January 19, 1981

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: The prayer this morning will be given by Reverend Roe, the United Methodist Minister affiliated with the Trinity Methodist Church in Lincoln, Nebraska. Reverend Roe.

REVEREND ROE: Prayer offered.

SPEAKER MARVEL: Roll call. Item #3. Will you please record your presence if you haven't already. Record your vote.

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

SPEAKER MARVEL: Ready for item #3?

CLERK: Yes, sir. Mr. President, first of all, corrections to the Journal. (Read corrections to the Journal as found on page 220 of the Legislative Journal.)

Mr. President, I have an Attorney General's Opinion addressed to Senator Sieck regarding LB 58. (See pages 220 and 221 of the Legislative Journal.) I have a series of reports, the first from Frank Marsh, the State Treasurer, regarding the detailed statement of the condition of the State Treasury.

Mr. President, a communication from the Metropolitan Technical Community College regarding LB 1004; a communication from the State Department of Correctional Services regarding program evaluation of the therapeutic community at the Lincoln Correctional Center.

Mr. President, a deposit or communication from David O. Coolidge who is the Director-State Engineer of the Department of Roads pursuant to I.B 722. Those will all be on file in my office, Mr. President.

Mr. President, your Committee on Constitutional Revision and Recreation gives notice of public hearing in Room 1019 for January 30, February 5 and February 6. (Signed) Senator Labedz as Chairperson.

SPEAKER MARVEL: Okay, we now go to item #4, introduction of new bills.

CLERK: Mr. President, new bills: Read title to LB 284-309 as found on pages 223 through 228 of the Legislative Journal.

LB 48, 62, 98, 172, 179, 226, 239, 266, 299, 304, 332, 342, 343, 344, 360, 453, 454, 506, 545

March 24, 1981

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Pastor Wayne Schreeder of the Calvary Lutheran Church and School, 28th and Franklin, Lincoln, Nebraska.

PASTOR SCHROEDER: Prayer offered.

SPEAKER MARVEL: Have you all recorded your presence? Is everybody here or are there still some missing? While we are waiting for the quorum you might be interested in the fact that our Clerk is hobbling around. The problem is that I was teaching him some dirty plays in basketball and got too vigorous. Record the vote.

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

SPEAKER MARVEL: Do you have some items under item #3?

CLERK: Yes, sir, I do, several in fact. Mr. President, I have a series of reports to read in. Your committee on Public Works whose chairman is Senator Kremer to whom was referred LB 98 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File; LB 226 to General File with amendments and LB 344 to General File with amendments, (Signed) Senator Kremer. (See pages 1082-1086 of the Legislative Journal.)

Your committee on Revenue whose chairman is Senator Carsten instructs me to report LB 454 to General File; LB 172 General File with amendments; LB 304 General File with amendments; LB 360 to General File with amendments; LB 506 General File with amendments; LB 48 indefinitely postponed; LB 62 indefinitely postponed; LB 299 indefinitely postponed; LB 332 indefinitely postponed; LB 342 indefinitely postponed; LB 343 indefinitely postponed; LB 343 indefinitely postponed; LB 453 indefinitely postponed, all signed by Senator Carsten as Chair. (See pages 1086-1089 of the Legislative Journal.)

Mr. President, your committee on Administrative Rules and Regs reports, whose chairman is Senator Vard Johnson, reports LB 266 to General File with amendments.

Your committee on Government reports LB 239 to General File with amendments and LB 545 to General File with amendments, signed Senator Kahle as Chair. (See pages 1089-1093.)

Mr. President, LB 179 is reported correctly engrossed.

Mr. President, LR 40, 41 and 42 are ready for your signature.

SENATOR CLARK: Fine. No objection, so ordered. Do you have any amendments?

SENATOR MARSH: The bill drafting office is supposed to have them in the next ten to fifteen minutes.

SENATOR CLARK: All right.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Okay, the next item of business is LB 304.

CLERK: Mr. President, LB 304 offered by Senator Beutler. (Read title). The bill was first read on January 19 of last year, referred to the Revenue Committee for public hearing. The bill was advanced to General File. Mr. President, there are committee amendments pending by the Revenue Committee.

SPEAKER MARVEL: Senator Carsten.

SENATOR CARSTEN: Mr. President and members of the Legislature, the committee amendments because of the notice that the material should be available for the Board of Equalization ten days prior to the meeting seemed to be not adequate or proper time to get the job done. In the testimony that we heard it appeared that the amendment that we did adopt was more applicable and it does change the ten days to two business days prior to the meeting, and that is the amendment, change the ten days to two days before the meeting. And I would move for the adoption of that committee amendment.

SPEAKER MARVEL: The motion is the adoption of the committee amendment as explained by Senator Carsten. All in favor of that motion vote aye, opposed vote no. Okay, the motion is carried. Senator Beutler, do you wish to explain the bill?

SENATOR BEUTLER: Yes, Mr. Speaker, this is a small technical bill which was advanced out of the Revenue Committee with the Revenue Committee's amendment without a dissenting vote. Basically it makes two clarifications. It clarifies the public notice that the Board of Equalization has to give to the public and that notice is already stated in the rules and regulations but they have from time to time neglected to give that notice and so I wanted to put it into the statute. In the rules and regulations it provides for ten days' notice, but the committee felt that two days was more appropriate and I feel getting something into the

statute is more appropriate than having just a rule and regulation that is ignored. So that is one small clarification and the other clarification has to do with clarifying the words "current fiscal year" which will be to everybody's benefit. So that is really all the bill is about. Thank you.

SPEAKER MARVEL: Senator Newell, do you wish to speak to the bill? Senator Newell, do you wish to speak to the bill? Senator Rumery.

SENATOR RUMERY: Mr. President and members of the Legislature, I would like to ask Senator Beutler a question if I might.

SPEAKER MARVEL: Senator Beutler.

SENATOR RUMERY: Is the Board of Equalization subject to the open meetings law right now?

SENATOR BEUTLER: There is some question as to whether it is open to....subject to the open meetings law, and they have not abided by the open meetings law, let me put it that way.

SENATOR RUMERY: What does the open meetings law refer to? Which agencies and so on? I thought it was all government.

SENATOR BEUTLER: I am trying to remember how that is defined, Senator Rumery. I can't remember right off hand, but it doesn't cover all governmental units.

SENATOR RUMERY: Thank you.

SPEAKER MARVEL: Senator Warner.

SENATOR WARNER: I have a question of Senator Beutler. He may have already explained it and I missed it. On page 7 of the new language at the bottom, lines 22, 23 and 24, what is the logic, and I am not saying there isn't. I just... what is the logic of excluding deposits previously?

SENATOR BEUTLER: The logic of excluding deposits for the prior fiscal year, doing that explicity, Senator Warner, has simply meant to clarify the words...the language up in lines 15 through 18 of that same section. There is an Attorney General's Opinion extent which I am sure you are familiar with which says that you do not count prior years' deposits in making a determination as to whether the difference between expenditures...projected expenditures and actual

receipts is 10 percent which is the criteria used for calling that meeting. Traditionally up until last year they never added in into the deposit side prior year deposits. Now if they do that, obviously they can always call Board of Equalization meetings because that will always make the difference more than 10 percent. I don't want to get into the details of the particular situation from which this bill arose as I don't think there is any point to that, but I did think it would be helpful for everybody if the statute were clarified so that everybody knew exactly what the criteria being considered were.

SPEAKER MARVEL: Senator Beutler, do you wish to close?

SENATOR BEUTLER: No, Mr. Speaker, unless there are further questions.

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

CLERK: 36 ayes, 0 mays on the motion to advance the bill, Mr. President.

SPEAKER MARVEL: The motion is carried. The bill is advanced. Okay, the Clerk has some items to read in.

CLERK: Mr. President, a couple of items. New bill, LB 799 offered by Senators DeCamp, Wesely, Fowler, Nichol, Haberman. (Read title). (See page 252 of the Journal).

Mr. President, Senator Chambers has an amendment to LR 199 that he would like printed in the Legislative Journal. (See pages 252 and 253 of the Journal).

Mr. President, a reminder that the Public Health and Welfare Committee will meet in Executive Session in Room 1019 upon adjournment. Public Health and Welfare in Room 1019 upon adjournment.

Mr. President, Senator Wesely asks unanimous consent to add his name to 746 as co-introducer.

SPEAKER MARVEL: No objection, so ordered.

CLERK: Mr. President, one new bill, LB 800 offered by Senator Vard Johnson. (Read title). (See page 252 of the Journal.)

Mr. President, I believe there is a Reference Report that will be submitted, will be on file and will be inserted in the Legislative Journal. (See pages 253 and 254 of the Journal).

January 19, 1982

SENATOR CLARK: The motion lost. The next amendment is amendment number two of Senator Vickers to Section one. He wants to read a few things in first.

CLERK: Mr. President, very quickly, new bills: (Read by title for the first time, LBs 895-914 as found on pages 343-347 of the Legislative Journal.)

Mr. President, I have a hearing notice from the Public Works Committee for January 29, February 10, 11 and 17. That is signed by Senator Kremer as Chair.

Mr. President, Retirement sets hearings for Wednesday, January 7 and Revenue sets hearings for January 25, 26 and 27, signed by the respective chairmen.

I have a reference report referring LBs 848 through 880.

Mr. President, your committee on Enrollment and Review reports that 511 be reported to Select File with amendments, 192 Select File with amendments, 231 Select File with amendments, 454 Select File, 304 Select File, 69 Select File with amendments, 139 Select File, 139A Select File, 305 Select File, 239 Select File with amendments, 410 Select File with amendments, 278 Select File with amendments, 126 Select File with amendments, all signed by Senator Kilgarin.

SENATOR CLARK: We are now ready for the second Vickers amendment to Section one.

CLERK: Mr. President, the amendment reads as follows: On page 2, line 13, strike the word "life" and insert "safe yield."

SENATOR CLARK: Senator Vickers.

SENATOR VICKERS: Mr. President, since that is more of a technical one there the following amendment on Section two would be more applicable to take up and I think the Clerk has other amendments on Section one so if you would want to skip over this and go to the other amendments that are on Section one, that would be fine with me. You have other amendments and I think Senator Beutler and some other people might have amendments on Section one if you want to go ahead and take those up at this time.

CLERK: So are you withdrawing. . .you don't want this one then, Senator?

SENATOR VICKERS: That one is more of a technical one. It

SPEAKER MARVEL: The motion is the adoption of the Johnson amendment to LB 215. Senator Johnson was closing. All those in favor of the motion vote aye, opposed vote no. Record.

CLERK: 27 ayes, 1 may on adoption of the Johnson-Chronister-Landis amendment, Mr. President.

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

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

SPEAKER MARVEL: Senator Chronister, do you want to move the advancement of the bill?

SENATOR CHRONISTER: Yes, Mr. Speaker. I move to advance the hill.

SPEAKER MARVEL: Any further discussion? All those in favor of the Chronister motion say aye, opposed no. The motion is carried. The bill is advanced. We are now ready for LB 304.

CLERK: Mr. President, LB 304, I have no E & R amendments. I do have an amendment from Senator Beutler to the bill, Mr. President. The Beutler amendment would read as follows: (Read Peutler amendment as found on page 619 of the Legislative Journal.)

SPEAKER MARVEL: The Chair recognizes Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature. half of the proposed amendment is technical in nature. The other half of the amendment merely does this. The bill itself is a small bill. It simply provides for notice of the Board of Equalization meetings and it provides for notice by press release and the press itself would prefer that there be at least one publication. They want a number of publications but they don't like the practice of doin; it by press release. So the amendment would require one publication of the notice of Board of Equalization meeting in a legal newspaper in the state and I think this is a good amendment to the extent also that it ensures that the public gets the notice. A press release ensures that they give notice to the press but it doesn't ensure that it actually appears anyplace and so I think that the small amendment does have some advantages and I would ask you to adopt it. Thank you.

SPEAKER MARVEL: Senator Carsten.

SENATOR CARSTEN: A question of Senator Beutler, if I may, Mr. President. Senator Beutler, I gather this is only one newspaper publication. Is that correct?

SENATOR BUETLER: Yes, sir.

SENATOR CARSTEN: Just one newspaper across the...state

circulated.

SENATOR BEUTLER: Yes. sir.

SENATOR CARSTEN: Okav. thank you.

SPEAKER MARVEL: Any further discussion? The motion is the adoption of the Beutler amendment to LB 304. Is there any further discussion? All those in favor of the Beutler amendment to LB 304 vote aye, opposed vote no. Have you all voted? Senator Beutler. Okay, one more time, have you all voted? Senator Beutler. what is your pleasure?

SENATOR BEUTLER: Well, I guess I would like to see every-body vote. Mr. Speaker.

SPEAKER MARVEL: Have you all voted?

SENATOR BEUTLER: How many people are excused?

SPEAKER MARVEL: There are six excused. Have you all voted? Okav. Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, I guess I would ask for a...

SPEAKER MARVEL: I am going to ask to record the vote unless...

SENATOR BEUTLER: I guess I would ask for a Call of the House and a roll call vote.

SPEAKER MARVEL: Okay, the motion at the moment is, shall the House go under Call. All those in favor of that motion vote aye, opposed vote no. Okay, record.

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

SPEAKER MARVEL: The Legislature is under Call. All legislators please take your seats and record your presence. The Chair is authorized to take in call in votes. The Chair would like to remind you that this is your Call of the House which means that you are supposed to be in your seat. Senator Lamb, will you please record your presence. Senator Beutler, do you want to proceed with the roll call? We have...there are four excused.

SENATOR BEUTLER: Is everyone here except the four excused?

SPEAKER MARVEL: Everybody is here who is...everybody is here, period.

SENATOR BEUTLER: Okay, could the Clerk explain the amendment, that is that it only requires one publication in one newspaper one time?

SPEAKER MARVEL: The Clerk will call the roll.

CLERK: Thank you, Mr. Speaker.

SPEAKER MARVEL: This is going to be a very interesting day. We can feel it up here.

CLERK: (Read roll call vote as found on pages 619-620 of the Legislative Journal.) 28 ayes, 18 nays, Mr. President, on the Beutler amendment.

SPEAKER MARVEL: The motion carried.

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

SPEAKER MARVEL: The Call is raised. The motion is to advance the bill. All those in favor of advancing 304 to E & R for review say aye, opposed no. The motion is carried. The bill is advanced. 305.

CLERK: Senator Beutler, are you going to take it?

SPEAKER MARVEL: The request is to pass over 305 and we move to LB 410.

CLERK: Mr. President, LB 410, there are E & R amendments pending.

SPEAKER MARVEL: Senator Kilgarin, do you want to move the adoption of the bills?

SENATOR KILGARIN: I move we adopt the E & R amendment to LB 410.

SPEAKER MARVEL: All those in favor of that motion say aye, opposed no. The motion is carried. The E & R amendments to LB 410 are adopted.

CLERK: Mr. President, I have an amendment from Senator Vard Johnson and it is found on page 460.

SPEAKER MARVEL: Senator Lamb, your light is on. Oh, Senator Landis.

CLERK: In that case, I guess Senator Johnson is temporarily withdrawing? I now have an amendment from Senator Landis, Mr. President.

LR 222 LB 126, 137, 139, 212, 212A, 215, 278, 304, 353, 410, 417, 421

February 16, 1982

PRESIDENT: Any discussion on the motion to appoint a committee of five to escort the Chief Justice into the Chamber? Hearing none, all those in favor then of the motion to appoint the committee signify by saying aye, opposed nay. Motion carries and the Chair appoints the following committee to escort the Chief Justice; Senator Nichol, Senator Vard Johnson, Senator DeCamp, Senator Cullan, and Senator Beutler. Those members would please follow Senator Nichol up the aisle and go to escort the Chief Justice. And now the Chair will read some matters in.

CLERK: Mr. President, new resolution, LR 222 by Senator Chambers. (Read.) Pursuant to our rules, that will be laid over, Mr. President.

Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 215 and find the same correctly engrossed; LB 304 correctly engrossed; LB 410 correctly engrossed; LB 278 correctly engrossed; LB 212 correctly engrossed; LB 212 correctly engrossed; LB 212A correctly engrossed; LB 353 correctly engrossed; LB 417 correctly re-engrossed; LB 139 correctly engrossed; LB 421 correctly engrossed; all signed by Senator Kilgarin.

Mr. President, your committee on Banking whose Chairman is Senator DeCamp instructs me to report LB 137 advanced to General File with committee amendments attached, Mr. President.

PRESIDENT: While we are waiting for the committee to come back, the Chair takes pleasure in introducing Bill Hefner, son of Senator Elroy Hefner. He is under the North balcony. Will Bill stand up and be recognized. Bill, where are you? Welcome to the Unicameral, Bill. The Legislature will be at ease until the committee returns. The Chair recognizes Sergeant at Arms, Ray Wilson.

SERGEANT AT ARMS: Mr. President, your committee now escorting his honor the Chief Justice of the Supreme Court of the State of Nebraska.

PRESIDENT: The committee will escort the Chief Justice to the podium. Chief Justice Norman Krivosha.

CHIEF JUSTICE NORMAN KRIVOSHA: (Gave the State of Judiciary Message as found on pages 689 - 703, Legislative Journal.)

PRESIDENT: The committee will escort the Chief Justice

ASSISTANT CLERK: (Read LB 139 on Final Reading.)

SENATOR CLARK: (Gavel). All Senators have to be in their seats, please. We will not continue until they are. Senator Haberman, will you get in your seat, please? Will the Sergeant at Arms chain him in there, please. I don't think it will work, but you might try. The Clerk will continue.

ASSISTANT CLERK: (Continued reading LB 139 on Final Reading.)

SENATOR CLARK: Senator Beutler, would you return to your seat, please?

ASSISTANT CLERK: (Continued reading LB 139 on Final Reading.)

SENATOR CLARK: All provisions of law having been complied with, the question is, shall the bill pass? All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

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

CLERK: (Read the record vote as found on page 849 of the Legislative Journal.) 42 ayes, 0 nays, 6 excused and not voting, 1 present and not voting, Mr. President.

SENATOR CLARK: The bill is declared passed. We will take up 139A.

CLERK: (Read LB 139A on Final Reading.)

SENATOR CLARK: All provisions of law according to procedure having been complied with, the question is, shall the bill pass? All those in favor vote aye, opposed vote nay. Have you all voted? Record the vote.

CLERK: (Read the record vote as found on page 850 of the Legislative Journal.) 41 ayes, 0 nays, Mr. President.

SENATOR CLARK: The bill is declared passed. As soon as everyone gets back in their seats again we will take up 30^4 . Sergeant at Arms, you have been doing a good job keeping them in their seats. I think we need a child restrainer seat for this one. Are you leaving? That will take care of one problem. The Clerk will continue.

SENATOR CHRONISTER: Yes.

SENATOR LANDIS: Senator Chronister, you have seen the language, do you have any qualms and do you have any comments?

SENATOR CHRONISTER: No, no, I agree with your move, Dave, because this is in agreement with the original concept of the bill which was to bring into alignment the provisions in the district court to be the same as in the juvenile court. And I am in complete agreement. Thank you.

SENATOR LANDIS: With that, I would move the adoption of the amendment.

SENATOR CLARK: Senator Nichol.

SENATOR NICHOL: Mr. Chairman and members of the Legislature, I just rise to support the Landis amendment. It cut out a possible appeal and you don't want an appeal at this stage of the game anyway, so I would just support the amendment.

SENATOR CLARK: The question before the House is the return of the bill. All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Record the vote.

CLERK: 38 ayes, 0 nays, Mr. President, on the motion to return the bill.

SENATOR CLARK: The bill is returned. We will take the amendment up after the Final Reading. LB 304.

CLERK: Mr. President, I have a motion on 304.

SENATOR CLARK: Read the motion.

CLERK: Senators Carsten and Warner would move to return LB 304 to Select File for a specific amendment. (Read the Carsten-Warner amendment as found on page 851 of the Legislative Journal.)

SENATOR CLARK: Senator Warner. Senator Carsten, did you want to take it up?

SENATOR CARSTEN: Mr. President, I would move to return

LB 304 to Select for a specific amendment. And here again is the very same amendment that we had last week that does increase the income tax to 16 percent. And I think the information that you have been provided with heretofore plainly shows that regardless of whether we end up with the Governor's budget or whether we are slightly more, that it is going to be a necessity that 16 percent te in the individual income tax rate. It is part of the Revenue Committee's recommendation again, and I am not going to take any more time. We went through all that last week, but the reasoning is still the same and I would urge your support for the return of this bill for this specific amendment. Thank you.

SENATOR CLARK: Senator Warner.

SENATOR WARNER: Just briefly, Mr. President, and again as Senator Carsten has indicated this is consistent with the program the Revenue Committee has outlined. It will be consistent with the amendment for the resolution that will be taken up later this morning for a spending target figure, and I think it is exceedingly clear as it has been probably for some time that the state cannot absorb both the reduced receipts because of the weakness of the economy as well as the more artificial reduction because of the change in the federal tax base in which we piggyback. I think that this will at least meet minimum needs of the state and I think it places the issue fairly before us, and I would hope the amendment would be adopted.

SENATOR CLARK: Senator Lamb.

SENATOR LAMB: Mr. President and members of the Legislature, I would just like to reiterate one more time why I am opposed to this amendment, and I haven't seen it... is that in the Journal or is it on our desks? In our heads. Okay. If I understand it correctly, it is just set the income tax rate at not less than 16 percent. Is that correct, Mr. Clerk?

CLERK: Senator, the....shall not be less than 16 percent, right.

SENATOR LAMB: Okay. I think as you remember, I voted for the proposal that was presented in the Special Session which would have in effect forced a 16 percent rate because some of the cash funds would not have been lapsed. I thought that was an appropriate way to go and I am still comfortable with that decision. However, my problem with these proposals similar to the one that we have before

us right now, is that I do not believe the Legislature should be setting the income tax rate. I don't know whether it will be 16 percent or what other percentage may be appropriate. But I think we have a system whereby the State Board of Equalization sets that rate after this session is over, after this body has determined how much money is to be spent. I think that system has worked well in the past and I think we should continue that and therefore I will oppose the motion.

SENATOR CLARK: Senator Howard Peterson.

SENATOR H. PETERSON: Mr. Chairman and members of the Legislature, I wonder if Senator Carsten would yield to a question.

SENATOR CLARK: Senator Carsten.

SENATOR CARSTEN: I'll try.

SENATOR H. PETERSON: Senator Carsten, suppose that the people in Washington decide to eliminate the 10 percent return as far as the federal tax is concerned, what position does this then leave us in if we put it into this particular bill in this manner?

SENATOR CARSTEN: I think that it would not put us into any kind of a position of being in jeopardy. Following our legislative session, should those circumstances occur, the Board of Equalization could then in their meeting make that adjustment as they are entitled and privileged to do at that point.

SENATOR H. PETERSON: What you are saying is we are not instructing them specifically to stay with 16 percent then if the change should take place.

SENATOR CARSTEN: Not if the situation generally dictates, otherwise it is in their power and their prerogative to act accordingly, is my understanding.

SENATOR H. PETERSON: Okay. Mr. Chairman, in view of that answer I think I will be in a position this morning to support the 16 percent figure. It appears to me that as we look at the figure that has been brought to us by the Appropriations Committee, it is pretty much in line with what the Governor has been asking, and I believe we have got to face the situation that there will be from \$10 to \$16 million less money coming in as far as the Treasurer is concerned, in fact, I am a little inclined to think maybe

that is low. I personally feel that we are in a depression and I think we are going to find that our income tax and sales tax, and fortunately next week we will be able to find out what we did in February, I would just feel that we are likely to find that we are in much worse shape than we think.

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: I would like to hear what we are voting on. I mean, this is kind of a little more than a passing.... it is not in the Journal?

CLERK: No, sir.

SENATOR CLARK: The Clerk will read the motion.

CLERK: Mr. President, the amendment reads as follows: (Read the Carsten-Warner amendment as found on page 851 of the Legislative Journal.)

SENATOR DeCAMP: Mr. President and members of the Legislature, I am going to vigorously oppose it as one individual can, and I am going to lese and I know that, because suddenly the Bible is switched now and now we are all going to be in favor of supposedly saying we are in favor of a tax increase. And no longer does it say 16 percent which just a few days ago and a few weeks ago was the magic figure, now it is minimums of 16 percent. Okay, let me ask anybody in this whole room, how do you even know what you are going to spend yet? Do you when you pass this, do you ratify a \$15 million increase in state employees! salaries? Do you ratify and say, okay, now we have approved a pretty major increase in the University budget? Because I think you are saying that, because you are talking about the Governor's budget, vis-a-vis the other budget, and you are just picking a number but in those numbers are included all these things. Why don't we do the first thing? And the first thing is deal with the issues of what we are going to spend. That is already a procedure, an administrative procedure to decide how you process or how you set the tax rates. That is all set up. It's worked, been tried, and tried and tried over, and, yes, it has been used politically back when old Exon was here, you can remember everybody was always trying to say, aw he raised the tax rates or we raised the tax rates. You remember the game, but it was a procedure that worked pretty well, and now today because I guess the tune has switched in the chorus line somewhere, now suddenly we are going to say, okay,

the Legislature now is deeming a tax increase. Well, I don't know that 16 percent is right or 17 or 18 until T see a lot more. I don't know that we are going to pass a \$15 million increase in employees'.... I don't know that we are going to only deal with an increase for the University without dealing with a comparable balancing increase in state aid to education. And you say, well, that is not a state responsibility. Baloney. We have accepted it as a state responsibility. It is a fundamental part of the financing of our public school system. We accepted that a long time ago. Don't say it is second rate now. Don't say it is a secondary thing. That was what we decided for the property tax system. Maybe you are going to end up having to say, we need a sales tax increase and we need an income tax increase. Or maybe you are going to say the opposite when you look at the whole picture out here. Maybe you are going to say, everybody is going to be held just where they were last year, no increase for the University, no increase for state aid to education. Maybe you are going to say, this is not the year for the Legislature to signal a major \$15 million increase in state employees' salaries, instead you send the signal far and wide in Nebraska that we are holding the line here and we urge employees in business and industry to do the same. I don't know. But I do know this, you are making all those decisions right here quick with one vote and sanctioning a major budget that has those things in it and as I say, I know what the vote is, pretty close now, because I kind of got the word, kind of got the word, it's time to switch. I have held firm on this until I see how we do on the budget and what we are going to spend, and I may be the only one still holding firm against increase in the taxes until I know what I am doing it for, but I am going to hold firm.

SENATOR CLARK: I have 8 more lights on. I have Senator Kahle, Senator Marsh, Senator Nichol, Senator Haberman, Senator Remmers, and then Senator Carsten and Senator Warner. Senator Kahle is next.

SENATOR KAHLE: Mr. President and members, I think...am I on?

SENATOR CLARK: Yes, you are on. Also Senator Fenger.

SENATOR KAHLE: I think that Senator DeCamp has missed the whole thrust of this thing. About a week or ten days ago we passed in this body a motion to return to the Revenue Committee the task of coming up with the necessary funding for the bills that...or the budget that was presented by the Governor and by the Appropriations Committee. It has nothing to do with changing those budgets, and we

don't even know whether they are going to be adopted or not, but the way I understand this body and serving on the Rules Committee, the idea was that we establish a spending pattern early in the session in order to determine what most of us thought we would be able to spend and how much we would be able to bring in to the Revenue Department. The Revenue Committee has worked very closely with the Appropriations Committee this year, probably closer than it ever has before. I think you heard this from the two chair people from those two entities. So what we are doing in trying to establish a floor of 16 percent is trying to keep that funding at a constant level, and Senator DeCamp keeps talking about an increase in taxes. I think that is a theory that a lot of people are trying to promote which is a fallacy. We are not increasing taxes. The World Herald had a good article on it last week that explained it very clearly. We are still not collecting the amount of money that we would have had the federal government not decided to cut taxes. So I think this is the only natural thing to do at this time, otherwise we are going to have to have a drastic budget cut rather than an increase as Senator DeCamp is talking about. We are already late with this. This is a past business that should have been taken care of, and if we do not change that as of January 1st of this year we are going to have a shortfall that we will never catch up with, and I have talked about this before. And I just can't understand why we are so set in trying to throttle the budget through the Revenue Committee. You can do that anytime you want to. Right now we need that extra money, not in next year's budget necessarily. We have a shortfall in our income and the longer we put it off the worse it is going to be, and I still do not believe it was the intention of the people of Nebraska that we lower their taxes at the same time we lower the federal...or the federal taxes were lowered. It just doesn't make sense when you are going to bring government home to the people. Thank you.

SENATOR CLARK: Senator Marsh.

SENATOR MARSH: Thank you, Mr. Chairman. This proposed amendment has my complete support for it is not a tax increase, it is a tax rate adjustment. It will not cover all of the loss currently in place in the State of Nebraska for our income tax has been pictocaked on the federal income tax. Again, I reiterate, it is not a tax increase from last year, it is a tax rate adjustment for the federal taxes have been reduced and the state is already short dollars coming into the State Treasury because of that action. The state is additionally short because of the

financial situation not only in our state but in the United States. I strongly support the proposed motion to amend LB 304.

SENATOR CLARK: Senator Nichol.

SENATOR NICHOL: Mr. Chairman and members of the Legislature, I rise to oppose the amendment, and I realize when one that is not on Appropriations or Revenue gets up and flies into the faces of those Chairmen, the odds are mighty much against you. But I don't think it is this body's obligation to set any tax rate and that is what I think this does. I don't think we should be addressing it at all...at all. We have a Board of Equalization and they well know what our expenditures are and we make the expenditures in this body and whatever those expenditures come out, the Board of Equalization should and must take the responsibility to set the tax rate accordingly. It isn't this body's duty or obligation to set that tax rate. It is our duty and obligation to set our expenditures at a level that we think may not increase or may increase. I personally think the suggested rate of increase will come about anyway. But, nevertheless, I don't think we need to put that into law that we are usurping the authority of the Board of Equalization in setting a tax rate. So far, I certainly object to the amendment.

SENATOR CLARK: Senator Haberman.

SENATOR HABERMAN: Mr. President and members of the Legislature, I rise to oppose the amendment to the bill. I would like to bring to your attention two or three things. Senator Kahle made the remark, right now we need the money. We need the money now that's why we need to do this. does he know we need the money now when we haven't adopted a budget? We haven't adopted a budget. We don't know how much we are going to spend, so what business do we have in raising to 16 percent the income tax? So that sure doesn't hold water. We are getting into a field we don't have any business getting into. If I remember correctly, we passed Rule 8 and it went something like this, that the Appropriations Committee was supposed to present to this body a budget within a certain number of times that we could...days that we could look at and then work towards that budget. So they did that. Well, some people didn't like that so they maneuvered around and they said, well, beings as there is so much unrest, we will just dump all of this into the Revenue Committee's lap, which is fine, they are good people. They are honest and they are sincere,

but it seems as though they believe in raising the income tax to 16 percent, and again we haven't adopted a budget. I agree wholeheartedly with Senator Nichol. this isn't our business to do this. If we adopt a budget and It needs an increase, the Board of Equalization can increase it. If we adopt this increase, we are going to have a nigher budget than possibly we need because we haven't gotten down to the nitty gritty on the floor of how much we are going to spend, but if we have the money. you know we are going to spend it. So I think we are doing it just backwards. If we get into the raising the 16 percent, then we are going to get into the sales tax end of it. So I wonder what happened since last year. had a bill last year to split the sales and income tax so they could stand on their own two feet. Couldn't even get it out of the committee. No, we're not going to touch that, that isn't any of our business. That is up to the Board of Equalization. But low and behold here just a year later now it becomes the business of the Legislature. Now I just don't understand how this could change in a year. So I say to you this and I remind you of one more thing, we started out with a rule, they maneuvered around the rule. Number two, we are raising a tax where we don't need...whether we have to raise the tax or not, because we haven't adopted a budget. We haven't discussed a budget. We haven't discussed how much we are going to spend. So I ask you to vote no. Thank you, Mr. President.

SENATOR CLARK: So you will know where you stand, the next one is Senator Remmers, then Senator Fenger, then Barrett, Wesely, Newell, and then we will start over with Lamb, Warner and Carsten.

SENATOR REMMERS: Mr. Chairman and members of the Legislature, I think most of it has been said, but I would like to repeat that I feel we have a pretty good system. We set a budget and then set the tax levy that we need. It seems to me that it doesn't make any more sense at this time to set a 16 percent minimum than maybe we would want to set a 17 or 18 percent maximum, or a 15 percent maximum. It seems to me our system has worked pretty well. I am not sure but what we probably will end up with a 16 or we may end up with a 16 percent income tax levy, but I just can't see that our system hasn't been working in the past and that we should at this time be deciding what our income is going to be before the budget has been set. So I would oppose this amendment.

SENATOR CLARK: Senator Fenger.

SENATOR FENGER: Mr. President, last week I voted against this proposal. I intend to support it today but I am going to support it with the understanding that LR 215 will be resolved prior to Final Reading on this particular bill. If the spending level on that 215 is what I consider more than the hard pressed citizens of this state can afford, I reserve the right not to support this bill as amended on its Final Reading. Thank you.

SENATOR CLARK: Senator Barrett.

SENATOR BARRETT: Mr. Speaker and members, I have been one of those who has supported the no-tax increase position up to this point and have been very comfortable with that particular position. I have told my constituents over and over again that I would not support a tax rate increase nor a tax increase until I was totally convinced that all other alternatives had been explored or all options had been examined. I believe that that time has come. I think that this Legislature must now take the action necessary, a responsible action and follow the leadership of both the Chairman of the Revenue Committee and the Chairman of the Appropriations Committee. I, like others, am now convinced that an increase to 16 percent is not a tax increase as such in terms of dollars, a rate increase it is. It will translate into actually perhaps less dollars than we were paying last year even with the 16 percent. I was one of those ino felt we could pass along the reduction at the federal rate or at the federal level to the taxpayers, bass through that savings. now convinced that we cannot under the present set of circumstances as we know it today with the federal reduction effective October 1st of last year, another 10 percent coming through in July of this year, the reduced revenues in January, no reason to expect that they are going to improve in the months to come, and the amended Revenue bills that have been advanced to the floor, I think we have little choice at this time. So after some personal soul searching, after visiting with the Chairman of the Revenue Committee and the Chairman of the Appropriations Committee, the only responsible thing to do at this point is to support the amendment to 304, remembering, of course, that the increase whether in rates or in dollars is politically unattractive, I know that as well as anybody else in this body, but I believe at this time it is fair, I believe it is unavoidable. It wasn't easy for me to arrive at this decision but now that I have, I am comfortable with it. I believe it is right. I believe it is responsible. I would hope that you support the amendment. Thank you.

SENATOR CLARK: Senator Wesely.

SENATOR WESELY: Mr. President and members of the Legislature, I rose about a week ago to speak in favor of this same motion on another bill. At that time, I expressed my reluctance to vote for it because of my concern that the system we have established in the state for establishing tax rates, for establishing our budget. obviously there was some breakdown in the system that we had and that I was concerned that we were taking an unusual step in trying to set the tax rates through the Legislature. But I went ahead and I voted for it because I wanted to emphasize what Senator Barrett and others have said that we had a reduction in the federal level that is unusual and that we need to compensate for that, and so perhaps at that time we ought to go ahead and take that step. In further reflection upon the issue, however, as Rules Chairman and somebody has been concerned about the new Rule number 8 which we adopted earlier this session. it seems as though we are getting to the point where the horse is not leading the cart but the cart is in front of the horse and we are trying to load it up with the tax increase before we actually start off on the destination we are seeking. In just a few minutes we are going to be discussing LR 215 which is the process we set up under Rule 8 this year. That process says we sit down and discuss the budget fairly early in the session. We have delayed it now several weeks, but that we talk early in the session about the budget about what we think we can afford in this state, what ought to be the budget level in this state and then the Appropriations Committee goes back to work and comes forth with a budget that meets that maximum figure that we had set in this resolution. At that point then we discuss the budget bills on the floor. amend those and pass those bills and send them to the Governor, the Governor vetoes or signs, those bills become law, and at that point the Board of Equalization sets the tax rates to meet the cost that we have established for those budgets. That sounds like a reasonable system to me. I think it is an excellent system, as a matter of fact. But somehow we are trying to keep throwing up these amendments on these tax rate increases which I had been voting for, but I finally decided I am not sure that that is the way to go anymore, that we shouldn't be setting tax rates in this Legislature, that is a job the Board of Equalization is supposed to be doing. And we have got this rule that will determine the intent of the Legislature on what we feel we should spend this year and that we are going to discuss that in just a few moments. So I think that this amendment which has been tried now twice before.

which I voted for twice before and many of you have is getting a little old in a sense, and we should discuss this matter in terms of the resolution and with the amendment that Senator Warner is going to propose that is going to try and increase that to a reasonable level, and that is the place at which we make the decision. And for us to determine the tax rates and some of the concerns that have been expressed here, it seems to me to indicate that the system that we have set up in the state isn't working or something is wrong to take such an unusual extraordinary step. Let's make the system work as it's supposed to work, and then we can talk about some of the changes you are expressing in this resolution. If we had, as Senator Newell proposed, voted to change the system and gone back to the Legislature setting tax rates, well, that would be a different story. That is a policy change. But for this unusual step to be taken when we have got a Board of Equalization that has got a job they are supposed to be doing. I don't see the necessity at this point. We set the budget, we are going to set the maximum overall budget in a few minutes with a resolution and then the Board of Equalization will have to act to respond to that action that we take on this floor. That is the system we have got now and let's use that system to deal with the problems that we have got.

SENATOR CLARK: Senator Newell.

SENATOR NEWELL: Are there other lights?

SENATOR CLARK: Yes, seven.

SENATOR NEWELL: Seven other lights?

SENATOR CLARK: Yes. Pardon me, eight.

SENATOR NEWELL: That may be too many to try to call the question at this time. I'll let some more debate go.

SENATOR CLARK: Senator Vickers.

SENATOR VICKERS: Mr. President and members, I have listened with interest to the debate this morning on this issue and it seems to me that I think there is an underlying current beneath all the debate and I think we all recognize it and I just simply wanted to make one comment. It seems to me that we are getting down to that point in time when this body, each of us individually, need to be statesmen and not politicians. We need to do what we

know is right and not try to see who we are going to put the blame on or how are we going to keep from getting the blame for doing those things that we all know need to be done. Thank you, Mr. President.

SENATOR CLARK: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker and members of the Legislature, I just wanted to make a couple of short comments. First of all to thank Senator Carsten and Senator Warner for the work that they have done on this issue. there can be no doubt but that through their efforts the consciousness of the Legislature and the consciousness of the people of the State of Nebraska to the financial crisis that we are facing has been increased significantly, has been increased a great deal. And on the previous two attempts to increase the tax rate on this floor, I have voted in favor of it, but I have to say, quite frankly, that I am tired of this game that we are playing now. I think that the public information function that is the primary objective, or at least I have assumed has been the primary objective of these...of this continuing series of amendments, has been performed and that we all are now aware of the situation. And I think it is time to take note of what Senator Nichol and others have made quite clear. If you and I in the Legislature later on today vote on the Appropriations resolution, we will have an opportunity at that time to vote for more or less spending. There is an amendment to that resolution which proposes from the Appropriations Committee which proposes to add \$15 million of spending to the basic resolution. You and I will be voting on that. vote for the additional \$15 million, we all know we are voting for an increase in the tax rate. Then after the Legislature meets in our normal procedure, as has been pointed out, the Board of Equalization has the administrative duty of correcting the tax rates to fit the spending that the Legislature has adopted. So the system is already there. We need only follow the system that we have been following for years and years. Senator Barrett said, this I gislature needs to take the responsible action, and other members of the Legislature talk about taking the responsible action, and I agree indeed we do need to take the responsible action, but we take that action by a vote on the expenditures, not by creating a new system whereby we vote on the tax rates. Think a minute about the assumption that is being made when you say that the Legislature must take the responsible action by voting on the tax rate. What we are saying in effect is, we don't believe the Governor is going to take the

responsible action when the Board of Equalization meets. Isn't that what it means? And if Charlie Thone were allowed today to hear that, he would be very disappointed with the Republicans in this body. Thank you.

SENATOR CLARK: There is a motion on the desk.

CLERK: Mr. President, Senator Duda would move to hold over LB 304 until after LR 215 has been acted upon.

SENATOR CLARK: Senator Duda.

SENATOR DUDA: Mr. President, I must confess I put this in out of my own confusion and the whole sum and substance is that it seems to me that we are...as Senator Wesely said, we are getting the cart before the horse and therefore, this is my method of putting the horse out in front of the cart.

SENATOR CLARK: Is there any discussion on his motion? Senator Warner. Go ahead.

SENATOR WARNER: Mr. President, is that subject to amend-ment?

SENATOR CLARK: Parden?

SENATOR WARNER: Is that motion subject to amendment?

SENATOR CLARK: I think it takes the preference over the other motion.

SENATOR WARNER: I know that, but is it subject to amendment? The motion was to pass over, right?

SENATOR CLARK: That's right.

SENATOR WARNER: I would amend the motion to pass over and to take up LR 215 and LB 304 today, February 25th, 1982. I am getting a little tired, you know, if you don't want to vote it, let's tote them down. But this game of it's too early to change the tax, it's too early to do the resolution, or which comes first, let's do them both. They are packaged, they are before us today, and if the Legislature wants to provide some leadership to resolve the issue, we can do it today. We can do them both today. They are scheduled today. It makes no difference to me which one comes first because the effect of both of them are the same. But let's resolve the issue. Now if we want to duck the issue, that is different, and

then vote that way, but I would amend the motion that both LB $30\,4$ and LR 215 be acted upon today.

SENATOR CLARK: Senator Warner, the Chair is in kind of a dilemma on this. I would certainly agree with you that if we take up 215, then we could take up 304 right afterwards because that is what the motion says. However, if we continue the way we are going with eight more lights on and trying to read the Final Reading bills, we may not get to it by noon. That is the dilemma I am in. Well. that is your dilemma also.

SENATOR WARNER: Well, it's not a dilemma for me. We are scheduled by the agenda to go to the resolution at 9:45, so I assume that we would go there anyway.

SENATOR CLARK: Let's hope we do that. Is there any discussion on Senator Warner's amendment to the motion? Senator DeCamp.

SENATOR DeCAMP: Mr. President, the appearance is being given that the resolution and the amendments have been synonymous and essentially identical the various times they have been offered, and I think that is totally false. A resolution such as was envisioned when we passed the rules at the beginning of this session said that the Legislature would get some information then "pass a resolution"....
I repeat, "resolution" with kind of a target figure of money, just something to work with. It had no binding effect. It was just an indication of where we were. It changed not one iota the authority of the Board of Equalization or anybody else. It would be like we pass a resolution suggesting that we are of a frame of mind to sing Happy Birthday to somebody or something else. It has no binding effect. The amendments that have been offered under the color of this similar proposal are totally different in legal effect, totally divergent from the original rule and totally deceptive. For example, the amendments each time take to the Legislature the authority for setting tax rates for all practical purposes. The resolution never did. The resolution has always spoke of a target figure of money, money to be raised, not the amendments, the statutory amendments. They talk of minimal amounts of income tax, and my fellow Senators, we all know that there is other laws in existence there such as sales tax rates have to raise the same amount of income so when you pass one minimum, you trigger a sales tax increase for all those people that are battling about, this is not a tax increase. Don't kid yourselves. Statutes versus resolutions, two completely different animals, completely different than the rules we originally envisioned, amendments that have never been printed in the Journal, I guess I wonder just how far anybody on the outside whether they be business or industry or whether they be in the corner of the Capitol over there, how far they think we can be played for suckers. And that is what is occurring. You are being played for suckers. If somebody says we need taxes increased to finance the operations of the state, have the belly to say it, or have the belly to cut whether it be the University or increases in salaries, or whatever, but quit playing games with clandestine amendments that change the statutes and authority and the whole system. Quit calling resolutions statutes. It is getting weary. I think the original rule said we are going to deal with a resolution for a target figure. Fine, let's deal with it. This is a whole different animal.

SENATOR CLARK: I remember Senator...Lt. Governor Marsh used to say, you are between a rock and a hard place. Now I see what he means. I have got five lights on. I don't know who wants to talk on the Warner amendment to the amendment, and if you would hold up your hand, I might be able to get it better. Senator Haberman.

SENATOR HABERMAN: Mr. President and members of the Legislature, I take offense to the remarks made by Senator Vickers. Senator Vickers stood up and said it is now time to be a statesman and not a politician. I don't understand what he means, now is the time to be a statesman or a politician. What is he alluding to? How does he know whether we need the 16 percent, because we haven't adopted the budget yet? So I take offense to somebody trying to turn this into a political thing. We are talking about the budget. We are talking about facts. Being a statesman or being a politician, I would like to ask, what are you, Senator Vickers, a statesman or a politician? I think we can be both. We have been accused of being both, more politicians than statesmen, I will tell you that. But by the way we are maneuvering and the way we are squirming, and the can of worms we have got here, we are not being very good statesmen. We are being poor politicians. So I think you have got the horse before the cart or the cart before the horse, one or the other. You will have to decide which one you have. Thank you, Mr. President.

SENATOR CLARK: The question before the House is the adoption of the Warner amendment to the amendment. All those

in favor vote aye, opposed vote nay. Senator Marvel.

SPEAKER MARVEL: (Microphone not activated)....the amendread before we vote.

SENATOR CLARK: The amendment will be read.

ASSISTANT CLERK: Mr. President, Senator Warner moved to amend the Duda motion so that we consider both LR 215 and LB 304 today.

SENATOR CLARK: You all understand the motion, all those in favor vote....did you understand that, Senator Goll?

ASSISTANT CLERK: Senator Warner moved to amend the Duda mot'on so that we consider both LR 215 and LB 304 today.

SENATUR CLARK: All those in favor of that motion vote aye, opposed vote may. Record the vote.

CLERK: We are not under Final, Senator. Senator Dworak voting yes.

SENATOR CLARK: The motion is adopted. Now we are back on the Duda motion. Anyone want to talk on the Duda motion? If not, all those in favor vote aye, opposed vote nay, as amended. Record the vote.

CLERK: 32 ayes, 0 rays, Mr. President, on adoption of Senator Duda's motion.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: The Clerk will now read LR 215.



LR 215, 230 LB 304, 139, 139A, 456, 685, 686, 710, 786, 830, 834, 835, 884, 906, 936, 962

February 25, 1982

(Read record vote found on pages 853 and 854, Legislative Journal.) 28 ayes, 15 nays on the adoption of the resolution, Mr. President.

SPEAKER MARVEL: Motion is carried. The resolution is adopted. The Clark has a couple of items to read into the record and then we will proceed with LB 304 on the agenda.

CLERK: Mr. President, your Committee on Education whose Chairman is Senator Koch instructs me to report LB 710 advanced to General File with committee amendments attached. That is signed by Senator Koch. (See page 854 of the Legislative Journal.) Your Committee on Ag and Environment reports LB 786 advanced to General File, and 962 advanced to General File, both signed by Senator Schmit as Chair. Senator Schmit would like to print amendments to LB 686 in the Journal; Senator DeCamp to print amendments to LB 936. (See pages 854 through 861.)

Mr. President, I have a report of Registered Lobbyists for the week of February 19 through February 24.

Your Committee on Public Health reports LB 456 advanced to General File with committee amendments attached; 835 to General File with committee amendments attached; 830 indefinitely postponed; 884 indefinitely postponed; 906 indefinitely postponed. (See pages 861 through 866 of the Legislative Journal.)

New resolution, LR 230 by Senator Wesely. (Read LR 230 as found on page 867 of the Legislative Journal.) That will be laid over, Mr. President.

Mr. President, LB 685, 834, 139 and 139A 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 engrossed LB 685, engrossed LB 834, re-engrossed LB 139, engrossed LB 139A. Now we are going to read the motion on LB 304.

CLERK: Mr. President, I have a motion from Senators Carsten and Warner to return LB 304 to Select File for a specific amendment. The amendment would read as follows: (Read the Carsten-Warner amendment.)

SPEAKER MARVEL: I failed to do one thing and I will do that and then we will come back to this. Senator Nichol asked for a short Exec Session of the Judiciary Committee

at 11:45 underneath the south balcony. Now, Mr. Clerk, 304. Senator Carsten, do you wish to offer a motion to LB 304?

SENATOR CARSTEN: I did. I move for the adoption of the motion to return for a specific amendment. And we did go through all that earlier before we got into the hassle of mingling the resolution with the motion to return. I rise at this point, Mr. President and members of the Legislature, to correct an error that I made unintentionally in answering Senator Peterson's question to me, and I want to correct that right off of the bat. Senator Peterson asked me in the event that the federal level rescinded their action and failed to go through with the 10 percent, would the Board of Equalization, or what would be the circumstances if we found ourselves not being affected? And I told him the board could act as they saw fit. And I want to correct that to the point that they cannot once it has been established for one year, this does, for '82-'83, only for one year they cannot lower it, and that was an incorrect statement, Senator Peterson. I apologize to you for that. I was mainly thinking that if anything happened, it was going to go more than 16 percent because of the projections that were being given to us at this point, and I was not concentrating exactly on what you were saying. For that, I apologize, it was incorrect and I want the body ... you and the body to know that correction. Next, I cannot seem to get across to this body nor can anyone else that is talking for this motion or this proposal that this is not an addition ... it is not an additional, and we keep hearing that, additional tax. It is a shift from the responsibility to the federal government to the state level to pick up that which will be forgiven. Now I want to also tell you relative to these concerns about one percent bringing in too much money. All of those projections that we have had are telling us...are telling us that we are in a downtrend not an uptrend, and as late as a few minutes ago I visited with the Director of Revenue who has just returned from the Washington level and he tells me that Chase Econometrics are as pessimistic now and more so and they, as you know, have said this downtrend may continue to a later point across the country than we now have, and in light of that and a further report from Chase Econometrics to the Department of Revenue will in all probability show this. Now I want to talk one more thing, this proposal is a part of and in response to the proposal that the Governor gave to us in his budget message, and as you will recall, he proposed to us a means and a way of supporting this budget. Those bills were referred to the Revenue Committee for

analysis, hearings and it is from those bills that the committee came out with their recommendations to this body to support the Governor's budget as he presented it to us. This one percent increase, as you call it, and I call it "shift", is only one part of that recommendation that the committee has given to you....

SENATOR CLARK PRESIDING

SENATOR CLAIK: You have one minute.

SENATOR CARSTEN:to take care of the Governor's budget. It is only a part of that budget message. One other thing I want to correct, and if I understood correctly, I think Senator DeCamp was mistaken when he made his enormous speech to this body when we were on this bill before, saying that it would trigger the sales tax, and that is not true, and you all know that. One percent increase will not trigger the sales tax. So I want you to take these things that we are suggesting and saying to you that 16 percent is going to be necessary with the projections and may even not be enough then if the economy continues on a downward trend, and we may see the Board of Equalization have to do what they have to do at a later point. I urge you to seriously consider this. We are only complying with that which the Governor is recommending for his budget. Thank you, Mr. President.

SENATOR CLARK: Motion on the desk.

CLERK: Mr. President, Senator DeCamp would move to lay over LB 304 until all Appropriation bills have been passed on Final Reading.

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: Mr. President and members of the Legislature, with respect to my quote "enormous speech" I would like to explain and I think I am right, and I will explain It more fully, this is not an increase to 16 percent. Remember, the other proposals were. This is not. Even though it hasn't been printed in the Journal, and to the best of my knowledge hasn't been put on our desks, I did take the time to go up and read it. I would recommend some other people follow that will course of action of actually reading the amendment. It says the minimum shall be 16 percent. We are simply saying Legislature now takes the responsibility. We are taking over the tax and we are saying at the very minimum. Senator Carsten himself fully acknowledged...fully acknowledge that

that probably won't cut it. Now you get above 16, and I don't know exactly how much, whether it is 17, you do ... you are going to then trigger the sales tax increase. We do know things are changing superfast ... superfast. Originally, I reminded you that we were going to increase to 16 percent, remember we were going to increase to 16 percent so we would have \$15 million extra for some programs that the Appropriations Committee wanted. Now we want the increase to make up shortfalls and now we are hearing that there are going to be even more shortfalls. I don't know what is going to be the economic situation come about one month from now when we are really dealing heavily with the bills, but I would hearken you back to a special legislative session and my closing arguments that lasted three minutes that I am going to pass out to you some day when everybody was pressing me, why are you holding firm and pushing the Governor's proposal? Why are you opposed to increasing taxes back in the Special Session? I said something to this effect, I am willing today to follow the leadership of the man who has been elected. gave us a plan, I will try to pass it and we did. plan was guaranteed if we would go with certain numbers, which by resolution you just did, no tax increases, no tax changes despite Reaganomics and everything else, despite the changes at the federal level. I said in my closing before we advanced it, I hope it is right, I think it is wrong but if it is wrong, let's be ready to do the hardball stuff of really some dramatic things in here to help this economy. Merely increasing taxes, 2 cents on cigarettes. \$20 million on corporations, a little over here, a little over there, 1 percent on personal or 5 percent or whatever. merely increasing taxes at every cotton pickin' level isn't addressing the economy. It doesn't create jobs. It doesn't make people pay taxes if they are unemployed. Start thinking about things that put people to work. And, yes, yes, Senator Kahle, the other day when you said, why is DeCamp acting so cotton pickin' conservative, or words to that effect, when he is out here sponsoring a \$500 million road building program? Because \$500 million in road building right now puts people to work. It starts having taxes come in to the Treasury. It starts generating economic activity. Yes, yes, Senator Kahle, you have uttered the terrible word, it's a Democratic approach. But I am going to tell you something, terrible as it sounds, we good, solid Republicans better be thinking about possibly some of these horrible Democratic approaches that worked about 50 years ago and indeed I know all the faults of expanded government and everything, but public works programs did put people back to work, they did generate activity, they did take them off the welfare rolls, they did take them off the

unemployment rolls, they did provide things that everybody could use. And so if we would start developing our exports, putting people back to work building roads or doing whatever, giving something to generate the income rather than one after another look at every solution that has been offered this session, every solution is a tax increase here, a tax increase there, here a tax, there a tax, everywhere a tax tax. That ain't going to cut it. That ain't going to make it work better. And so I would urge you to reject at this time taking the responsibility of the Legislature of setting tax rates and saying the only solution is an increase in taxes. If we have to increase the taxes, let it be done through the administrative procedure set up after we have completed our determinations of what we should be spending the money for. And we may determine 3 weeks, 2 weeks, a month from now, completely different alternatives than we are thinking of. We may actually be bold enough to try some things that put people to work instead of just try to reach a little deeper into their pocket. I urge you to reject the amendment, but rather than that I would urge you to adopt the motion just to lay this thing over until we get the Appropriations bills decided.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: The motion before the House is LB 304 which would...which is a motion to lay over the bill. Senator Beutler, do you wish to be recognized on this motion?

SENATOR BEUTLER: Mr. Speaker, I am beginning to feel like a waif amid forces. This is my little 304. It is just a little notice of Board of Equalization meeting, remember? And I gave it up to Senator Warner I thought very graciously so he could argue this major statement of this major question of public policy, but now it is in danger of being laid over and the whole public policy in question is really in a sense as I tried to explain before I thought a public education issue, not a real issue. The Board of Equalization sits there with the job right now to adjust the tax rates, so it is not a real question and I am no longer happy about it being attached to 304. And, Mr. Speaker, I feel that there is such a gigantic difference between the narrowness and scope of the issue that I have presented in 304 and the broad scope of the issue that Senator Warner has proposed with the amendment, that at this point in time I am going to ask for a ruling from the Chair on germaneness. In my opinion, Mr. Speaker, it is not germane to the bill and I would like it detached at this point.

SPEAKER MARVEL: Okay, the Legislature will be in recess for a few moments while we take this under consideration. Stand at Ease.

EASE

The Chair will rule as it has in the past that where the issue rests on two separate supports, we rule that this particular bill is germane as you compare it with the LB 304, for instance. So Senator Warner's motion and Senator DeCamp's motion each are in order. Okay, we are in the process of discussing the DeCamp motion and that is what we will be dealing with. Okay, Senator Haberman, do you wish to be recognized?

SENATOR HABERMAN: Yes, Mr. President, thank you.

SPEAKER MARVEL: The Chair will appreciate if points are made as rapidly as we can. We have a lot of business yet. Senator Haberman, you have the floor.

SENATOR HABERMAN: Thank you, Mr. President and members of the Legislature, I would like to be very brief and just tell you one thing. My daddy used to tell me, he used to say, Rex, he said, if somebody pushes you, if they crowd you up against the wall and they want you to make a decision right now, back up, hold off, wait a couple of days because it never hurts to take a second look and if it can't wait a couple days, maybe there is something that should be ferreted out and you should know about it. So I am going to say to this body, let's support Senator DeCamp on his motion to lay this over for a couple days, cnew on it and think about it. It isn't going to hurt a thing, because we do have the time, because the budget is going to take a lot of our time, it will be put on the agenda and spaced out, so I say to you, take a little bit of the advice that dad gave to me and let's lay it over and let's wait a couple days. Thank you, Mr. President.

SPEAKER MARVEL: Senator Marsh.

SENATOR MARSH: Thank you, Mr. Speaker. I rise to oppose Senator DeCamp's motion to lay over this amendment, this bill on Final Reading. It isn't, shall we think about it a couple of days. You should have been thinking, ladies and gentlemen, since we first started discussing it early in the session. It has been laid over over a week and again I would remind you that Senator DeCamp continues to talk about increasing taxes here and increasing taxes there. With this proposal we are not increasing taxes. With this

proposal we are making an adjustment which is still under last year's rate. This is a minimum. This does not preclude other adjustments being made later, but this is saying, I have the courage to admit to the State of Nebraska that we should have made some adjustments in the rate and I am willing to do it now. I am willing to bite the hard bullet to say this is responsible government, I will oppose the amendment to lay over, I will support the bill, 304, on Final Reading.

SPEAKER MARVEL: The Chair recognizes Senator Vard Johnson and ther Senator Kahle and then Senator Howard Feterson. I'm sorry...Senator Warner.

SENATOR WARNER: I wonder if I was in order there somewhere.

SPEAKER MARVEL: I am trying to spread it out so that we are fair with everybody. Okay, Senator Vard Johnson, do you wish to talk?

SENATOR V. JOHNSON: Yes, I do. Mr. Speaker, members of the body, as Ecclesiastes says, there is a time to do one thing and a time to do another. And this is one of those times when it is not right for us to set the income tax rate. I have consistently voted to increase the income rate from 15 to 16 percent and I have used every opportunity that has been presented to this Legislature to do that. have done that because as a member of the Revenue Committee I have seen the revenue figures and have also been aware of the probable appropriational figures, and I have recognized an absolute need on the part of this state to increase the income tax rate from 15 to 16 percent, and thus each time the measure has come to the floor I have supported that measure simply because I wanted to be able to say again and again to the members of this body that that is a step that will have to be taken. But at this point today because we have now adopted a budget resolution, because we have now said that the target figure is \$763 million, because that fact is behind us, which hasn't been heretofore, because that fact is behind us, we don't need to actually increase the tax rate. We need to wait until three more pieces of the puzzle are put together. what are those pieces? LB 760, the corporate tax bill. That is now out of committee. The question simply is, will or will not this body go along with the corporate tax increase that the Revenue Committee and the Governor have proposed? If this body does not go along with the corporate tax increase as proposed, that has a dramatic effect on the individual income tax rate. The second piece of

the puzzle is LB 753, the cigarette tax increase. Will or will not this body go along with a cigarette tax increase that has been proposed? If this body concludes not to, that has a dramatic effect on the individual income tax rate. The third piece is LB 757. Will or will not this body go along with the overlevy reduction from 3 percent to 2 percent that the Revenue Committee has proposed. If this body does not go along with the proposition of the Revenue Committee, that, too, has an effect ultimately on the individual income tax rate. three pieces are essential, are absolutely essential for the total budget and taxing posture of the state. today put into place on Final Reading an amendment which says simply that the individual income tax rate shall be 16 percent or greater, or greater, without yet having in place what it is in our collective wisdom we are going to do with the corporate tax, the cigarette tax and the overlevy reduction, we truly are acting out of time. not the appropriate time since we have passed that budget resolution, since we have passed that budget resolution for us to take a collective stand on the individual income tax rate. It is for that reason I would do one of two things. I would either support Senator DeCamp's move to lay the measure over until other actions have been taken, or in the alternative I would do Chris Beutler a great favor....

SPEAKER MARVEL: You have one minute.

SENATOR V. JOHNSON:not support Senator DeCamp's move but then not support the amendment so that little old 304 can be read on Final Reading and passed into law. But in any event, I would not take the action requested today because of the circumstances that have already unfolded this morning.

SPEAKER MARVEL: The Chair will recognize in this order Senator Howard Peterson, Senator Warner, Senator Cal Carsten. Senator Howard Peterson, the floor is yours.

SENATOR H. PETERSON: Mr. Chairman and members of the Legislature, first of all I would rise to support the DeCamp amendment and I would certainly say Amen to what Vard Johnson has said. But further than that, since Cal's answer to me was what it was, I think it behooves us in this Legislature to recognize the times and to recognize that the times are moving rapidly, and I would predict that by the time establish the appropriations in this Legislature we will know really how tough the times really are. And for that reason it seems to me

that we ought to wait and see what happens. Now further than that I think the times are tough enough that in Washington we are going to find one of these days they are going to remove that 10 percent so-called windfall that we are supposed to have to get savings out of, and we are going to find out that instead of actually by increasing the income tax to 16 percent we are not raising the tax figure, we are raising the tax figure. And I, for one, cannot go for a vote to increase the tax figure at this stage. Therefore, Mr. Chairman, I would urge this body to support the DeCamp amendment.

SPEAKER MARVEL: Okay, Senator Warner.

SENATOR WARNER: Mr. President, if you don't want to act now out of courtesy if nothing else to Senator Beutler's bill, vote no on 16. There is absolutely no reason whatsoever to hold up 304 if you want to vote no on the resolution. There is plenty of other bills that you who do not want to make a decision today can make that decision on. Now I understand it is not easy to be out front and I don't particularly get upset with those who do not want to be out front, because I can tell you it is no fun. I have read editorials, headlines, letters to the editors, so I understand that responsibility, but I have tremendous respect for this body and I believe that there are 25 people in here who understand, who know, who have known for some time that the individual rate is going to have to go to 16. I think there is everybody in this body understands that we are only making a portion of the loss. Secondly, Congress is not going to rescind the cut. The Speaker O'Neil will not allow that to happen in the House. Secondly, if they do anything, it might be the surtax and if it is the surtax, it will not affect the collection of the state income tax because that comes after the law in which we assess our tax. Now I don't know which piece of the puzzle you all want to put in first, but our system dictates that we put in one piece at a time because we deal with one issue at a time, and there is no question but what that 16, the piece of the puzzle of changing the rate to 15 or 16 if not done now will be done later, if not done by you will be done by someone else. And I am perfectly willing to stand here and accept whatever political consequences there may be of voting for that 16 when we all know that is where it is going to go by necessity. And I would hope that Senator DeCamp would withdraw his motion to delay Senator Beutler's bill. You may vote yes or no on the amendment and then we can move on. It seems to me that that is the reasonable route to go. It is an

appropriate way to go. It is so inappropriate to hold up the bill when it is not necessary.

SPEAKER MARVEL: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker and members of the Legislature, Senator De Camp has been a real gentleman about this and he indicated that if I did ask him to withdraw it, he would do so, and I am so asking, Senator De Camp.

SENATOR DeCAMF: Mr. President, I am one that always likes to try to expedite things and try to be fair. I will withdraw it. I do believe you are going to get in deep trouble trying to take over this function by the Legislature, and I urge you once again, read the amendment. It doesn't say 16. It says a minimum of 16. It just opens up to start going up and taking...well, you know what it does.

SPEAKER MARVEL: Okay, with the withdrawal we are prepared to revert back to LB 304. The motion is to return the bill for a specific amendment. Is there any other discussion? Okay. All those in favor of returning...I'm sorry. Senator Warner, do you want to close on your motion?

SENATOR WARNER: Well, I think Senator Carsten is....

SPEAKER MARVEL: Well, Senator Carsten took his light off. That is the reason I didn't recognize him.

SENATOR WARNER: Okay, fine. I just want to briefly....

SPEAKER MARVEL: Senator Carsten, do you want....excuse me?

SENATOR WARNER: I will yield if Senator Carsten wishes to, and I would say just a couple of words.

SPEAKER MARVEL: Okay.

SENATOR WARNER: I want to clarify the not less than 16. You may recall the first time we did this it was 16 and there was strenuous objection to fixing that rate at 16. The reason the words "not less" are in there is to avoid the potential of a special session should receipts or anything would occur during the balance of the year that an adjustment would have to be made because of that, and that is the only reason. There's no question in my mind that the minimum of 16 is what will be required. If something fails if the receipts get down 10 percent or below 10 percent, as you all know, the law permits the board to

act, that is to give them that flexibility if they want. Your option, of course, at that time would be again a special session to further reduce appropriations, either option. But it would seem foolish to me to force a special session by not giving the flexibility to the Board of Equalization. So I would urge that the bill be returned and you vote as you believe will be the end result which will be a 16 percent and take the responsibility and the leadership for doing it. Thank you.

SPEAKER MARVEL: Okay, Senator Burrows, you are recognized and then the Chair will turn to Senator Carsten. Senator Burrows.

SENATOR BURROWS: Mr. Speaker and members of the body, I oppose this amendment for different reasons than what have been stated. Certainly we are going to have to have a 16 percent rate to maintain state government, but the existing law provides for the State Board of Equalization to adjust and requires they adjust the income and sales tax rate to meet the expenditures that we vote across on There is no reason for this amendment. this floor. are going to have to have a 16 or 17 percent rate to maintain a decent flow and transition in state government. That is a fact. But there is no reason for this amendment except to bail the Governor out and the commitment he made to hold a 15 percent rate, and that 15 percent rate or the continuation of that costs the State Treasury somewhere between \$50 and \$60 million and we can't absorb it. It is as simple as that. But why we vote on a measure to put it at 16 just because of the Governor's commitment to stay on 15. All we need to do is look for 30 votes to take a responsible action here in the Legislature so we can override any vetoes of the Governor if he becomes irresponsible in adjusting that tax rate to what is needed and has to be taken to provide a continuity of state government. is what we should be about now is looking to put together at least 30 votes to pass the measures that are necessary for state government. I agree with what Senator Carsten and Senator Warner have said that we will have to have the 16 percent rate. That is true, but we do not need this amendment because the law provides that the State Eoard of Equalization shall adjust those rates. This measure is nothing but a cover to cover up that commitment the Governor made, to bail him out and it has no other reason to be on this floor...on the floor of this Legislature. So I urge the body to vote down this amendment, proceed with decent and responsible budget procedures in this session. In fact, if we give them any real estate relief, we are going to have to go to a 17 or 18 percent rate, and I think the voters of this state are more disgusted with the rising real estate taxes that are going to come up from 9 to 11 percent than what they were interested in looking for an income tax cut. I urge the body to reject the amendment and send LB 304 on to Final Reading. Thank you.

SPEAKER MARVEL: Senator Carsten, do you wish to close on the motion?

SENATOR CARSTEN: Mr. President and members of the Legislature, once again I rise to tell Senator Burrows and the rest of this body that in adopting this motion we are accepting our responsibilities as has been given to us by the Governor. We have his budget proposal. We have to see that it is properly funded. He gave us the tools to use to do that and it is our responsibility to answer those challenges, and we are doing that. This is not a political issue. It is a reality, and I hope this body addresses it in that fashion. You gotta face facts whether you are Democrat or Republican, and that is what, in my opinion, our Revenue Committee did when they made their recommendations and what I hope this body will conscientiously and sincerely do when they vote on this amendment. I move for the return. Mr. President.

SPEAKER MARVEL: Okay, the motion is to return the bill for a specific amendment, the bill of Warner and Carsten. All those in favor of returning the bill to Select File vote aye, opposed vote no. Have you all voted? Senator Carsten.

SENATOR CARSTEN: Mr. President, I am going to ask for a Call of the House and a roll call vote. We should be in our chairs. We are on Final Reading, and I think that everybody should have an opportunity to vote.

SPEAKER MARVEL: Senator Carsten, I appreciate your comments. The Chair has been trying to do that for at least today if not longer. Okay, record your presence. All legislators record your presence. Senator Howard Peterson, will you please record your presence. Senator Cope, will you please record your presence. Is Senator Schmit here? All legislators must be in their seats under Call. Senator Fowler, Senator Koch and Senator Lamb are excused. Senator Chambers, Senator Goodrich, Senator Schmit. Mr. Sergeant at Arms, we are short three, Chambers, Goodrich and Schmit. Senator Schmit, will you please record your presence. Senator Carsten, we have...okay, we are ready to...okay, call the roll.

CLERK: Senator Apking.

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SPEAKER MARVEL: We are dealing with the motion to return the bill to Select File for a specific amendment. Call the roll.

CLERK: (Read the roll call vote as found on page 868 of the Legislative Journal.) 19 ayes, 22 nays, Mr. President, on the motion to return the bill.

SPEAKER MARVEL: The motion lost. Okay, the Clerk will read LB 304.

ASSISTANT CLERK: (Read LB 304 on Final Reading).

SPEAKER MARVEL: We are on Final Reading. Will all legislators please be in their seats.

ASSISTANT CLERK: (Read LB 304 on Final Reading.)

SPEAKER MARVEL: All provisions of law having been complied with, the question is, shall the bill, 304, pass? Those in favor vote aye, opposed vote no. Have you all voted? Clerk, record the vote.

ASSISTANT CLERK: (Read the record vote as found on page 869 of the Legislative Journal.) The vote is 46 ayes, 0 nays, 3 excused and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed on Final Reading. The Clerk will read LB 353 with the emergency clause.

ASSISTANT CLERK: (Read LB 353 on Final Reading.)

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

ASSISTANT CLERK: (Read the record vote as found on page 870 of the Legislative Journal.) The vote is 44 ayes, 2 nays, 3 excused and not voting.

SPEAKER MARVEL: The bill is declared passed with the E clause attached. We now go to 410 with emergency clause attached.

CLERK: Mr. President, Senator Landis would move to return LB 410 to Select File for a specific amendment. The amendment is found on page 838 of the Legislative Journal.)

LB 215, 304, 353, 408, 431, 608, 641, 653, 688, 702, 852, 873, 896, 938, 953, 969

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if it readvances we will be done with the issue for the day. To reacquaint the members, this is where we allow... the District Court does not appeal the issue of whether or not it is the appropriate forum on child termination cases as described earlier in today's session.

SPEAKER MARVEL: The motion is to adopt the Landis amendment. All those in favor of that motion vote aye, opposed vote no. Record the vote.

CLERK: 39 ayes, 0 nays on the motion to adopt the amendment.

SPEAKER MARVEL: The motion is carried. The amendment is adopted. Okay, the motion is to readvance the bill to E & R for Engrossment. All in favor of that motion say aye. Opposed no. The motion is carried. The bill is readvanced. Senator Nichol has a meeting underneath the south balcony, and the Clerk has several items to read into the record.

CLERK: Mr. President, Senator Newell would like to print amendments to 702 in the Journal. (See pages 879 and 880 of the Journal.) Sena or Beutler to print amendments to LB 852. (See pages 878 and 879 of the Journal.) Notice of hearing from Public Works for LB 969 set for Thursday, March 4. Your committee on Education whose Chairman is Senator Koch reports 653 advanced to General File with committee amendments attached; 688 General File with committee amendments attached; 896 General File with committee amendments attached; 938 General File with committee amendments attached, and 641 indefinitely postponed. (See pages 873. (See pages 873 and 874 of the Legislative Journal.) Your Enrolling Clerk has presented the bills passed on Final Reading this morning to the Governor. LB 608 offered by the Public Works Committee has been advanced to General File. Senator Chambers would like to print amendments to LB 408. (See pages 875 and 876 of the Journal.) The Ag and Environment Committee reports LB 953 advanced to General File with committee amendments attached. (See page 876 and 877 of the Journal.)

SPEAKER MARVEL: While the Legislature is in session and capable of transacting business, I am about to sign and dc sign engrossed LB 304, re-engrossed LB 353, re-engrossed LB 431. This announcement from the Nebraska Livestock Feeders Luncheon at the Airport Inn. Transportation for those who have made reservations will be at the west entrance. Senator Marsh, do you want to adjourn us to

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PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Have you all recorded your presence? Record the presence, Mr. Clerk.

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

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

CLERK: I have no corrections, Mr. President.

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

CLERK: Mr. President, a series of things. Your committee on Banking, Commerce and Insurance whose chairman is Senator DeCamp instructs me to report LB 358 advanced to General File with committee amendments attached. (See pages 881-884 of the Legislative Journal.)

Your committee on Education reports LB 578 advanced to General File with committee amendments attached. That is signed by Senator Koch. (See page 885 of the Legislative Journal.)

Your committee on Government reports 921 advanced to General File; 594 indefinitely postponed; 624 indefinitely postponed; 795 indefinitely postponed; 844 indefinitely postponed; 871 indefinitely postponed; 872 indefinitely postponed. That is all signed by Senator Kahle as Chair, Mr. President.

Your committee on Banking whose chairman is Senator DeCamp reports 799 advanced to General File with committee amendments attached. 877 is advanced to General File from the Public Works Committee. 152 indefinitely postponed; 222 indefinitely postponed; 348 indefinitely postponed; 508 indefinitely postponed; 527 indefinitely postponed; 771 indefinitely postponed; 772 indefinitely postponed; 955 indefinitely postponed, all signed by Senator Kremer as Chair. (See pages 885-886 of the Legislative Journal.)

Mr. President, your Enrolling Clerk reports that she presented to the Governor LB 353, 304 and 431. The Governor has received engrossed LB 440 and signed that bill on February 25, Mr. President. (See page 886 of the Legislative Journal.)

Rules gives notice of a hearing for Tuesday, March 16.

I have a series of Attorney General's opinions, the first addressed to Senator DeCamp regarding LB 898; one to Senator Cullan regarding LB 525; one to Senator Wagner regarding interpretation of Statutory Section 2-1504; one to Senator DeCamp regarding 335. (See pages 887-895 of the Legislative Journal.)

March 4, 1982

PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Prayer this morning by the Reverend Robert Hansen, First Lutheran Church, Fremont, Nebraska.

REVEREND HANSEN: Prayer offered.

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

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

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

CLERK: I have no corrections, Mr. President.

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

CLERK: Mr. President, your....received a communication from the Governor addressed to the Clerk. (Read communication regarding LBs 139A, 304, 685, 139, 353 and 431.)

Mr. President, Senator DeCamp would like to print two amendments to LB 458 in the Legislative Journal. (See pages 965 through 975 of the Legislative Journal.)

PRESIDENT: We are ready then, Mr. Clerk, for Select File, Special Order. We are going to start, however, at the advice of the Speaker with LB 801 rather than 717 because there are some people that are still trying to get here through the traffic this morning and the snow. So we will start with 801 and come back to LB 378. That is agreeable to Senator Cullan, I understand, so we will do that according to the Speaker. So we will start with 801, Mr. Clerk.

CLERK: Mr. President, I have E & R amendments to LB 801.

PRESIDENT: Who wants to handle the E & R amendments? Senator Barrett, would you just handle the E & R amendments on 801? We will just move the E & R amendments.

SENATOR BARRETT: Mr. President, I move the E & R amendments.

PRESIDENT: Motion to adopt the E & R amendments on LB 801. Any discussion? Senator DeCamp, did you wish to discuss the E & R amendments? This is on 801.