

January 15, 1981

LB 193-222

rules which the motion is before the desk.

SPEAKER MARVEL: Any further discussion? All those in favor of that motion vote aye, opposed vote no. Have you all voted? The motion is the Wesely motion. Have you all voted? Record the vote.

CLERK: 25 ayes, 10 nays on adoption of the permanent rules, Mr. President.

SPEAKER MARVEL: The motion is carried and the amendment is adopted. Senator Cullan wants to meet with the Public Health and Welfare Committee underneath the south balcony. Is that right, Senator Cullan? What is the next item?

CLERK: Mr. President, I have a series of matters to read in, if I may. First of all, Senator DeCamp offers a proposed rule change which will be submitted to the Rules Committee for their consideration. (See pages 180 and 181 of the Legislative Journal.)

Mr. President, new bills: LB 193 (Title read). LB 194 (Title read). LB 195 (Title read). LB 196 (Title read). LB 197 (Title read). LB 198 (Title read). LB 199 (Title read). LB 200 (Title read). LB 201 (Title read). LB 202 (Title read). LB 203 (Title read). LB 204 (Title read). LB 205 (Title read). LB 206 (Title read). LB 207 (Title read). LB 208 (Title read). LB 209 (Title read). LB 210 (Title read). LB 211 (Title read). LB 212 (Title read). LB 213 (Title read). LB 214 (Title read). LB 215 (Title read). LB 216 (Title read). LB 217 (Title read). LB 218 (Title read). LB 219 (Title read). LB 220 (Title read). LB 221 (Title read). LB 222 (Title read). (See pages 181 through 188 of the Legislative Journal.)

Mr. President, in addition your Committee on Business and Labor gives notice of public hearing for Wednesday, January 28. (See page 189 of the Legislative Journal.)

Mr. President, communication from the Chairman of the Executive Board which will be inserted in the Legislative Journal. (See page 189 of the Journal.)

Mr. President, I have an Attorney General's Opinion addressed to Senator Beutler regarding deferred compensation funds which will be inserted in the Legislative Journal. (See pages 189 through 192 of the Journal.)

SPEAKER MARVEL: May I have the attention of the members of the Legislature for just a second. I think the last few days have been tough on all of us. I think we are all

February 19, 1981

LR 19
LB 143, 20, 124, 167,
197, 313

SPEAKER MARVEL: Motion is carried. The bill is indefinitely postponed. What is the next? Okay, the Clerk has some items on the desk.

CLERK: Mr. President, your committee on Education whose Chairman is Senator Koch to whom was referred LB 313 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File.

Mr. President, I have a report from the Executive Board. It will be inserted in the Journal regarding selection of the ombudsman.

Mr. President, Senator Fowler would like to print amendments to LB 124; Senator Vickers, Beutler and Hoagland to LB 167.

Your committee on Public Health gives notice of hearings for March 12, Public Health for hearing on March 16 and your Constitutional Revision and Recreation Committee gives notice of hearing for February 27.

Mr. President, a communication from the Governor addressed to the Clerk...yes, sir.

SPEAKER MARVEL: I would caution the Legislature that after we finish what is on the Clerk's desk there are some amendments that go to 109. We will have to pass over that temporarily and then we go to Final Reading. So we will be on Final Reading in just a few moments. Go ahead, Mr. Clerk.

CLERK: Mr. President, a communication from the Governor. (Read. See page 580, Legislative Journal.)

Mr. President, a new resolution, LR 19 by Senator Cullan. (Read. See pages 580 and 581, Legislative Journal.) That will be referred to the Executive Board, Mr. President.

Mr. President, Senator Marsh asks unanimous consent to have her name added to LB 197 as cointroducer.

SPEAKER MARVEL: No objection, so ordered.

CLERK: Mr. President, finally, Senator Stoney offers explanation of vote.

SPEAKER MARVEL: The Legislature will be at ease for about three minutes and then we will go into Final Reading. The legislators will please take your seats so we can proceed. Okay, we are ready to proceed on Final Reading, item #6, and the first bill on Final Reading is LB 20. The Clerk will read.

February 19, 1981

LB 197

Senator Carsten to whom we referred LB 197 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File. (Signed) Senator Carsten, Chair.

SPEAKER MARVEL: Senator Haberman, do you want to adjourn us until nine o'clock tomorrow morning?

SENATOR HABERMAN: I so move, Mr. President.

SPEAKER MARVEL: Motion is to adjourn until Friday, February 20, 1981 at 9:00 a.m. All those in favor of that motion say aye, opposed no. Motion is carried. We are adjourned. Thank you for your cooperation and your continued interest.

Edited by


Mary A. Turner

March 23, 1981

LB 197

ready, in the North balcony in Senator Beutler and Senator Marsh's District were fifteen boys of Troop #2, Lincoln, Nolan Bode, Counselor and the record will show that they were in the North balcony. Are we ready for 197, Mr. Clerk.

March 23, 1981

LB 197

CLERK: Mr. President, LB 197 was introduced by Senator Kilgarin and Senator Marsh. (Read title) The bill was read on January 15 of this year. It was referred to the Revenue Committee for public hearing. The bill was advanced to General File.

SPEAKER MARVEL: Senator Kilgarin, do you want to explain the bill?

SENATOR KILGARIN: Thank you, Mr. Speaker and colleagues. This should take about five minutes as opposed to LB 167. You should all have informational packets detailing exactly what LB 197 does so I will just briefly summarize. For decades the federal government recognizing the frequent financial plight of many of our senior citizens enacted legislation providing an exemption for certain retirement income. Social security was exempt from taxation. Some pensions and other miscellaneous income was exempt. By the 60's they also noticed some private pensions and other people with minimal social security also needed this, some type of relief from their income tax. So they enacted an exemption under Section 37 of the Internal Revenue Code dealing with this. As an exemption taken against all taxable income, this also carried through to Nebraska state income tax because Nebraska bases its income tax off the federal income tax, but in 1976, the exemption was changed to a credit and, therefore, the flow through effect onto the state income tax was lost. The result was Nebraska senior citizens were unduly taxed without specific legislation and basically by default. This is a situation which I really feel needs to be corrected. I think it is long overdue. I would ask your support of 197. It basically just piggybacks a section of the Internal Revenue Code onto our state income tax just as our state income tax just piggybacks onto the federal income tax. Some of the most frequently asked questions about 197 are: Can we do this? What is it going to mean to us fiscally and what will it mean to our senior citizens? Honestly, there would be a revenue loss to the State of Nebraska of approximately \$500,000, more persuasively noted as one tenth of one percent of the state budget we are talking about establishing this year. If you judge that against its effect on the senior citizens, you are talking about sixty to one hundred and fifty dollars in real money that our senior citizens would receive from this tax credit and that is money for heating bills, grocery bills, medical expenses and basically survival money. The Supreme Court ruled in its landmark case that we can refer to federal statute in our statutes and federal codes so that that has been the precedent that has been set in court cases. I think in this case it is incumbent

March 23, 1981

LB 197

upon us to do this at this time. I would like to note that it was advanced to the floor by the committee unanimously without any amendments and there also was no opposition at the committee hearing on the bill and I would urge your support in advancing LB 197. Thank you.

SENATOR CLARK PRESIDING

SENATOR CLARK: Senator Lamb.

SENATOR LAMB: Mr. President, members, a question of Senator Kilgarin please.

SENATOR CLARK: Senator Kilgarin.

SENATOR LAMB: Does this differentiate between rich elderly citizens and poor elderly citizens?

SENATOR KILGARIN: Absolutely, Senator Lamb. I did send out that informational packet. It is listed there. First of all, you have to be over 65 years old. There are income limits and they are all listed here. They are based on whether you are single or married or one of you is 65 and your spouse is under 65, all the provisions are set forth very, very clearly in the Internal Revenue Code. It is definitely geared toward the very low income. I could give you the specific amounts if you would like a copy of that.

SENATOR LAMB: Thank you, I am cowed already.

SENATOR CLARK: Senator Marsh.

SENATOR MARSH: Mr. Chairman and members of the Legislature, I rise to support LB 197. As you all are aware or should be aware, when Nebraska's income tax went into effect, it was very clearly drawn so that federal credit lines would not make a difference on the state income tax. We now have become aware that we are discriminating against our senior citizens especially those who are low income. This is a way to make a step forward to help equalize in this particular area so that fifty percent of the federal credit line for those who come under the low income guidelines will have some credit on their state income tax in Nebraska. I urge your advancement of LB 197.

SENATOR CLARK: An amendment on the desk.

CLERK: Mr. President, Senator Newell moves to amend the bill. (Read Newell amendment found on page 1072, Legislative Journal.)

SENATOR CLARK: Senator Newell.

SENATOR NEWELL: Yes, Mr. President, members of the body, this amendment is a very simple amendment. Presently this bill is a credit off the federal credit, and because the federal credit, it is a percentage of the federal credit given on a state basis, the percentage in this situation is fifty percent. I am saying that it ought to be set at our percentage of the federal liability. It is very simple. It ought to be set at our percentage of the federal liability. The net effect of this would lower it from half of what the federal credit is to fifteen percent presently. If the income tax rate goes up, it would be whatever the income tax rate is. Basically it ties the credit to our tax rate and it would reduce the fiscal impact of the bill. I urge your acceptance of the amendment.

SENATOR CLARK: Senator Kilgarin.

SENATOR KILGARIN: Thank you. I rise in opposition to the Newell amendment simply because presently the federal credit is fifteen percent, fifteen percent of that taxable income. The line and the amount is set out very specifically in the code and they are very low. They are very low and the credit is not that large. Also we are talking about correcting a situation which was created in 1976. Initially all of this income was exempted from taxation and that carried through to the state level. All of it was exempted. All we are asking for is fifty percent of the credit. We are not asking for the entire exemption to be rectified. We are asking for fifty percent of that credit. I urge you to vote against Senator Newell's amendment. Thank you.

SENATOR CLARK: Senator Marsh.

SENATOR MARSH: Mr. Chairman, and especially, Senator Newell. Senator Newell, I certainly hope you will withdraw your amendment when you know how low the figure is to begin with. I think this is not a fair way. That has not had a public hearing. LB 197 has had a public hearing. I urge you to withdraw the amendment, but if you do not choose to withdraw, I urge the body to vote against it.

SENATOR CLARK: Senator Newell, do you wish to close on your amendment?

SENATOR NEWELL: Mr. President, members of the body, I will concede to Senator Marsh's point that by making it fifteen percent of the federal liability it does significantly reduce the impact of the credit, the Nebraska credit, which is pegged to the federal credit. Now I will concede that point.

March 23, 1981

LB 197

I do think, however, that in terms of recognizing that Nebraska's tax take for the income tax is far less than the federal's that we should not be giving...we should not peg it at half. So I will support the bill whether this amendment is on or not but I think this is a rationalization that I think I at least have to present to the body.

SENATOR CLARK: Senator Higgins, for what reason do you rise? He was closing.

SENATOR HIGGINS: No, I want to ask Senator Kilgarin a question.

SENATOR CLARK: No, I am sorry. He was closing.

SENATOR HIGGINS: Oh, on his amendment. Excuse me.

SENATOR CLARK: The question before the House is the adoption of the Newell amendment. All those in favor vote aye, opposed no.

CLERK: Senator Clark voting no.

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

CLERK: 11 ayes, 15 nays, Mr. President, on the adoption of the amendment.

SENATOR CLARK: The amendment lost. Senator Kilgarin, what do you want to do with the bill? This is debatable. Do you want to try to advance the bill?

SENATOR KILGARIN: I move to advance LB 197.

SENATOR CLARK: Did you want to try to advance the bill?

SENATOR KILGARIN: No, sir. I want to advance LB 197. Am I ready for closing?

SENATOR CLARK: Senator, this is debatable.

SENATOR HIGGINS: Senator Kilgarin, I have got this packet that is full of government forms. Is there anywhere in the bill that you actually define low income?

SENATOR KILGARIN: No, that is not defined in the bill specifically. It is defined through the reference to Section 37 of the Internal Revenue Code. You note in your packet where it says "Credit for the Elderly", Senator Higgins. All of the amounts are laid out specifically in the code, and because

March 23, 1981

LB 197

of a Supreme Court decision with regard to our income tax, we can refer to federal code in statute. That way we don't clutter our statutes with these type of regulation setting forth the amounts. All we have to do is refer to the specific section.

SENATOR HIGGINS: Where in the packet is the listing that the federal government gives you?

SENATOR KILGARIN: It is where it says, "Credit for the Elderly". It is toward the back of the packet and has all the income amounts.

SENATOR HIGGINS: Mine doesn't.

SENATOR KILGARIN: Would you like me to read you the amounts, Marge?

SENATOR HIGGINS: Yes.

SENATOR KILGARIN: Okay. There are many different sections but let me just give you the main ones. The initial amount is \$2500 taxable income if you are single, a head of a household or a qualifying widow or widower; \$2500 if you are married filing a joint return and only one of you are 65 years old; or \$3750 if you are married filing a joint return and you are both over 65. It is \$1875 if you are married filing a separate return and you and your spouse were not members of the same household at any time during the taxable year.

SENATOR HIGGINS: That is the maximum income you could have then with the federal in order to get the credit?

SENATOR KILGARIN: No, that is the amount it is figured on. The maximum income, if you are single, head of a household, qualifying widow or widower and received \$2500 or more from nontaxable pensions and annuities or you have an adjusted gross income of \$12,500 or more. Now you see what you have to do is you have to subtract all of that nontaxable income, and if you come up with less than the \$2500, you do not get the tax credit.

SENATOR HIGGINS: But if you have \$40,000 income, you could still do it.

SENATOR KILGARIN: You will not qualify.

SENATOR HIGGINS: Or \$25,000.

March 23, 1981

LB 197

SENATOR KILGARIN: No, you will not qualify. The absolute maximum income you can have and qualify possibly, but it is very, very unlikely, is \$17,500 if you are both married, 65 years and older, and then it is very, very unlikely that you qualify.

SENATOR HIGGINS: You have answered my question. Thank you.

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: Mr. President, members of the Legislature, I like to think I kind of halfway understand the bills or a good portion of them as they are flying across and I have got to be real honest, I do not fully understand this one even though I kind of tried to and so I need some clarification from Senator Kilgarin or whoever is knowledgeable in the area to provide me a little information. As I understand it, and you correct me when I say something wrong, Senator Kilgarin, as I understand it, at the present time we do not have this credit or whatever you are going to call it, and if we give this, if we give the credit, not only will we cancel, let's say, cancel the tax they are paying, certain people are paying now, we will in addition draw money out, subsidize it, a direct subsidy out of our treasury to X number of people. Is that right or wrong?

SENATOR KILGARIN: I would have to say it is wrong, Senator DeCamp.

SENATOR DeCAMP: Okay, then I don't understand the bill. Then I have got a question of Senator Newell. Senator Newell, as I understand it, the amendment you offered which we just rejected, the Legislature just rejected, that would have simply offset almost dollar for dollar, penny for penny, what they are paying in in state income tax, you would have cancelled, is that right?

SENATOR NEWELL: Only in terms of the credit, only in terms of its relationship to the federal credit. (Interruption)

SENATOR DeCAMP: Right, but it is just what they were paying into the state now?

SENATOR NEWELL: But, John, this bill was originally...let me say that you are right but the key thing you have got to remember is this bill is a partial replacement for those people who have a retirement benefit that is taxable. So not everyone gets this. It is only to try to replace that and it is not a full...

SENATOR DeCAMP: I am aware of that.

SENATOR NEWELL: Okay, all right, John.

SENATOR DeCAMP: Okay, so I could support and would support and do support Senator Newell's amendment and the concept we just rejected. That said, "Look, with this particular class of people, particular categories, if you want to call it low income or whatever, we are going to basically cancel the income tax you are having to pay now." Now that is one concept. You are saying we are not taxing it anymore. But concept #2 which Senator Kilgarin just said isn't what she is doing, which I interpret she is doing is to say not only are we cancelling your tax but up to X amount of dollars we are going to let you reach into the state bucket. We are going to send you a check and we are going to let you draw out. We are subsidizing. We are creating a whole new class of subsidy as I interpret it. Now I don't claim to interpret it right but I want to understand it fully. Now I see Senator Marsh saying that is wrong but I think it might be kind of right so I will listen.

SENATOR CLARK: Senator Marsh.

SENATOR MARSH: Thank you, and, Senator DeCamp, you do have an incorrect interpretation. This is not giving you money unless you have a state income tax which you have been paying in the past. This does not give you dollars from the tax money. There is no way that we are trying to pay out of our treasury dollars regardless of what Senator Newell is trying to say to you.

SENATOR CLARK: Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Unicameral, this is indeed an issue that does need clarification so I will refer to the financial note where it is going to cost somebody \$561,000, and if I am not mistaken, that is state funds. So here we are again at that point of dipping into the bucket and taking money out and not coming up with a way to replace it. I at this time would like to chide my senators that I had a bill or an amendment before you the other day to replace this money with only one license plate. We would have saved \$2,700,000. That, fellow senators, would have picked up this loss of \$500,000. So I have a question of Senator Kilgarin.

SENATOR KILGARIN: Yes, Senator Haberman.

SENATOR HABERMAN: Is the fiscal note correct that it is going to cost \$561,000 in state funds?

SENATOR KILGARIN: The fiscal note says that there will be a revenue loss because of the lack of collection of this tax but you must remember that we are collecting this tax by default without specific legislation because of a change in federal internal revenue code statutes.

SENATOR HABERMAN: Senator Kilgarin, thank you very much. You just said it will cost \$561,000 loss in state revenue so I am going to have to even though it is rather unpopular, to oppose this until we start coming up with some way to replace all of this money we are taking out of the bucket. Thank you, Mr. President.

SENATOR CLARK: Senator Wesely. Senator Marsh, do you want to speak again.

SENATOR MARSH: Yes, thank you. Senator Haberman, originally this income was not income which was due to the State of Nebraska. Senator Haberman, we are discriminating and have discriminated against certain classes of senior citizens who have a specific kind of retirement income. We do not charge if they happened to work for the State of Nebraska and retired with social security income but we do discriminate if they happened to work for a railroad and have railroad retirement rather than working for a different entity of government...for a different entity, whether it be governmental or otherwise. If they happened to work for the federal government, even at a very low paying janitorial job, they still pay full income tax on their own dollars which went into that fund. We do not do that on social security. We have felt that as a national policy it was a poor way to do with persons who have worked very hard so they would have a retirement income rather than being the responsibility of a governmental unit, such as, the State of Nebraska. Those persons who have worked very hard, who have had a job and which did provide that they put their money into a retirement income and then the State of Nebraska through its mechanism of piggybacking on the federal legislation and then changes, we now are collecting dollars we should not have had coming to us through this method. And it is true, there will not be the same number of dollars coming from these same persons but those dollars should not have been coming in the first place. Therefore, I am strongly supporting LB 197 and I hope Senator Haberman as well as the rest of the legislative membership will support this one bill to move in this direction for the senior citizens. If we live long enough, all of us will reach this category.

SENATOR CLARK: Senator Wesely, is it convenient for you to speak now?

SENATOR WESELY: Thank you, Senator Clark. Excuse me, Mr. President, members of the legislature, I just briefly wanted to point something out to you and I think it is kind of interesting. This relates in a sense to the homestead exemption and you may say, well, how? Let me give you this example. The present homestead exemption because it is based essentially on taxable income, in a sense, on adjusted gross income discriminates against individuals with retirement benefits that are taxable. It discriminates against them, our present homestead exemption does but this bill, in fact, benefits those same people that are discriminated against with our homestead exemption by benefiting them through this credit. So in a sense you are alleviating an inequity that we now have with our homestead exemption program by supporting this bill. If you think that there is any problem with the fact that we are dealing with taxable income and gross income through this tax credit system, keep in mind the homestead exemption system that discriminates against those very same people and you will realize that what this is trying to do is balance it out when you keep it in that context and I just thought it would be interesting for you to know that fact.

SENATOR CLARK: Senator Kilgarin, did you wish to close? Senator DeCamp, did you wish to talk again? He has a chance if he likes.

SENATOR DeCAMP: Mr. President, 'ell, bills like this are difficult because any time you ask a question or try to home in on something to show a problem, somebody is going to say, well, you are against the old or you are against the young or you are against the unborn or something like that and this is one of those very sensitive bills. But I have listened to Senator Newell. I have looked at the papers. I have looked at the bill and I believe you have to stick with Senator Newell's amendment if you are even going to be slightly fair. Let me explain why. Our entire income tax system in this state is tied to the federal government. Now I think that is pretty well known among the legislators and I don't know what the exact rates are now but, anyway, it is a relative thing. If you pay a \$1 of federal income tax, you pay, what, 15¢ or 16¢, whatever it is this week, of state income tax. It is a relative thing. You are taking and creating an aberration and distortion in that the federals are going to give you a certain tax credit. Then you should maintain, I think, the relativity and give them the same relative proportion of state income tax which was what the Newell amendment said, "multiplied by the rate of income tax as set under section blah, blah, blah, Revised Statutes...." Otherwise we are beginning to step into that field of taking

March 23, 1981

LB 197

over and saying, "Okay, federal government, you aren't doing a good enough job but we are going to step into the field of additional subsidies" and that is what I think you are doing. So even though I support the concept of the bill, I can't support it, quite frankly, in this form that we have got it in because if we start adopting this principle and it expands to other areas we are going to shortly wipe out our whole income tax system as it is tied into the feds. I am going to, if the amendment, if the chance is offered again on Select File, I assume the bill will move, I am going to offer that amendment or a variable of it there because I think it is the only kind of halfway fair way to address the issue if you are going to address it.

SENATOR CLARK: Senator Kilgarin, do you want to close on advancing the bill?

SENATOR KILGARIN: Thank you, Mr. Speaker, and colleagues, I would ask your support in advancing LB 197. Although I recognize the arguments Senator Newell and Senator DeCamp are espousing, I want to again reiterate that originally this credit was an exemption and all of that exemption was reduced and taken away from the state, none of that was taxable. All we are asking for is fifty percent, half, just half of the credit. This is taxation by default that has been since 1976. It is unfair. This corrects that problem along with Senator Wesely's remarks correcting other problems with regard to the homestead exemptions and the inequities within that system. I would ask you to advance LB 197 and I would be more than happy to talk with Senator Newell and Senator DeCamp with regard to their amendment. Thank you.

SENATOR CLARK: The question before the House is the advancement of LB 197. All those in favor vote aye, opposed vote nay. Have you all voted? Voting aye, Mr. Clerk.

CLERK: Senator Clark voting aye.

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

CLERK: 25 ayes, 7 nays on the motion to advance the bill, Mr. President.

SENATOR CLARK: Motion carried. The bill is advanced. 197A.

CLERK: Mr. President, LB 197A. (Read title)

SENATOR CLARK: Senator Kilgarin.

SENATOR KILGARIN: I would again ask for the Legislature's

March 25, 1981

LR 46
LB 39, 39A, 50, 72, 73,
104, 167, 171, 194, 197,
197A, 252, 425, 475, 500

SPEAKER MARVEL PRESIDING

SENATOR BEYER: (Prayer offered.)

SPEAKER MARVEL: I have a note here that indicates that today is the 35th birthday of Senator Howard Peterson and this occurred on the weekend, March 22, and there will be rolls served in his honor and we wish Senator Peterson the best for the year to come. Have you all recorded your presence? Record.

CLERK: A quorum present, Mr. President.

SPEAKER MARVEL: Do you have items under #3?

CLERK: Mr. President, your committee on Public Works whose Chairman is Senator Kremer reports LB 252 to General File with amendments. (Signed) Senator Kremer.

Your committee on Enrollment and Review respectfully reports that they have examined and reviewed LB 39 and recommend that same be placed on Select File with amendments; 39A Select File; 167 Select File with amendments; 197 Select File with amendments; 197A Select File. All signed by Senator Kilgarin as Chair.

Your committee on Enrollment and Review respectfully reports we have carefully examined LB 72 and find the same correctly reengrossed. (Signed) Senator Kilgarin.

Senator Wagner would like to be excused for the day.

And, Mr. President, LB 73, 194, 50, 171, 194, 425, 475, and 500 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 73, LB 104, LB 50, LB 171, LB 194, LB 425, LB 475, LB 500. Item #4, resolution.

CLERK: LR 46 is offered by (read LR 46.)

SPEAKER MARVEL: Senator Lamb, this is your resolution.

SENATOR LAMB: Mr. Chairman and members of the Legislature, this is a resolution which honors Senator Nichol's mother who recently passed away. The fine lady has been a long time credit to the State of Nebraska. I urge the adoption of this resolution.

March 30, 1981

LB 167, 197, 197A, 291,
311

PRESIDENT: Since Senator Schmit is not here, Senator Hoagland is not here, the consensus is we will just pass over 167. The next bill will be 197.

CLERK: Mr. President, there are E & R amendments to LB 197.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Senator Kilgarin, do you want to...

SENATOR KILGARIN: I move the E & R amendments to LB 197.

SPEAKER MARVEL: The motion is the adoption of the E & R amendments to LB 197. All those in favor of that motion say aye, opposed no. Motion is carried. The E & R amendments are adopted.

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

SPEAKER MARVEL: Do you want to move the advancement of the bill?

SENATOR KILGARIN: I move that LB 197 be advanced to E & R for engrossment.

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. The motion is carried. The bill is advanced. Now we have got the A bill. So moved.

SENATOR KILGARIN: So moved.

SPEAKER MARVEL: The motion is the adoption of 197A. All those in favor of the motion to advance the bill vote aye, opposed no. Motion is carried. The bill is advanced. LB 291. Do you want to move the advancement of the bill?

SENATOR KILGARIN: I move LB 291 be advanced to E & R for engrossment.

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. Motion is carried. The bill is advanced. 311.

CLERK: Yes, sir. Nothing on the bill, Senator.

SENATOR KILGARIN: I move LB 311 be advanced to E & R for engrossment.

SPEAKER MARVEL: Motion is to advance the bill to E & R for engrossment. All in favor of that motion say aye, opposed no. Motion is carried. The bill is advanced.

March 31, 1981

LB 197, 197A, 266A, 290,
LB 245, 291, 311, 355

things going for you. Number one, the fact that the industry itself is willing to put some money into it. Now if at this time when we have been guaranteed that the 2 million will be there provided by the industry, is going to be a signal to our people at the federal level that we have lost our interest, we are pulling back. The second thing she said you have got going for you, that under the present attempt to put some state money into it is going to be of great help for me if you expect me to do something for you. I think it is unwise at this point to say we are not going to put that in and I think that it is something that is positive that will be used if we expect to get any federal funds. I do oppose your amendment, Senator Koch, at this time.

SPEAKER MARVEL: If there is no objection we will stop here and come back after one-thirty and wind up the discussion because we are not going to get it done before noon. So, if there is no objection we will recess. Senator VonMinden, will you recess us until one-thirty? While we are waiting for that the Clerk has some things to read in.

CLERK: Mr. President, new A bill, 266A by Senator Wesely. (Read title as found on page 1220 of the Journal.)

Your committee on Enrollment and Review respectfully reports we have carefully examined and engrossed LB 197 and find the same correctly engrossed, 197A, 291, 290, 311, 355 all correctly engrossed, (Signed) Senator Kilgarin, Chair. (see pages 1220-1221 of the Journal.)

SPEAKER MARVEL: Senator Von Minden.

SENATOR VON MINDEN: Yes, Mr. Chairman, I move we recess until one-thirty.

SPEAKER MARVEL: Okay, the motion is to recess until one-thirty. All those in favor say aye, opposed no. The motion is carried. We are recessed until one-thirty.

Edited by:

Marilyn Zank
Marilyn Zank

May 12, 1981

LB 197

believe they can do it and I don't think the system that we are going under now will permit the Legislature to establish the priority which I personally believe is right that first you fund on-going responsibilities before you start new and expanded programs which essentially is what almost all of the A bills are. My argument is totally one of what I feel and believe is the role of the legislature it has nothing to do with any single bill that is up there. It has nothing to do with what the Speaker has suggested in terms of disagreeing with him personally.

PRESIDENT: One minute Senator.

SENATOR WARNER: But it is totally my strong belief that the Legislature has both the responsibility and the ability to set priorities for what we all know is going to be the ultimate priority in any event and that is that funding of appropriations will be within existing tax rates.

PRESIDENT: Question before the House is the Warner motion to overrule the Speaker's order on agenda item number four. This will require 30 votes. All those in favor vote aye, opposed vote nay. Have you all voted? Record the vote.

CLERK: 13 ayes, 25 nays Mr. President on the motion to overrule the agenda.

PRESIDENT: Motion fails. The agenda will stand as proposed by the Speaker...it has been upheld. The Final Reading is the next item on the agenda, item number four. Sergeant at Arms will secure the Chamber, see that all unauthorized personnel are off the floor. All members will return to their desks. We are on Final Reading. As soon as everyone is in their places we will begin Final Reading for today. As soon as everyone is at their desks we will commence Final Reading. We have two or three people yet to get to your desks. All right Mr. Clerk we are ready then to commence with LB 197 on Final Reading.

CLERK: Read LB 197.

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 197 pass? All those in favor vote aye, opposed vote nay. Those of you just coming in we are voting on LB 197, the first bill on Final Reading. Have you all voted? Record the vote.

May 12, 1981

LB 197, 197A, 245

CLERK: 28 ayes, 17 nays, 1 present and not voting, 3 excused and not voting. Vote appears on page 1937 of the Legislative Journal.

PRESIDENT: Motion carries and LB 197 passes. We will now read.....before we take up LB 197A, Senator Warner, will you for the record firm the fact this would take 30 votes, is that correct?

SENATOR WARNER: Yes, that would be correct.

PRESIDENT: All right, thank you Senator Warner. Thirty votes will be required. We will now read on Final Reading LB 197A.

CLERK: Read LB 197A.

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 197A pass. All those in favor vote aye, opposed vote nay. Have you all voted? Senator Marsh, for what purpose do you rise?

SENATOR MARSH: I rise to ask for a check in of all of those who are present and then a roll call vote please.

PRESIDENT: Would all of you indicate your presence so we know how many are here. Senator Schmit will you check in please to show your presence. Senator Burrows will you do the same. Senator Landis I think is. . . .Senator...all right then, Senator Landis will you check in. Thank you. Now they are all here except for the few. We will proceed then with a roll call vote on LB 197A. Proceed Mr. Clerk will a roll call vote.

CLERK: Roll call vote. 31 ayes, 14 nays, 2 present and not voting, 2 excused and not voting. Vote appears on page 1938 of the Legislative Journal.

PRESIDENT: Motion carries. LB 197A passes. The next bill on Final Reading is LB 245 Mr. Clerk.

CLERK: Mr. President, right before that I have explanations of vote from Senator Warner. (See page 1939 of Legislative Journal).

Mr. President, I have motions on LB 245.

PRESIDENT: Read the motion.

May 12, 1981

LB 22, 22A, 157, 157A, 158, 158A,
168, 168A, 197, 197A, 245, 245A,
253, 253A, 292, 292A, 317, 317A,
427, 427A, 529

RECESS

SPEAKER MARVEL PRESIDING

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

SPEAKER MARVEL: The Clerk has some items on the desk that need to be read in for the record.

CLERK: Mr. President, I have for your signature LBs 197, 197A, 245 and 245A, LBs 168, 168A, LB 157 and 157A, LB 427 and 427A, LB 292, 292A, LB 317 and 317A, LB 22 and 22A, and LB 158, 158A, and 253 and 253A, Mr. President.

Mr. President, Senator Chronister would like to print amendments to LB 529 in the Journal. (See page 1963 of the Legislative Journal.)

SPEAKER MARVEL: While the Legislature is in session and capable of transacting business, I am about to sign and do sign engrossed LB 197, engrossed LB 197A, engrossed LB 245, engrossed LB 245A, engrossed LB 168, engrossed LB 168A, engrossed LB 157, engrossed LB 157A, engrossed LB 427, engrossed LB 427A, engrossed LB 292, engrossed LB 292A, engrossed LB 317, engrossed 317A, engrossed LB 22, engrossed LB 22A, engrossed LB 158, engrossed LB 158A, engrossed LB 253, engrossed LB 253A. Before we begin with some other bills, it is my privilege to introduce a number of visitors from Senator Cope and Kahle's Districts, ten students, 1st to 10th Grade, First Church of God Christian Academy, Kearney, Pastor Larry Lautaret, Jane Perry, teacher and Chester Trew, sponsor. In the north balcony. Will you hold up your hands so we can see where you are? Okay. From Senator Howard Peterson's District, eight students K through 12th Grade, Calvary Academy, Grand Island, Nebraska, Agnes Rich, Louise Bonne and Bonnie Skala, teachers. Where are you located? Okay. From Senator Chronister's District, eleven students from District 9, District 43, Wisner, Nebraska. Miss Koester and Miss Kansier, teachers. North balcony. Where are you located? Okay. From Senator Dworak's District five students, 3rd and 7th Grade from Christian Liberty Academy, Leigh, Nebraska, Susan Turvy, teacher, also Barbara Hall, in the south balcony. Are you in the south or north? From Senator Beutler's District sixteen 4th Graders, Hawthorne Elementary School, Lincoln, Nebraska, Mrs. Stephenson and Mrs. Anderson, teachers, in the north balcony. Where are you located? From Howard Peterson's District seven students K through 12th Grade, York Christian Academy, York, Nebraska, Edward Moray, Irene Moray, teachers. Where are you located? Okay. From

May 12, 1981

LB 22, 22A, 144, 144A, 157, 157A, 158,
158A, 168, 168A, 188, 188A, 197, 197A,
204, 204A, 207, 207A, 243, 245, 245A,
317, 317A, 253, 253A, 292, 292A, 427, 427A

Mr. President, your committee on Enrollment and Review respectfully reports....your Enrolling Clerk reports that she has presented to the Governor those bills that were read this morning on Final Reading. (See page 1977 regarding LBs 207, 207A, 188, 188A, 144, 144A, 204, 204A, 197, 197A, 245, 245A, 168, 168A, 157, 157A, 427, 427A, 292, 292A, 317, 317A, 22, 22A, 158, 158A, 253, 253A, in the Legislative Journal.)

SENATOR CLARK: I would like to announce the guests of Phyllis Todd from Senator Beutler's District, Mr. Kim, Mrs. Kim and Mrs. Bae-Pusan from Seoul, Korea. They are under the south balcony. Will you stand and be recognized, please? They are in the south balcony. Welcome to the Legislature. LB 243.

CLERK: Mr. President, LB 243 was a bill introduced by Senator Schmit. (Read title.) The bill was first read on January 16, referred to Ag and Environment. The bill was considered by the body on April 10, Mr. President. At that time the committee amendments were adopted. There was an amendment from Senator Schmit that was adopted. The bill failed to advance on that date, Mr. President. I have nothing further on the bill.

SENATOR CLARK: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, I am going to ask you once again to consider LB 243. The bill was heard and discussed and debated at length. The previous time it was up it received 23 votes to advance on a Friday afternoon with about 27 or 8 people on the floor. I think that the fact that we have discussed the bill should perhaps wipe out any reason for a lot of lengthy debate. I know there are a lot of other bills that you want to get to today. I just want to say in reply to a piece of material that is lying on your desk, two and a half pages in length, which casts serious doubts about the problems that LB 243 can cause, I want to say this. You will recall that Senator Kremer and myself and along with several...at least 23 others in this body successfully added about \$2 million to the water development fund. There are rumors now that they may want to cut that back in the Executive Office to \$3 million from 4. That means that we will have about an additional \$800,000 in the water development fund, 50 cents per capita. Not exactly an overwhelming amount of public support I would guess for water development. My concern as I have indicated many times on this floor is this, if we are going to use funds that have been generated by a subdivision of government for

May 18, 1981

LB 158, 158A, 197, 197A,
LB 352, 204, 204A, 245,
245A, 292, 292A, 383, 512

take your seats and the Sergeant at Arms please get those who are not in the Chamber. There are none excused. I take it back, Senator Higgins is excused. Senator Koch and Senator Fowler, would you punch in please? Senator Maresh, Senator Wiitala, Senator Warner, Senator Lamb, Senator Hefner, Senator Newell, Senator Landis, Senator Hoagland, Senator Pirsch. Senator Koch, did you ask for a roll call vote? Okay.

CLERK: Mr. President, while we are waiting, your committee on Public Works reports LB 383 to General File with amendments.

Senators Peterson, Nichol, Burrows, Lowell Johnson, and Sieck would like to print amendments to 512; Senators Beutler and DeCamp to LB 352.

Mr. President, a communication from the Governor addressed to the Clerk. (Read. Re: LBs 158, 158A, 197, 197A, 204, 204A, 245, 245A, 292, 292A. See page 2090, Legislative Journal.)

SENATOR NICHOL: Senator Lamb and Senator Carsten are the two that are not here yet. Senator Koch.

SENATOR KOCH: Mr. Chairman, can we take call in votes and speed this up?

SENATOR NICHOL: If you would like.

CLERK: Senator Chronister voting yes. Senator Hefner voting yes. Senator Hoagland voting yes.

SENATOR NICHOL: Record, Mr. Clerk.

CLERK: 26 ayes, 19 nays, Mr. President, on the motion to advance the bill.

SENATOR NICHOL: The bill is advanced.

CLERK: Mr. President, finally, the last item I am going to read in is a new resolution offered by Senators Kremer, Haberman and Rumery. (Read. See page 2092, Legislative Journal.) That will be laid over, Mr. President.

And, Mr. President, I have notice of hearing from Senator Warner regarding a meeting of the special committee regarding Federal-State-Local Fiscal and Program Policy.

SENATOR NICHOL: You will recall that Speaker Marvel announced