain surghum that has to do with substituting for corn production and i think here is our chance to come up with higher yielding grain sorghum varieties and to find uses for when we do raise a good crop. So I move that the bill he advanced.

SPEAKER MARVEL: Senator Wagner, your light is on. Do you wish to be recognized

SENATOR WAGNER: Yes. Mr. Speaker and members, I have a technical amendment. This goes on page 8, Section 8, page 6, Section 8. I have talked to Senator Maresh. I don't have the amendment prepared here but I will offer it on Select File. Basically the only thing it does is it kind of harmonizes the concept of LB 284 when it comes to mileage and it is just kind of technical language and I think Senator Maresh will be agreeable to that. So I just want to alert the body here. I will do that on Select File.

SPEAKER MARVEL: Okay, Senator Maresh, do you want to move the bill?

SENATOR MARESH: Yes, I move that it be advanced to E & R Initial.

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SPEAKER MARVEL: All those in favor of advancing the bill vote aye, opposed vote no. Record.

CLERK: 27 ayes, 3 mays on the motion to advance the bill, Mr. President.

SPEAKER MARVEL: Motion carried. The bill is advanced. Have you got some items to read in.

CLERK: Mr. President, a few. A new resolution by Senator Maresh, LR 58. (Read. See page 1437, Legislative Journal.) That will be laid over, Mr. President.

A new bill, LB 296A by Senator Cope. (Title read.)

Mr. President, Senator Fowler moves to reconsider the action of the body in its failure to advance LB 243. That will be laid over.

And, Mr. President, Senator DeCamp asks unanimous consent to add his name to LB 512 as cointroducer.

SPEAKER MARVEL: No objection, so ordered.

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

SPEAKER MARVEL: Senator Kahle, do you want to recess us until one-thirty?

SENATOR KAHLE: Mr. Speaker, members, I move we recess until one-thirty this afternoon.

SPEAKER MARVEL: All those in favor of that motion say aye, opposed no. Motion is carried and we are recessed until one-thirty.

Edited by: Mary A Turner

RECESS

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Have you all recorded your presence? Is there one more vote out there? Okay, record.

CLERK: Quorum present, Mr. President.

SPEAKER MARVEL: All right, what is next. . . .

CLERK: Mr. President, Senator Maresh would like to print amendments to LB ll in the Journal.

SPEAKER MARVEL: From Senator Wagner's district we welcome three guests, Senator Wagner's mother, Mrs. Elizabeth Wagner of McCook, Nebraska and Senator Wagner's brother and sisterin-law, Mr. and Mrs. Dale Wagner from Denver, Colorado. They should be underneath the south balcony. Will you....

The first bill this afternoon is LB 346.

CLERK: Mr. President, LB 346 was introduced by the Judiciary Committee and signed by its members. Read title. The bill was originally read on January 19th, it was referred to the Judiciary Committee and the Judiciary Committee advanced the bill to General File, Mr. President. There are committee amendments pending.

SPEAKER MARVEL: Senator Nichol.

SENATOR NICHOL: Mr. Chairman, members of the Legislature, we are talking now about the Nebraska Juvenile Code. The first amendment that I wish to present deals with Section 65 of LB 346 which governs the record keeping section of the bill. Specifically this amendment deals with what information should be available out of the court records in regards to abuse and neglect cases. As originally drafted and as modified by the committee amendments, LB 346 would extend several of the records keeping provisions and reflects a change from the present law. It should be noted that many of the provisions which were modified by the original draft of the bill are covered under the federal privacy act and do not have to be covered specifically under the provisions of this bill. There has been some considerable disagreement even among the drafters of the code itself as to exactly how far the confidential records should be extended. Secause there is disagreement in this area and because we do not wish to bog down this bill any longer than is necessary, I have offered this amendment to return this provision to

LB 11, 17, 59, 132, 167, LB 205, 253, 253A, 284, LB 284A, 329, 333, 366, LB 483

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first one now and then see how we get along.

CLERK: Mr. President, if I may, right before we go to that, your committee on Enrollment and Review respectfully reports LB 132 correctly engrossed; 253, 253A, 284, 284A, and LB 483 all correctly engrossed.

A letter from the Governor addressed to the Clerk. (Read. Re: LB 59, 167, 17 and 205. See page 1446, Legislative Journal.)

Senator Wagner would like to print amendments to LB 11.

And your Enrolling Clerk has presented to the Governor LB 329 and 333.

Mr. President, LB 366 (Read title). The bill was first read on January 19, referred to Retirement for public hearing. The bill was advanced to General File. There are committee amendments by the Retirement Committee.

SPEAKER MARVEL: Senator Fowler, do you wish to explain the committee amendments?

SENATOR FOWLER: I do. I move adoption of the committee amendments. LB 366 is a bill that deals only with police and fire in the City of Lincoln or that is cities of the primary class. The committee amendments are a compromise, a negotiated compromise, between the police, the fire and the city administration. It is acceptable to all sides and acceptable with an amendment that Senator Landis offers. The basic thrust and the reason for the agreement is that civilian employees if you want to use that term, the nonpublic safety employees, are currently being matched \$2 for every \$1 that they contribute. The city matches \$2 for every \$1 that is contributed. The city working with its actuary developed a proposal to improve the Lincoln Police and Fire system to the point that the same matching ratio would be used and that the 7% of employees salary contributed by the police and fire would be matched with a 14% of payroll contribution by the police. So these are amendments. 366, there is a companion bill, 367. That bill was killed. This integrates the proposals. It may be less than the public safety organizations initially wanted but it is something that provides equity and comparability between the systems. I would move for the adoption of the amendments.

SPEAKER MARVEL: The motion is the committee amendments to LB 366. Okay, the motion is to adopt the committee amendments. Senator Schmit, do you wish to speak to the committee amendments?

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SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: The opening prayer this morning will be given by Dr. Al J. Norden, Pastor at the University Lutheran Chapel, 15th and Q Streets since 1951.

DR. AL J. NORDEN: (Prayer offered.)

SPEAKER MARVEL: Please record your presence.

CLERK: Mr. President, Senators DeCamp and Beyer would like to be excused for the day; Senators Hoagland, Wesely, Wiitala and Cullan until they arrive.

SPEAKER MARVEL: Have you all recorded your presence? We still need a vote. Record.

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

SPEAKER MARVEL: Do you have anything under item #3.

CLERK: Mr. President, your committee on Enrollment and Review respectfully reports that they have examined and reviewed LB ll and recommend that same be placed on Select File with amendments; 346 Select file with amendments; 334 Select File; 334A Select File; 248 Select File with amendments; 463 Select File with amendments. All signed by Senator Kilgarin as Chair.

Mr. President, an Attorney General's opinion addressed to Senator Richard Peterson regarding LB 184. That will be inserted in the Journal. (See pages 1476 and 1477.)

I have a report from the Department of Administrative Services to do with communications. That will be on file in my office. Mr. President.

And, Mr. President, LBs 40, 379, 392, and 479 are ready for your signature.

SPEAKER MARVEL: While the Legislature is in session and capable of transacting business, I am about to sign and do sign LB 40, LB 379, LB 392, LB 479. We are now ready for item #4, Final Reading. Will all legislators please take their seats, unauthorized personnel please leave the floor? We cannot proceed until all legislators are in their seats. We are still waiting for all legislators to leave your group and go to your seat so we can proceed with Final Reading. Will the whip in the back of the room please

Senator Warner would like to print amendments to 190 and Senator Kahle to Li 11, Mr. President.

SPEAKER MARVEL: Okay, Senator Beutler, do you want to move that we recess until one-thirty?

SENATOR BEUTLER: Mr. Speaker, a couple senators have requested a recess until one-forty. Is that agreeable to the Speaker?

SPEAKER MARVEL: Try it.

SENATOR BEUTLER: Mr. Speaker, I move we recess until 1:40 p.m. today.

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. The motion lost. Do you want a machine vote? All those in favor of adjourning until...what did you have? Recess until when? Okay. This is the one-forty vote. Next comes the one-forty-five vote and then the two o'clock vote. Okay, record the vote.

CLERK: 11 ayes, 8 mays, to recess, Mr. President.

SPEAKER MARVEL: Okay, we recess until one-forty. We have already had a Call of the House, Senator Koch. It is now time for you and I to study the Battle of Hastings. Okay. We are recessed.

Edited by:

Marilyh Zank

is \$770,000 additional funds for mental retardation over and above what the Governor's recommendation is and the balance essentially would be committee policies. I am trying to see what is included in here that was not in the Governor's recommendation. I don't think #4 was. #4 would not have been in his budget. #2 was in his budget.

SENATOR BEUTLER: Was in his budget?

SENATOR WARNER: Was. I can't answer specifically on #3 because we didn't have a breakout on that so it may or may not have been.

SENATOR BEUTLER: Okay, but it is a combination of those items listed there plus the salary differential, is that basically it?

SENATOR WARNER: Essentially that would be the difference plus the difference in mental retardation regions, that would be a major big item, \$770,000.

SENATOR BEUTLER: And that wasn't in the Governor's budget because that represented a difference of philosophy or...?

SENATOR WARNER: His budget, as I recall, had a level of thirteen million, four hundred and some thousand, four hundred and twenty-five, I believe, and for the region aid, we are at a higher figure. I don't know if it is philosophy or judgment difference.

SENATOR BEUTLER: Thank you, Senator Warner. Thank you, Mr. Speaker.

SPEAKER MARVEL: The motion is to advance 559 to E & R for review. All those in favor vote aye, opposed vote no. Have you all voted? Record the vote.

CLERK: 26 ayes, 1 may on the motion to advance the bill, Mr. President.

SPEAKER MARVEL: Okay, the motion is carried. The bill is advanced. We now go to LB 560.

CLERK: Mr. President, if I may, right before that, Senator Hoagland would like to print amendments to LB 213 in the Journal; and Senator Schmit to print amendments to LB 11.

Mr. President, LB 560 (read title). The bill was read on April 14 for the first time. It was referred directly to General File, Mr. President.

Senator Marsh to print amendments to LB 466; Senator Warner to LB 506; Senator Kremer to LB 146; Senator Schmit to LB 11.

Your committee on Appropriations reports LB 556 to General File with amendments.

SPEAKER MARVEL: Okay, call the roll.

CLERK: (Read roll call vote as found on page 1628 of the Legislative Journal.) 17 ayes, 22 mays, Mr. President.

SPEAKER MARVEL: Okay, Senator Warner has agreed to holding up on appropriation bills until we after we come back that we take up 134 and see if we can finish it rather than having to come back to it again. Senator Landis... unless there is objection to that procedure. Senator Landis, do you want to recess us until one-thirty?

SENATOR LANDIS: Mr. Speaker, I move to recess until one-thirty this afternoon.

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. We are recessed until one-thirty.

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PRESIDENT LUEDTKE PRESIDING

DR. ROBERT PALMER: (Prayer offered.)

PRESIDENT: Roll call. Have you all registered your presence? Record the presence, Mr. Clerk.

CLERK: A quorum present, Mr. President.

PRESIDENT: A quorum being present, are there any corrections to the Journal.

CLERK: I have no corrections, Mr. President,

PRESIDENT: The Journal will stand segreet as published.

թնիանիայի Թիկլ քիրա վահագրել է իր հայությեն իրը և հայությեն արևնդն և դրիականության էր բնարագին և հրանանի հայուրանի հետոր էն հետ իրական արևնդն և Հրրապարիում էր հետ հայուրանի և հայուրանին հետոր

Mr. Promitant, your maintline them compared by the requests that she has on this day at ... bridge, May 1, presented to the dovernor by 200 and 530.

A communication from the Governor addressed to the Clerk. (Read. Re: LB 249, 298, 536, 290, 478. See page 1700, Legislative Journal.)

Mr. President, I have a gubernatorial appointment, appoint Mr. Ray Young to the Advisory Committee to the Departments of Public Welfare, Institution and Corrections.

Mr. President, I have a series of audit reports from the State Auditor: (Read. See page 170), Legislative Journal.) Those audit reports will be on file in my office, Mr. Fresident.

PRESIDENT: We are ready then for agenda item #4, Final Reading. The Sergeant at Arms will clear the aisles, see that all unauthorized personnel are off the floor. All members will return to your desks and when everybody is there we will commence with the day's Final Reading.

CLERK: Mr. President, while we are waiting, Senator DeCamp would like to print amendments to LB 531 in the Legislative Journal.

PRESIDENT: All right. Anything further?

CLERK: No. sir.

CLERK: Mr. President, with respect to LB ll there are E & R amendments pending.

PRESIDENT: Chair recognizes Senator Kilgarin.

SENATOR KILGARIN: I move the E & R amendments to LB 11 be adopted.

PRESIDENT: Motion to adopt the E & R amendments to LB 11. Any discussion? All those in favor signify by saying aye, opposed nay. The E & R amendments are adopted.

CLERK: Mr. President, Senator Maresh now moves to amend. The amendment is referred to on page 1438 of the Journal. It is request 2296 you will find it in your bill books, it was printed separately.

PRESIDENT: Chair recognizes Senator Maresh.

SENATOR MARESH: Mr. President, I just talked to the Speaker and there is an Attorney General's opinion on my bill that pertains to other checkoff programs. I would like to have a few....twnety mintues or so to work these amendments cut to take these other objectionable sections out of the other laws. The Speaker said it was okay to hold it up for a few bills, so I would like to hold it up for awhile.

PRSIDENT: We will just pass over, is that all right, Mr. Speaker, we will just pass over this bill and come back to it when they are ready or what is your pleasure?

SPEAKER MARVEL: I don't want to make a blanket statement after we just got through the other statement. Senator.... where did Senator Maresh go?

PRESIDENT: He just left the room. Senator Maresh, Senator Maresh, the Speaker would like to address a question to you I believe.

SPEAKER MARVEL: Are you talking about the Atrorney General's opinion? Or the Attorney General himself, or what?

SENATOR MARESH: The Attorney General's opinion states that the referendum provisions in LB ll have constitutional problems and we have the same provisions in the corn check-off and the soybean checkoff so I would like to draft amendments to clear those laws at the same time.

SPEAKER MARVEL: Rather than get into a contest now on

laying bills aside, which is immediately going to defeat what I just got through saying, isn't it possible for you to take LB ll and advance it and on the next step up the ladder to correct it?

SENATOR MARESH: Bring it back from Final Reading you mean?

SPEAKER MARVEL: No, someplace between item number five and item number. . . .

SENATOR MARESH: Yes, yes, that is what I mean to hold it up for a few bills.

SPEAKER MARVEL: I know, but put yourself in our place. If we hold it up for you for a few bills, what do we do for the next person that asks?

SENATOR MARESH: I guess we could allow those other laws to stand and not disturb them and come back maybe next session and take that part out.

SPEAKER MARVEL: How many bills are you talking about?

SENATOR MARESH: Just two laws. The corn checkoff and the soybean checkoff.

SPEAKER MARVEL: What numbers are we talking about?

SENATOR MARESH: We are talking about sections in the law, see those were passed in previous years and he is finding fault with the referendum provision in the grain sorghum checkoff so it would affect those other laws too.

SPEAKER MARVEL: It is LB 11, that you are talking about?

SENATOR MARESH: He gave an opinion on LB 11 although he says he doesn't talk about the old laws, only what is pending. But it applies to those laws as well.

SPEAKER MARVEL: What are you talking about? Passing over one bill?

SENATOR MARESH: One or two bills, yes. One or two bills so Bruce Cutshall will have time to draft an amendment for me. To clear up those other two.

SPEAKER MARVEL: Okay, then we will come back to 346 then, that is your next bill.

SENATOR MARESH: Okay.

PRESIDENT: Chair recognizes Senator Koch. Senator Koch, okay. We will proceed then to LB 346, Mr. Clerk.

CLERK: Mr. President, LB 346, yes, sir, there are E & R amendments, Mr. President.

PRESIDENT: Senator Kilgarin.

SENATOR KILGARIN: I move we adopt the E & R amendments to LB 346.

PRESIDENT: Motion to adopt the E & R amendments to LB 346. Any discussion? If not, all those in favor of adopting the E & R amendments to LB 346 signify by saying aye, opposed nay. That is great. The E & R amendments are adopted. Mr. Clerk.

CLERK: Mr. President, I now have an amendment from Senator Vard Johnson found on page 1440 of the Journal. 1440, Senator. (Read.)

PRESIDENT: The Chair recognizes Senator Vard Johnson.

SENATOR V. JOHNSON: I have to make certain, Mr. Speaker, I know which this amendment is. Mr. Speaker, members of the body, this is an amendment that we discussed on General File and then I said in the interest of time I would withdraw the amendment and hold it for Select File so now it is back. If you have in front of you your copy of LB 346 which is a lengthy bill and you look at page 40 thereon you will see what it is that I am attempting to do with the amendment. 346 is described as a recodification of the juvenile code without any major substantive changes in existing law, that whatever changes do exist in the recodification process, the changes are very minor. I went through the bill pretty carefully and I did find a few changes I thought were a little more than minor but by and large they were acceptable. This is a change which I believe is a relatively significant change but in the end it probably does not have any major effect on the juvenile court process. What my amendment would do very simply is it would say that when a juvenile court is in the process of attempting to terminate somebody's rights to a child, terminate parental rights, they cannot use as a ground for termination that the parent is unable to discharge parental responsibilities because of mental illness or mental deficiency. Right now our termination statutes allow a juvenile court to affect a termination of parental rights upon a showing that a parent of a child is mentally ill or mentally deficient

CLERK: Mr. President, I have pending on LB 11 the Maresh amendment, Request 2296, you will find it printed separately in your bill books.

SPEAKER MARVEL: Senator Maresh.

SENATOR MARESH: There are some amendments to this amendment. Do we take those up separately or. ..Oh, okay. Request #2296 clarifies some language in the Wheat Commission and it is more of a housekeeping amendment so we will explain those amendments to the amendment when they come up. I move that Request #2296 be adopted.

SPEAKER MARVEL: Okay, Senator Maresh, you have an amendment to your amendment?

CLERK: Senator this is the one (Read Maresh amendment).

SENATOR MARESH: Yes, this is for the wheat checkoff. The present checkoff is presently five mills and this increases it to seven and a half mills. There were a number of Senators that were interested in increasing the wheat checkoff tax because of inflation and the need for additional revenue. I think we all agreed that there was some opposition to going to the full ten mills, so this is a compromise between those that were interested in increasing the tax. I don't think that there is any opposition to this. I move that Request 2296 be amended with this request...with this amendment. Increases the wheat tax from five mills to seven and a half mills.

SPEAKER MARVEL: The motion is the adoption of the Maresh amendment to the Maresh amendment. All those in favor of that motion vote aye, opposed vote no. Have you all voted? Have you all voted? Record the vote.

CLERK: 26 ayes, 1 may, Mr. President on the adoption of the Maresh amendment.

SPEAKER MARVEL: What is the next one now?

CLERK: Mr. President, Senator Schmit moves to amend the Maresh amendment. The Schmit amendment is on page 1543.

SPEAKER MARVEL: Senator Schmit.

SENATOR SCHMIT: Mr. President, this amendment provides that it strikes the language which is unconstitutional which allows the president of the Mebraska Grain Improvement Association,

the President of the Nebraska Wheat Growers Association to serve as ex-offico members of the board. It also prohibits... it says that the board may establish administrative offices in the State of Nebraska at such place that may be suitable. It says that the board shall not purchase or construct or otherwise obtain a title to an administrative office but it shall be limited to leasing of state or commercial office space. It then provides that staff, and I wasn't sure if we needed this or not, but it provided that the staff may transfer staff from the Weight Division, Utilizing and Marketing to the Nebraska Wheat Development, Utilization, Marketing Board. It is an adminsitrative change and it is necessary, probably not necessary but it cleans up the language. I move the adoption of the amendment.

SPEAKER MARVEL: The motion is the adoption of the Schmit amendment to the Maresh amendment. All those in favor of that motion vote aye, opposed vote no. Have you all voted? Record.

CLERK: 28 ayes, 0 mays Mr. President.

SPEAKER MARVEL: The motion carried, the amendment is adopted.

CLERK: Mr. President, Senator Wagner moves to amend the Maresh amendment. (Read Wagner amendment).

SPEAKER MARVEL: Senator Wagner.

SENATOR WAGNER: Mr. Speaker and members, this is again a technical amendment, similar language was in one of the earlier amendments and it just harmonizes the language on expenses in relation to the bill that I have got, 204. I would move the adoption of this amendment.

SPEAKER MARVEL: The motion is the adoption of the Wagner amendment to the Maresh amendment. All those in favor of that motion vote aye, opposed vote no. Have you all voted? Record.

CLERK: 27 ayes, 0 mays on the adoption of the Wagner amendment Mr. President.

SPEAKER MARVEL: Okay, the motion is carried, the Wagner amendment is adopted.

CLERK: Mr. President, Senator Maresh now moves to amend his own amendment. Page 4, line 8, Senator that one?

SPEAKER MARVEL: The Chair recognizes Senator Maresh.

SENATOR MARESH: I believe that one was taken care of by the Schmit amendment. Taking out the president of the Wheat Growers? Yes, I think that one has been taken care of through the Schmit amendment.

CLERK: All right, then do you want to get rid of this one Senator?

SENATOR MARESH: Yes.

CLERK: Withdraw that one then, okay?

SENATOR MARESH: No, there are more on that page aren't there? Number two, three and four? Those are separate amendments.

CLERK: Okay. Well do you want to deal with it as one amendment, the whole page, do you not?

SENATOR MARESH: Yes, except number one.

CLERK: Okay, all right, I understand what you are doing.

SPEAKER MARVEL: While we are waiting and the group is about read to leave, from Senator Burrows and Remmers district, 38 students from Filley, Nebraska, with teachers Mrs. Bissegger, and Mrs. Scony and they were in the north balcony. We welcome them to the Unicameral.

SENATOR MARESH: Mr. President, number two I guess was taken care of by the Schmit amendment. He tells me that he changed "shall" to "may" so I guess we don't have to take care of that. Number three is the next one. Number three is the original white copy says that the board shall audit their financial report each month, I should say during their meeting. We are changing that that they shall review and approve instead of audit because we still want the records to be audited by the state auditor or whoever audits their records. This is just a housekeeping amendment to make sure that they don't think that they are auditing their own records. Number four, is a new section which has to do with the funds shall not be used for promoting legislation or candidates or proposing legislation or candidates. This is something that is in each one of the checkoff bills so we would like to see that in the wheat checkoff as well. I move that these amendments be adopted.

SPEAKER MARVEL: The motion is the Maresh amendment to the Maresh amendment as proposed by Senator Maresh. All those in favor of this latest amendment vote aye, opposed vote no. We have about four amendments besides this one so if you are interested in...record the vote.

CLERK: 26 ayes, 0 nays, Mr. President, on adoption of the amendment.

SPEAKER MARVEL: Okay, what is the next amendment.

CLERK: Mr. President, Senator Maresh moves to amend request 2296, page 14, line 9, strike sections insert sections, that one, Senator?

SENATOR MARESH: Yes, go ahead with that one, yes.

SPEAKER MARVEL: Okay, you want to

SENATOR MARESH: What this does is complies with the Attorney General's opinion that referendums can not be held and that is a new opinion that came out this morning. We are going to take care of that in my green copy and we are doing this with the corncheck off. We will do nothing about the soybean checkoff because they are over three years old so there will be no provision for a referendum in that program but since the corn checkoff is not three years old there is still a chance for a referendum, so we are taking that part of the statute out of old language, which he did not give us an opinion on but we feel that we should strike this in the old law. So we are doing that with this amendment. I move that this amendment be adopted.

SPEAKER MARVEL: The motion is the adoption of the Maresh amendment to the Maresh amendment. All those in favor of this motion together with the explanation vote aye. Opposed vote no. Have you all voted? Record.

CLERK: 25 ayes, 0 nays, Mr. President, on the adoption of the Maresh amendment.

SPEAKER MARVEL: The motion is carried, the amendment is adopted.

CLERK: Mr. President, the last amendment that I have to Request 2296 is from Senator Schmit, page 12, line 7 strike "audit" and insert "review and approve". Page 9 line 1 strike the word "and" and in line four after

program insert "and", that one, Senator?

SENATOR SCHMIT: Mr. President, I don't think, I know I don't need the second portion. I believe that...could we pass over that for just a second, I think it might have been taken care of by Senator Maresh's amendment. If not, we will come back to it later.

CLERK: All right, Mr. President, we are now in a position to adopt the Maresh amendment as amended.

SPEAKER MARVEL: Request 2296, this is the proposal for the adoption of the final amendment. All those in favor vote aye, opposed vote no. Request 2296. Have you all voted? Record the vote.

CLERK: 26 ayes, 0 mays on adopting request 2296, Mr. President.

SPEAKER MARVEL: Motion is carried.

CLERK: Mr. President, Senator Wagner now offers an amendment to the bill. That is found on page 1447 of the Journal.

SPEAKER MARVEL: Chair recognizes Senator Wagner.

SENATOR WAGNER: Mr. Speaker and members, this is even more technical than the other one. It just again coordinates the language in there as far as expenses are concerned and it relates back to the bill 204. I urge the adoption of the amendment.

SPEAKER MARVEL: All in favor of the Wagner amendment as explained by Senator Wagner vote aye, opposed vote no. Have you all voted?

CLERK: 25 ayes, 0 mays on the adoption of the amendment.

SPEAKER MARVEL: Motion is carried, the amendment is adopted.

CLERK: Mr. President, I had an amendment from Senator Kahle that I understand he wishes to withdraw.

SENATOR KAHLE: Mr. Speaker, members, this is no longer needed with what we have just done, according to the Attorney General's opinion, it had to do with the referendum. I ask unanimous consent to withdraw it.

SPEAKER MARVEL: Hearing no objections so ordered.

CLERK: Mr. President, the next amendment that I have is from Senator Maresh. Page 11, line 25, following the word "made", insert the following.

SENATOR MARESH: Yes. Mr. Speaker and members of the Legislature, this is something that we missed in the original copy that is in the corn checkoff providing for refund for those that take a government loan and the checkoff is made when they take the loan and when they redeem the loan and feed the grain they shouldn't be subject to the checkoff. So we are doing the same thing the corn bill had, allowing a check off for those funds that are withheld. I move the amendment be adopted.

SPEAKER MARVEL: Senator Cullan. Do you wish to speak to the latest Maresh amendment? The motion is the adoption of the Maresh amendment to the bill. All those in favor of that motion vote aye, opposed vote no. Have you all voted? Have you all voted on the latest Maresh amendment? Record.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of the Maresh amendment.

SPEAKER MARVEL: Okay, the motion is carried the amendment is adopted. Now what is the next one.

CLERK: Mr. President, Senator Maresh moves to amend LB 11, page 11, line 5 insert "after August 31, 1981".

SPEAKER MARVEL: Senator Maresh.

SENATOR MARESH: This is to provide when the tax shall start otherwise it would start on September first and we would like to have it start on August first. This is just the means of expressing what date the tax shall start. August 1, 1981.

CLERK: August 31st Senator.

SENATOR MARESH: August 30th (sic).

SPEAKER MARVEL: All in favor of the amendment as explained by Senator Maresh vote aye, opposed vote no. Have you all voted? Have you all voted? Record the vote.

CLERK: 25 ayes, 0 mays on the adoption of the Maresh amendment.

SPEAKER MARVEL: Motion is carried, the amendment is adopted.

CLERK: Mr. President, Senator Schmit had one on 1630 but I think he wants to withdraw, is that right Senator?

SPEAKER MARVEL: Hearing no objections, so ordered.

CLERK: Mr. President, the final amendment that I have is offered by Senator Maresh, it would strike Sections 12, 13, and 14 and Section. . . . Subsection 5 of Section 2. Is that right, Senator?

SENATOR MARESH: Yes. This is because of the Attorney General's opinion we are taking the referendum out of the old law. So I move that this amendment be adopted.

SPEAKER MARVEL: The motion is the adoption of the final Maresh amendment to LB 11. All those in favor vote aye, opposed vote no. Have you all voted? Record the vote.

CLERK: 27 ayes, 1 may, Mr. President, on Senator Maresh's amendment.

SPEAKER MARVEL: The motion is carried, the amendment is adopted. Now, Senator Cullan, do you wish to speak to the bill as a whole?

SENATOR CULLAN: Mr. President, members of the Legislature, as you noticed I did not oppose some of the amendments that were adopted as I had earlier visited with some of you about the amendments of this bill. I decided that it was prudent to capitulate to my friend from Bellwood, Senator Schmit, so I did that. But the amendment is a compromise because we did go three-quarters of a cent of an increase in the wheat tax rather than a full cent. I have some reservations about the bill as amended but I intend to support it now because they did agree to go to a threequarter of a cent increase in tax rather than a full cent. I am concerned about the past operations in the Nebraska Wheat Commission. I think that they should be chastised for meeting outside the State of Nebraska. They are a public body responsible to the people of the State of Nebraska and the Wheat Growers in the State of Nebraska. I think that it is irresponsible of them as a public body of this state to meet outside the state. They held their summer

meeting this past year in Estes Park, Colorado. I guess all of us would like to spend some summer time in Estes Park. Colorado, but I'm not sure that there were many Nebraska reporters who could make that trip with them or I'm not sure that there were so many other Nebraska wheat farmers that could know what was going on at their particular meetings. I'm sure that nothing improper or nothing wrong did occur at that meeting but it is wrong for a public body to meet outside the State of Nebraska whether it is more expensive or whether it is less expensive, whether it facilitates other business or not. I think that they should be chastised for that and I think that their policy in the future ought to be to meet somewhere whether it is in Sidney or Lincoln or elsewhere. I think that they should confine their activities to this state. There are many other things that raise questions about the operation of this commission in this committee. I personally plan to spend a great deal of time this summer in looking over their past expenditures carefully to see what we can find. There are a lot of rumors, most of which are perhaps unsubstantiated, but I think it is time we take a careful look at the operation of this body and I simply wanted to put them on notice that even though they are passing this bill and are receiving additional funds they are not going to be out from under the scruting of the Nebraska Legislature. I guess with that I will close and I will support LB 11 as amended but I do have some concerns about the operation of this entity. think I would like to invite any member of the legislature to receive a copy of a letter that was directed to Mickey Stewart from one of the members of the Wheat Commission, from Dick Haas of Hemingford. Were I the Governor of the State of Nebraska I would be appalled to have two of my appointees, one of my appointees writing another one using that kind of language and making those kinds of threats and innuendos. I think the Governor has the responsibility to look into this and to resolve these disputes and these childish bickerings between two appointed officials, the Secretary of Agriculture of the State of Nebraska and a member of the Wheat Commission. He ought to call both of them into his office and find out what is going on because both of them are supposed to be working for the interest of the State of Nebraska. The kind of childish bickering that has occurred in the past has simply got to stop for the best interest of the Wheat growers, the best interest of the people of the State of Mebraska. I'm personally appalled and if anyone would like a copy of that letter I would be more than happy to share it with you. But, it has got to stop and I think this Legislature ought to take an awful careful look at why these problems have developed and see What We can do in the future to straighten them out. Thank you.

SPEAKER MARVEL: Senator Burrows, do you wish to speak to the bill as a whole?

SENATOR BURROWS: Yes, Mr. Speaker, members of the Legislature, I feel what we have done now, we have eliminated the rebate provision earlier, we have eliminated any referendum way and we have eliminated any practical way the farmers can control this program. We are taking a flat tax, setting it up on a group of people if they happen to do a good jot that is fine, but with no basic controls by the farmers that pay the tax over the program itself. I oppose the bill as it exists and I think that it is totally unfair to lay a closed shop on people without even a chance of getting back at what is happening. So many of the measures depend upon a laissez faire pure economy where you wouldn't have on a trickle down theory that if we get a little more market that it is going to come back through the major grain companies and come back and benefit the farmer. This is not necessarily so. We are working at the far end of a market system that is controlled by a few giants. We are perpetuating this by going this route and now laying a direct tax on the farmer that he can't get out of. I oppose this additional tax and the only route that the farmer is really going to have is to talk to his state senators and if he can't change it that way maybe elect different people, because, there are too many questions as to the benefits for agriculture of this program. organizations are not soing to....we have taken the money away from the farmers, they can't get involved in the political system and as you have seen with the embargous the Department of Agriculture can take away with a stroke of a pen all of the benefits that can be achieved potentially by getting additional markets with an embargo. Now they can't get involved in this. So we have created a situation where this tax is going into a theoretically impossible dream as far as actually helping a farmer. I oppose the bill as it is now and I hope that others will do the same. I'm sure that it will pass but I think that you will hear more about it in the coming year. Thank you.

SPEAKER MARVEL: Senator Haberman. We are speaking now to the. . . .

SENATOR HABERMAN: Mr. Fresident, members of the Legislature, when this started out as a brain sorghum bill that was fine and I was going to support it, but now that they have slipped wheat in there and raised the wheat tax I'm going to oppose it. This isn't the time to be raising the wheat tax. You

talk to a wheat farmer and see what his costs are, see what the weather has been like, see what his crop is going to be like, see how much insurance costs have gone up. Talk to the average wheat farmer, talk to the farmer. See if he wants an increase in his tax. He will tell you no. I'm not going to comment on the job that the Commission is doing because I think they are doing a good job from the results I've seen them do, the meetings that I have had with them, but I don't think that they need this additional money. For this to come up on the floor and to put a wheat tax in on a grain sorghum tax I think is wrong and I ask you to vote against advancement of the bill. We mentioned this before that this wasn't even brought up in the public hearing. Nobody had a chance for any input on it, any of the wheat farmers. Some of the people in support of this bill have maybe ten, fiften, twenty or thirty acres of wheat, doesn't mean anything to them. But you take a farmer that that is his sole income wheat, and he will have 800 acres of wheat every year or 1,200 acres of wheat every year the tax amounts to a lot of money. So I don't feel that this is the time or the place to raise the taxes on the wheat farmer and I ask you to vote no against LB 11. Thank you.

SPEAKER MARVEL: Senator Schmit and then Senator Maresh.

Mr. President, members of the Legislature, SENATOR SCHMIT: I rise in support of LB 11. I think that you all recognize that I had some of the same concerns that were expressed earlier by their members. I know that Senator Cullan and Senator Haberman have some concerns as does Senator Burrows in regard to the and I think that Senator Cullan is probably right in regard to that meeting out of the state. I don't think that it was probably right but I'll tell you, I would like to tell you why it happened. Four members of the wheat committee also serve as members of the US Wheat Association, several of them serve as members of the tri-state transportation That group all met in Denver at the same time and the. . . . a number of those members of course are closer to Denver and Estes Park than they are to Lincoln, Nebraska. It is incidental I guess but the Tri-state Transportation Committee did obtain a reduced freight rate from the Union Pacific on wheat and the meeting was covered by the Nebraska Farmer and covered in depth. They told me that they had saved about a thousand dollars by meeting in that manner and did not charge any mileage from Denver to Estes Park, the room rents were less at Estes Park than they were in Denver but I would probably have to concur with Senator Cullan I think that it is in the best interest of the State of Nebraska if those meetings are held in the state so people can participate to the greatest extent possible. I share

completely Senator Burrows frustration with the situtation as it stands regarding the embargo. I want to reiterate again and I know that all of you recall that this legislature was about the only group, the only elected group that took an active position against the embargo at the time that it was imposed. One or two other members of the Congress, Senator Zorinsky opposed it and Governor Thone opposed it. No one else opposed it. This body did. Nome of these bodies were allowed to get into the business of opposing it. I think that they ought to be. At the present time there is such a deep seared fear of using tax money for political purposes it is almost impossible for it to happen. I do believe however, Senator Eurrows, that under the present statutes that the members of the various commissions can, for example, testify before congressional committees relative to their positions on embarroes and that I think we all recognize in the future perhaps this activity will take place more often than it has in the past. I concur entirely with Senator Burrows. I think it is embarassing sometimes that we fight over opening up a new market. We develop that market and we use the Nebraska farmer tax payer funds as Senator Haberman has pointed out to develop the market and by a stroke of the pen one individual, one individual, and it has happened a number of times, can wipe out that market and destroy many, many years work. That has happened through both democrat and republican administrations. So none of us can point the finger at any single political party in that area. I think that it is consistent also that this Legislature has always opposed those embar or regardless whether they were imposed by democrat or republican administrations. We would hope that that message has been delivered loud and clear to the existing administration and future administrations and that better wave will be found to enforce world peace. I also want to point out in regards to Senator Haberman's comments that seven and a half mills is the maximum, is a maximum amount of money that can be levied. The Wheat Commission waited for more than twenty years before they went up to the maximum of a half a mill, so I don't think because we have given them that additional authority that we would need to expect them to. . . .

SENATOR CLARK PRESIDING

SENATOR CLARK: You have one minute left.

SENATOR SCHMIT:.....to utilize it entirely the first time around. One more comment in closing. At the present time this morning, July wheat is selling at \$4.38 and three-quarters

down 6¢ from Friday, down 6¢ from Friday as a little bit of rain we.....scattered rain by the way, Senator Burrows said he didn't get any. We all know how volatile these markets are. Anything that we can do, anything that we can do as farmers, as citizens to enhance and improve those markets I believe is certainly to the benefit not only of farmers, but to the entire State of Nebraska. The entire State of Nebraska benefits.....rood aggressive marketing programs to recognize that our livelihoods are tied together very intimately. I would hope that you would advance Senator Maresh's bill. He has worked long and hard at it, he has made many comprenises and I think as Senator Cullan has pointed out he has done a yeoman's job of putting together a bill here which does a lot of good and hopefully will do something for sorthum growers and other people of the State of Nebraska. I would ask you to support the bill.

SENATOR CLARK: Senator Sieck.

SENATOR SIECK: Mr. President, members of the body, I also want to support the bill. I have sen a little chart out on what the export market has done in the last thirty years and you will notice when the checkoff program was first started we only sold twenty seven million dollars oversels Today we are selling two hundred and thirty-five million oversel. Now this is what the checkoff program has done for us. Not only in this area. I have increased my yield because of the research that is done because of the checkoff program from 25 bushel t 45, 50, 60 bushel. I think that is a tremendous increase and it has helped me individually to increase the production on my own farm. Now I just sold some wheat and lost on the rood market, Senator Schmit said the market has dropped, I got \$4.00 a bushel just the other day for some wheat that I sold that I could have got \$5.00 a bushel several years ago. But because I was greedy I held it and then the market went clear down to \$2.00 but now it went up to \$4.00. Now who is doing this? I don't think the government has ever helped us in our wheat program. We have to held ourselves and this is one way to do it by giving the money or giving some money to the commission to encourage new markets for us. It is high time that we as farment are helping ourselves instead of asking the government to help us. I think that we can do it through a program of this nature. I urge you to support LH 11.

SENATOR CLARK: Senator Wiitala.

SENATOR WIITALA: Mr. Speaker, I call for the question.

SENATOR CLARK: You are coming up next. You are going to close on your motion. The question is ceasing debate, do I see five hands? I do. Those that wish to cease debate vote aye, those opposed vote nay.

CLERK: Senator Clark voting ave.

SENATOR CLARK: Have you all voted on ceasing debate? Record the vote.

CLERK 26 ayes, 0 mays to cease debate, Mr. President.

SENATOR CLARK: Debate is ceased. Senator Maresh, do you want to close on advancing the bill.

SENATOR MARESH: Yes, Mr. President, with federal funds being cut as we see in the Reagan administration I think we will need more local funds and I don't know of a better place to generate additional funds to help promote new varieties of these crops and find new markets overseas. I think anybody that has been to Taiwan, I am surprised Senator Haberman would deny increasing the tax by one-fourth cent when he saw the results that are taking place out there developing a need for our wheat, teaching the people to eat more bread and pastries and things like that. We saw the China baking school, which I think has trained I believe 1.200 bakers to....so they would know how to use wheat products and I think when you take a look at how the wheat yields have been increased, when I was a young man just out of high school twenty bushel wheat yield was a fair yield. People thought it was a good crop. Now if we don't have forty or fifty bushel wheat we feel that we don't have a good crop. So we can see the increase not only in the yields but in the practice of raising wheat, find new ways of conserving moisture and things like that that have been developed at Ag College we can see that we are coming up with higher yields. The soybean varieties lately one by the name of "Nebsoil" they say will increase the yields by two to three bushels and now they have come out with another variety "Mead" which will even increase the yields mcre. When you look back and see what that has done to the agricultural economy in the State of Nebraska you can see how much difference this will make in the revenue generated in the State of Nebraska. I move that this bill be advanced to E & R Engrossing.

SENATOR CLARK: The question before the House is the advancment of LB 11. We will take a machine vote. All those in favor

vote aye, all those opposed vote nay.

SENATOR CLARK: Voting no.

CLERK: Senator Clark voting no.

SENATOR CLARK: Have you all voted? Record the vote.

CLERK: 27 ayes, 4 nays, Mr. President, on the motion to

advance the bill.

SENATOR CLARK: The bill is advanced.

CLERK Mr. President, Senator Kremer would like to print amendments to LB 146 in the Journal.

I have four study resolutions offered by the Revenue Committee. The first is LR 68 (read title), LR 69, LR 70, LR 71 (read titles). All will be referred to the Executive Board.

Mr. President, there are E & R amendments to LB 248.

SENATOR CLARK: Senator Kilgarin.

SENATOR KILGARIN: I move the E & R amendments to 248.

SENATOR CLARK: Those in favor of the E & R amendments to 248 say aye, opposed no. They are adopted.

CLERK: Mr. President, Senator Barrett has an amendment to the bill. That is found on page 1571 of the Journal.

SENATOR CLARK: Senator Barrett.

SENATUR BARRETT: Mr. President and members, I offer this amendment on 1571 with the blessing of the introducer of 248. It is to rectify a couple of isolated situations which came to my attention shortly after the bill was introduced. The amendment simply eliminates the six month waiting period for teacher retiree's to qualify for the formula annuity and adds the emergency clause to the bill so that those teachers who will be retiring this year, at the end of this year will be eligible for the increased benefits found in the provisions of 248. A teacher who plans to retire for example June 1st of this year would not be eligible as the bill is now written. The amendment is offered to take care of a very few people in the state, a very few people who might otherwise be falling through the cracks, teachers who have long served their communities in

May 11, 1981

PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Prayer by Chaplain Palmer.

REVEREND PALMER: Prayer offered.

PRESIDENT: Roll call. Record the presence, Mr. Clerk.

CLERK: Quorum present, Mr. President, plus one.

PRESIDENT: A quorum being present, are there any corrections to the Journal?

CLERK: Mr. President, I have no corrections.

PRESIDENT: The Journal will stand as published. Any other messages, reports or announcements?

CLERK: Mr. President, I have an Attorney General's opinion addivessed to Senator Chronister regarding compensation of rural water districts. That will be inserted in the Journal. (See pages 1899-1900 of the Journal.)

Mr. President, your committee on Enrollment and Review respectfully reports that we have carefully examined engrossed LB 3 and find the same correctly engrossed. 11 correctly engrossed, 12 correctly engrossed, 70 correctly engrossed, 95 correctly engrossed, 99 correctly engrossed, 228 correctly engrossed, 250 correctly engrossed, 257 correctly engrossed, 266 correctly engrossed, 266A correctly engrossed, 296A correctly engrossed, 310 correctly engrossed, 328A correctly engrossed, 369 correctly engrossed, 381 correctly engrossed, 384 correctly engrossed, 389 correctly engrossed, 428 correctly engrossed, 441 correctly engrossed, 470 correctly engrossed, 472 correctly engrossed, 472A correctly engrossed, 472 correctly engrossed, 501 correctly engrossed, 506 correctly engrossed, 541 correctly engrossed, 543 correctly engrossed. Those are all signed by Senator Kilgarin as Chair.

Mr. President, a new A bill, LB 556A, offered by the Speaker at the request of the Governor. (Read as found on page 1904 of the Legislative Journal.)

Mr. President, Senator Vard Johnson would like to print amendments in the Journal to LB 428 and Senator DeCamp to LB 318. See pages 1904-1906 of the Legislative Journal.)

PRESIDENT: The Chair recognizes Speaker Marvel for an explanation of order of business today on the agenda. Speaker Marvel.

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

PRESIDENT: All right, so we are ready then for Final Reading on LB 3. Will all members please be at your desks as you should be anyway. Proceed, Mr. Clerk, with the Final Reading of LB 3.

CLERK: Read LB 3 on Final Reading.)

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: All provisions of law having been complied with, the question is, shall the bill pass. Those in favor vote aye, opposed vote no, LB 3 on Final Reading. Have you all voted? Okay, record the vote.

CLERK: (Read record vote as found on page 2021 of the Legislative Journal.) 38 ayes, 2 nays, 1 present and not voting, 1 excused and not voting, Mr. President.

SPEAKER MARVEL: LB 3 is passed on Final Reading. The next bill on Final Reading, LB 11E.

ASSISTANT CLERK: (Read LB llE on Final Reading.)

SPEAKER MARVEL: All provisions of law having been complied with, the question is, shall the bill pass with the emergency clause attached? All those in favor vote aye, opposed vote no. Have you all voted? Clerk, record the vote.

ASSISTANT CLERK: (Read the record vote as found on page 2022 of the Legislative Journal.) The vote is 41 ayes, 6 nays, 1 excused and not voting, 1 present and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed on Final Reading with the emergency clause attached. The next bill on Final Reading is LB 11A.

ASSISTANT CLERK: (Read LB 11A on Final Reading.)

SPEAKER MARVEL: All provisions of law having been complied with, the question is, shall the bill pass with the emergency clause attached? Those in favor vote aye, opposed vote nay. Record the vote.

ASSISTANT CLERK: (Read the record vote as found on page 2023 of the Legislative Journal.) The vote is 42 ayes, 5 nays, 1 excused and not voting, 1 present and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed on Final Reading with the emergency clause attached. The next item is LB 12.

LB 3, 11, 11A, 12, 70, 99, 146, 184, 228, 250, 266, 266A, 296, 296A, 310, 328, 328A, 361, 366, 369, 376, 561

May 14, 1981

Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined LB 184 and recommend that same be placed on Select File with amendments; LB 376 placed on Select File with amendments. Those are both signed by Senator Kilgarin as Chair.

Mr. President, LBs. 3, 11, 11A, 12, 70, 99, 146, 228, 250, 266, 266A, 296, 296A, 310, 328, 328A, 361, 366, and 369 are ready for your signature.

SPEAKER MARVEL: While the Legislature is in session and capable of transacting business, I am about to sign and do sign LB 3, LB 11, LB 11A, LB 12, LB 70, LB 99, LB 146, LB 288, LB 250, LB 266, LB 266A, LB 296, LB 296A, LB 310, LB 328, LB 328A, LB 361, LB 366, LB 369. Okay, if we may have your attention, the first item will be from the Clerk's desk and the second item will be Senator Warner's. So, Mr. Clerk.

CLERK: Mr. President, I have a letter addressed to the membership from Senator Warner who is Chairman of the Appropriations Committee. (Read. See pages 2052 and 2053, Legislative Journal. Re: Line item vetoes of LB 561.)

SPEAKER MARVEL: Senator Warner, you are recognized to comment on the letter just read.

SENATOR WARNER: All right, Mr. President, again under the provision of the rule, the Appropriations Committee is to make such report, and as the report indicates, there was one item which the majority of the committee did support to offer a motion for override which at the time which will be designated by the Senator representing the majority of the committee's position on that issue. The other portion I might just go through briefly with you is the second and third page which is to give you for your information. Page two that is an analysis of the Governor's line item vetoes points out those vetoes that occurred relative to committee recommendations and it shows what the collective floor amendments were, and the last group indicates the vetoes that were relative to the floor amendments and shows the total dollar amount then of \$728 million to \$74,747 that would remain under the Governor's veto as the legislation now stands. If you look at page 3, headed Financial Status Summary, it is similar to what is on the back of the agenda but in a slightly different form. Above the line at the top it shows again the original committee level of recommendation in those bills. The next shows the allocation for A bills that was originally recommended, that subtotal, and then it shows the amount that was

LB 11, 11A, 113, 113A, 228, 266, 266A, 296, 296A, 310, 328, 328A, 334, 334A, 369, 381, 384, 441, 463, 470, 501, 543, 545

May 18, 1981

RECESS

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: In the North balcony, the Legislature welcomes from Senator Newell's District 5 students from St. Paul Lutheran, Omaha, Nebraska, Richard Ulmer, the teacher. Are you up in the North balcony? If you are, hold up your hand so we can see where you are. Welcome to the Unicameral. Then underneath the South balcony as guests of Senator Shirley Marsh we welcome Mrs. Marie Salverda from Sidney, Australia and Anne Johnson from Lincoln. Will you step out and say "hello"? Okay, record.

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

Mr. Tresident, I have communications from the Governor addressed to the Clerk. (Read. See pages 2074 and 2075, Legislative Journal. Re: LB 463. LB 11, 11A, 228, 266, 266A, 296, 296A, 310, 328, 328A, 334, 334A, 369, 113 and 113A.)

SPEAKER MARVEL: The Clerk will read on Final Reading LB 545.

ASSISTANT CLERK: (Read LB 545 on Final Reading.)

SPEAKER MARVEL: All provisions of law having been complied with, the question is, shall the bill pass? Those in favor vote aye, those opposed vote no. Have you all voted? Clerk, record the vote.

CLERK: (Record vote read. See page 2076, Legislative Journal.) 48 ayes, 0 mays, 1 present and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed on Final Reading. While the Legislature is in session and capable of transacting business, I am about to sign and do sign engrossed LB 545, LB 381, LB 384, LB 441, LB 470, LB 501, LB 543. Now if I could have your attention for a moment and refer you to the agenda, what we propose to do is first of all go to item #5 on motions which has to do with consideration of the override and we propose to...in order to begin to catch up in some of the areas, especially if you look now on the agenda you will find the General File priorities that are left, and so we propose first of all to work until five o'clock and then, secondly, to start at eight o'clock tomorrow morning. Unless we begin to have a schedule like this, there are going to be a lot of bills that'll go down the drain. So we propose to work until five this evening and start work in the morning at