

January 20, 1981

LB 389-433

SPEAKER MARVEL: Senator Higgins.

SENATOR HIGGINS: Mr. Chairman and Senator Chambers, I merely want to state the fact that your very presence here and the fact that we are listening to you is a contradiction of your remarks that you do not have freedom. Thank you, Mr. President.

SPEAKER MARVEL: Senator Burrows.

SENATOR BURROWS: Mr. Speaker, members of the body, I would like to request permission we lay over the resolution until the hostages are in the air.

SPEAKER MARVEL: Any objection? If not, so ordered. We will go to item #6 now, introduction of bills.

CLERK: Mr. President, new bills. (Read by title LB 389-432. See pages 271-280 of the Legislative Journal.)

SENATOR CLARK PRESIDING

SENATOR CLARK: Could I have your attention just a moment, please? The AP has reported that the American hostages will fly out of Iran in the next thirty minutes. (applause).

CLERK: (Read by title LB 433. See pages 280-281.)

SENATOR CLARK: Senator Nichol, for what purpose do you arise?

SENATOR NICHOL: Mr. Chairman, members of the Legislature, I wanted to say something but I don't want to say it if we have urgent business to do. This will take about two or three minutes.

SENATOR CLARK: Continue, we don't have any business right now.

SENATOR NICHOL: Okay, Senator Marsh has a bill in having to do with mammals and I wanted to tell you the story of the three mammals if I may. May I do that, sir?

SENATOR CLARK: Go right ahead if it is funny.

SENATOR NICHOL: Well, I don't know about that but once upon a time there were three mammals who lived happily in Mammalary Land. There was a papa mammal that we called Pappy and mama mammal that we called Mama and baby mammal we called Babble and the reason we called baby mammal Babble was because he talked a lot and asked embarrassing questions.

January 28, 1981

LR 9, 10
LB 170, 421, 533

with amendments. (Signed) Senator DeCamp.

Your committee on Revenue whose Chairman is Senator Carsten to whom we referred LB 170 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File with amendments. (Signed) Senator Carsten, Chair.

Mr. President, I have a Reference Report from the Reference Committee referencing certain gubernatorial appointments. In addition I have a motion to withdraw LB 421 to be held by the Reference Committee for the purpose of further re-referencing.

Mr. President, Senator Marsh offers a proposed rule change. That will be inserted in the Legislative Journal. (See page 351.) It automatically will be referred to the Rules Committee as well.

Mr. President, new resolutions, LR 9. (Read. See pages 351 and 352, Legislative Journal.) Mr. President, pursuant to our rules that will be laid over.

LR 10. (Read. See pages 352 and 353, Legislative Journal.) That, too, Mr. President, will be laid over.

Mr. President, new bill, LB 533. (Read title)

SPEAKER MARVEL: It is my privilege to introduce two guests of Senator Nichol underneath the South balcony, first, Wanda Mowry from Gering, Nebraska, who is the Extension Home Economist. Would you please stand and raise your hand so we can see you. Welcome to the Unicameral. And also underneath the South balcony as guests of Senator Von Minden, Julie Claybaugh. Julie, where are you? In the North balcony, it is my privilege to introduce from Senator Marsh's District 50 students from the Cathedral Elementary School, Lincoln, Nebraska, teachers, Linda Michel and Vickie Morton. Would you raise your hands so we can say, "Good Morning" to you. Do you have any other items now.

CLERK: I have nothing further, Mr. President.

SPEAKER MARVEL: Senator Hefner, would you adjourn us until nine o'clock, tomorrow morning please?

SENATOR HEFNER: Mr. Chairman, I move that we adjourn until nine o'clock, tomorrow morning, January 29th.

SPEAKER MARVEL: The motion is to adjourn until nine o'clock, tomorrow morning, January 29, 1981. All those in favor of that motion say aye, opposed no. Motion is carried and we are adjourned.

Edited by:

Marilyn Zank
Marilyn Zank

LB 51, 63, 74, 94, 106, 113A, 150, 154,
190, 195, 225, 261, 272, 281, 284A, 351,
409, 418, 421, 426, 466, 229

March 12, 1981

Mr. President, some items to read in, LB 113A by Senator DeCamp. (Read LB 113A for the first time by title.) LB 284A by Senator DeCamp. (Read LB 284A for the first time by title.)

Your Enrolling Clerk respectfully reports that she has on this day presented to the Governor LB 51, 150, 195, 272, 409 and 154.

Your Committee on Education reports 63 indefinitely postponed. (Signed) Senator Koch.

Your Committee on Public Works reports 229 to General File and 94 General File with amendments. (Signed) Senator Kremer.)

Your Committee on Banking reports 421 to General File with amendments. (Signed) Senator DeCamp.

Your Committee on Public Health reports 261 and 466 to General File with amendments.

Mr. President, Senator Nichol would like to print amendments to LB 74 in the Journal. Banking, Commerce and Insurance Committee sets hearing. Senator Koch would like to print amendments to LB 190. Senator Kilgarin asks unanimous consent to be excused tomorrow. I have notice of priority bill designation of the Speaker. Your Committee on Banking, Commerce and Insurance reports 426 to General File with Amendments. (See pages 882 through 896 of the Legislative Journal.)

Mr. President, Senator Schmit would like to have the Ag and Environment Committee tomorrow morning at eight o'clock in Room 1520, Ag and Environment Committee tomorrow morning.

Mr. President, your Committee on Government, Military and Veterans Affairs reports 281 to General File with amendments; LB 351 General File; LB 418 to General File; LB 106 as indefinitely postponed; and LB 225 as indefinitely postponed. Those are all signed by Senator Kahle as Chairman.

Mr. President, the Business and Labor Committee will have an Exec Session at 1:00 p.m. today in Room 1019; Business and Labor at 1:00 p.m. today.

Mr. President, Senator Vard Johnson asks to be excused tomorrow.

SENATOR CLARK: The bill is advanced. Are you going to take up LB 421, Pat?

CLERK: Yes, sir. Mr. President, LB 421 introduced by the Banking Committee and signed by its members. (Read.) The bill was first read on January 20 of last year, Mr. President. The bill was advanced to... The Committee on Banking conducted a public hearing, Mr. President, and it was advanced to General File with committee amendments attached.

SENATOR CLARK: Are there any committee amendments? Senator DeCamp, on the committee amendments.

SENATOR DeCAMP: Mr. President, I move the adoption of the committee amendments. Just for the sake of kind of brevity and moving along, I am going to explain the bill right here at the same time I move the committee amendments and hopefully kind of kill two birds with one stone. Let me say in advance that this bill was introduced last year and in a sense was deliberately delayed for this year so that individual members of the Legislature could have an opportunity to be contacted by people that could explain the bill. It is a major bill. It involves multimillions in cost containment on medical expenses for the citizens of Nebraska and hopefully we'll correct some problems that have not been able to be corrected otherwise. Let me very simply explain this way by saying, let us assume that Dr. X, be he a... let's use an example, let's say a chiropractor or a podiatrist and Dr. X by his license is authorized and allowed and directed to do certain types of medical practices. However, because of the system that has developed in this state and of course the United States, of almost everybody having medical insurance and having big medical insurance companies to pay those bills, the system is that the doctor submits the bill to the insurer and the insurer basically pays the bill. There is a loophole or a problem and that problem is that if there are abuses going on by let's say the chiropractor doing things completely outside his line of authorization and licensing, that he is charging for or even things that maybe he hasn't done that he is charging for, or let's say that Doctor X, an M.D. is in the practice of prescribing heavy narcotics in excess and abuse. There is no way under the existing system that this could be stopped and corrected. It is going on. It is occurring in the multimillions of dollars. We do have the documentation. The documentation has been presented to the committee. This is the proposal to correct it. The committee amendments would make it clarified and some language in the bill but do two additional things, the committee amendments would make sure that instead of any person as is named in the bill now, it would mean insurer. That is clarified so that it is an insurance company that would be filing any information with the

state regulatory agency if they knew or believed serious abuse was going on. So very simply then, the bill would allow the insurer, if they knew or reasonably believed that fraudulent charges were being made or that more specifically a particular individual, be he a psychiatrist or podiatrist or chiropractor or any M.D. was charging for things completely improper and outside his licensure laws, that they could submit that information, the insurer could, to the state regulatory agency and receive information back from the regulatory agency as to whether that was a proper charge or not and of course then the state regulatory agency would have information and they could take action to correct this abuse both for this individual and for others. The savings to the public of course as I say, in the case of just one insurance company I'll use the name Blue Cross /Blue Shield would amount to a couple million dollars a year directly there. There are three hundred such insurers in different ways involved so you can see it is a multimillion dollar per year savings to the consumer of Nebraska which hopefully will contribute significantly to lower insurance rates. I urge adoption of the amendments and advancement of the bill. I repeat, I'm not taking a great deal of time because I do know that each individual member or I think each individual member has been contacted at one time or another in the past two years and had the bill pretty thoroughly explained and the issue and it is one of those issues that is somewhat sensitive and sometimes can better be explained on a one on one basis. Now additionally there was a complete book prepared on this that committee members have. Committee members might be able to talk individually with you about it. If you want to get additional information I'll sure try to provide it. We think, after the study the committee has done on it that it is an incredibly important bill in terms of cost savings on medical insurance, medical expenses in the State of Nebraska, a major multimillion dollar cost containment provision and we'll upgrade the quality of medical practice at the chiropractic, at the medical, any of those levels, and we'll give a tool that does not now exist to correct the problems that do exist. I urge adoption of the amendment.

SENATOR CLARK: We're on the committee amendments at the present time, only the committee amendments. Even though he explained the bill we're only on the committee amendments. Senator Beutler, did you want to talk on the committee amendments?

SENATOR BEUTLER: I'll talk on the bill.

SENATOR CLARK: Thank you. Senator Higgins, did you want to talk on the committee amendments? Alright.

SENATOR HIGGINS: Mr. Speaker, I'd like to ask Senator DeCamp a question if he would yield.

SENATOR CLARK: Senator DeCamp, will you yield for a question from Senator Higgins?

SENATOR DeCAMP: Yes.

SENATOR HIGGINS: Senator DeCamp, correct me if I'm wrong. On the committee amendments on page two, line 15, 18, 19, 24 and 27 the amendment would change the reading from "any person having knowledge of any violation" to "any insurer". Well does that then eliminate all people that only insurers are going to be required to do this?

SENATOR DeCAMP: That is correct. I insisted on that.

SENATOR HIGGINS: You mean nobody but insurance companies are going to be required to report this knowledge. If I know it, I am excluded completely from this bill. In other words, my point is this, should it say any person or insurer?

SENATOR DeCAMP: That's not true. Let me explain something.

SENATOR HIGGINS: Or can you just say insurer?

SENATOR DeCAMP: Senator Higgins, that is a good question. It may be one of the most important questions because that is what delayed the bill for about a year. The way the bill originally reads it would address the problem and it would say any person. But if I carried that bill out here like that, then maybe Senator Chris Beutler, Senator Davy Landis, Senator Steve Fowler would say, "Hey, you mean that if I got a grudge against somebody I can pick up the phone and say, hey, I know that Dr. so-and-so on such and such a thing, and I think you ought to investigate and I'm not going to tell you who I am." It had the seeds for abuse. Therefore, quite frankly, I insisted if they had a specific problem and the problem was with the insurance companies because most payments come out of there, then that is what should be addressed and it should be very narrow and so I changed it to "any insurer." So that we're strictly dealing with a contained system and I think that is necessary and I would not support the bill otherwise. I want a very narrow system that addresses a specific problem that those with expertise have the ability itself. Now, to answer the rest of your question. However, Marge Higgins, if she knows of this, if she knows of this there is nothing preventing her, Marge Higgins as an individual, from going down to the state regulatory agency and filing a complaint or making an allegation or doing so. You have that right under the law already.

However, the insurer...(interruption)

SENATOR HIGGINS: But I don't have the obligation.

SENATOR DeCAMP: You don't have the obligation.

SENATOR HIGGINS: If you leave the word "person" in I'd be obliged to.

SENATOR DeCAMP: That's right.

SENATOR HIGGINS: One other question, Senator DeCAMP. Using the examples you cited that insurance companies would be the ones most likely to have knowledge of doctors, et cetera, writing prescriptions for which they are not licenses, why wouldn't a pharmacist have this knowledge more than anybody else? In other words we're leaving pharmacists out of it completely also and they would be more likely to have the knowledge of what a doctor was licensed to write prescriptions for than I as an individual.

SENATOR DeCAMP: Okay, Senator Higgins, first of all, number one, we're not talking strictly about prescriptions. That is one area, maybe a limited area. We're talking about charges, let's say, for all kinds of tests that are completely outside the scope of a particular medical person's licensing law, the chiropractor, the podiatrist, let's say. Number two, you start broadening it, it may be a legitimate thing. I'd rather not do it at this time. I'd rather correct this specific problem that involves millions that we do know about that we have the documentation on. I don't know on pharmacists, you get the possibility as was documented in Florida of let's say, Dr. A and Pharmacist C kind of have a system going. That may be a problem. It's not addressed in this bill.

SENATOR HIGGINS: That's my point. If we put pharmacists in there it would oblige them to report anything such as you have described.

SENATOR DeCAMP: I don't believe the pharmacist is in the position to know. All he does is fill prescriptions.

SENATOR HIGGINS: (Both talking at once.) ...prescriptions.

SENATOR DeCAMP: That is true. That is true.

SENATOR HIGGINS: But in his college education he is taught what type of doctors are licensed to write what type of a prescription.

SENATOR DeCAMP: Okay, the insurance company pays all the bills, basically the exclusive person handling Mr. A's payments from Doctor Y. In the case of the pharmacists, he could be going to fifty pharmacists. You see what I am saying? You would have to have all the information filed in one place. You don't. Just don't want to get into that area.

SENATOR HIGGINS: Thank you for your explanation, Senator.

SENATOR DeCAMP: Hope it helped.

SENATOR CLARK: Senator Cope, on the committee amendments.

SENATOR COPE: Mr. President, a question of Senator DeCamp.

SENATOR CLARK: Senator DeCamp, will you yield?

SENATOR DeCAMP: Yes.

SENATOR COPE: Going back and checking last year's files I note that the podiatrists opposed 421. Now is it the amendments or the bill or what? Looking through, I can't seem to figure out.

SENATOR DeCAMP: Okay, you've got me because I don't recall that the podiatrists appeared at the committee hearing.

SENATOR COPE: Well I have letters in opposition. That is all I know.

SENATOR DeCAMP: Okay. If you'll look it says, "Opponents - none." Now I also received a letter or two from a podiatrist. Let me tell you, and it is pure speculation on my part so we understand in advance, why they might. Let us assume that there were case files that showed a number of podiatrists or even just a very limited number were pretty seriously abusing existing law and there was no corrective mechanism. Example: Dr. Jones, Podiatrist, and Dr. Jones with his license for podiatry is allowed, authorized by state law and the licensing law to do specific things and I think it deals with the feet. Now if Dr. Jones, Podiatrist, is ordering all kinds of tests let's say, cardiogram tests and a variety of things, all kinds of blood tests and things that build up a bill from let's say a fifty dollar bill to a two hundred and fifty or a four hundred dollar bill on a regular basis, then I can see why Dr. Jones let's say, would have serious reservations about any system that would first of all, cut out his revenue or second of all, get this matter corrected. There is no correction mechanism for all practical purposes now. So I can see why there would be some concern there and there are abuses. I can show you the books if you want and document them.

SENATOR COPE: Well I can understand that but I would think that M.D.s, if they are faulty and I am sure that there is that, why they wouldn't be speaking out instead of all podiatrists.

SENATOR DeCAMP: The M.D.s worked with us approximately a year and a half on this bill because they knew it was a major bill that directly involved them, maybe more than anybody else. They also understood totally the seriousness of the problem and how it was casting a pall, a reflection of so to speak, sin and corruption, upon the entire profession and, therefore, when we worked out the very narrowed bill with the insurance company involved, the state regulatory agency and all the protections for confidentiality, they dropped all opposition as you will note in the reflection. In fact, they were involved in the writing of the bill. They know this needs to be corrected as much as anybody.

SENATOR COPE: Thank you.

SENATOR CLARK: Anything further? Any other debate on the amendment, committee amendments? All those in favor of the committee amendments vote aye. All those opposed vote nay.

CLERK: Senator Clark voting yes.

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

CLERK: 27 ayes, 0 nays, Mr. President, on adoption of committee amendments.

SENATOR CLARK: The committee amendments are adopted. Now we are on the bill. Senator DeCamp has explained the bill. Senator Dworak, the first speaker on the bill.

SENATOR DWORAK: Mr. President and colleagues, I think we'd better be very cautious and very careful on this particular piece of legislation. I think anytime we make one party or one actor immune from any action they take as far as liability is concerned, that is a serious precedent and that is exactly what we are doing in this particular bill in Section 8. If you will look at Section 8 it says, "any person making a report as required shall be immune from any liability, civil or criminal, unless it is a maliciously false statement." Now I don't care what person it is or what group it is or what types of organizations there are, I think we all ought to be responsible for our actions. Now let me give you an example. Let's take an insurance company that arbitrarily sets the figure that if a claimant spends over X amount of dollars and just for illustration let's say \$5,000 for drugs,

they could turn all those people in, blanketwise, into the Department of Health without any possible reason to believe that a specific individual is or is not abusing the insurance privileges. And if an investigation is conducted and if a person is harmed or wronged, then that person has absolutely no recourse against that insurer because we've made him immune and obviously that isn't going to be maliciously false. I think this is something that... I think Section 8 should be struck out of this bill. I just don't think we make super players out of anyone in this society. I don't think we give an edge to any group or any class or any individual that other people don't have. That is not what this country was based upon. I think we have as much of a responsibility in this body to the individuals of this state as we do to the corporate structures and if we adopt this bill in its present form with the current Section 8 in it we are putting individual members of this state at a tremendous disadvantage to insurers. Now I know the intent of the bill is good. I know what the intent of the bill is to seek out and find abuses primarily in the area of drugs and that is certainly worthwhile. That is certainly notable but at what cost are we trying to do that? We are trying to do that at the cost of an individual's rights. I cannot support this bill as long as Section 8 is in it in its present form and will not. You know it could be you. It could be your spouse. It could be your children that is wronged and you are giving up absolutely all recourse against that wrong action.

SENATOR CLARK: Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, I wonder if Senator DeCamp might yield to a couple of questions.

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: Well I'll give it a shot.

SENATOR CULLAN: Senator DeCamp, Senator Dworak raised, I think, some interesting points about the purpose of the immunity section in this particular bill and specifically it exempts individuals, I guess insurance companies in this case, from criminal acts and from other civil actions. I guess I'm not familiar enough with the insurance industry to understand why the insurance industry needs protection in this particular case and specifically what types of criminal acts are the insurance company being protected from under the language of this bill?

SENATOR DeCAMP: Okay, Mr. President, I had my light on to

speaking. I can either answer the question now, Sam, or wait until...okay? Mr. President and members of the Legislature, with all due respect and no offense intended, I don't think I have ever seen a more clear-cut misunderstanding of what the legislation does and says than that as stated by my good friend Senator Dworak. Number one, he said, "All persons again," and you heard ten minutes of controversy and discussion between myself and Senator Higgins where that was what the committee amendments were all about. We changed that to "insurer." We narrowed that specifically to the insurer so we are talking about the Blue Cross/Blue Shield, the Mutual of Omaha, whatever it is. I don't know all the names. So that point Senator Dworak made is completely invalid because he simply, apparently, maybe didn't get a chance to read the amendment or listen to the conversation we had. Number two, he says he would like to strike Section 8. Section 8 is literally the entire bill and that gets to the question of Senator Cullan. Why does the insurance company need this immunity because that is what the bill is all about? Let me use a simple example that I can hopefully understand and explain to you so that you understand what it is. Let's say Senator Warner is a patient and Senator Warner goes to Dr. Jones for his foot. Dr. Jones and Senator Warner have a patient-doctor relationship with all the privileges that are there for nobody to discuss or reveal anything about it. Okay? Dr. Jones sends in his bill to the insurance company and the bill is for, let's use a real clear-cut example again, removal of, what do they call them, callouses or those little funny things that hurt...corns, corns, corn removal. Dr. Jones bill includes right on its face, Dr. Jones, such and such an address, cardiograph exam, pulmonary exam, blah, blah, blah, all kinds of tests that are clearly outside Dr. Jones' licensure and scope of practice. The insurance company has no choice but to pay that bill or deny it. If they deny it of course then they are punishing Senator Warner, the patient but if they try to check anything like check with the State Licensing Board as to whether this is a valid charge or anything, they are violating the patient-doctor relationship. What the legislation says, look, insurance company, you have a right under this law and an obligation when you know there is something false or fraudulent. You have an obligation to check with the state licensure if you have a question as to whether these practices are outside the scope and whether you have to pay this bill. And if they say, no, these things aren't within the scope of a podiatrist or these, then you have a basis for refusing the claim and that is what it is all about. There are multimillions and I guess I am going to ask my office if they happen to be listening to bring up the book on my desk that has just one set of a couple hundred of these claims. Bring it up so that I can

show some individuals in here what I am talking about and it will be patently clear. We need the immunity, that's the essence of the statute because the insurance company has to have a basis for getting that information to the regulatory agency, the licensing agency, and there is every protection afforded in there possible in the legislation. In fact, they don't even care about the names of the individuals, the insurance company doesn't. They could submit it with all the names crossed out if necessary to prove my point.

SENATOR CLARK: You have one minute left.

SENATOR DeCAMP: What they care about is a ruling from the licensure agency, the regulatory agency of the state, as to whether this is a practice within the scope of that license and whether they have to pay for it. And once you get a bunch of these corrected then it is going to impact millions. As I say, there are millions documented for one single insurance company in this state of false claims. I urge you to advance the bill as it is.

SENATOR CLARK: Senator Cullan, did you have anything further to add on that?

SENATOR CULLAN: Well, Mr. President, Senator DeCamp...I respectfully request that you rethink your response. What I was asking specifically was why an insurance industry has to have immunity from civil actions and from criminal actions? Now you told me what the purpose of the reporting is but all they have to do to determine whether an act is within or without the scope of practice is to read the statute and I am sure that they can write any of the examining boards in the Department of Health and find out in a hypothetical case whether a specific act is or is not within the scope of practice. And I don't see that patient confidentiality has anything to do with that and I certainly see no act that the insurance company can take that would subject them in the set of circumstances you described us to that would subject them at all to any criminal or civil liability. So my question again, Senator DeCamp, is for you to try and tell me what specifically the insurance industry needs immunity from? They can obtain the information that you have just said that they need without mentioning any patients names. It has nothing to do with patient-client relationship and so I guess I just don't see a need for any immunity and I am not trying to obstruct your bill, Senator DeCamp. I simply want to know why we're trying to provide protection for the insurance company and what we're trying to protect them from.

SENATOR CLARK: We are now working on Senator DeCamp's time.

SENATOR DeCAMP: Okay, what the heck. Senator Cullan, good question. I repeat, we want to make sure these abuses that are existing are corrected. Therefore, the licensure department would now have the ability to investigate or do something to correct the abuse and if they needed additional information they would have the ability to subpoena but let us get one thing clear which maybe I did not make clear. The immunity only applies to Sections 2 and 3 of the act. It is not...I get the impression that you believe it is an immunity for anything criminal or anything else. It is a very limited and narrow thing, strictly dealing with this bill and the immunity only with relation to Sections 2 and 3 which hopefully will make sense then.

SENATOR CLARK: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, I rise in support of the bill and I would just like to comment. I don't think that the insurance company as such, needs protection. What I am talking about here, what the bill purports to do is this. We all know what has happened to the cost of health care in the last ten or fifteen years. It continues to escalate much faster than even the rate of inflation. Part of that is due to improper practices. There are evidences...

SENATOR CLARK: (Gavel.) Pardon me, Senator Schmit. Could we have it a little quiet in here please. It is hard to hear him.

SENATOR SCHMIT: There have been evidence gathered as Senator DeCamp alluded to that pinpoints some of these abuses. The insurance company has one of two choices. They can either come to this Legislature and ask for the relief they have asked under this bill to inform the proper authorities of those abuses that they see or they can continue to pay them and to pass it on to the consumer. Now there isn't any way in the world we are ever going to get a handle on some of these costs unless we stop the obvious abuses. I want to say also that we have talked about a number of other abuses that ought to be reviewed and it may well be that at some time this Legislature will want to look at even a rate setting procedure. I know that is going to strike terror in the hearts of a lot of people but when the vast bulk of medical costs are being paid is to insurance, Medicare or Medicaid, it may well be that we are justified in looking at some kind of a rate setting procedure. I don't know what the answer is and I have worked on it for a number of years and I have cooperated with many of you on it but the plain facts are that today an individual citizen, if he has to pay his medical bill, cannot afford medical care and we are rapidly approaching the point where you can't even

afford the insurance. This is a very small step in the right direction but it is one which is overdue and one which we should take and one which frankly I hope you will take. I again want to repeat, you're not going to protect the insurance company. The insurance company is going to keep on doing business as usual but your rates are going to continue to escalate unless you find some way of plugging the loopholes. This is a small one but it is a very vital one and it is one which should be plugged now without any more adieu.

SENATOR CLARK: Senator Higgins.

SENATOR HIGGINS: I don't have my light on.

SENATOR CLARK: Is there any further debate on the bill? Senator Dworak.

SENATOR DWORAK: Well, Mr. President and colleagues, one of the axioms in the floor is if you do not have the material on your bill to substantiate debate, then you go after somebody personally or another tactic rather than hitting it right on. I am very much aware, Senator DeCamp, that we are talking about insurance companies' insurers. I am very much aware of your committee amendments and that is what disturbs me. I noticed over and over and over you keep using the illustration of podiatrists and chiropractors. Very seldom have I heard M.D.s or surgeons and we've got an insurance company here carrying this bill, Blue Cross Blue Shield, and I think we all know the close relationship between Blue Cross and Blue Shield and M.D.s. Now it could be that this might be a way to underwrite claims. After a premium has been paid and payments have been made, claims submitted by chiropractors and podiatrists, I don't know. I am not suggesting that but I think it is a possibility. It certainly reeks of "big brotherism." We are going to have the insurance company be able to monitor all these activities without any personal responsibility. They don't have to be accountable. They are absolutely immune from civil and criminal liability. Well that sounds to me awful close to a super player in our society. As Senator DeCamp said, we really don't care about individuals and I concur. This bill totally disregards individuals. We can approach this bill and do our reporting by classes of claims. We could conceivably say any claim submitted by a chiropractor. We could conceivably say any claim in excess of \$5,000 is suspect. We can use any kind of arbitrary determination we want to when we report. Individuals make absolutely no difference. Now that is just great until you, you sitting in this chair or your spouse is that individual. I think the arguments were weak. I think Senator Cullan's questions were pertinent and on target

and were not answered. Why do they need it? Why do they need this special privilege, this immunity? I have a hunch that this is going to be another one of those cost cutting schemes like medical malpractice. It isn't going to cut the cost but it is going to cause some problems, some serious problems and that is just fine until you are the person that is injured and then when you want a legal remedy, when you want to be made whole as a result of that injury, you are stopped from taking any action. I'm not going to give up my rights.

SENATOR CLARK: Senator Hoagland.

SENATOR HOAGLAND: Mr. President, colleagues, I'd like to rise in opposition to Senator Dworak's amendment and I think it needs to be said, first of all, that....

SENATOR CLARK: I don't think Senator Dworak has an amendment.

SENATOR HOAGLAND: Isn't he moving to strike Section 8 of the bill?

SENATOR CLARK: No. We have no amendment to that effect.

SENATOR HOAGLAND: Let me simply rise in support of this particular bill then. I was going to say that Senator Dworak's amendment would gut the bill but evidently he is not going to try to strike Section 8. Is that right? Okay. Well I think it is clear that this sort of bill is needed to enable the insurers to report known violations to competent state authorities and then take action if they feel action is warranted. I don't foresee the due process violation here in the rights of the physicians who may be accused by an organization like Blue Cross/Blue Shield of overcharging on bills or whatever. They will have an adequate time to defend themselves against those charges later but the problem we have right now is without insuring that Blue Cross/Blue Shield is not going to be sued every time it reports a doctor. We're going to get no reports out of Blue Cross/Blue Shield at all and the abuses are going to continue. Now under current law if any of us feel that a crime is being committed we can go down to the police department and report it and then the police and the prosecutors decide whether to proceed. Now right now organizations like Blue Cross/Blue Shield can't with impunity report every violation they think may be taking place of the laws that protect us against overcharging physicians because if they do they can get slapped with a lawsuit, number one, from the physician and, number two, from the patient whose care is involved in the report and I think the companies

are simply asking that we provide immunity in those circumstances so they can institute complaints without being hit with lawsuits and I think it is in everybody's interest to permit those complaints to be instituted. Now if law enforcement officials or the Department of Health then want to act on the complaint that is a different matter. At that point the physician will have a full opportunity to come in and defend himself so I support this measure. I think it makes sense. It is going to facilitate doing away with fraudulent charging practices in this state and we need to have this kind of legislation on the books. Thank you.

SENATOR CLARK: Senator Haberman.

SENATOR HABERMAN: I call the question.

SENATOR CLARK: The question has been called for. Do I see five hands? I do. All those in favor of ceasing debate vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Record the vote.

CLERK: 25 ayes, 0 nays to cease debate, Mr. President.

SENATOR CLARK: Debate is ceased. Senator DeCamp, would you close please.

SENATOR DeCAMP: Yes, Mr. President, members of the Legislature, I do want to clarify a couple of things for the press particularly so that this is not misreported and for the legislators and for the public so that they know what we are doing. This has really in a sense very little to do with insurance companies. It has everything to do with the public. Now, let's assume and I think this is not too far from the numbers, that there is about a billion dollars, a billion dollars let's say in this state paid out every year by insurance companies, medical insurance companies on strictly medical things. Let us assume that the figure of fraud is about 5% that is open and shut and I am using the low figure. I have information that is higher but I am saying a low figure, 5% that is just black and white that right now there is no way to correct because the regulatory agency has no knowledge of it and they can't find it out. They can't find it out because the insurance company that knows about it can't tell them for fear of getting in trouble. It's a "Catch 22." 5% of a billion dollars which probably would be corrected quite quickly, quite quickly once this is passed, amounts to what? \$50 million. Can you imagine if we had a bill up here today that we said we're going to do something whether it's build a new capitol or build a building that was going to cost \$50 million or if we had a bill that was going to save \$50 million directly

out of the general fund today, why we'd all be working at it. Well I'm telling you, this is a \$50 million minimum savings over the not too distant future. Anyone that has doubts I can take and show you, show you the cases, names crossed out but you won't have any doubt once you read them what is going on. This needs to be done. I urge you to do it because remember this final fact. Insurance companies are simply an agency for collecting a lot of money and paying it out. They are going to always collect long-term, whether it is two, three, five years more, that is their profit, than they pay out. If they are paying out \$50 million fraudulently they're going to collect \$50 million fraudulently from everybody in the state and that is what is occurring. This is a major savings in cost containment for the state. It will help in your medical insurance. It will help in the overall medical costs. I urge you to adopt it.

SENATOR CLARK: The question before the House is the advancement of 421. All those in favor vote aye. All those opposed vote nay.

CLERK: Senator Clark voting yes.

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

CLERK: 30 ayes, 6 nays on the motion to advance the bill, Mr. President.

SENATOR CLARK: The Chair declares the bill advanced. The Clerk wants to read some things in.

CLERK: Mr. President, new bills, LB 775 (read title); LB 776 (read title); LB 777 (read title); LB 778 (read title); LB 779 (read title); LB 780 (read title); LB 781 (read title); LB 782 (read title); LB 783 (read title); LB 784 (read title); LB 785 (read title); LB 786 (read title); LB 787 (read title); LB 788 (read title); LB 789 (read title). (See pages 234-238, Legislative Journal.)

Mr. President, I have notice of hearing by the Public Works Committee for gubernatorial appointments. I also have notice of hearing by the Public Works Committee for bills for Wednesday, January 20, and Wednesday, Thursday and Friday of next week. I have notice of hearing for Judiciary Committee for January 19.

Mr. President, Senator Marsh asks unanimous consent to print amendments to LB 139 in the Legislative Journal.

Mr. President, your committee on Constitutional Revision and

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LB 790-794, 421

And new bills, LB 790 (title read); LB 791 (title read); LB 792 (title read); LB 793 (title read); and LB 794 (title read).

And Senator Dworak would like to print amendments to LB 421 in the Journal, Mr. President.

SENATOR CLARK: The Speaker has an announcement.

SPEAKER MARVEL: Since we will be out of business before we adjourn this afternoon, we are going to make up a special list of bills that had been considered originally and that sheet will be on your desk after you come back and it includes bills, if you will take the Work Sheet, it includes bills that start with #226 and ends with #127, but these will be spelled out in detail as you go to lunch and they will be put on your desk. So you are moving faster than we can keep up with but we bring the list so that you don't get lost in the bills as to where they are. So it will be on your desk this afternoon when we go back into business.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Senator Carsten, would you like to recess us until about one-twenty...one-thirty.

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

SPEAKER MARVEL: All those in favor of that motion say aye, opposed no. The motion is carried. We are recessed.

Edited by:


Mary A. Turner

January 19, 1982

LB 229, 309, 403, 417, 418, 490,
492, 542, 563, 564, 565, 566, 421

PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Prayer this morning by the Reverend Gerald Lundby, Paster of the American Lutheran Church here in Lincoln.

REVEREND LUNDBY: Prayer offered.

PRESIDENT: Roll call. Have you all registered your presence? 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: Mr. President, page 322, line 32, strike "960" and insert "860". On page 309, line 5, strike "7 nays" and insert "9 nays".

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

CLERK: Mr. President, your committee on Public Health gives notice of hearing for January 25, 26, February 1, 2 and 9, and that is signed by Senator Cullan.

Your committee on Administrative Rules gives notice of hearing for Monday, January 25.

Your committee on Urban Affairs whose Chairman is Senator Landis gives notice of hearing for January 27 and February 3.

Mr. President, I have an appointment from the Secretary of State to the Political Accountability and Disclosure Commission. That will be referred to the Reference Committee. (See page 331 of the Legislative Journal).

Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 492 and recommend that same be placed on Select File with amendments; 403 Select File with amendments; 229 Select File; 563 Select File; 564 Select File; 565 Select File; 566 Select File; 309 Select File; 417 Select File with amendments; 421 Select File with amendments; 418 Select File; 490 Select File; 542 Select File with amendments. Those are all signed by Senator Kilgarin as Chairman. (See pages 333 through 339 of the Legislative Journal).

CS66

SENATOR CLARK: We will now take up 421.

CLERK: Mr. President, 421, there are E & R amendments, Mr. President.

SENATOR CLARK: Senator Kilgarin. Senator Cullan, do you want to take the E & R amendments to 421?

SENATOR CULLAN: Mr. President, I would move the E & R amendments to LB 421 be adopted.

SENATOR CLARK: You heard the motion. All those in favor say aye, opposed. They are adopted.

CLERK: Mr. President, Senator Dworak would move to amend the bill and the amendment is on page 244 of the Journal.

SENATOR CLARK: Senator Dworak.

SENATOR DWORAK: Mr. President, I would like to withdraw that amendment.

SENATOR CLARK: It is withdrawn. Any further amendments?

CLERK: Mr. President, Senator Cullan would move to amend. The amendment would read as follows: "Add a new section. The Department of Health shall adopt rules and regulations to implement all provisions of this act.

SENATOR CLARK: Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, this bill of course comes to the Legislature from Blue Cross-Blue Shield and I understand they know what this amendment is about. All it does is require that there be rules and regulations written and promulgated to carry out the provisions of the act. I think since there is...I just think that that is an acceptable criteria to have the Department set out, specify some rules and regulations so that people will understand how the act is indeed to operate. I urge you to adopt the amendment.

SENATOR CLARK: Senator Schmit. Is there any discussion on the Cullan amendment? If not, all those in favor vote aye, all opposed vote nay.

CLERK: Senator Clark voting yes.

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

January 28, 1982

LB 421

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

SENATOR CLARK: The amendment is adopted. Do you have any further amendments?

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

SENATOR CLARK: Senator Cullan, do you want to move the bill? Or, Senator Sieck? The motion before the House is the advancement of 421. All those in favor say aye... oh, a machine vote? Alright. The question before the House is the advancement of 421. All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted? Once more, have you all voted on the advancement of 421? Senator DeCamp, I'm going to call the vote. Two minutes to twelve.

SENATOR DeCAMP: I think Sam may have done it in quietly already but then... F w many are excused?

SENATOR CLARK: Five I think.

SENATOR DeCAMP: Down from the eleven?

SENATOR CLARK: Eight. There is nine excused.

SENATOR DeCAMP: Well there is no problem except Sam just wiped it out but nobody knows it.

SENATOR CLARK: Do you want a Call of the House or don't you?

SENATOR DeCAMP: Pardon?

SENATOR CLARK: Do you want a Call of the House?

SENATOR DeCAMP: Well I was hoping not to put people through that ordeal.

SENATOR CLARK: I know what you are hoping for but I am asking you, do you want a Call of the House?

SENATOR DeCAMP: Not yet.

SENATOR CLARK: Record the vote.

CLERK: 26 ayes, 8 nays, Mr. President, on the motion to advance the bill.

January 28, 1982

LB 421, 359

SENATOR CLARK: The bill is advanced. Senator Kremer, would you like to listen to what I have to say after the Clerk reads in?

CLERK: Mr. President, real quickly, Public Works gives notice of hearing. That is signed by Senator Kremer.

Mr. President, Senator Landis wants to print amendments to LB 359 in the Legislative Journal. (See page 464) That is all that I have.

SENATOR CLARK: Senator Kremer, would you like to adjourn us until nine o'clock tomorrow morning so we can get down for a seven and a half hour hearing in Public Works this afternoon.

SENATOR KREMER: Mr. Chairman, I move we adjourn until nine o'clock tomorrow morning so we can have a seven hour hearing before our Public Works Committee this afternoon.

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

Edited by Arleen McCrory.
Arleen McCrory

February 2, 1982

LB 284, 353, 417, 421,
465, 255A, 702, 801

SENATOR CLARK PRESIDING

SENATOR CLARK: The Legislature will come to order. The prayer by the Chaplain, Reverend Gilbert Visser, Hope Reformed Church.

REV. VISSER: Prayer offered.

SENATOR CLARK: Roll call. Will everyone check in please. Senator Vickers, will you let us know you are here please. The Clerk will record the attendance.

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

SENATOR CLARK: We are ready for item #3, messages, reports or announcements.

CLERK: Mr. President, your committee on Business and Labor whose chairman is Senator Barrett to whom was referred LB 801 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File. That is signed by Senator Barrett.

Your committee on Banking, Commerce and Insurance whose chairman is Senator DeCamp reports LB 702 advanced to General File with committee amendments attached. Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 353 and find the same correctly engrossed; 417 correctly engrossed; 421 correctly engrossed; 465 correctly engrossed, all signed by Senator Kilgarin as Chair.

Mr. President, I have a report to the Legislature from the Lewis and Clark Natural Resource District regarding payment of attorney fees and I have an Attorney General's opinion addressed to Senator DeCamp regarding LB 284 passed last session. That will be inserted in the Journal. (See pages 502-504 of the Legislative Journal.)

SENATOR CLARK: We are ready for item #4, LB 255 by Senator Wagner. The Clerk will read.

SENATOR WAGNER: Mr. Speaker, members, this is the A bill that went with 255. It hadn't got on the floor when we moved 255 so it is just the A bill to it so I just move the advancement of it so it can catch up with the other bill on Select File.

SENATOR CLARK: Is there any discussion on 255A? If not, all those in favor vote aye, opposed vote nay. Senator VonMinden, did you want to say something?

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All Senators that are in their seats, please check in. Will you all check in or shall I call out the names? Senator Sieck, Senator Kremer. All right, they are all here. Do you want a roll call vote? The Clerk will call the roll. They are all here.

CLERK: (Roll call vote taken. See page 545, Legislative Journal.) 27 ayes, 20 nays, Mr. President.

SENATOR CLARK: The motion lost. The next motion is to place #758 on General File notwithstanding the action of the committee. Senator Fowler. The Clerk would like to read in and the Call is raised.

CLERK: Mr. President, your committee on Revenue whose Chairman is Senator Carsten instructs me to report LB 819 advanced to General File with the committee amendments attached. That is signed by Senator Carsten as Chair. (See page 546 of the Journal).

Mr. President, Banking, Commerce and Insurance gives notice of cancellation of hearing. Signed by Senator DeCamp.

Mr. President, Senator Wesely would like to withdraw LB 237. That will be laid over.

Senator Vickers would like to print amendments to LB 230 in the Legislative Journal. (See pages 546 and 547 of the Journal). Senator Kahle to print amendments to LB 703 in the Legislative Journal. (See pages 547 and 548 of the Journal). Senator Schmit to print amendments to LB 421 in the Journal. (See page 549 of the Journal).

Mr. President, new A bill, 590A by Senator Kilgarin. (Read title).

Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 255A and recommend that same be placed on Select File; 440 Select File with amendments; 314 Select File with amendments; 131 Select File with amendments; 287 Select File with amendments; 649 Select File; 571 Select File; 598 Select File and 646 Select File. Those are all signed by Senator Kilgarin as Chair. (See pages 549 through 552 of the Legislative Journal).

Mr. President, Senator Fowler moves that LB 758 be placed on General File notwithstanding the actions of the Appropriations Committee.

February 11, 1982

LB 139, 417, 421, 465

SPEAKER MARVEL: The motion is carried. The amendment is adopted. All those in favor of returning the bill say aye. Opposed no. The motion is carried. The bill is returned. LB 421. The Clerk will read.

CLERK: Mr. President, I have a motion from Senator Schmit to return the bill but he is excused until he arrives. I have two motions from Senator Schmit.

SPEAKER MARVEL: Is there any one in the room that can handle these amendments? This specific one? Senator Cullan, do you wish to speak? We eventually are going to have to lay over the bill.

SENATOR CULLAN: Mr. President, I think it would be wise to lay this over until Senator Schmit arrives or until a later date. I would advise the body that I have requested an Attorney General's Opinion about the amendments which Senator Schmit requests to strike and I have not yet received a response to that Attorney General's Opinion, and I have also written Blue Cross-Blue Shield a letter requesting other information about the bill. So I think it would be premature to act on the bill or on these amendments until we have the Attorney General's Opinion. So I would think it would be prudent to at least lay over the bill until Senator Schmit arrives or until another day.

SPEAKER MARVEL: Okay, the bill will be laid over. We will go on to LB 465.

CLERK: (Read LB 465 on Final Reading).

SPEAKER MARVEL: All provisions of law having been complied with, the question is, shall the bill pass? Those in favor vote aye, opposed vote no. Have you all voted? Have you all voted? LB 465. Record the vote, Mr. Clerk.

CLERK: (Read the record vote as found on pages 649 and 650 of the Legislative Journal). 44 ayes, 0 nays, Mr. President, and 2 excused and not voting.

SPEAKER MARVEL: The motion is carried and the bill is passed.

CLERK: Yes, sir. Mr. President, I have a motion on LB 139. Senator Marsh would move to return LB 139 to Select File for a specific amendment. Her amendment is found on page 590 of the Legislative Journal.

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LB 421, 509, 592

SPEAKER MARVEL: All provisions of law having been complied with, the bill is passed on Final Reading. Have you all voted? Record the vote.

CLERK: (Read the record vote as found on page 662 of the Legislative Journal.) 47 ayes, 0 nays, 1 excused and not voting, 1 present and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed on Final Reading. The Clerk will read in a couple of items and then we will go to LB 421.

CLERK: Mr. President, your committee on Public Health and Welfare whose Chairman is Senator Cullan instructs me to report LB 509 advanced to General File with committee amendments attached. (See pages 662-665 of the Legislative Journal.)

Mr. President, Senator Warner asks unanimous consent to add his name to 759 as co-introducer.

SPEAKER MARVEL: No objection, so ordered.

CLERK: Mr. President, with respect to LB 421 I have a motion from Senator Schmit. The first motion I have is to return LB 421 to Select File for a specific amendment, and the amendment is on 549 of the Journal, Senator. It is the one that reads in the title, strike Section 9 in the title, in line 6 strike to provide for rules and regulations.

SENATOR SCHMIT: Mr. President, members of the Legislature....Mr. Clerk, could I take the other amendment first. I believe it is noncontroversial. I would like to....it has to do with a technical error, if I could bring it back for that amendment first, that would be preferable, I believe.

CLERK: Mr. President, Senator Schmit would move to return the bill for a specific amendment. The amendment is on 549 and reads as follows: (Read the Schmit amendment.)

SENATOR SCHMIT: Mr. President and members of the Legislature, I would like to move for the adoption of this amendment. This was a typographical error and probably could have been handled on E & R, but I chose to bring it back here and do it on the floor. We made an error in the typing of the bill. It reads now 71-167. It should read 71-1197. The only change is the 167 now reads 197. It refers to sections of the statute and I would

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LB 421

move for the adoption of the amendment.

SPEAKER MARVEL: Senator Cullan, your light is on. Do you wish to talk to this? Okay. The motion is to return the bill as per Senator Schmit's request. All those in favor of returning the bill vote aye, opposed vote no. Record.

CLERK: 28 ayes, 0 nays on the motion to return the bill, Mr. President.

SPEAKER MARVEL: Okay, the bill is returned. Now, Senator Schmit, what is your pleasure?

SENATOR SCHMIT: Mr. President, I move the adoption of the amendment as I have previously explained.

SPEAKER MARVEL: All those in favor of Senator Schmit's amendment vote aye, opposed vote no. Record.

CLERK: 30 ayes, 0 nays, Mr. President, on adoption of the Schmit amendment.

SPEAKER MARVEL: Okay, motion carried. Now we move to advance the bill.

SENATOR SCHMIT: (Mike not activated.)....bill to E & R.

SPEAKER MARVEL: All in favor of that motion say aye. Opposed no. The motion is carried. The bill is advanced, or readvanced.

CLERK: Mr. President, Senator Schmit would now move to return LB 421 to Select File for a specific amendment. The amendment is on page 549 and reads as follows: (Read the Schmit amendment.)

SENATOR SCHMIT: Mr. President, members of the Legislature, the amendment which I offer here today removes Senator Cullan's amendment from LB 421. The amendment as Senator Cullan added it allows the Department of Health to spell out the rules and regulations for the implementation of the bill, all provisions of the bill. It also removes from the title the words "rules and regulations". The reason I asked to have the bill returned to strike that section is that the Attorney General's Office has in the past ruled that such an amendment would be an unauthorized delegation of authority by this Legislature. There are no guidelines whatsoever in the amendment and therefore it would be a

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LB 421

totally unauthorized delegation of authority. The Legislature cannot do that. The Attorney General would not allow it. It would render the bill totally useless. So, therefore, I ask that the bill be returned and that those lines be stricken.

SPEAKER MARVEL: The motion is to return the bill. We have two lights on. Senator Cullan, do you wish to be recognized?

SENATOR CULLAN: Mr. President and members of the Legislature, I would....I guess I am not....I visited extensively with Senator Schmit about this bill and extensively with representatives of Blue Cross-Blue Shield and as I indicated in my discussions with those gentlemen I have requested an Attorney General's Opinion on the amendment which I attached on Select File to this bill. If the Attorney General's Opinion indicates that these amendments which I tacked on Select File are in any way detrimental to the intent or purpose or workings of LB 421, I will certainly withdraw those amendments. But I have not yet received the Attorney General's Opinion and I probably will receive that opinion on Tuesday. So at this time I think it is a little bit premature to take these rules and regulations off. I don't know what the Attorney General is going to say. I would....I certainly understand the purpose of the bill better now and I concur with Senator Schmit that the purpose of the bill is a good one. I think maybe the mechanism that is being used is not a very good one but the purpose is valid and I don't want to obstruct that purpose at all. But I think we ought to wait for the Attorney General's Opinion with respect to the constitutionality or any problems that might be associated with the amendments on 421 before we remove those amendments.

SPEAKER MARVEL: Okay, the motion is to return the Schmit amendment to the bill. Senator Wesely, do you wish to be recognized on that motion?

SENATOR WESELY: Yes. Mr. Speaker and members of the Legislature, I rise in support of the Schmit motion. Senator Cullan would like to have you wait for the Attorney General's Opinion. I don't think you need to wait. I will tell you what it is going to say. It is going to say that this bill is unconstitutional in its present form. You can't just sit down and say, adopt rules and regulations and leave it at that. You need to have some sort of authority and direction provided to

the department so that they have not unlimited authority in this area. And as a member of the Public Health and Welfare Committee for four years I have seen this time and again that you cannot do what Senator Cullan did with this amendment. It is simply not acceptable and I think that it would quite likely immediately be thrown out if passed through the Attorney General's office as unenforceable. So in my opinion, there is no sense in wasting time, no sense in taking a few more days to wait for the Attorney General's opinion. I will tell you what it is going to say. It is going to say the bill is unconstitutional in its present form. Senator Schmit knows that and I think others that are familiar with this area will also know that and I would ask your support for the Schmit amendment, get the bill in the form it was in. It was a good bill in that situation and we should get it back to the original intent and the original language and pass the bill because it will serve the state well, and I think help keep some health care costs down. So I support the Schmit motion.

SPEAKER MARVEL: Senator Landis.

SENATOR LANDIS: Mr. Speaker and members of the Legislature, I am one of the few in this body who has probably read LB 421 from beginning to end. It came through our committee and it doesn't need rules and regs. You don't have to have rules and regs to administer the terms of LB 421. By putting rules and regs in there you have given to people that are in essence, hostile to the bill, power to issue rules and regs. You have built in a method of delay. You have built in a way of undermining the Legislature's statutory intention. And for that reason, regardless of what the Attorney General says, whether it is constitutional or not, we don't need the rules and regs authority. The Schmit amendment should be adopted.

SPEAKER MARVEL: Okay, Senator Schmit, do you want to close on your motion to return?

SENATOR SCHMIT: Mr. President and members of the Legislature, I believe that the amendment has been adequately explained. If I had been on the floor when the amendment had been offered, I would have opposed it vigorously for the very reasons that Senator Landis has just outlined. The entire purpose of the bill could be diffused and rendered totally inconsequential if the department wished to do so by rules and regs. I know also as Senator Wesely has said and I think that in basis Senator Cullan agrees what the Attorney General's

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LB 421

Opinion is going to say with the one exception that the Attorney General has been known in the past to tippy-toe around a pending piece of legislation until he gets it over there and we are back from the farm and then he says, well, anyone knows you can't do that, and then they throw the bill in the wastebasket. That has happened to me on a couple of occasions. I do not need any further education in that area and this Attorney General has been very effective in that capacity. So I would hope that you would go ahead and adopt my amendment and readvance the bill, and I would venture to say as Senator Cullan has, in fact, hinted that the Attorney General will say that the action of the Legislature in this capacity is an unauthorized delegation of authority and responsibility by this body to another area. So I would hope that you would adopt the amendment at this time.

SPEAKER MARVEL: Okay, the motion is to return the bill. All those in favor of that motion vote aye, opposed vote no. Have you all voted?

SENATOR CLARK PRESIDING

SENATOR CLARK: Record the vote. Record the vote.

CLERK: 29 ayes, 2 nays, Mr. President, on the motion to return the bill.

SENATOR CLARK: The bill is returned. Senator Schmit. Senator Schmit, did you want to take up your amendment? The bill is returned.

SENATOR SCHMIT: Yes, Mr. President, I move the amendment be adopted. I would just like to say that the adoption of this amendment and the passage of LB 421 can substantially reduce the cost of health care. I think that is one of the things we are all interested in. LB 421 is a major step in that direction. It requires responsibility on the part of health care providers. It is the first step on a long, long road, and I move that we adopt the amendment, and then I would hope that we would readvance the bill.

SENATOR CLARK: The motion before the House is the adoption of the Schmit amendment as explained. All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

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LB 421, 431

SENATOR CLARK: We are voting on the adoption of the Schmit amendment to 421. Record the vote.

CLERK: 26 ayes, 3 nays, Mr. President, on the motion to adopt the Schmit amendment.

SENATOR CLARK: The amendment is adopted. Now the re-advancement of the bill. All those in favor say aye. Opposed. The bill is readvanced. Do you have anything further on the bill? We will now take up 431.

CLERK: Mr. President, I have a series of motions on LB 431. The first would be by Senator Fenger. I believe Senator Fenger might....do you want to withdraw that one, Senator, or not?

SENATOR FENGER: I don't believe there is a motion filed on it. There was an amendment printed but there was never a motion filed to return the bill.

CLERK: That is true. You don't want your amendments though, Senator, is that right?

SENATOR FENGER: That's right.

CLERK: Okay, thank you.

SENATOR CLARK: The next amendment.

CLERK: Mr. President, in that case I now have a motion from Senator Newell to return the bill to Select File for a specific amendment.

SENATOR CLARK: Senator Newell, on the return of the bill.

SENATOR NEWELL: Mr. President and members of the body, I move to return LB 431 for a specific amendment. The specific amendment would basically clarify the credit card issue and it would do it this way. It would say that a credit card can be used only in an establishment with 50 percent or more of its sales...of its income deriving from the sale of food and if the credit card is approved by the Commission. The purpose of this amendment is to tighten up the language and to create a situation where we can use credit cards like at a hotel for if you have also food or alcohol purchased along with food and you pay the bill, you can use that method to do that if the credit card is approved by the Commission. It is a very tight proposal and provision to straighten

February 16, 1982

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

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 126 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

February 18, 1982

LB 126, 421, 431, 571, 578,
652, 658, 773, 804, 855, 941

PRESIDENT LEUDTKE PRESIDING

PRESIDENT: Prayer this morning by the Reverend T. Daniel Casey, Pastor of Central Church of the Nazarene, of Omaha. That happens to be Senator Pirsch's Pastor.

REVEREND CASEY: Prayer offered.

PRESIDENT: Roll call. Senator Beutler and Senator Pirsch, do you want give us your lights? Senator Pirsch, do you want to....Senator Pirsch. Record the vote.

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: Any other messages, reports or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined and re-engrossed LB 431 and find the same correctly engrossed. That is signed by Senator Kilgarin.

Your Committee on Banking, Commerce and Insurance whose Chairman is Senator DeCamp to whom was referred LB 941 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File; 658 indefinitely postponed; 804 indefinitely postpone; and 855 indefinitely postponed. All signed by Senator DeCamp.

Mr. President, I have a series of Attorney General's Opinions. The first is to Senator Beutler regarding LB 126, one to Senator Vickers regarding LB 571, one to Senator Cullan on LB 421, one to Senator Howard Peterson regarding LB 652, and one to Senator Koch regarding LB 578. (See pages 735-743 of the Legislative Journal.)

Mr. President, Senator Newell would move to place LB 773 on General File notwithstanding the action of the Constitutional Revision and Recreation Committee. That will be laid over.

Mr. President, I have a report to the Legislature from the Little Blue Natural Resource Districts regarding payment of attorney fees. (See page 744 of the Journal.)

February 25, 1982

LB 215, 421, 431

CLERK: (Read LB 421 on Final Reading.)

SPEAKER MARVEL: All provisions of law relative to procedure having been complied with, the question is, shall the bill pass? Those in favor vote aye, opposed vote no. LB 421. Have you all voted? Senator DeCamp.

SENATOR DeCAMP: I don't think it is going to pass right now. I will change to not voting for purposes of reconsideration.

SPEAKER MARVEL: Okay.

CLERK: (Read the record vote as found on page 872 of the Legislative Journal.) 17 ayes, 29 nays, Mr. President.

SPEAKER MARVEL: The motion lost. Okay, the Clerk will read LB 431.

CLERK: (Read LB 431 on Final Reading.)

SPEAKER MARVEL: All provisions relative to procedure having been complied with, the question is, shall the bill pass with the emergency clause attached? Those in favor... (gavel)...can't do business up here and out there both. All provisions of law relative to procedure having been complied with, the question is, shall the bill pass with emergency clause attached? Those in favor vote aye, opposed vote no. Record the vote. Have you all voted? This has the emergency clause. The Chair continues to receive criticism on the fact that when we are on Final Reading you are to be in your seats and not moving all over the room. There is a reason for this, and if this continues you are going to destroy the whole operation, but I said that before. Record.

CLERK: (Read the record vote as found on pages 872 and 873 of the Legislative Journal.) 33 ayes, 12 nays, Mr. President, on the motion to pass the bill.

SPEAKER MARVEL: Okay, the Chair recognizes Senator Landis.

SENATOR LANDIS: Mr. Speaker, earlier today we moved back from Final Reading to Select File LB 215. It was the amendment I talked to you about about appeals in District Court on the question of child termination. It was moved back but then we didn't vote on the amendment, and since I have explained the bill once today, rather than holding it over, I would like a vote on the amendment now and then

March 3, 1982

LR 233
LB 626, 421, 881

a Call of the House. The motion is, shall the House go under Call? All those in favor vote aye, opposed nay. Record the vote.

CLERK: 26 ayes, 1 nay, Mr. President, to go under Call.

PRESIDENT: Motion carried. The House again is under Call. The Sergeant at Arms will see that all members are returned to their desks, all unauthorized personnel leave the floor, and all members will register your presences. The House is under Call. At the time which all members are at their desks, we shall proceed with the roll call vote on the advance of LB 626. We still have two excused, same two? Senators Kremer and Nichol are excused. Senator Higgins, does that show you are not here or you are here? I am trying to decipher. Would all members please, so we can expedite the vote, would all members get to your desks so that we can...if the politicking hasn't been done now, why it is not going to make much difference. Senator Pirsch is the only one and then we will be ready to vote. Senator Pirsch is on her way, so as soon as Senator Pirsch arrives, we will proceed with the roll call vote. Okay, we are ready, Mr. Clerk, a roll call vote on the advance of LB 626. Proceed.

CLERK: (Roll call vote taken. See pages 940 and 941, Legislative Journal.)

PRESIDENT: The Clerk needs to verify the vote. Proceed, Mr. Clerk.

CLERK: (Verifying vote read.) 24 ayes, 25 ayes, excuse me, Mr. President, 19 nays on the motion to advance the bill.

PRESIDENT: The motion carries. LB 626 is advanced to E & R Initial. Do you want to read some matters in at this time? Senator Hefner, yes, motion to raise the Call. The Call is raised.

CLERK: Mr. President, I have explanation of vote from Senator Koch.

Senator DeCamp would move to reconsider the vote on Final Reading of LB 421. That will be laid over.

Your committee on Urban Affairs whose Chairman is Senator Landis reports LB 881 advanced to General File with committee amendments attached.

Mr. President, two new resolutions, LR 233 by Senator Schmit.

March 10, 1982

LB 127, 127A, 421, 606, 630,
654, 692, 703, 801, 824, 829

PRESIDENT LUEDTKE PRESIDING

REV. JOHN MINERT: Prayer offered.

PRESIDENT: Roll call. Has everyone registered your presence now? Record the presence, Mr. Clerk.

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

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

CLERK: I have no corrections, Mr. President.

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

CLERK: Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 127 and find the same correctly engrossed; 127A, 606, 630, 654, 692, 703, 801 and 829 all correctly engrossed. Those are signed by Senator Kilgarin as Chair.

Mr. President, your committee on Public Works whose chairman is Senator Kremer reports LB 824 as indefinitely postponed. That is signed by Senator Kremer.

PRESIDENT: We'll start with the agenda then on agenda item... we're going to reverse the items #4 and #6 according to Speaker Marvel and we'll start with agenda #6, motions, LB 421, Mr. Clerk.

CLERK: Mr. President, Senator DeCamp would move to reconsider the vote on Final Reading of LB 421. Senator DeCamp offered his motion on March 3. It can be found on page 941 of the Legislative Journal.

PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR DeCAMP: Mr. President, people in this body are very concerned about health costs. Any time there is fraud or payment of a claim that is improper that costs everybody, whether it is for a drug abuse situation, whether it's for error through payment that shouldn't have been made, it costs everybody, not the insurance company, we all pay for it. This bill is designed to try to correct that particular problem in Nebraska. There were some reservations by some members, Senator Landis and some of the attorneys that there was some language that wasn't clear enough. Maybe that's the reason the bill failed, maybe the fact that several members were absent that day, whatever. I would

urge you to revive the bill. Senator Landis and some people have worked out some language that is perfectly acceptable to me. It does not change the bill in any way. It still accomplishes the goal and if the bill is revived, we'd put that language on. I don't know how much more I can say other than if you are sincerely concerned about hospital and medical expenses, the best thing to do is make sure that those things that are paid are proper and accurate and fair and that there is some system for weeding out fraud if it does exist, erroneous things.

PRESIDENT: The Chair recognizes Senator Dworak.

SENATOR DWORAK: Mr. President, colleagues, it seems to me that this body has made a decision on this particular issue once this session and now we are being asked to make the decision again. The time is drawing to the end and we are going to have to accept the fact that we can only debate and decide these issues once. We certainly don't have the time to debate and decide them time and time again. Now if this scheme truly will reduce health care costs, then it seems to me that we ought to broaden the scope of this particular bill and include all claims departments of all insurance companies and not just Blue Cross-Blue Shield. If, in fact, this is a legitimate cost shaving mechanism which I very seriously doubt, then it certainly should be broadened to include all private insurance companies. It should be included all multiple employer trust, all insurance vehicles that deliver health care products but that doesn't do that. It is very narrow. It is specific. It merely caters to a very narrow self-interest situation. I think it is poor public policy to grant this kind of immunity. I don't think it is necessary. I don't think the proponents of the bill have spelled out that many specific abuses in this area. I think that the bill doesn't deserve to be resurrected. It has been debated and it has been voted on and has been defeated and so be it.

PRESIDENT: The Chair recognizes Senator Landis and I would urge the speakers to note that we have a ten minute limit on the entire debate and we have one more speaker, Senator Landis, you and another one so if you would proceed.

SENATOR LANDIS: Mr. Speaker, I voted against the bill because the immunity clause was not clarified. I asked that it be clarified. It wasn't and I voted against the bill. Several of us did. I now have an immunity clause that has been drawn to my satisfaction. I would like to reconsider the bill. Thank you.

PRESIDENT: Senator Schmit. The Chair recognizes Senator Schmit.

SENATOR SCHMIT: Mr. President, members of the Legislature, in a few

moments we're going to be hearing from the Governor about the necessity for cutting to the bone the expenditures of state government. It is inconceivable to me that any member of this body would not do everything they possibly could to cut the cost of one of the major items that affect every single member of this body and every single citizen of this state and that is health care. It is also unforgivable to me that we will allow a professional person to abuse their profession and describe illegally a narcotic drug to enter into the drug trade and then slap the wrist of some fifteen year old kid that is selling a joint to his neighbor. I think that we ought to start at the top and work our way down. That is what this bill does. If I had more time I would take more time. I think that Senator Dworak is concerned the bill is too narrow. If it were broad he would object that it is too broad. I think it is high time that we do those things that we know we can do to hold down costs. The people who have been saying they want to hold down health care costs ought to vote to bring this bill back and that is all I'm going to say at this time.

PRESIDENT: The Chair recognizes Senator Cullan and this will be the last speaker and then Senator DeCamp will close. Senator Cullan.

SENATOR CULLAN: Mr. President, I'm going to be very brief and if I could have the Legislature's attention for just a second...

PRESIDENT: Let's have some order. It is only a ten minute period and you should pay attention. Senator Cullan.

SENATOR CULLAN: I opposed this bill at every step across the process because I was concerned about the immunity clause. Senator Landis and Blue Cross have worked out those problems. I've always supported the concept of the bill. I think it is in good shape now and I don't think it gives Blue Cross an open door to do whatever they want to do. I think the immunity is tied down. It is related to professional practice. That is what it should be and I support the bill with this amendment. I urge you to bring it back to do what Senator Schmit and Blue Cross desire the bill to do.

PRESIDENT: The Chair recognizes Senator DeCamp for purposes of closing.

SENATOR DeCAMP: Thirty seconds. Senator Dworak said he opposed it because it is only for Blue Cross and that if it is going to be fair it should apply to all insurance companies including private insurance companies. Answer: I have just talked to the Department of Insurance Director who is right behind the glass in the rotunda. He has assured me that it does apply to

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LB 421

all. It is not just Blue Cross. It does include everything. So if that was your objections, Senator Dworak, it is invalid.

PRESIDENT: The motion before the House is the motion to reconsider LB 421, a vote on Final Reading. All those in favor vote aye, opposed nay. This will require 30 votes. Have you all voted? Senator DeCamp, maybe we'd better... How many do we have excused, Mr. Clerk? Five are excused. Now we have four that are excused.

SENATOR DeCAMP: This does require 30, Mr. President?

PRESIDENT: This does require 30 votes, yes. What do you want to do? Just as well get them in here.

SENATOR DeCAMP: Well, I suppose unless we get the final vote here we'll have to have a Call of the House or something.

PRESIDENT: Do you want a Call of the House? Because we've got to get...now that we're in the vote we'll have to finish this particular process so...what do you want to do?

SENATOR DeCAMP: Well, I guess nothing.

PRESIDENT: Record the vote.

CLERK: 30 ayes, 9 nays, Mr. President, on the motion to reconsider the bill.

PRESIDENT: The motion carries and LB 421 will be reconsidered or is reconsidered. And that will be all that we can take on this right now, Senator DeCamp, so we'll move on to...before I call upon Speaker Marvel for a motion, I would like to introduce in behalf of Senator Beyer, Pat Kelly, the Sarpy County Attorney. He is under the South balcony. Pat, would you step forward and be recognized. Welcome to your Legislature. The Chair recognizes Speaker Marvel.

SPEAKER MARVEL: I move that a committee of five be appointed to escort the Governor to the Chamber to deliver a message to the membership.

PRESIDENT: The motion is to appoint a committee of five to escort the Governor to deliver a message to the members of the Legislature. Any discussion? All those in favor will vote aye, opposed nay. Record the vote.

CLERK: 33 ayes, 0 nays on the motion, Mr. President.

PRESIDENT: The motion carries. The Chair will appoint the

March 10, 1982

LB 421, 629A, 819

CLERK: Mr. President, very quickly, Senator Landis would like to print amendment: to LB 421; Senator Carsten to LB 819. (See pages 1093 and 1094 of the Journal.)

Mr. President, the Committee on Revenue will meet in Executive Session in Room 1520 at 3:00 today. That is Revenue Committee at 3:00 p.m.

New A bill, 629A, by Senator DeCamp. (Read title.) That is all that I have.

SENATOR CLARK: Senator Rumberger, would you like to recess us until 1:30 this afternoon and we will continue on with this bill?

SENATOR RUMERY: Mr. President and members of the Legislature, I move we recess until 1:30 this afternoon.

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

Edited by

L. M. Benischek
L. M. Benischek

March 17, 1982

LB 801, 829, 421

SENATOR CLARK: All provisions of law relative to procedure 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: 36 ayes, 8 nays, 5 excused and not voting. Vote appears on page 1222 of the Legislative Journal.

SENATOR CLARK: The bill is declared passed on Final Reading. The Clerk will now read LB 829.

CLERK: Read LB 829.

SENATOR CLARK: All provisions of law relative to procedure 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: 43 ayes, 0 nays, 5 excused and not voting, 1 present and not voting. Vote appears on page 1223 of the Legislative Journal.

SENATOR CLARK: The bill is declared passed on Final Reading. The Clerk will read LB 421.

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

SENATOR CLARK: Read the motion.

CLERK: Senators Landis and Schmit move to return LB 421 to Select File for a specific amendment. That amendment is found on page 1093 of the Legislative Journal.

SENATOR CLARK: Senator Schmit. Senator Landis, do you want to take it?

SENATOR LANDIS: Thank you. I will yield some of my time to Senator Schmit but I thought I would go over the terms of the amendment for the body. I had voted on Final Reading against LB 421, because in discussions with the authors of the bill they were unwilling to make any change in their immunity section, which if you read it in the original or in the blue copy of the bill, it is simply a total grant of immunity for any civil or criminal action unless there

is malice. I asked for them to delineate which causes of action they were seeking immunity from and at that time they were unwilling to do so. Following the failure of this bill on Final Reading, however, it seems as if negotiations could be opened up again and some language which is satisfactory to me, as a matter of fact written by Senator's Cullan, Kilgarin and myself, was inserted in the Journal under Senator Schmit's and my own name. If you will notice and compare the differences between Section 7 in the Journal and the Section 7 in the blue copy of the bill, you will see that we list what immunity is given and we are talking about penalties for slander, liable, defamation, breach of the physician-patient privilege or a violation of the state insurance laws. We also change the standard so that immunity is granted in the event someone is not making a malicious or knowingly false statement or is initiating one of these reports with wreckless disregard for the truth of such report. That language essentially parallels the language utilized in liable cases for the standard that has to be exhibited between individuals for a showing of libelous action. I will yield the rest of my time to Senator Schmit in the event he wishes to make additional statements on behalf of this amendment.

SENATOR CLARK: Senator Schmit.

SENATOR SCHMIT: Mr. President, members of the Legislature, I believe that Senator Landis has adequately explained the amendment. I perhaps disagree with the necessity for the amendment but I support it and ask that the amendment be adopted.

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: I have no objections to the amendment.

SENATOR CLARK: Pardon?

SENATOR DeCAMP: I have no objections to the amendment either.

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

CLERK: 31 ayes, 0 nays on the motion to return the bill, Mr. President.

SENATOR CLARK: The bill is returned. Now the amendment.

SENATOR LANDIS: I move the attachment of the amendment that appears in the Journal to LB 421.

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LB 421, 924

SENATOR CLARK: Those in favor of the amendment will vote aye, opposed vote no. Record the vote.

CLERK: 28. . .Senator I can't take it, I'm sorry. 28 ayes, 0 nays, Mr. President, on the adoption of the amendment.

SENATOR CLARK: The amendment is adopted. Now return the bill.

SENATOR LANDIS: I move that LB 421 be returned to. . .

SENATOR CLARK: You heard the motion. All those in favor say aye, opposed. The bill is returned to Final Reading. That will complete Final Reading for today. Go ahead and read in.

CLERK: Mr. President, one item, Senator Chronister would like to print some amendments in the Legislative Journal to LB 924.

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LB 127, 383, 421, 672,
626, 629A, 677, 731

CLERK: Mr. President, very quickly, your committee on Enrollment and Review respectfully reports that we have carefully examined and engrossed LB 127 and find the same correctly engrossed; 383 and 421, 626, 672, 677 all correctly engrossed. Those are signed by Senator Kilgarin. (See page 1241 of the Legislative Journal.)

Mr. President, Senators DeCamp and Schmit would move to place LB 731 on General File pursuant to Rule 3, Section 18(b). (See page 1242 of the Legislative Journal.)

SENATOR LAMB: The next bill is LB 629A.

CLERK: (Read LB 629A.)

SENATOR LAMB: Senator DeCamp.

SENATOR DeCAMP: Mr. President, I move advancement of the bill and there is an item in there, I guess, what? \$15,000 is one of the items for Department of Roads. Possibly if we'd have had a little more advertising on some of these bids we'd have had 15 million or 150 million more in the coffers now.

SENATOR LAMB: The motion is to advance the bill. Senator Koch.

SENATOR KOCH: Senator DeCamp, would you redirect that fiscal note?

SENATOR LAMB: Senator DeCamp, would you respond.

SENATOR KOCH: I have been living in (inaudible), it's catching almost. I want to know what's going on here.

SENATOR DeCAMP: Its there for anybody to read, whatever the note is. There is no use of me.....(inaudible.)

SENATOR KOCH: The Department of Roads is the only one affected?

SENATOR DeCAMP: Pardon?

SENATOR KOCH: The Department of Roads is the only one affected in the state?

SENATOR DeCAMP: No, the entire state is affected. That is why I mentioned one item in there if you'd look at.

SENATOR KOCH: I'm talking about state government.

SENATOR DeCAMP: All of state government is affected, Senator Koch, even the schools.

March 23, 1982

LB 421, 672

ing been complied with, the question is, shall LB 421 pass. All those in favor vote aye, opposed nay. Record the vote.

ASSISTANT CLERK: (Read record vote as found on pages 1371-1372 of the Legislative Journal.) The vote is 45 ayes, 0 nays, 2 present and not voting, 2 excused and not voting, Mr. President.

PRESIDENT: LB 421 passes. The next bill on Final Reading, Mr. Clerk, is LB 672.

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

PRESIDENT: Read the motion, Mr. Clerk.

ASSISTANT CLERK: Senator Warner would move to return LB 672 to Select File for a specific amendment, that amendment being to strike the enacting clause.

PRESIDENT: The Chair recognizes Senator Warner.

SENATOR WARNER: Mr. President, I hate to do this in the sense on Final Reading. I know the time restraints but I haven't gotten involved in any of the expansion of tax exempt bonds or other ways to try to ease the burden of high interest rates but there is places where it seems to me we go too far even though the purpose or the benefit perhaps is meritorious. The overall harm it seems to me exceeds that. The problem that is trying to be addressed obviously is the same problem any homeowner or anyone else has and that is if you make an improvement on your property inevitably you also incur an additional property tax or an additional evaluation while you are also trying to pay all the cost of the debt for that improvement. And it seems to me that at this time to expand this kind of financing for a twenty-five year period from its current fifteen almost equalling the accelerated depreciation you can now take on construction, at least more accelerated than it used to be, and then coupled with the fact that it obviously vastly broadens the concept by striking the word "and" and making it "or" for rehabilitation acquired and redevelopment, it seems to me that the concept gets so broad that it would be unwise to make this addition to the Constitution. I'm not going to spend a lot of time commenting on it but again, if all of us could pay off our debt on improvement by not having to pay increased property taxes until the debt was paid off, well we could all fare very well and I would feel that it is not good public policy to add these provisions, expand these provisions in our Constitution. I'd hope that the bill would not be enacted and placed on the ballot.

PRESIDENT: The Chair recognizes Senator Vard Johnson.

March 24, 1982

LR 256, 267
LB 208, 383, 421, 577, 631,
634, 677, 720, 796, 827

PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Prayer this morning by Senator Rumery.

SENATOR RUMERY: Prayer offered.

PRESIDENT: Roll call. Have you all registered your presence? 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 stands as published. Any other messages, reports or announcements?

CLERK: Mr. President, two letters from the Governor. The first addressed to the Clerk. (Read letter regarding LBs 631 and 827.) The second, Mr. President, addressed to the membership. (Read letter regarding LBs 577 and 634.)

Mr. President, new resolution, LR 267 offered by Senator DeCamp. (Read LR 267 as found on pages 1392 through 1395 of the Legislative Journal.) That will be laid over, Mr. President.

Mr. President, the bills that were read on Final Reading yesterday are now ready for your signature.

PRESIDENT: While the Legislature is in session and capable of transacting business I propose to sign and I do sign LBs 796, 720, 677, 421, 383, and 208. Anything further, Mr. Clerk?

CLERK: I have nothing further, Mr. President.

PRESIDENT: We are ready then for agenda item #4, resolutions. There is a 15 minute limit. Commencing with LR 256.

CLERK: Mr. President, LR 256 was offered by Senator Nichol and many of the members. It is found on page 1280 of the Journal. (Read LR 256.)

PRESIDENT: The Chair recognizes Senator Nichol.

SENATOR NICHOL: Mr. President and colleagues, the purpose of LR 256 is to call on the federal government and the

March 30, 1982

LR 256-260
LB 720, 796, 383, 421, 677
619

PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Prayer by Chaplain Palmer.

CHAPLAIN PALMER: Oh God, we pray as we look at the calendar and realize how much has been done but how much more needs doing. We ask for your contentment in this day that we may not waste what time is ours, desiring more than is likely but learn to use and enjoy that which is ours. We may not know everything but we do know Thee and Your will. We may not be rich but we can be generous. We do not have to have all wisdom to be understanding. We do not have to win every vote in order to be a good Senator. Our influence may not always be great but it can be good. Our speech may not always be eloquent but it can be truthful. We cannot all have good looks but we can have good conscience, and having that we shall have peace of mind and need fear no one. So this day may we be kind to one another, tenderhearted and forgiving as if each person's heart might be breaking, because it probably is. Amen.

PRESIDENT: Roll call. Have you all registered your presence? Has everyone registered his or her presence? Please do so so we can get underway. Record the presence Mr. Clerk.

CLERK: There is a quorum present Mr. President.

PRESIDENT: Quorum being present are there any messages, reports or announcements?

CLERK: Mr. President, yes sir there are. LR 256, 257, 258, 259 and 260 are ready for your signature, Mr. President.

PRESIDENT: While the Legislature is in session and capable of transacting business, I propose to sign and do sign LB 256, 257, 258, and 259 and 260.

CLERK: Mr. President, Senator DeCamp would like to print amendments to LB 619 in the Legislative Journal. And, a communication from the Governor to the Clerk. (Letter appears on page 1462 of the Legislative Journal regarding LB 720, 796, 383, 421, 677).

PRESIDENT: Before we go on to Final Reading the Chair would like to recognize Senator Lamb, as acting Speaker, I think he has some announcements.