He is an upstream muscle mammal and I will pray that he will always be a muscle man. Son, you know, we all mammals have feet and because we have feet we play mammalball which is the most important sport in Mammalary Land and I want you to be sure to develop your feet so you will be an excellent mammalball player." "But why am I different as a mammal." Babble asked? "Son, because you nurse." "Gee, Dad, does that mean I get to go to the nursery?" "Yes, something like that. Son, one other thing you should know. Mammalator Shirley Marsh is going to put in a bill that will put us mammals on the map." "What do you mean, Pappy?" "Well, she is going to name a mammal of Mammalary Land and when this is accomplished we will truly have arrived at the Shangri-Mammal and we will be living happily ever after in Mammalary Land." Thank you, Mr. President, I just wanted to improve the ....

SENATOR CLARK: Cut that man's microphone off.

SPEAKER MARVEL: Okay, the Clerk will read.

CLERK: Mr. President, new bills: (Read title to LB 434-451. See pages 281-286 of the Legislative Journal.)

SPEAKER MARVEL: I wish to make an announcement. From Tehran, Iran, a plane carrying the fifty-two American hostages took off today from Tehran's Mehrabad Airport a policeman at the airport told reporters. (applause.)

In the North balcony from Senator Landis' district it is my pleasure to introduce li sixth grade students from Sacred Heart School in Lincoln, Miss Glushenko, teacher. Will you raise your hands so we can see where you are located? Welcome.

before we recess.

CLERK: Mr. President, new resolutions. study resolutions. LR 158 by Senator Hoagland, the purpose being to study alternative methods of organization and structure for governing Nebraska's postsecondary school institutions. LR 159 by Senator Hefner, the purpose being to examine existing election procedures relating to initiative, referendum and recall. LR 160 by Miscellaneous Subjects. The purpose of the study being the evaluation of the Nebraska Political Accountability and Disclosure Commission and Act. LR 161. Senator Sieck. the purpose being to study the problem of unpaid utility bills, to determine if legislation is needed. LR 162 by Senator Cullan, the purpose of the study being to examine existing retail alcoholic beverage regulations and retail licensing structure in the state. LR 163 by Senators Landis, Beutler, Wesely, the purpose of the study being to examine the eligibility for the homestead exemptions for the disabled based on income. (See pages 1865-1869, Journal.)

Mr. President, your committee on Urban Affairs whose Chairman is Senator Landis reports LB 435 to General File with amendments.

And, Mr. President, Senator Wagner would like to print amendments to LB 302 in the Journal.

Mr. President, I have an Attorney General's opinion addressed to Senator Beutler regarding LB 134.

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

SENATOR CLARK: Mr. President, I move we recess until one-thirty today.

SPEAKER MARVEL: Motion is to recess until one-thirty. All those in favor of that motion say aye, opposed nay. Motion carried. We are recessed until one-thirty.

Edited by Mary Turner Turner

CLERK: ....to Senator Howard Peterson regarding LB 12, and Senator Landis would like to print amendments to LB 435 in the Journal, Mr. President. (See pages 2255 through 2258 of the Legislative Journal.)

Mr. President, LB 460 was introduced by the Retirement Committee. (Read title.) The bill was first read on January 20, referred to Banking, Commerce and Insurance. The bill was advanced to General File. I have no amendments on the bill. Mr. President.

PRESIDENT: All right, the Speaker asked for all the chairpersons to meet with him in his office while we are taking up LB 460. The Chair recognizes Senator Fowler then for purposes of discussing the bill. LB 460.

SENATOR FOWLER: Mr. President, this is a fairly far-reaching and significant bill that changes the manner in which the State of Nebraska invests its fund giving broad discretion to the State Investment Officer and removing statutory authority. It was requested by the State Investment Officer, introduced by the Retirement Committee, sent to the Banking Committee for their expertise on this subject. I lay the matter in the hands of Senator DeCamp to explain the merits or deficits of this proposal.

PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR Decamp: Mr. President and members of the Legislature, very briefly and very simply this adopts for the hundreds of millions of dollars that the State Investment Officer has control of, something called the Prudent Man Rule in the investment of these funds. As you know, tens of millions, maybe hundreds, I don't know how much at this time, have been lost in the principal value of the funds and the primary excuse, and it's accurate, that has been given is because there is no flexibility in the statutes that date back to when this thing was formed for adjusting to times of inflation and the realities of the world we live in today, and, therefore, the funds have been put into things that just guarantee they are going to be in trouble. There has been no flexibility. Very simply, it adopts the Prudent Man Rule. I urge the advancement of the bill.

PRESIDENT: Okay, Senator Fowler. Senator Fowler, anything additional? That will....Senator De Camp, does that consist of the opening and the closing on this then, because I don't see Senator Fowler. Senator Beutler, did you wish to discuss the....?

RECESS

SPEAKER MARVEL FRESIDING

SPEAKER MARVEL: Record your presence. Does anyone else wish

to be recorded? Okay, record the vote, Mr. Clerk.

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

SPEAKER MARVEL: The Clerk has some items to read in before we continue.

CLERK: Mr. President, first of all, a reminder that there will be a chairmen's meeting tomorrow morning in Room 2102 at eight-thirty in the morning.

Mr. President, the Government Committee would like to meet in executive session underneath the North balcony upon adjournment today. That is the Government Committee.

Mr. President, I have a communication from the Speaker indicating that a priority designation for LB 435 has been withdrawn and, Mr. President, I have new bills.

Mr. President, new bills. LB 656 offered by Senator Labedz. (Read by title for the first time, LBs 656-664. See pages 111-113 of the Legislative Journal.)

. PEAKER MARVEL: Okay, we're ready to take up item #7.

CLERK: Mr. President, the proposed rule amendment #7 has to do with cloture. (See page 113 of the Legislative Journal.)

SENATOR WESELY: Mr. Speaker, members of the Legislature, the proposed rule change concerning cloture came from committee after being introduced by Senator Beutler. It deals with the problem of extended debate, basically a filibuster situation where those who can propose amendments, callous amendments or motions or what have you that would preclude the chance for a decision on a motion or a bill. The problem is, how do we deal with that problem? So what we came up with was a cloture rule that said five hours of debate on any stage of consideration, General File, Select File or Final Reading, you get five hours. After that amount of debate if someone makes a motion to cease debate, can vote on the motion at hand and the issue at hand, it is in order to stop all the amendments and all the other motions and go to the question at hand and vote on it. It is an attempt to try and allow extended debate. Five hours on each stage is a long time to debate any issue

SENATOR HABERMAN: I would be more than happy to support studded snow tires on the Gerald R. Ford Freeway as maybe he won't slip when he comes to Omaha.

SENATOR LABEDZ: That's for sure. Thank you, then I would ask that my name be added to the resolution.

PRESIDENT: Alright, Senator Labedz says her name... Is there any other senator who wants his or her name to be added to... Senator Cope.

SENATOR COPE: Please add my name.

PRESIDENT: Senator Cope would like to have his name added. Any other persons? Alright, if there are no objections, those names which the Clerk has will be added by unanimous consent to the resolution. And, Senator Haberman, I believe all have spoken that want to speak. You may close on the resolution.

SENATOR HABERMAN: Mr. President, members of the Legislature, I would like to close in saying that in spite of what you read in the press, it can be done and it shall be done as we have talked to the United States Transportation Department at Washington, D.C., and if there still is a Washington, D.C., if President Reagan doesn't get through taking care of it or apart piece by piece, that we can pass a bill designating that that be named the Gerald R. Ford Expressway and that will be it. We can do it so it can be done. It is not illegal and I ask for your support of this resclution. Thank you very much.

PRESIDENT: The question then is the adoption of LR 209. All those in favor vote aye, opposed nay. Has everyone voted that wants to vote? Anyone that wants to vote... Record the vote.

CLERK: 29 ayes, 1 may, Mr. President, on the adoption of the resolution.

PRESIDENT: The motion carries. LR 209 is adopted. Do you have some things you want to read in?

CLERK: Very quickly, Mr. President. I have an announcement from the Speaker regarding moving from Pass Over to General File and Special Order items have been scheduled for Monday, February 1 to include LBs 387, 631 and 589.

PRESIDENT: We're on agenda item #5, General File. The first bill, Senator Chambers' bill will be laid over because Senator Chambers is not present. We will go into LB 435, Mr. Clerk.

CLERK: Mr. President, LB 435 offered by the Urban Affairs Committee. (Read title.) The bill was first read on January 20 of last year. At that time it was referred to the Urban Affairs Committee, Mr. President. The bill was advanced to General File. There are Urban Affairs Committee amendments attached.

PRESIDENT: The Chair recognizes Senator Landis.

SENATOR LANDIS: Mr. Chairman, members of the Legislature, I need to just ask the question of Pat. In what order will we be taking...do we do first the committee amendments, then the amendments to the committee amendments and then the bill?

PRESIDENT: I suppose, Senator Landis, it would be best if you have an amendment to the committee amendments to take that up first. That would probably be the most, clearest way of handling it.

SENATOR LANDIS: Okay, taking the amendments to the committee amendments, those of you who are concerned, you will find them on your desks, the reason being these amendments appeared in last year's Journal and you won't find last year's Journal on your desk. They have been distributed to you and they appear on this sheet right here.

PRESIDENT: Alright, so we will be discussing the Landis amendment to the committee amendments at this time.

SENATOR LANDIS: I guess I should tell you just a little bit about the history of the bill and why these amendments are here. The joint Housing Authority bill came to us from a study by Housing Authority members, attorneys, financiers lastyear and they brought us, in essence, a real Christmas tree of a bill. We had a long public hearing on the question.

PRESIDENT: Some friends of yours, Senator Landis?

SENATOR LANDIS: Not at all, no. I thought there were enough people in the body who didn't want to hear me speak.

PRESIDENT: I didn't even see anybody signal anybody.....

SENATOR LANDIS: Well I will continue then. The bill was a real Christmas tree of a bill and the committee cut back the import of the bill quite considerably with committee amendments. We, however, in doing so really didn't draw our amendments as clearly as they needed to be done particularly because there is reference to federal statutes

and we didn't make the appropriate delineations in some cases. I can tell you what those lines that seem very difficult to understand on this page do. In part they return reference to the U.S. Housing Act, Section 8. the designation of that, so that the Housing Authorities could operate agencies or instrumentalities to carry out the purposes of that section. Another thing that we change is the word "bond" to "bond issue". Those are considerably different. You can issue a lot of bonds at one bond issue and rather than listing all the hundreds of bonds that perhaps the Omaha Housing Authority would have, the listing of "bond issue" would simply indicate those times when bonds were purchased and the total amounts. The committee amendments are the significant action that needs to be taken. The amendments to the amendments are for the most part technical in nature and are agreed to by all parties. I would move for their adoption and then I will explain in detail the committee amendments which really have changed the nature of the bill somewhat and trimmed it down from the green copy.

PRESIDENT: Alright, addressing yourselves to the amendment to the committee amendments, the amendments to the committee amendments. Any further discussion? Senator Landis, I guess that is it so we will take a vote on your amendments to the committee amendments. All those in favor vote aye, opposed nay, on LB 435. Have you all voted? Record the vote.

CLERK: 23 ayes, 0 mays on adoption of the Landis amendment to the committee amendments, Mr. President.

PRESIDENT: The motion carries. The amendments to the committee amendments are adopted. Senator Landis, you may proceed now.

SENATOR LANDIS: Now that my critic in the back has silenced I will speak in a little lower tone of voice. The committee amendments generally prune LB 435 down from the list of things that were in there originally. 435 does a number of things. It was originally brought to allow for the merger of housing authorities and it was contemplated that this would be done in the smaller or more rural areas where a housing authority might own as little as a duplex or a fourplex and an individual town might have a housing authority or a county might have a housing authority. They might want to band together to ease administration to cut some of the paperwork that they might have to do to allow them to create enough of a base that they might be able to underwrite their activities a little better, a little more easily and 435 creates a voluntary mechanism

by which different political subdivisions can agree to have their housing authorities merge and operate together. Also 435 sought to put into statute recognition of the fact that federal legislation has occurred in this area over the last ten years without a subsequent change in our state language. Now housing authorities have acted pursuant to their federal authorities, the powers that have been given to them under the United States Housing Acts but at the same time the state language has grown more and more obsolete because of antedated references. Those changes were also sought. They didn't really grant new powers because those powers have been granted by federal legislation but they were incorporating into state law powers that housing authorities were now exercising pursuant to federal grants. But beyond this there were additional attempts to legislate some housekeeping authorities that the committee took a dim view of and because of that there are a number of committee amendments, among them, excluding metropolitan class cities from participation in joint housing authorities. We had a big hearing on the Douglas County situation. It was one brutal day in the Urban Affairs Committee and we felt that this was not an appropriate situation. The purpose of joint housing authorities is for the merger of rural districts, not for the merger of large urban districts particularly in Omaha where they have a Douglas County Housing Authority and an Omaha Housing Authority. It was not our business into getting to pressuring either of those groups to merge together and we had a lot of adamant testimony against that prospect. The committee struck the possibility of a merger in metropolitan class cities. We also struck an exemption from the state sales tax for purchases made by housing authorities. They wanted this, tucked it away in the bill. We found it and cut that sales tax exemption out. The committee also struck a provision allowing for cooperation between housing authorities to assist private organizations or individuals with housing projects other than housing authority projects. We didn't want the housing authority to get into the business of underwriting or assisting in essentially private kinds of situations. We also struck a section that would permit the housing authority to function in a manner similar to the Nebraska Mortgage Finance Fund. In other words, the power to issue bonds to finance projects undertaken by other concerns. Again, something the committee pared out The committee amendments eliminated a sixty day provision for the approval of governing bodies. The housing authorities had asked us in the original 435 to say, if a city council hasn't acted on their plans in sixty days, we'll deem it to be approved. We didn't want to limit local political subdivisions and tie their hands in this way. We struck that provision in the committee amendments. We struck the provision allowing housing authorities to issue obligations

other than bonds and we also reinstated a stricken provision regarding the type of notice which must precede a public sale. The housing authorities wanted to do away with this public notice. We said the public notice had value. We kept it. We also struck provisions on how to handle claims by tenants who have property that have been perhaps taken or at least allegedly taken by a housing authority and they wanted to take away some of the existing claims procedures and use a different procedure. We struck that provision leaving them with the same claims rights that they have now. Those are the kinds of things that the committee amendments do. Essentially they cut back on the list of gimmes that the housing authorities came to us with when we were looking at LB 435. It tries to pare down to, number one, the idea of joint housing authority mergers in rural areas outside of Douglas County. It continues the concept of the bill to update state language so it is consistent with federal law changes of the last ten years and it makes some slight increase in duties for housing authorities for as far as public information about their tasks and the availability of that. We had testimony in the committee that information about bond issues, information about property that was being purchased was not commonly available and we made it clearer that that information had to be public record and open to public inspection prepared for a report for the city councils and given to those city councils and then open to the public. So that is what is left in 435 if you vote for the adoption of the committee amendments. I move for their adoption at this time.

PRESIDENT: The Chair recognizes Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker, members of the body, I do have a few questions of Senator Landis if he would give me a little bit of his time. Senator Landis, can you explain what the reasons are for not permitting a joint housing authority in Douglas County?

SENATOR LANDIS: Yes.

SENATOR V. JOHNSON: ....great controversy on the committee.

SENATOR LANDIS: Well it was not on the committee. The controversy was in the hearing room and we had a lot of testimony about the prospect of merger there forced on one or other of the bodies by an outraged citizenry, by intimidation, by political machinations at election time and the like. The introducers of the bill, the housing authorities, who came to us with this idea said, "We brought this to you essentially because we want to merge rural districts. We

don't want to get into a fight in Douglas County. It was not our reason for bringing the bill and we found substantial citizen reaction addressed to the committee saying we find one of the housing authorities more open than the other. We don't want it swallowed up by the other one. We don't want to fight a battle of merger in Douglas County. And since that citizen outrage, if you will, was consistent with the purpose of the bill as brought by the drafters of the bill to allow for rural mergers, the committee just decided to not act in the area of Douglas County.

SENATOR V. JOHNSON: Okay. Now under this bill if a joint housing authority is to be created, that does require the resolution of the county board as in Douglas County for the Douglas County Housing Authority and the city council in Omaha. Wouldn't that be correct?

SENATOR LANDIS: Yes. It has to be an agreed upon merger by both parties.

SENATOR V. JOHNSON: So you really have to get a meeting of the minds of both parties.

SENATOR LANDIS: That is right.

SENATOR V. JOHNSON: And there would be a lot of citizen input on that, wouldn't there, Senator Landis?

SENATOR LANDIS: Certainly there would.

SENATOR V. JOHNSON: And you would think that those elected officials would be cognizant of citizen input, wouldn't you?

SENATOR LANDIS: Mmm, hmm.

SENATOR V. JOHNSON: I really am troubled. I am wondering why we really ought to make this exemption for Douglas County.

SENATOR LANDIS: One reason that I think we could state is that, representatives of Douglas County Housing Authorities did not ask for this power and did not, as I recall, express any argument with being excluded from the merger provisions since they had no desire to merge at this time. At this point they wanted to continue on with their own business and there was no attempt on their part to merge with each other.

SENATOR V. JOHNSON: Let me ask one more question, different subject. I was looking at the claims provision. It would appear as though we have established a separate statutory claims provision for housing authorities separate and distinct from the political subdivisions Tort Claims Act. Do

you think that is good policy? In other words, why don't we just say that the housing authorities are covered by the political subdivisions Tort Claims Act and one follows the remedy as outlined in that act for asserting a claim, a tort claim at least against a housing authority?

SENATOR LANDIS: One of the virtues of this is that the political subdivisions Tort Claim Act can have all kinds of applications for all kinds of tort claims. With respect to claims for housing authorities they are likely to be of exactly one kind, one repetitive kind and that is, a tenant whose property has been confiscated out upon moving out for failure to pay claims the property. So it is a very narrow range of situations. Number two, the Tort Claims Act, I'm sorry, you'll have to...can you point to the section of the bill that you're concerned with?

SENATOR V. JOHNSON: Well I think it is Section 54, it is on page 54 of the white copy that I have in my bill book. It is Section 20 of the bill.

PRESIDENT: One minute left, Senator.

SENATOR V. JOHNSON: Well we could talk about this privately, Senator Landis.

SENATOR LANDIS: That is fine. Yes, if it is on Select File we can talk about it then. It is not my intention to create a more cumbersome system but perhaps a less cumbersome system and that is why the language, I think, was originally drawn.

SENATOR V. JOHNSON: Well you also in your committee amendments you have a provision that says that the housing authority has insurance coverage for the particular claim. Then these statutory provisions don't even obtain I mean and the claim is just made directly against the insurance carrier. How did that particular item come to pass, Senator Landis? That is in the committee amendment.

SENATOR LANDIS: Right. I'll have to check my notes on that, Senator Johnson, although I can tell you that the language in the bill was negotiated essentially between members of the Department of Economic Development, the Omaha Housing Authority and the committee staff and from which of those possible origins the language came from I cannot tell you at this time.

SENATOR V. JOHNSON: Okay, thank you very much.

PRESIDENT: The Chair recognizes Senator Cope.

SENATOR COPE: Mr. President, members, a question of Senator Landis.

SENATOR LANDIS: Yes.

SENATOR COPE: Senator Landis, now that the metropolitan area is excluded in the amendment, what about the interest in people other than metropolitan at the hearing? I guess maybe I will start with this. Who brought the bill?

SENATOR LANDIS: Well perhaps your committee statement will make it clear. I don't have one in front of me. The bill essentially came from the Department of Economic Development on behalf of the housing authorities that exist. They organize among themselves and have their own association and that association is working with the Department of Economic Development. My contact at the earliest stage was with Jeff Jorgensen in that department. I can tell you that the association, speaking essentially on behalf of its rural members was saying they wanted the bill to give them a tool for merger if their boards, local counties, local cities, could agree on a more efficient merger than keeping individual housing authorities in every one of those communities.

SENATOR COPE: In other words, generally speaking then, the bill was brought for other than the metropolitan area?

SENATOR LANDIS: That is correct.

SENATOR COPE: Through the Economic Development.

SENATOR LANDIS: That is correct.

SENATOR COPE: And it is of course permissive legislation.

SENATOR LANDIS: Correct on all counts.

PRESIDENT: Any further discussion on the committee amendments on LB 435? Senator Landis, I guess you may close on the committee amendment.

SENATOR LANDIS: Mr. Speaker, this just simply are the committee amendments which essentially prune LB 435 down from the list. It originally was given to the committee. I think it is a realistic outlook on housing authorities. Essentially it keeps their powers from getting too diffuse and entering into financing arrangements that gets them away from the tasks that they should be doing. It keeps them into the business of providing housing, low cost housing under their own auspices and allowing them to merge in the event they can get the consent of other parties and other housing authorities to do so and I think it represents no danger to the well being of either the tenants or the

housing authorities throughout the state but simply offers them the opportunity for banding together in a more efficient form if all parties wish to do so.

PRESIDENT: The question then is the adoption of the committee amendments on LB 435. All those in favor vote aye, opposed nay. Have you all voted? The motion is to adopt the committee amendments on LB 435. Have you all voted? Record the vote.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of the committee amendments.

PRESIDENT: The motion carries. The committee amendments are adopted. Senator Landis, you may now proceed on the bill. Senator Landis, we're ready then to proceed with the bill. Move the bill.

SENATOR LANDIS: Let me just tell you the provisions that are now in there although I have talked about a number of Number one, you have the voluntary merger of housing authorities other than Douglas County. You allow housing authorities to mortgage their property to invest reserve funds in a number of different governmental institutions in the same way as Nebraska subdivisions do. You allow housing authorities to establish regulations pertaining to the termination of tenancy and abandonment of personal property. You allow housing authorities to transfer property and assets among themselves and to dissolve. if they wish to do so, and we also indicate that housing authorities should make more ample reporting and to make sure that those annual reports are available to the public. The only other provision there that I think is really worthy of discussion is the fact that this would permit housing authorities to establish agencies or instrumentalities and these would be nonprofit corporations to provide federally assisted housing. It requires sometimes an instrumentality to comply with the U.S. Housing Act and the federal language that authorizes this kind of an intermediary. These agencies could issue bonds which would be repaid by the projects that they financed and wouldn't obligate the state or any other subdivision and those are now, the essential contents of LB 435. I guess I want to close by saying that this kind of bill occurs when you have a situation like we've had in this area when we haven't updated the language in ten years and take all of those changes and put them in one bill and that is the way the bill was brought to us. It really is a mish mash of ideas and frankly, had we been doing our business on a more piecemeal basis, this kind of bill would not have been brought but it is a ten year update in state language on housing authorities and for that reason has a

number of provisions that makes it somewhat difficult to follow and for that I am apologetic but I thought it was better to bring one bill than fifteen and that is why the bill is there.

PRESIDENT: Any further discussion then on the advance of LB 435? I guess that is the opening and the closing, Senator Landis. We are ready to move the bill on. All those in favor then of advancing LB 435 vote aye, opposed nay. Have you all voted? We're voting on the advancement of LB 435. Well, Senator Landis, I guess...Senator Landis, I guess we'll have to have a Call of the House so that... no, we're alright. Record the vote.

CLERK: 26 ayes, 0 mays on the motion to advance the bill, Mr. President.

PRESIDENT: Motion carries. LB 435 is advanced to E & R initial. Senator Higgins is not here so we will lay over... LB 314 will be laid over. We are ready then for LB 127, Mr. Clerk.

CLERK: Mr. President, LB 127 introduced by Senator Sieck. (Read title.) The bill was read on January 13 last year, referred to the Government, Military and Veterans Affairs Committee for hearing, Mr. President. The bill was advanced to General File. Senator, would you like to take up your amendment or do you want to go ahead and just explain the bill? What would your preference be?

PRESIDENT: Senator Sieck, do you want to explain the bill first and then take up your amendment or which way?

SENATOR SIECK: The amendments will be a part of the bill so I should really explain the bill and then go into the amendments so they will know what I am doing.

PRESIDENT: There are no committee amendments, is that right? Alright, so, Senator Sieck, proceed to explain the bill and then we will take up your amendment. Senator Sieck.

SENATOR SIECK: Mr. President, members of the body, this bill was brought out of committee the first of the year and the purpose of LB 127 is to create a state survey records repository and to make various technical amendments to existing statutes dealing with county surveyors. This bill, if enacted, would give county boards authority to set rates given the county surveyor on a daily basis and remove all ceiling rates given the county surveyor. This is done to allow the county board to work out a reasonable agreement with the county surveyor without being hindered by obsolete

CLERK: Mr. President, your committee on Appropriations whose Chairman is Senator Warner to whom was referred LB 604 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File and 604A advanced to General File with committee amendments attached. (See page 492 of the Journal).

Your committee on Enrollment and Review respectfully reports that LB 435 is advanced to Select File with E & R amendments attached. (See pages 493 and 494 of the Legislative Journal).

Mr. President, Senators Chronister and Higgins ask unanimous consent to add their name to LB 882 as co-introducer.

PRESIDENT: Any objections? If not, so ordered. Ready then for the next bill on General File, Special Order by the Speaker, LB 589, Mr. Clerk.

CLERK: Mr. President, LB 589 offered by the Banking Committee and signed by its members. (Read title). The bill was read on January 6 of this year. It was referred to the Banking Committee for public hearing. The bill was advanced to General File, Mr. President.

PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR DeCAMP: Mr. President and members of the Legislature, last year the Legislature completely rewrote the limited partnership laws. The last time it had been done was 1916. When we did it, taking the advice...and I am not going to take the blame, taking the advice of some professors from different universities, we left out some things that had been put in in 1971 and '77. They were technical things and, quite frankly, quite minor, but they screwed up the operation of a couple of limited partnerships that were in existence and so we are reinstating that language and that is what this amounts to. It is a technical correction of the thing we left out last year and it is agreed to by everybody. The people that drafted the new law, the uniform law, agreed that these probably should have been left in, so what they have to do with, keeping records, for example, you don't have to keep physical records in the State of Nebraska if the limited partnership base is outside of the state. some things like that. I would move advancement.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Senator Landis.

LB 259, 335, 435, 679, 714, 725, 733, 770, 779, 781, 805, 866, 901

February 16, 1982

Your committee on Public Health reports LB 714 advanced to General File with committee amendments; 725 advanced to General File; 781 General File with amendents; 805 advanced to General File with amendments; 901 advanced to General File with amendments; 733 indefinitely postponed; 679 indefinitely postponed; all signed by Senator Nichol.

Your committee on Banking reports LB 866 advanced to General File with amendments.

Mr. President, Senator Fowler asks unanimous consent to add his name to LB 259 as co-introducer.

SPEAKER MARVEL: Hearing no objections, so ordered.

CLERK: Mr. President, Senator Schmit would like to print amendments to LB 779; Senator DeCamp to 335; Senator Landis to LB 435.

Mr. President, Senator Fenger would like to be excused Wednesday, February 17 at 10:30 a.m.

And Senator Labedz announces a meeting of the Constitutional Revision and Recreation Committee for Wednesday morning at eight-thirty in Room 2102, Wednesday morning, 2102, Constitutional Revision and Recreation.

Mr. President, a motion from Senators Beutler and Fowler that LB 770 be placed on General File notwithstanding the actions of the Revenue Committee, and they say that is Senator Wesely and Beutler, Mr. President.

SPEAKER MARVEL: That bill will be laid over. Any other items,  $\operatorname{Mr}$ . Clerk.

CLERK: Nothing further, Mr. President.

SPEAKER MARVEL: Okay, Senator Chronister, do you want to adjourn us until February 17th at nine o'clock?

SENATOR CHRONISTER: Mr. Chairman, I move that we adjourn until 9:00 a.m. Wednesday morning.

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. Motion is carried. We are adjourned until February 17th, 9:00 a.m.

Edited by Mary Furner

would move for the adoption having explained that this shifts responsibility for SID elections from the SIDs to the election commissioners who have asked for that authority.

SPEAKER MARVEL: Any further discussion? All those in favor of the Landis amendment to the amendment vote aye, opposed vote no. Have you all voted? Record the vote.

ASSISTANT CLERK: 31 ayes, 0 nays on the Landis amendment as amended.

SPEAKER MARVEL: Okay, the motion is carried and the amendment is adopted. Senator Landis, the floor is yours.

SENATOR LANDIS: Mr. Speaker, I move the advancement of LB 359 to E & R Engrossment.

SPEAKER MARVEL: Any further discussion? Okay, the motion is the advancement of 359 as explained by Senator Landis. All those in favor vote aye, opposed vote no. Okay, record.

ASSISTANT CLERK: 26 ayes, 0 mays on the motion to advance the bill.

SPEAKER MARVEL: The motion is carried. The bill is advanced. Okay, the next one is 435.

ASSISTANT CLERK: Mr. President, I do have E & R amendments on LB 435.

SPEAKER MARVEL: Senator Landis, go ahead.

SENATOR LANDIS: I move the adoption of the E & R amendments to LB 435.

SPEAKER MARVEL: All in favor of that motion say aye. Opposed no. The motion carried. The E & R amendments are adopted.

ASSISTANT CLERK: Mr. President, I now have an amendment to LB 435. That amendment is offered by Senators Landis, Fenger, Duda, Remmers and Higgins. The amendment is found on page 713 of the Journal.

SPEAKER MARVEL: The Chair recognizes Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, the amendment found on page 713 is offered by the Urban Affairs

Committee. We had in committee this year a bill brought to us by the League of Municipalities and in essence that concept is found in this amendment. The committee decided in Exec Session that having had the public hearing and having agreed with the policy that was presented, that a simple amendment to 435 would merge the issues and we wouldn't have to go through the formality of a second bill. The language essentially allows the appointment of city council members to serve on housing authority boards. found that in some of the smaller communities out west there was a difficult time coming up with the five members of a housing authority board, that there were city council members able and willing to serve on that board and that they were willing to appoint themselves, or one of their number, to the housing authority boards and in so doing flush out the statutory requirement of five members of the board to govern housing authority. Apparently this is one of the few ways that they can find interested people to staff those boards, and the committee agreed with the League of Municipalities, but rather than passing up the bill sought to amend LB 435 to accomplish the same end, that is why this amendment is here. I move its adoption.

SPEAKER MARVEL: The motion is the Landis amendment to LB 435. Is there any further discussion? All those in favor of the motion vote aye, opposed vote no. Record.

ASSISTANT CLERK: 25 ayes, 0 nays on adoption of the Landis amendment.

SPEAKER MARVEL: The motion now....do you want to move to advance the bill? Senator Landis.

SENATOR LANDIS: Mr. Speaker and members of the Legislature, I move LB 435, a joint housing authority measure, to E & R Engrossing as amended.

SPEAKER MARVEL: All those in favor of that motion say aye. Opposed no. The motion carried. The bill is advanced. The next measure is LB 127.

ASSISTANT CLERK: Mr. President, I do have E & R amendments to LB 127.

SPEAKER MARVEL: Senator Kilgarin.

SENATOR KILGARIN: I move the E & R amendments to LB 127.

SPEAKER MARVEL: All those in favor of adoption of the E & R amendments say aye. Opposed no. The motion is carried.

March 15, 1982

LP 251 LB 961, 962 LB 839, 868, 877, 931, 941, 951, LB 378, 435, 577, 601, 609, 634, LB 651, 697, 716, 774, 784, 792

CLERK: Mr. President, very quickly, Senator Landis would like to print amendments to LB 868.

A new resolution, LR 251, offered by Senator Wesely. (Read.) (See paged 1176, Legislative Journal.) That will be laid over, Mr. President.

Mr. President, your committee on Enrollment and Review respectfully reports we have carefully examined engrossed LB 378 and find the same correctly engrossed, 609, 634, 435, 577, 601, 651, 697, 774, 716, 784, 792, 839, 877, 931, 941, 951, and 961, and 962 all correctly engrossed. And that is all that I have, Mr. President.

SENATOR CLARK: Senator Stoney.

SENATOR STONEY: Mr. President, I would move that we adjourn until 9:00 a.m., March 16th, 1982.

SENATOR CLARK: You heard the motion. All those in favor say aye, opposed. We are adjourned until nine o'clock tomorrow morning.

Edited by Arleen McCrory.

March 18, 1982

Mr. President.

PRESIDENT: Motion is to readvance LB 428 to E & R for engrossment. All those in favor signify by saying aye, opposed nay. What? A machine vote, Senator Stoney? A machine vote has been requested. All those in favor vote aye, opposed nay. Clear the Board. Record the vote.

CLERK: 40 ayes, 5 mays to readvance the bill, Mr. President.

PRESIDENT: The motion carries. LB 423 is readvanced to E & R for engrossment. Motion on the desk.

CLERK: Mr. President, Senator Burrows would move to return LB 428 to Select File for a specific amendment, that amendment being to strike the enacting clause.

PRESIDENT: All right, the Chair recognizes Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the body, the amendment does make it much more palatable than before but I feel that this area that the debate has not shown specific needs for changing the guardianship law in the manner we are justifies the passage of the bill. I still feel this bill will cause expensive cases that are going to retest guardianship laws, that it is not a solution to make this change at this time and that it does not justify passing. I will, however, withdraw my motion to indefinitely postpone. I think there has been a great deal of debate on the issue this morning and I would just urge the members not to support the passage of this bill at this point. I feel that Senator Sieck reads the bill differently than I do because I think in his own situation that it would make it more complicated for his family situation in his discussion of it. I don't think we are that far apart in what we want to eventually happen but I would urge the body to vote against the bill and I withdraw the amendment to indefinitely postpone.

PRESIDENT: The motion is withdrawn, Senator Burrows. We will take up the next bill on Final Reading, LB 435.

CLERK: Mr. President, I have a motion on the desk.

PRESIDENT: Motion on the desk. Read the motion.

CLERK: Senator Beutler would move to return LB 435 to Select File for specific amendment. The Beutler amendment would read as follows: (Read Beutler amendment as found on pages 1255 and 1256, Legislative Journal.) PRESIDENT: The Chair recognizes Senator Beutler.

SENATOR BEUTLER: Mr. President, Senator Landis would like to have a repeat of the Clerk's reading of the amendment.

PRESIDENT: All right. Mr. Clerk, will you repeat the motion?

CLERK: (Reread Beutler amendment.)

SENATOR BEUTLER: Pat, that should be line 27, page 17, is that what you said?

CLERK: Yes, sir, I thought I did. (Continued reading Beutler amendment.)

PRESIDENT: Okay, Senator Beutler, do you want to take it from there?

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I apologize for being such a nuisance this morning but they were two important bills that did a lot of things. 428, we have already discussed. 435 is another bill that to my knowledge hasn't had a lot of discussion this session and it showed up on Final Reading, and as you can see, it is a bill of 50 pages which broadly expands the powers of housing authorities and creates joint housing authorities and allows for the merger and combining of housing authorities, a very, very comprehensive bill that I have a number of problems with but I tried to set forth the four things that struck me as items that certainly should be changed in the bill before we pass it. If you would turn to page 17 of the bill and look at line 27, the only thing I have done there is drop the word "present" so that when the board of the housing authority votes on an issue, whatever that issue may be, the vote that would be required would be a majority of the commissioners. The way the bill reads right now a majority of those present can vote to effectuate all of these additional powers that the housing authority has in addition to all of its evisting authorities. A majority of those present under the bill the way it is and under the current law the way it was, too, I object generally to this kind of a provision. Under the current bill a simple majority of those present which could be as few as two people could vote to issue bonds, could vote to mortgage property, could vote to borrow funds, could do anything and everything that the housing authority could do. So the first thing the amendment does is to change that so it requires a majority of the board, a majority of the board, to take action. Secondly if you would turn to page three, line 27, and if you would start up in line 4, you would see that the bill gives all cities, villages and counties the power and authority to

create housing authorities. That is current law, and then it says, "and joint housing authorities". So now we are providing for the creation of a new kind of authority except that cities of the metropolitan class...did I say line 27. I am sorry. I am reading now up on lines 4 through 8 on page 3. okay, but it says that cities of the metropolitan class shall not create or participate in joint housing authorities. So everybody can have joint housing authorities except Omaha and I am putting in there everybody except Omaha and Lincoln because to my knowledge nobody in Lincoln has come to me and said we want a joint housing authority. I personally don't see the need for a joint housing authority in Lincoln and I would just as soon exclude Lincoln from the If the rest of you would like to have joint housing authorities, that is fine but the second point of the amendment is to exclude Lincoln from the power to create joint housing authorities. The third point in the amendment, the third of the four points, is back on page 36, if you want to turn there. Now one of the things that the bill does, it is a real hodgepodge. It dwells into a whole number of areas with regard to housing authorities and housing development and it looks like a number of agencies have come together and thrown in all the changes that they want in a number of different areas. And starting on page 34 there is new language that continues on to page 36, all of it has to do with the rules and regulations pertaining to tenants and the termination of tenancy and what the authority can and cannot do with regard to tenants and one of the things that it provides is that if property is left with the authority that they have the option to dispose of the personal property in any manner in which the authority deems fit. Now they have some incentive to sell the property for all they can get because the proceeds from the disposal in this case are to be paid to the general fund of the body that created the authority. But I didn't want to give them the prerogative of selling that property at less than fair market value. There is nothing in here that says that you have to sell it at fair market value. I wanted to preclude the situation where for some reason or another they may want to sell it to one individual or another just to get rid of it for less than its value. So I made a change there and required that it be sold at fair market value. fourth item is possibly, and certainly in a philosophic sense and a very practical sense, the most important of the four items and I would like you to turn to page 42, if you would. You will see on page 42 a number of lines that have been stricken and then you will see some new language and the new language says that bonds may be sold or placed at either public or private sale in such manner and upon such terms as are authorized by resolution of the authority. Now what is being changed here if you look at the crossed out language is the old requirements that the bonds shall be sold at not less than par at public sale after notice. In other words. this statute contained a competitive bidding provision and now they are doing away with competitive bidding and simply letting the authority go out and issue the bonds by dealing privately with any particular bond company that they may be interested in. For four years in this Legislature I have avoided discussions and there have been a number of occasions for these discussions where bonds have been authorized to be sold at public or private sale. A number of states have gone the direction in recent years of requiring public sales. that is, requiring competitive bidding, requiring that each and every broker in the state get a shot at the bid. tends to happen in this state and elsewhere is that a particular bond broker will develop a relationship with a certain individual on a certain board or with a certain board in a certain entity and so long as he is not caught doing something terribly unscrupulous he will continue to have that relationship for years and years and years and it is my opinion that that is not a particularly healthy situation, that what we really need is a little more competition in the industry and that if we should be going in any direction, it should be in the direction of requiring public sales. I have not advocated that to date because I feel I need to get some additional information but I think it would clearly be wrong to move in the opposite direction, that is, to move in the direction of private agreements and crony relationships as it has to do with the sale of bonds. Now there are some arguments to the effect that timing is essential in the sale of bonds and that you need that kind of flexibility but that kind of argument has its reply and the reply is that nobody can judge the bond market, not even the experts...

PRESIDENT: One minute, Senator Beutler.

SENATOR BEUTLER: ...and as likely or not it would work out to your advantage as to your disadvantage by having a public sale of those bonds, that is, that the advantage that you would get on the price would probably make up for any disadvantage that you would likely incur over the long run by virtue of the inflexibility of being able to move instantly at a particular moment in time. So those are the four items, dropping the provision that essentially moves it back to private sales; most importantly requiring that a majority of the board act on all decisions, not just the majority of those present; and then the two smaller items. So with that, Mr. Speaker, I would ask for the adoption of the amendment.

PRESIDENT: The Chair recognizes Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I would oppose the amendments. Although I was trying to make annotations as I was going down in reacting to them, I will try to respond to the questions that Senator Beutler raises in half the time since that is the way the rules permit me to respond. The law right now is that a majority of those present on a housing authority can bind the board. A quorum is three. A board usually has five. There are housing authorities throughout this state. They are not always large. There are many small towns that have housing authorities and there are problems with getting an appointment from all five seats. That is one of the reasons we had made an amendment earlier this session to allow the appointment of that fifth member by being a city council member. Frankly, I do not know of any evidence of abuse that says that the majority of those present cannot bind a housing authority. Perhaps this is in recognition that in fact there are small towns that have housing authorities that in fact rent only a duplex, and that is the sum total of their function, and on those kinds of matters I am not so sure that the law hasn't been reasonable. I certainly have no reason to suspicion or evidence that it has been abused and that has been the law for a number of years. That, of course, is up to you as to how you want to vote. With respect to the merger of housing authorities, this is a matter of considerable evidence before the Urban Affairs Committee. We had a four hour hearing on this issue. Ultimately the Urban Affairs Committee decided that only in Omaha was there the specter of a merger of housing authorities between the Douglas County Housing Authority and the Omaha Housing Authority that might be contradictory to the reasons why we had brought the bill, why the bill were brought, which was to allow the merger of smaller housing authorities into a group that could function together. In Lancaster County there is no Lancaster County Housing Authority which operates in competition with the Lincoln Housing Authority. So you do not have the same situation. Lincoln did not ask to be excluded from this provision. The Housing Authority representative, Alan Peterson, was present and did not ask for the City of Lincoln to be excused nor has our City Council nor has any representative from the City of Lincoln that I know of. The general rule should be where more effective mergers can exist and they are consensual which these are on both parties parts they should be allowed to merge. I see no reason to justify excluding Lincoln from something they have not asked to be excluded from which would require their consent in the first place. As to the fair market value, it is entirely possible that a housing authority may wish to utilize this property disposition by giving it to a charitable organization and not

ask for a dime and not to sell the property but to simply dispose of it. Implicit in Senator Beutler's idea is the requirement that it be sold and that it can only be sold at a fair market value. What if there is no fair market value purchaser? Apparently you have to keep this property around in some long lost storage closet. All I can say is that this is abandoned property, and abandoned property I think can be sold for whatever is reasonable without requiring a fair market value. You have property for which there is no owner and for that reason I think the housing authority can be entrusted with the task of disposing of it either charitably...

PRESIDENT: One minute, Senator Landis.

SENATOR LANDIS: ...or through the sale at whatever value they can receive. Finally with respect to the bonds, this is a matter of flexibility and timing. Perhaps Senator Beutler's policy question is a fair one. All I can tell you is the housing authorities of this state asked specifically for this power under the hopes that their greater flexibility would allow them to place bonds...to allow them to be in a better financial position and we had no opposition nor did we have any testimony of flagrant violation of the public interest. In the event that happens, I think we have access to remedy. But at this point housing authorities have been doing their jobs and I see no reason to deny them this flexibility. I would oppose the Beutler amendment and hope that we can move to a vote very swiftly on this issue.

PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR DeCAMP: Mr. President, I am going to oppose the amendment. There were some meritorious things in it I thought it sounded like. I have never seen the amendment other than going up and looking on the desk and it is almost impossible to read. I think the bill probably is okay the way it is. I think Senator Landis addressed most of the things. Senator Landis, were you ever contacted on these amendments? Have you gone over them? Okay, we're on Final Reading on major bills, we have never seen anything in the Journal, I have gotten a little gunshy on adopting amendments that I haven't pretty thoroughly studied. I just think if you have got an amendment of such a substantive nature where you are making changes all over, you ought to get the other side together, go over it and see if you can't get it settled in advance or else we can spend the rest of today and tomorrow and next week on a couple more bills on Final Reading because that is about

all we are going to get done if this is the process we are going to use. And with the explanation by Senator Landis and just the concept that if we don't know what is going on here without ever seeing amendments on major things that we are going to get ourselves in trouble so I am going to vote against the amendment and try to get the bill read.

PRESIDENT: The Chair recognizes Senator Newell.

SENATOR NEWELL: Mr. President, members of the body, I rise to oppose the Beutler amendment. I think I am going to Just say that I concur with Senator DeCamp's remarks and I want to publicly apologize to Senator Johnson for being the 25th vote. I am not sure we need final debate and I think in this regard that there are some significant changes here that may well in a couple of the cases deserve some further study. But overall this bill has been agreed to. It has been worked out. It is a good bill. One of the reasons we didn't have a lot of debate on it is because it is a delicate balance and I know that there are some people in my district that are most concerned about this legislation, they like it, both the Omaha Housing Authority and the Douglas County Housing Authority like it the way it is, and the changes that Senator Beutler offers haven't been looked at. I think that we ought to just leave well enough alone. For that reason I oppose this motion. In fact I would encourage Senator Beutler to withdraw it.

PRESIDENT: The Chair recognizes Senator Haberman. The question has been called for. Do I see five hands? I do. The question before the House is, shall debate cease? All those in favor vote aye, opposed nay. Record the vote.

CLERK: 27 ayes, 0 mays to cease debate, Mr. President.

PRESIDENT: Motion carries. Debate ceases. Senator Beutler, you may close.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, it is physically impossible and I think you all understand that to read each bill way ahead of time and stay on top of them. I try to do the best I can. Last night was the first opportunity that I had to sit down and review that bill thoroughly. And these are my conclusions, all I ask of you is to vote them up or down on the merits of the argument. I think we owe that much to the public. If you do not change the bill, if you do not adopt the amendment, then you are putting into effect a law which says that a

majority of those present can vote for the issuance, for example, of millions and millions of dollars of bonds. Now if that is the kind of procedure that you want, you don't have to have the amendment. But I think it is better public policy on any board that has this kind of power to require that a majority of those elected or those appointed, whatever the case may be, that they are the ones that should have the power to act and that a minority should never have the power, for example, to issue a large amount of bonds. It gives public officials, for an example, an opportunity to escape responsibility, simply fail to show up at a meeting and let your buddles vote for the issuance of all the bonds. That is just one pernicious effect of having that kind of law I think. But first of all, I just believe that the majority should rule. needs to be changed for that very important purpose. Secondly, it needs to be changed because it does away with the public bidding on the sale of the bonds. Now I can tell you from experience that by and large the governing boards of political subdivisions do not understand very well bonds, how brokers...the three or four different ways the brokers can make money off the sales of bonds. How many of you know what it means to sell on that par and realize that brokers can make money again by selling them at something other than par and then pocketing the difference between the sale price and the par value? It gets very complicated, but one good way that city officials and county officials have of understanding that situation is when they have three or four brokers coming and saying, hey, that guy is ripping you off here, you should understand this. And then they can get a response and go back to the other guy and they can say, that's not true our deal is better because of this and an understanding develops of exactly what it is they are doing and how much it costs them in terms of the interest rate, in terms of the payment to the broker for the sale of the bonds, in terms of attorney fees that they pay. If you have competitive bidding, you get that. If you don't have competitive bidding, you get the situation that we have in so many areas in Nebraska where turf is set aside, Chiles Heider is dealing with a certain town and it becomes very bad form for another broker to go to that town and try to hustle the business. Now that is not entirely true. It is very competitive in some areas but that tends to be the kind of development. I don't think that is a particularly healthy development. think we should not move in the direction of private sales but as a minimum retain the law the way it is rather than loosening the law. I think I will stop at that. The other two parts of the amendment are not nearly as important as those two, but I think that those two are worth returning it

to Select File, taking a couple extra days, get it back out here and go ahead and pass it but pass it in a form that we can be proud of. Thank you.

PRESIDENT: All right, the question is motion to return for the specific Beutler amendment. All those in favor vote aye, opposed nay. Have you all voted? Senator Beutler, what do you want to do? Do you want to have a...?

SENATOR BEUTLER: Mr. Speaker, I guess it is close enough but I would like to have a roll call vote.

PRESIDENT: All right, I think you better have a roll call vote. Would all the members please be at your desks as I remind you again, we... I know this sounds silly when you see everybody walking around, but we are on Final Reading. I believe everybody is at their desk now, Senator Beutler, shall we proceed. I think the only one absent is Speaker Marvel. Do you want to do that again just to make sure? Would all of you just show your presence so we can make sure that all but Senator Marvel are here. I think you are all here it looks like but there might be somebody absent. Senator Goodrich, do you want to show us your green and Senator Burrows and Wiitala, Senator Warner. Senator Duda is the only one that I see that is not here. Here he comes. So Senator Duda is here. Everyone is here. Senator Beutler, we will proceed then with the roll call vote on the Beutler motion to return LB 435 for a specific amendment. All those in favor vote aye, opposed nay. Read the ... call the roll.

CLERK: (Read the roll call vote as found on page 1256 of the Legislative Journal.) 21 ayes, 24 nays on the motion to return the bill, Mr. President.

PRESIDENT: Motion fails. Are there any other motions on the desk?

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

PRESIDENT: We will proceed then as soon as I introduce some visitors from Senator Cope's District, 18 students, Kindergarten through 6th Grade from District 5, Woodriver, Adrianna Davis and Carol Watters. Up here in the north balcony. Would they kind of wave to us and show us where they are at, and welcome to your Legislature. Welcome. We will now proceed with Final Reading, Mr. Clerk, on LB 435. Would all members please be at your desk, we are still on Final Reading. Sergeant at Arms will see that all members are at their desks. Go ahead, Dick, we just as well start. Okay, we are ready, go ahead.

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ASSISTANT CLERK: (Read LB 435 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 435 pass? All those in favor vote aye, opposed nay. Record the vote.

CLERK: (Read the record vote as found on page 1257 of the Legislative Journal.) 38 ayes, 9 nays, 1 present and not voting, 1 excused and not voting, Mr. President.

PRESIDENT: LB 435 passes. That will conclude Final Reading today. Mr. Clerk, you probably have some matters to read in which you will do at this time and then we will immediately proceed to agenda item #5 to take up the two resolutions on the agenda for today. Proceed, Mr. Clerk.

CLERK: Mr. President, explanation of votes offered by Senators Warner and Kilgarin to be inserted in the Journal.

Mr. President, your Enrolling Clerk has presented to the Governor the bills that were signed this morning. Mr. President, Senator Rumery would like to print amendments to LB 626; Senator Hoagland to 687. (See page 1258 of the Legislative Journal.)

Mr. President, LBs 628, 722, 782, 827, 69, 359 and 435 are ready for your signature.

PRESIDENT: While the Legislature is in session and capable of doing business I propose to sign and I do sign LB 628, 722, 782, 827, 69, 359 and 435. Before we take up agenda item #5, the Chair takes pleasure in introducing Greg Krieser from Eagle, Nebraska who is seated under the south balcony. At the present time Greg is in Senator Warner's District and he will be in Senator Carsten's District. So, Greg, would you step forward there if you are still over there and welcome, Greg, to the Legislature. Proceed then, Mr. Clerk, with agenda item 5, resolutions, commencing with LR 249.

CLERK: Mr. President, LR 249 offered by Senators Howard Peterson, Senators Wagner, Cope and Kremer, found on page 1171 of the Journal. (Read LR 249.)

PRESIDENT: The Chair recognizes Senator Howard Peterson.

SENATOR H. PETERSON: Mr. Chairman, so we don't take a lot of time, I just want to say a special word of thanks to this legislative body and to the Governor of this state

people and if the instrumentalities that they use to control the water situation do not please them ten years down the line they can adjust it. Finally it was suggested that this is a tool for land use control. It is not land use control. It is water use control. Now we all recognize that it has an effect on land use just as limiting withdrawal of water has effects on land use but at the same time not to act, not to act at all, is equally land use control because you will simply dictate that the use of the land will be for the developer who is putting the land into grain crops. That is the land use control that you will dictate by not acting. If you act, then you don't dictate anything. You say to the people in the local community, decide the issues yourself, resolve the differences, determine where your benefits are and where your detriments are and make the best of it in your own local community. In conclusion, I was distressed to hear that many of us who would be voting on this issue have no interest whatsoever in the issue. Time and time again in this Legislature the agricultural interests have pointed out to us and rightfully so, that the cities of this state and the city folk of this state depend in the end on agriculture. To suggest to us today that we should take no interest in agriculture is a contradiction of the grossest type and I don't think anybody believes in that. As the old beer commercial goes. "We're all in this together."

PRESIDENT: The question before the House is the motion to advance LB 726 to E & R initial. All those in favor vote aye, opposed nay. Have you all voted? All right, record vote. Record the vote and a record vote is requested.

CLERK: (Read record vote as found on page 1262 of the Legislative Journal.) 27 ayes, 16 mays, 5 excused and not voting and 1 present and not voting, Mr. President.

PRESIDENT: The motion carries and LB 726 advances to E & R initial. Next, do you have some matters to read in? Go right ahead.

CLERK: Mr. President, a few items to read in. New resolution, LR 255 offered by Senator Schmit. It calls for a study committee of the Legislature to conduct an interim study of the problem of theft of electricity, gas and water. That will be referred to the Executive Board for reference, Mr. President. (See pages 1262-1263 of the Legislative Journal.)

Your Enrolling Clerk has presented to the Governor for his consideration the bills that were read this morning on Final Reading. (Re: LB 628, 722, 782, 827, 69, 359, 435. See page 1263 of the Legislative Journal.)

IB 69, 267, 359, 435, 449, 579, 606, 628, 630, 654, 662, 692, 702, 703, 717, 718, 719, 722, 728, 729, 778, 782, 801, 829

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PRESIDENT: The amendment is adopted. We are going to stop now and recess until 1:30 and then we will come right back onto this bill. Senator Nichol, would you like to recess us until 1:30. We have one communication to read in.

CLERK: Mr. President, engrossed LBs 267, 359, 435, 449, 579, 606, 628, 630, 654, 662, 692, 702, 703, 717, 718, 719, 722, 728, 729, 778, 782, 801, 829 and 69 were signed by the Governor on March 19 and delivered to the Secretary of State.

SENATOR NICHOL: Mr. Chairman, I move we recess until 1:30 this afternoon.

SENATOR CLARK: You have heard the motion. All those in favor say aye. Opposed. We are recessed until 1:30.

Edited by:

Marilyn Zank