

January 20, 1981

LB 3, 278, 468-489

CLERK: Mr. President, new bills. (Read LB 468-489 as found on pages 291-297 of the Legislative Journal.)

Mr. President, your committee on Urban Affairs gives notice of public hearing for February 4, 11 and 18, 1981.

Mr. President, the Business and Labor Committee would like to meet underneath the North balcony at 2:00 p.m.

Mr. President, Senator Chronister would like to have his name added to LB 3 as co-introducer.

SPEAKER MARVEL: No objection? So ordered.

CLERK: Mr. President, Senator Warner offers proposed rules change which will be submitted to the Rules Committee for their consideration. (See pages 298-300 of the Journal.)

Mr. President, Senator Wesely gives notice of Rules hearing scheduled for January 27.

Mr. President, Senator Hefner and Howard Peterson want to add their name to LB 278.

SPEAKER MARVEL: No objection? So ordered.

CLERK: Mr. President, I believe that is all that I have.

SPEAKER MARVEL: Senator Rumery, do you want to recess us until three-thirty?

SENATOR RUMERY: One-thirty?

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

Edited by:


Mary A. Turner

March 6, 1981

LB 194, 174, 387,
431, 478

SENATOR HOAGLAND: All that is is simply obsolete language, Mr. Speaker, that was designed to effectuate the provisions of the election of membership to library boards in 1972 and 1974 and is no longer needed.

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

CLERK: 25 ayes, 0 nays, Mr. President, on the motion to adopt the amendment.

SPEAKER MARVEL: The motion is carried. The Hoagland amendment is adopted. Now, Senator Clark, what do we do with the bill?

SENATOR CLARK: I would move that the bill be advanced to E & R Initial as amended.

SPEAKER MARVEL: The motion is to advance the bill as amended. All those in favor vote aye...do you want to clear the board? All those in favor vote aye, opposed vote no. Record.

CLERK: 27 ayes, 0 nays on the motion to advance the bill, Mr. President.

SPEAKER MARVEL: The motion is carried. The bill is advanced. We now...the next two bills will be temporarily passed over because the introducer is not here and we go to LB 89.

CLERK: Mr. President, if I may right before that, you committee on Miscellaneous Subjects whose Chairman is Senator Hefner reports 431 to General File with amendments.

Your committee on Revenue reports LB 478 to General File with amendments; and your Retirement Systems Committee reports LB 387 to General File with amendments. (Signed by the respective Chairs.)

Mr. President, LB 89 was a bill introduced by Senator Shirley Marsh.

SPEAKER MARVEL: Is Senator Marsh in the room? We are going to temporarily pass over those two bills and we will come back to them shortly, and the next bill is LB 174.

CLERK: LB 174 offered by Senator Fenger. (Read title.) The bill was read on January 14. It was referred to the Judiciary Committee. The bill was advanced to General File.

March 23, 1981

LB 40, 157A, 253, 317,
427A, 472A, 478, 543

SPEAKER MARVEL: The first motion is, shall the House go under Call? All those in favor vote aye, opposed vote no. Record.

CLERK: 16 ayes, 5 nays to go under Call, Mr. President.

SPEAKER MARVEL: The House is under Call. All legislators return to your seats, record your presence, unauthorized personnel please leave the floor, and as soon as everybody is in their seats, we will proceed with the roll call vote.

CLERK: Mr. President, while we are having members check in, Senator Lamb would like to print amendments to 317; Senator Hoagland to 253.

I have a corrected committee statement for LB 543 from the Banking Committee.

An announcement from the Administrative Rules and Regulations committee.

Appropriations Committee gives notice of executive meetings Monday, March 23 at adjournment and for March 24, 25 and 26.

New A bills, LB 157 A, (title read); LB 472A, (title read); and LB 427A, (title read).

Senator Hoagland would also like to print amendments to LB 478, Mr. President.

SPEAKER MARVEL: Senator Burrows, do you want to record your presence? Senator Pirsch, do you want to record your presence? All legislators must be in their seats before we can start the roll call. Call the roll. The motion before the House is the advancement of the bill. Senator Barrett, for what purpose do you arise?

SENATOR BARRETT: Mr. Speaker, I respectfully request the roll call be reversed.

SPEAKER MARVEL: Okay, go ahead, Mr. Clerk.

CLERK: (Roll call taken in reverse commenced.)

SENATOR WIITALA: I would just like to say I have no objections.

SPEAKER MARVEL: Okay, a roll call vote has been requested. Go ahead. Proceed with the roll call.

CLERK: (Roll call taken in reverse. See vote on page 1075,

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LB 392, 317, 478

CLERK: Senator Nichol voting aye.

SENATOR NICHOL: Have you all voted? Please vote. Record.

CLERK: 26 ayes, 0 nays on a motion to advance the bill.

SENATOR NICHOL: The bill is advanced. May I have your attention and please direct it to the North balcony. Underneath the North balcony toward the rear, Senator Sam Cullan has his sister with him, Mary Ann Litzau of Fort Collins, Colorado. We will move on to LB 317.

CLERK: Mr. President, LB 317 was introduced by the Education Committee and signed by its members. (Read.) The bill was originally read on January 19. It was referred to the Education Committee. The bill was advanced to General File. I do have committee amendments pending by the Education Committee.

SENATOR NICHOL: Senator Koch, do you wish to be recognized?

SENATOR KOCH: Thank you, Mr. Chairman, I am sorry I did not realize we were there so quickly but since this is a priority bill and there may be some questions, I would just as soon that we pass on. I am sorry I did not catch it sooner.

SENATOR NICHOL: All right, thank you, Senator Koch. Okay we will move on to LB 478.

CLERK: Mr. President, LB 478 is introduced by Senator Carole Pirsch. (Read.) The bill was read on January 20. It was referred to the Revenue Committee. It was advanced to General File. There is a committee amendment by the Revenue Committee, Mr. President.

SENATOR NICHOL: Senator Cal Carsten.

SENATOR CARSTEN: Mr. President, I move for the adoption of the committee amendments and the committee amendments only add the emergency clause is all they do. Thank you.

SENATOR NICHOL: Thank you. We are voting on the emergency clause. Please indicate by voting aye, in favor, opposed no.

CLERK: Senator Nichol voting aye.

SENATOR NICHOL: Please record your vote. Please record your vote. We are having a little problem here getting enough votes. Record.

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LB 478

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

SENATOR NICHOL: The amendment is adopted. Senator Pirsch.

SENATOR PIRSCH: Thank you, Mr. Chairman, members of the body, LB 478 would allow persons who have permanently lost the use or control of both arms as a result of neuromuscular or neurological disease to be included in the homestead exemption for disabled persons. The amount of the exemption is the first \$35,000 of the actual value of any homestead and the applications for the exemption must include the sworn statement of a qualified medical physician or certification from veterans administration affirming that the homeowner is totally disabled. Similar language already exists in the statutes of Nebraska for other sections regarding disabled persons. Section 60-311.14 which provides for handicapped plates defines a disabled person as one who has permanently lost the use of two or more extremities. Under Workmen's Compensation Law, Section 48-121 permanent total loss of the use of an arm is considered as the loss of the arm as is amputation of the arm above the elbow. Senator Chronister amended this section to include the amputation of both arms and I feel neuromuscular, neurological is even more important because mechanical devices which are triggered by electrical impulses of the nerves are impossible with this disease. Also with neurological or neuromuscular disease the person sometimes has spasms which are constant and, therefore, have effectively lost the use of their arms by losing the control. If we are sincere in affording equitable assistance as previous legislators have done, I believe they have tried to make assistance for a homeowner who has been struck with misfortune and has perhaps more expense in adjusting their home, then it is extremely important to add this disease provision to our homestead exemption. It is also appropriate that this legislation be passed in 1981 as the United Nations has designated 1981 as the International Year of Disabled Persons. I move that you advance LB 478.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Senator Hoagland.

CLERK: Mr. President, Senator Hoagland moves to amend the bill and the amendment is on page 1078 of the Journal.

SENATOR HOAGLAND: Mr. Speaker and colleagues, on page 1078 of the Journal is an amendment which would extend the exemption to persons who qualify as mentally disabled under the

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LB 478

Social Security Administration Guidelines. Now I think many of the same reasons apply for granting homeowners who have total mental disabilities the exemption as apply to the homeowners who have the various kinds of physical disabilities currently laid out in the section. We have talked about this issue this session and last session and I think it is appropriate to extend this exemption to the mentally disabled as well as the physically disabled. Thank you.

SPEAKER MARVEL: The motion before the House is the Hoagland amendment. Senator Pirsch, do you wish to speak to the Hoagland amendment?

SENATOR PIRSCH: Yes. Senator Hoagland, I don't really... I am not really opposed to this amendment but I do feel that it does change and is a different concept in the physical disabilities that we have presently in the law and perhaps should have a hearing also.

SPEAKER MARVEL: Senator Dworak.

SENATOR DWORAK: A question of Senator Pirsch. Senator Pirsch, does ability to pay have come into play in any place in your bill?

SENATOR PIRSCH: The ability to pay is not covered in that exemption.

SENATOR DWORAK: Thank you.

SENATOR PIRSCH: It only includes the first \$35,000 of a homestead.

SENATOR DWORAK: But they could have as much money as anybody in the world and that would not disqualify them?

SENATOR PIRSCH: Well this section also applies to our disabled veterans as well as different classification of other people and those financial provisions are not allowed or are not presently given...(interruption.)

SENATOR DWORAK: I understand that and I am very strongly opposed to that and have publicly voted against that. I think that if we are going to subsidize or help people that need help, then we should do it directly like we are doing and in the area of mental retardation and disability payments and things like that but to come through the back door approach on the homestead exemption, I think it is a mistake. We keep eroding. We keep eroding. We keep trying to solve social problems through exemption of taxes

when, in fact, the two are totally unrelated. I would support any ability to pay type formula. I would support additional aid if that is, in fact, what we want to do it but not through this medium, not through this vehicle, not through this bill.

SPEAKER MARVEL: Senator Beutler.

SENATOR BUETLER: Mr. Speaker, members of the Legislature, a question of Senator Pirsch if I may. Now that Senator Hoagland has brought up this amendment I am trying to think through what the difference is between...I understand the difference between the physical handicapped and the mentally handicapped but insofar as the relationship between the ability of somebody physically handicapped as to opposed to the ability of somebody who is mentally handicapped to pay, why should there be a distinction? Shouldn't we include...?

SPEAKER MARVEL: Senator Pirsch.

SENATOR PIRSCH: That may be, however, we have not had a hearing on mentally. These have all been physically handicapped and I would like to point out that persons who own a home and who are physically handicapped are not eligible for supplemental security income and you know, for a physically handicapped person to live in their own home, they have to make expensive adjustments for that home and as far as I know there are very few apartments who can accommodate physical handicapped people because they require adjustments and because they require these physical, the physical facilities for a physically handicapped person to move around or to be able to live in a home. A mentally handicapped it seems to me, would not be limited by this ability or by any of these physical barriers that do come up.

SENATOR BEUTLER: If that is the distinction that is being made, would it make sense to you to limit the exemption to that portion of the value of the property that is caused by the physical handicap, that is, that they had to make improvements because of their physical handicaps, to exempt that from taxation as opposed to the whole property? Would that make some sense to you?

SENATOR PIRSCH: If that is the Legislature's wish, however, they are presently giving this exemption to that long list of physically handicapped people and disabled veterans without those stipulations and that has been in existence in our law for a long time. Carol Broman from Lancaster County was one of those who testified and she said that they have had no abuses of these exemptions, that she felt that it was

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working very well.

SENATOR BEUTLER: Okay, thank you.

SPEAKER MARVEL: Senator Pirsch, do you want to speak to the Hoagland amendment? Okay, Senator Wagner, do you wish to speak to the Hoagland amendment?

SENATOR WAGNER: Mr. Speaker, I just call the question.

SPEAKER MARVEL: The question has been called for. Do I see five hands? All those in favor of ceasing debate vote aye, opposed no. The vote is to cease debate. Have you all voted? Record.

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

SPEAKER MARVEL: Senator Hoagland, do you wish to close on your amendment?

SENATOR HOAGLAND: Yes, I would just like to close briefly, Mr. Speaker. If you all take a look at this bill, it sets out the underlying homestead exemption section of the Nebraska code. Section 77-3508, and that is a laundry list there of various kinds of physical disabilities. Now Senator Chronister had a bill last year and Senator Pirsch has a bill this year that deal with specific cases. This is a specific case that has been brought to my attention. A woman who is totally mentally disabled under Social Security Administration guidelines has a couple of kids, is having a tremendous difficulty managing the home that she owns along with her husband. I think the same reasons apply. It is really no difference in substance that we should apply these homestead exemption privileges in meritorious cases to the mentally disabled as well as the physically disabled and not to do so would really be to discriminate against the mentally disabled and I don't think we want to do that. I would urge your support of this amendment.

SPEAKER MARVEL: Seeing no other lights, the motion is the advancement of the bill. Okay, I thought we had already done that, adoption of the Hoagland amendment. All those in favor vote aye, opposed vote no. Record.

CLERK: 8 ayes, 14 nays on adoption of the amendment, Mr. President.

SPEAKER MARVEL: The motion lost. The amendment is not adopted. Senator Pirsch, do you wish to advance the bill?

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SENATOR PIRSCH: Yes, thank you, Mr. Chairman. I think we should keep in mind that this only adds the arms to those provisions that the Legislature has already said that they feel are proper and as one of the persons who testified at the hearings said, someone in a wheelchair can wheel up to a workbench and work. I can walk up to a workbench but I can't work. Thank you. I hope that you will advance LB 478.

SPEAKER MARVEL: Senator Beutler, do you want to speak to the motion to advance?

SENATOR BEUTLER: I would, Mr. Speaker. Another question of Senator Pirsch if I may, just so I have an understanding of how this bill works. Let's say for example we have a hundred thousand dollar house which is owned in joint tenancy between a husband and wife and the husband is disabled for one of the reasons outlined in the statute including your latest addition. Now does that mean that the first \$35,000 of that, and let's say for example that the wife is making \$40,000 a year. She is earning \$40,000 a year income and they have a hundred thousand dollar house. Now is the first \$35,000 of that house exempt under this law?

SENATOR PIRSCH: I guess in the first place I would question whether a woman would be making \$40,000 a year but...

SENATOR BEUTLER: All right, I will change it around. The woman is disabled and the man is making \$40,000 a year.

SENATOR PIRSCH: And would the first \$35,000 apply. As I understand it, yes it would. Yes, it would.

SENATOR BEUTLER: Thank you, Mr. President.

SENATOR PIRSCH: And that is what we are presently doing for those in that category.

SENATOR BEUTLER: Thank you, Mr. Speaker.

SPEAKER MARVEL: Okay, the motion is the advancement of the bill. All those in favor vote aye, opposed no. We are voting on the advancement of LB 478. Have you all voted? Have you all voted? Senator Pirsch.

SENATOR PIRSCH: I am afraid I am going to have to ask for a Call of the House, Mr. Speaker.

SPEAKER MARVEL: The question before the House is shall the House go under Call. All those in favor vote aye, opposed vote no. Record.

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LB 478, 113

CLERK: 13 ayes, 0 nays to go under Call, Mr. President.

SPEAKER MARVEL: The House is under Call. All legislators please take your seats, record your presence. I encourage all unauthorized personnel to leave the floor and record your presence. The Clerk is authorized to take call-in votes.

CLERK: Senator Clark is here. Senator VonMinden voting aye, Senator Wesely voting yes, Senator Chambers voting aye.

SPEAKER MARVEL: Okay, record.

CLERK: 25 ayes, 4 nays on the motion to advance the bill, Mr. President.

SPEAKER MARVEL: The motion is carried. The bill is advanced. Senator Landis.

SENATOR LANDIS: (Mike not turned on.) ...privilege, Mr. Speaker.

SPEAKER MARVEL: State your point to the Chair.

SENATOR LANDIS: I just simply want to inform the body, I intend to prepare an amendment to make this section applicable on the basis of an income or need basis and offer that on Select File. I will have it printed in the Journal at the appropriate time.

SPEAKER MARVEL: Thank you. Are you ready for LB 113, Mr. Clerk?

CLERK: Mr. President, yes, I believe we are. LB 113 is offered by Senator John DeCamp. (Read.) The bill was read on January 12. It was referred to the Banking Committee. The bill was advanced to General File. There are no committee amendments on the bill--there are committee amendments, excuse me, Mr. President.

SENATOR DeCAMP: Mr. President, members of the Legislature, move the adoption of the committee amendments. The committee amendments amount to a rewrite of the bill maintaining all the original concepts but in areas where the Department of Insurance and others had disagreements are all arrangements that have reached a compromise so I move adoption of the committee amendments and then I will explain the balance of the bill.

SPEAKER MARVEL: The motion is the adoption of the committee amendments. All in favor vote aye, opposed...for what purpose do you rise?

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LB 44, 47, 56, 84, 113, 151,
173, 218, 220, 308, 313, 331,
370, 379, 392, 478.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: The Reverend Sidney D. Ellis of the Church of Christ, Lincoln, Nebraska.

REVEREND SIDNEY D. ELLIS: Prayer offered.

CLERK: Mr. President, Senators Beyer, Fowler and Vard Johnson would like to be excused for the day. Senators Hoagland, Cullan and Wiitala until they arrive.

SPEAKER MARVEL: Record the vote, Mr. Clerk.

CLERK: Quorum present, Mr. President.

SPEAKER MARVEL: Do you have anything for item #3?

CLERK: Yes, sir. Mr. President, first of all I have got a correction in the Journal foundon page 1221. (See page 1230 of the Journal.)

Mr. President, your committee on Education whose Chairman is Senator Koch reports LB 218 to General File with amendments; 370, General File with amendments; and 308 indefinitely postponed. (Signed) Senator Koch. (See pages 1230 through 1235 of the Journal.)

Your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 56 and find the same correctly reengrossed.

Mr. President, LBs 47, 84, 151, 220 and 313 are ready for your signature.

Mr. President, I have a Reference Report from the Executive Board referring LB 556 to the Appropriations Committee and that is signed by Senator Lamb as Chairman of the Reference Committee.

SPEAKER MARVEL: While the Legislature is in session and capable of transacting business, I am about to sign and do sign LB 47, LB 84, LB 151, LB 220, LB 313.

CLERK: Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 379 and recommend that same be placed on Select File with amendments; 44, Select File with amendments; 173, Select File with amendments; 331, Select File with amendments; 392, Select File with amendments; 478, Select File with amendments; 113, Select File with

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LB 17, 40, 47, 84, 151, 220,
245, 245A, 313, 478

particular bill. I will get another shot on Select. But I hope you mark well what you are doing this morning, and I hope the impact of it will not be lost on you. So, Mr. Chairman, I am making that request for a Call of the House and a roll call vote.

SPEAKER MARVEL: Shall the House go under Call? All those in favor vote aye, opposed no. Okay, record.

CLERK: 17 ayes, 11 nays to go under Call, Mr. President.

SPEAKER MARVEL: The House is under Call. All legislators please take your seats. Record your presence. Senator Beutler, Senator Newell, Senator Schmit, Senator Hoagland. Mr. Sergeant at Arms, will you see if you can find Senator Schmit, please?

CLERK: Mr. President, while we are waiting for Senator Schmit, I have an Attorney General's Opinion that is addressed to Senator Carsten and one addressed to Senator Haberman. (See pages 1247 through 1252 of the Legislative Journal.) Senator Pirsch would like to print amendments to LB 17, and Senator Landis and Howard Peterson to LB 478, and your Enrolling Clerk respectfully reports that she has presented to the Governor for his approval the following bills: 47, 84, 151, 220, and 313.) (See pages 1252 through 1256 for amendments to LB 17 and 478 in the Legislative Journal.) And your Committee on Enrollment and Review respectfully report that they have carefully examined and engrossed LB 245 and find the same correctly engrossed, and 245A correctly engrossed.

SENATOR CLARK PRESIDING

SENATOR CLARK: Do you want to continue, Senator Chambers, or do you want to wait for Senator Schmit? Call the roll.

CLERK: (Read the roll call vote as found on page 1246 of the Legislative Journal.)

SENATOR CARSTEN: Mr. President, may we have the motion restated. I am not quite sure that anybody knows....

SENATOR CLARK: The Clerk will restate the motion.

CLERK: Mr. President, the motion is to overrule the Speaker's agenda by removing LB 40.

SENATOR CLARK: If you want to support the Chair, you vote no.

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LB 392, 478

SENATOR CLARK: The E & R amendments to 392. All those in favor say aye, opposed no. The amendments are adopted. Do you have anything on the bill?

CLERK: Nothing further, no.

SENATOR KILGARIN: I move LB 392 be advanced to E & R for Engrossment.

SENATOR CLARK: All those in favor of advancing the bill say aye, opposed no. The bill is advanced. LB 478.

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LB 478

SENATOR KILGARIN: I move the E & R amendments to LB 478.

SENATOR CLARK: The E & R amendments to 478. All those in favor say aye, opposed no. The amendments are adopted.

CLERK: Senator, I now have a series of amendments. Senator Landis, Senator, do you still want to have that first amendment that you had filed?

SENATOR LANDIS: Just the second one.

CLERK: Senator Landis has amendments found on page 1252 that are to be withdrawn, Mr. President.

SENATOR CLARK: No objections, so ordered. Do you have other amendments?

CLERK: Yes, sir. Mr. President, the next amendment I have is from Senator Landis. I believe copies have been distributed. It is request #2275.

SENATOR LANDIS: Mr. Speaker, copies are now being distributed with a Page. Some of you already have them on your desk. I am sorry that the change was late enough that I couldn't get them in the Journal and I apologize for that. However, if as these appear on your desk you will take a look at the amendments with me, I will be happy to explain their provisions. I should also add that this is cointroduced by Senator Peterson and myself. You will recall that ten days ago, Senator Pirsch brought us LB 478 which extends the definition of a disabled person for the purposes of the homestead exemption. At that time in the floor discussion, we came across the reality that the elderly homestead exemption is different from the status homestead exemptions that other people have in other sections of the law. If you have copies of the 1980 Cumulative Sup., I would suggest that you would look on page 1597 at Sections 77-3508 and 3509. Let me refer to those and to the amendments themselves and their purpose. With respect to the elderly, we have a homestead exemption that is based on need. We have an outline of the percentage of exemption and that is correlated to the amount of income that that elderly person or that elderly couple receives. That table is found in 77-3507. It also appears in the amendments on page 3 of the amendments. As you look at page 3 of the amendments, you will find in essence the need standard that has to be met by the elderly to qualify for a homestead exemption. For \$0 to \$4,300, there is a 100% homestead exemption and then it goes down by 20% increments down to between \$5,800 to \$6,300, that is a 20% homestead exemption. The purpose

of these amendments is to extend this need standard from the elderly provisions, 3507, into the status homestead exemptions. What are the homestead exemptions that are now being given simply on the basis of status and not on the basis of need? Well, they include...the disabled definitions, they include veterans who are totally disabled by a nonmilitary accident or illness; individuals who are paralyzed in both legs; individuals who have undergone multiple amputation; individuals who have progressive neuromuscular and neurological disease; individuals who have undergone multiple amputation of both arms above the elbow. That is 3508. 3509 indicates that for those veterans who are on a hundred percent disability but who are not eligible for the total exemptions found in another section of the statute, that they are covered by a 90% exemption as well as the unremarried widow or widower of such a veteran; or any veteran who died because of service connected disability; or the unremarried widow or widower of a serviceman who dies while on active duty. These exemptions while very noble in their purpose are simply for a status. They are the recognition of a status without regard to the need of that person for the exemption granted and those sections, there is a 90% exemption up to the first \$35,000. That is different than the elderly. The elderly have a graded exemption up to 100% on their first \$35,000 of valuation. Again the purpose of the amendment is very simple. The purpose is to apply the need standard that we currently utilize for the elderly to the other status homestead exemptions and those, essentially, are veteran related and disabled related sections of the law. There is, I might also add, on the last couple of pages of the amendments a tie-in to Section 77-3527 which has to do with the ownership of a house, the sale of the house and the proceeds. If the house is purchased by the Veterans Administration, that is an exempt house. If the person who owns that house or is living in the house, sells that Veterans Administration bought home, uses the proceeds to buy another house, that second house is also exempt and I can only say that what we have done is establish the same need pattern in that instance as well. That is the purpose of the amendments to LB 478. I would urge their adoption. If you have questions, please address them to myself and I believe Senator Peterson will close with respect to this motion. Thank you, Mr. Speaker.

SENATOR CLARK: Senator Beutler, did you want to talk about this?

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I would like to very strongly support this amendment. Basically the bill as I saw it when it came before us on General File had two problems. We all hopefully have a great deal

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LB 478

of compassion for those who for one reason or another, by acts of God or by acts of man, are in a severely disadvantageous position with regard to maintaining their economic livelihood but I think that it is necessary in all fairness to deal with these types of people uniformly with equity and the way the bill is right now it deals inequitably with these types of people in two ways. The first way is that it looks to the cause of the disability and we say that for certain types of disabilities, for neurological diseases, for certain results, if legs or arms are lost, for those types of things, for those types of results, there is an exemption. For other types, there is not and why do we distinguish one type from another? The question it seems to me is, is a person totally disabled or is he not. If he is totally disabled for one reason or another, then the exemption should apply. If not, the exemption should not apply. That problem I am going to try to address a little bit later. The second problem is that is the problem of inequity with regard to how we treat income. Always before, and I think we should have in our government standards an income standard. It is not the function of government to help those who can help themselves regardless of what unfortunate event may have happened in their life, and right now under this law, we have a situation where a person can own a \$100,000 house, can have a spouse who is earning a lot of money, and still get this exemption. I don't think that it is lacking in compassion to say that this situation should not exist because there is only so much money that the government has to hand out to people in unfortunate circumstances. We all know that. And it should be handed out to those who need it most and I think this amendment by applying an income standard effectuates that governmental purpose of giving the money to those or reallocating the money to those who most need it. So I heartily recommend that you adopt the amendment. Thank you.

SENATOR CLARK: Senator Carsten.

SENATOR CARSTEN: Mr. President, I would like to ask Senator Landis a question, if I may.

SENATOR CLARK: Senator Landis.

SENATOR CARSTEN: Senator Landis, I am assuming that there will be some dollar amounts involved in this amendment of yours.

SENATOR LANDIS: Yes, sir.

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LB 478

SENATOR CARSTEN: I am wondering if there is any fiscal note. Do you have any fiscal impact information at all on this at this point?

SENATOR LANDIS: I do not. I can only say I am sorry that the amendment was so late coming. There will be time between now and Final Reading and I will be happy to try my best to come up with as specific a figure as we can get. The total impact of the amendments, my guess is, will be to reduce the amount of homestead exemptions that will be granted. I can only foresee that this will narrow the range of eligible applicants, and by doing so will cut down the amount of homestead exemptions given.

SENATOR CARSTEN: Okay, thank you.

SENATOR CLARK: Senator Pirsch.

SENATOR PIRSCH: Thank you, Mr. Chairman, members of the body, I stand to support Senator Landis' amendment. I think this is a good safeguard for our dealing with those who are unfortunate and are not able to earn at the capacity that they would have without these impairments. I do want to stress that my goal was in introducing 478 to see that those with neuromuscular, neurological disease of the arms were treated equitably with those others who also have that same disease and with the others who have been disabled. I urge your adoption of this amendment to 478 and sending it on to Final Reading.

SENATOR CLARK: All those in favor of the amendment to 478 by Senator Landis vote aye, all those opposed vote no.

CLERK: Senator Clark voting aye.

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

CLERK: 26 ayes, 0 nays, Mr. President, on adoption of the Senators Landis and Peterson amendment.

SENATOR CLARK: The amendment is adopted. Do you have anything further on the bill?

CLERK: Nothing further on the bill, Mr. President.

SENATOR CLARK: Senator Kilgarin. Senator Wesely.

SENATOR WESELY: I would like to speak to the bill please. Mr. President, members of the Legislature, I certainly appreciate that Senator Pirsch has introduced this bill. I

think that Senator Landis' amendment is good. I would support the bill but I would like to call your attention to the fact that this is adding yet another specific disability to that which would fall under the homestead exemption for the disabled and I think that it ought to be called to your attention at this time because I am intending to introduce perhaps next year a bill which would change entirely the definition. I think it is appropriate to bring that issue up at this time because I think what we are doing is year after year we add yet another exemption for the disabled, this particular one and that particular one, and we should have a more functional definition that indicates, as Senator Landis just did with the financial ability, a little more of an indication of the functional ability of these individuals no matter what specific, particular item may be listed. It seems to me that the better approach is to have a broader disabled definition that takes into account the functional abilities of individuals, rather than having all of these listed separate, particular disabilities listed in which someone may qualify or not but which there is a differing ability that is found within these individuals. So I will support the bill and I think that you ought support the bill as well but I think you also ought to keep in mind that this is yet another in a long list of particular exemptions that I think would be better dealt with with a broader, more comprehensive rewording of the definition of the disabled under the homestead exemption law.

SENATOR CLARK: There is an amendment on the desk.

CLERK: Mr. President, Senator Beutler moves to amend the bill: "To", I assume, "have the provisions of the bill apply to all persons who are totally disabled."

SENATOR CLARK: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I spoke before to the second inequity in this bill and that inequity has just now been addressed again by Senator Wesely and that is that we are apparently wanting to apply the exemption to certain types of total disabilities and not to others, and for the life of me, I cannot see it. I hope somebody will stand up and tell me why there is a distinction with regard to those that are disabled in the manners described in the bill and others who are disabled in numerous other ways or with numerous other results. It seems to me that either the exemption should apply to all or it should apply to none and I am bringing up this amendment because we should get our philosophies straight in this Legislature. We are playing it both ways. What do we believe? What is the policy of this state? The amendment does simply this, it replaces the word

"veteran" with the word "person" and deletes all the other categories. The simple result is that the exemption would apply to all who are totally disabled. I take it that this was the original intent of the bill because the language down in the latter part of the bill says that the application for such exemption shall include the sworn statement of a qualified medical physician or certification from a Veterans Administration affirming that the homeowner is totally disabled. That is the objective, to help totally disabled persons. So with that, I offer the amendment that the provisions of the bill be extended to all disabled persons regardless of the cause of their disablement or regardless of the specific results as far as their physical capabilities are concerned that result in the disablement. I think we should apply it to all or to none.

SENATOR CLARK: Senator Vard Johnson.

SENATOR VARD JOHNSON: Mr. Speaker, members of the body, I rise in opposition to the Beutler amendment. His amendment sounds very attractive and very good but one of the reasons I rise in opposition to the amendment, Senator Beutler, is the fact that you and I don't have a good fix right now on the numbers of persons in this state who are totally disabled or as to what the ultimate price tag of that amendment would be. I read an article in the...for some reason I have become an aficionado of the publication by the American Commission on Intergovernmental Relations which we all get like every three months and there was an article appearing about a year ago in conjunction with the growth of federal government and the question was, why is it that federal government has grown as much as it has grown, and one of the answers that was given following a very thoughtful study is that Congress so often made good changes in the law but didn't fully know exactly what those changes would do, and believe it or not, the example that was cited, one of the several examples that was cited, was a 1954 amendment to the Social Security Act which allowed persons who become totally disabled to begin to collect social security benefits. But in 1954 the projected cost of that program by 1970 was something like \$600 million. It turned out that by 1970 the actual cost of that program was in the neighborhood of four or five billion dollars and that by 1980 that program is now costing \$14 billion to the country, and in fact that is one of those areas where some changes are being discussed fairly actively in Congress in terms of the Social Security Act. Now I recognize that the homestead exemption program is small potatoes in comparison to the Social Security Act. In fact the dollar amount here might be very modest but I just don't know the answer and I suspect Senator Beutler doesn't either.

So you know it is with some, it is with some degree of reluctance that I rise because I don't mean to single out the totally disabled community, so to speak, for my remarks but the truth of the matter is I think before you and I go ahead and adopt this particular amendment that we have some sense as to what the ultimate affect and the ultimate cost would be. Otherwise we may find ourselves in the position that Congress is now finding itself in of inadvertently passing legislation which ultimately had a fairly large price tag down the road.

SENATOR CLARK: Senator Wesely.

SENATOR WESELY: Mr. President, members of the Legislature, I talked before about the problems with the listing of the particular disabilities in the Homestead Exemption Act and I talked about the possibility of doing something next year. Senator Beutler, of course, moves a little quicker than some of us and has already proposed a change with this amendment to the law that I was concerned about. I think I am going to support Senator Beutler's proposal and I think perhaps the wording needs to be worked out, perhaps we need to take a little more time with it, as Senator Johnson talked about. I think the intent is right. I think that we need to have a functional definition of disabilities, not just listing the particular ones. I think that we can draft legislation that would particularly address the problems of the question of who is and should be receiving these homestead exemptions for the disabled. The Revenue Department took a look at the Homestead Exemption Act and came up with a number of recommendations. One of those was to consolidate the far-flung disability sections of the act and a bill was drafted, I have copies of it, that are being run off right now, a bill was drafted to deal with those recommendations from the Revenue Department and I think that perhaps we may want to look at that language in light of the Beutler amendment, which together may be used to come up with a particular definition that would better deal with some of the problems that we have. I certainly would like to encourage Senator Pirsch. I think that she has a very good proposal in its limited scope at this point but I think Senator Pirsch should consider perhaps holding the bill and considering this broader change to the disability section that would encompass what she is trying to do and, in fact, broaden the impacts of the change, that we take care of more problems than just the one particular one the bill now deals with. Perhaps as we saw with Senator Landis' amendment, a reworking of the disability section is warranted at this time in this area. We didn't have any income guidelines. We now have those in the bill. We do have a need to clean up

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the definition section. Perhaps we ought to make this bill, LB 478, a clean-up bill in homestead exemption disabilities that takes care of a number of problems. We have done some of that and I think the Beutler amendment addresses some more and I have got some more wording that may address even further the problems we have in this area. Maybe we should take care of those problems this session. Perhaps this is the time to do that and I want to encourage your consideration of the amendment and support for the Beutler amendment at this point.

SENATOR CLARK: Senator Wagner.

SENATOR WAGNER: Senator Beutler, what are you doing with your amendment?

SENATOR BEUTLER: Senator Wagner, basically the amendment does this. It says it doesn't matter what the cause of your total disability is, if you are totally disabled, you are totally disabled and you have as much right to the exemption as anybody else that is totally disabled.

SENATOR WAGNER: But what are you striking out of the bill?

SENATOR BEUTLER: Striking out of the bill?

SENATOR WAGNER: Are you changing some wording, striking veterans, is this what I understood?

SENATOR BEUTLER: Yes, well, you could...the way it is drafted, you would be striking the word "veterans" and putting in the word "persons" and dropping out the specific subsections.

SENATOR WAGNER: Okay, that was my kind of what I wanted to get at because again I think we are making a change here on the floor at the last minute, and during that public hearing, this was really not the crux of Senator Pirsch's bill. And I think we are making a change here that very definitely kind of makes me wonder, and if your amendment is adopted, I certainly cannot support that bill. So I would oppose that amendment.

SENATOR CLARK: Senator Fitzgerald.

SENATOR FITZGERALD: Mr. Speaker and members, Chris, would you answer a question for me? Page 2, "Veterans who are totally disabled by nonmilitary acts or illness". What do you mean by veterans there? If it is nonmilitary, they are not veterans and I would like to have you clarify that for me.

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SENATOR BEUTLER: I am sorry, Senator Fitzgerald, but I don't know where you are. Page 2 of what?

SENATOR FITZGERALD: Page 2, line 3.

SENATOR BEUTLER: Whose amendments are these?

SENATOR FITZGERALD: Sir. Oh, these are Landis', pardon me. Dave, would you explain that to me? My understanding, a veteran is a veteran is when in military service, he has drawn disability. All right, this is a nonmilitary accident so you have got veteran up there. It should just be a private citizen if he is going to draw disability for this here.

SENATOR LANDIS: I am sorry. Could you give me the question again. Tom, I am sorry, I didn't catch it.

SENATOR FITZGERALD: Line 3, "Veterans who are totally disabled by nonmilitary accident or illness", why do you have a "veteran" there? If it is a nonmilitary accident, he is not a veteran because a veteran, his injuries are caused in service.

SENATOR LANDIS: When Senator Fitzgerald points to line 3 of the Peterson-Landis amendments which were adopted, he is pointing to existing language which already allows for veterans who are totally disabled by nonmilitary accident or illness and that is just simply the status kind of homestead exemption I was talking about. If you fit into the category of being a veteran, who also happens to be disabled because of a nonmilitary accident, you get this kind of a homestead exemption. That choice was made a number of years ago by the Legislature. I am not sure I understand it and could justify it but it is one of the statuses that in the past has received a homestead exemption, and that is existing language in the law for at least ten years, I believe, Senator Fitzgerald.

SENATOR CLARK: Does that answer your question, Senator Fitzgerald?

SENATOR FITZGERALD: Thank you. Yes.

SENATOR CLARK: We are not on that amendment, incidentally. We are on the Beutler amendment. Senator Pirsch.

SENATOR PIRSCH: Thank you, Mr. Speaker, and members of the body, I guess I uncovered a can of worms that keep squirming out everytime this bill comes up. I am not adverse to

making a comprehensive change but I don't think on the floor of the Legislature is the place to do it. My original bill was for equity under one category of neuromuscular-neurological disease and I agree that maybe we should look at this. As a matter of fact, Senator Wesely, I am sorry that your committee did not introduce a bill like this since you considered this and talked about it because I think it would have been a good idea. But it is something that is going to take a lot of study, and I think a lot of public input, and I don't believe at this time that we should be making those kind of decisions off the seat of our pants, so to speak. So I would oppose this amendment.

SENATOR CLARK: All those in favor of the Beutler amendment... we gather that he wants to close so he has five minutes to close. Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, it has been interesting to hear the debate on this particular subject but let me ask you. Have you heard one person stand up and make the distinction between a person who has lost two legs or a person who lost two arms or a person who is totally disabled because he has a heart attack and is not covered by the bill? Has one person made that distinction? The answer is no. Nobody has made that distinction because I don't think there is a distinction. All you have heard are questions as to the wide applicability of this bill and who all does it apply to. It applies to the totally disabled. We have definitions for use already with regard to what totally disabled means and we can more specifically reference those if we want to. That is not a problem. How widespread would the use of the exemption be if we had all totally disabled? I don't have the figures for you but I can assure you that it is not the scary problem that everybody has insinuated. First of all you have to be totally disabled. There just aren't that many people in the state who are totally disabled. Secondly, and I may not have offered the amendment had not the income provision been added but now the income provision has been added. So before anybody gets any money, he has to be totally disabled and his income has to be less than \$6,300 a year. Now how many people like that are there in the state? I think that is about all that there is to be said about this particular amendment. The question is very fundamental. Do you treat everybody in the same category, all those totally disabled the same, or do you pretend? Do you perpetuate the pretense that somehow one kind of total disability deserves an exemption and another type does not? Again, I ask you to adopt the amendment and to state legislatively what the policy of this state is with regard to that question in a manner that

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is fair to all and that can be understood by all. Thank you.

SENATOR CLARK: All those in favor of the Beutler amendment vote aye, all those opposed vote nay. Have you all voted? If you want to vote, you have better vote. I am going to call the vote. Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, I would like to encourage all to vote I guess.

SENATOR CLARK: I have tried that.

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

SENATOR CLARK: A Call of the House has been requested. All those in favor of the Call of the House vote aye, opposed no. We have 28 students from the Lincoln Christian School, Lincoln, Nebraska. Betty Petersen is the teacher. They are in the North balcony. Would you raise your hand so we can recognize you please. Welcome to the Unicameral. Record the vote.

CLERK: 16 ayes, 0 nays, Mr. President, to go under Call.

SENATOR CLARK: The House is under Call. All unauthorized personnel will leave the floor. All Senators will return to their seats please and check in. There is three people excused. We are looking for Lowell Johnson, H. Peterson, DeCamp. Will you all check in please. Chronister, Goodrich, Warner. Warner is excused. Senator Chambers and Senator Goodrich. Do you want to start in with the roll call, Senator Beutler? There is two absent that are here but they are absent. Senator Goodrich and Senator Chambers. Everyone is here except Senator Goodrich. Call the roll.

CLERK: (Roll call vote taken. See page 1326, Legislative Journal.) 16 ayes, 21 nays, Mr. President.

SENATOR CLARK: Motion fails. Anything further on the bill? Senator Carsten. Yes, the Call is raised.

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

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Senator Kilgarin.

SENATOR KILGARIN: I move LB 478 be advanced to E & R for engrossment.

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LB 478, 113, 113A, 317

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. Motion carried. The bill is advanced. Okay, LB 113.

SENATOR KILGARIN: I move the E & R amendments to LB 113.

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. The motion is carried. The amendments are adopted. Do you want to advance the bill? 113.

SENATOR KILGARIN: I move LB 113 be advanced to E & R for Engrossment.

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

CLERK: Yes, sir, the A bill.

SPEAKER MARVEL: The A bill. Okay 113A.

SENATOR KILGARIN: I move LB 113A be advanced to E & R for Engrossment.

SPEAKER MARVEL: All in favor of that motion say aye, opposed no. Motion is carried. The bill is advanced. Let's see, 327 we pass over at the request of Senator Landis for one day and we go to 317.

SENATOR KILGARIN: I move LB 317...I move the E & R amendments to LB 317.

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

CLERK: Mr. President, Senator Koch moves to amend the bill by striking Section 8.

SPEAKER MARVEL: Senator Koch.

SENATOR KOCH: Mr. Speaker, the other day we were talking about 317 and I advised you then that I would probably strike this portion of the bill. There is no need for it to be in this bill. It's redundant since the same language is in LB 204 authored by Senator Wagner. So what I am saying, rather than to have this language in 317, since it is in 204, and it applies to mileage for parents transporting children who are eligible for that mileage, this is the appropriate place for it because that is an omnibus bill dealing with the mileage and the amount to be charged. So I am asking that we strike this section in 317. The amount of money that is in 317A then would accrue...or is already in 204A, which has to do...it's

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LB 113, 113A, 125, 174,
LB 179, 291, 328A, 331,
LB 257, 379, 392, 400,
LB 478, 479

as previously explained. All those in favor of adopting the amendments vote aye, opposed vote no. Have you all voted? Senator DeCamp. Have you all voted?

SENATOR DeCAMP: Mr. President, how many are excused? And who might they be? I just wondered. Mr. President, I change from aye to nay for purposes of reconsideration.

CLERK: 16 ayes, 22 nays, Mr. President, on the adoption of the DeCamp, Fowler, Wesely amendment.

SPEAKER MARVEL: Motion lost.

CLERK: Mr. President, may I read some material in?

A communication from the Governor addressed to the Clerk. (Read. Re: LB 125, 174, 291. See page 1358, Legislative Journal.)

Senator Landis offers explanation of vote.

Senator Carsten would like to print amendments to LB 179.

A new A bill, LB 328A. (Read title. See page 1359, Legislative Journal.)

Your committee on Enrollment and Review respectfully reports we have carefully examined and engrossed LB 113 and find the same correctly engrossed; LB 113A correctly engrossed; 331 correctly engrossed; 379 correctly engrossed; 392 correctly engrossed; 478 correctly engrossed; and 479 correctly engrossed. All signed, Senator Kilgarin.

Public Works reports LB 400 to General File with amendments, Mr. President.

Mr. President, the next motion I have on LB 257 is to indefinitely postpone the bill and that is offered by Senator Beutler.

SPEAKER MARVEL: Senator Beutler.

SENATOR BEUTLER: Mr. President, I would like to withdraw that. I ask unanimous consent to withdraw that motion.

SPEAKER MARVEL: Hearing no objection, so.....

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

SPEAKER MARVEL: Senator Warner, your light is on. Do you

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LB 392, 478

PRESIDENT: LB 392 passes with the emergency clause attached. The next bill on Final Reading is LB 478.

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

PRESIDENT: Read the motion, Mr. Clerk.

CLERK: Mr. President, Senator Landis moves to return LB 478 to Select File for a specific amendment. The amendment is found on page 1427 of the Journal.

PRESIDENT: The Chair recognizes Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, we have before us at a little later date the issue that I understand is percolating in the body with respect to whether or not the Peterson-Landis amendment should be struck from the bill and that was the amendment that you will recall applied the need standard found in the elderly homestead exemption sections to the homestead exemption sections with respect to the disabled and veterans' widows and the like. That is not the issue before you right now. This amendment is strictly technical in nature. At one point in the amendments that were adopted, we changed and applied the need standard idea to a section of law with respect to the sale of homes purchased by VA benefits. However, that section of law is also mirrored with parallel language in the Constitution so that to amend the law would be for naught, that, in fact, the constitutional language has written, perpetually I guess until a vote of the people declares otherwise, that benefit or that special perquisite into our Constitution and we as a Legislature cannot change the terms of that benefit, therefore, the amendment that I have previously offered with that one respect would be ineffective and there was no reason to add that language to the law when, in fact, the Constitution restricts our options. I would urge the body to adopt this amendment because simply it takes out language which cannot be put into effect by the Legislature since it violates the Constitution and then as I understand it, we will be faced with the further policy decision after this motion of whether or not we want to strike the Landis-Peterson amendments, and so I hope we do not embroil this amendment with the issue that we will be faced with following the disposition of this amendment and for housekeeping purposes I would urge the adoption of 478 amendment offered at this time and then shortly we'll be debating the merits of the previously adopted Landis-Peterson amendments. So I hope that you will vote, at least in this case, and then we can set the stage for the debate on that policy choice just a little bit later.

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PRESIDENT: The Chair recognizes Senator Wagner.

SENATOR WAGNER: Mr. Speaker and members, no, basically I wanted to talk to our other amendment that will be coming up after this.

PRESIDENT: All right. Anything further? Senator Landis, I guess unless you have anything further on the close, the motion then is to return LB 478 to Select File for the specific Landis amendment. All those in favor vote aye, opposed nay. Record the vote.

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

PRESIDENT: The motion carries. The bill is returned. Senator Landis, do you wish to move for the adoption of your amendment?

SENATOR LANDIS: I am reminding the body that this is not the same issue that we are faced with. We will have a chance to vote on the issue of taking the Landis-Peterson amendments off. This is purely technical. I would move for its adoption at this point.

PRESIDENT: The motion is to adopt the....Senator Wagner, did you wish to speak to this...no, all right, so the motion then is the adoption of the Landis amendment. All those in favor vote aye, opposed nay. Record the vote.

CLERK: 28 ayes, 6 nays on adoption of Senator Landis' amendment.

PRESIDENT: The motion carries. The Landis amendment is adopted. Senator Landis, do you want to move the bill back to E & R?

SENATOR LANDIS: I move the bill back to E & R.

PRESIDENT: Motion to advance LB 478 to E & R for engrossment. Discussion now on the motion to return to E & R. Senator Fowler, did you wish to speak to that point? Senator Dworak, did you wish to speak to that point or the next one. All right, the motion then is to return LB 478 to E & R for engrossment. All those in favor signify by saying aye, opposed nay. LB 478 is returned to E & R for engrossment. Now, I have a motion on the desk.

CLERK: Mr. President, Senators DeCamp, Wagner and Fitzgerald move to return LB 478 to Select File for a specific amendment, that amendment being to strike the Landis and H. Peterson amendment Request #2275 adopted on April 7 of this year.

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PRESIDENT: Senator Warner, will you discuss this then?
Senator Wagner.

SENATOR WAGNER: Mr. Speaker and members, this amendment that Senator Landis and Senator Peterson put on the other day, it did not have a public hearing. It came about here on Select File and I really think it does and if he would I would like to have...Senator Pirsch, could I ask you a question?

PRESIDENT: Senator Pirsch, will you respond?

SENATOR PIRSCH: Yes.

SENATOR WAGNER: Senator Pirsch, what was the nature of your bill there when we had it before the committee?

SENATOR PIRSCH: Originally it was just a simple bill adding into the same provision of neurological, neuromuscular, only the use of the arms which is as I said on the floor, sometimes more debilitating than the legs because you can wheel up to a workbench and work with your hands but when your hands and arms are involved in neurological-nueromuscular, you can walk up to the workbench but you can't work.

SENATOR WAGNER: How many pages was in your bill?

SENATOR PIRSCH: How many pages?

SENATOR WAGNER: Mmm, hmm.

SENATOR PIRSCH: There was just one simple line, Senator Wagner.

SENATOR WAGNER: Was there any discussion about the Landis and Peterson amendment at that time?

SENATOR PIRSCH: At the time...

SENATOR WAGNER: Of the hearing.

SENATOR PIRSCH: Of the hearing. Yes, I believe there was some comment about this and I don't know what the committee talked about when I was not there but I would assume that before they went into that detailed and, as it turns out, controversial extension of that bill, that they would have a public hearing and evidently the committee felt that that deserved a separate bill and separate hearing also because they did not then adopt or amend my simple little bill at that time but passed it out of the committee as it was.

SENATOR WAGNER: I guess this is part of my concern is that I think when we get to Select File and when we come through with a bill that is...an amendment that is about thirteen pages long, twelve, thirteen, something like that, it is late. It is kind of like hassling your bill. Your bill is one thing. This amendment is something else. I opposed it on that ground simply because I think it ought to have had a public hearing. If we refer it back to the committee your bill probably won't make it. I think it would be best just to strike the Landis amendment and let your bill go and for that reason I would like to see us strike the Landis amendment.

SENATOR PIRSCH: I appreciate that. Thank you.

PRESIDENT: The Chair recognizes Senator Fowler.

SENATOR FOWLER: Mr. President, I support the motion to remove the amendment. I think it was an ill-advised mistake to add that issue on Select File. To bring this in as a separate bill might have been acceptable but I think it broadened the concept far beyond what the introducer's intent was and I think caught many people by surprise. It seems kind of surprising to me but among the trends in budget cutting these days is to attack the veteran. It is being done in Washington and maybe that mood filtered back here to try and undo things that we established a long time ago, to take away grants and privileges that this Legislature and the national Congress and previous governors and presidents had all felt were essential. Last week I had the experience of walking through the halls of the capitol and noticing a small press conference that a couple gentlemen were holding. They were relating to the question of the Vietnam veteran and they were calling themselves the "forgotten veteran" and they were talking about how they were a veteran, a generation of veterans that in many ways they felt that this country wanted to forget because they served as a reminder of a war that was very divisive and very unpopular. And they talked about many of the services and programs that other veterans had been allowed that now they were not going to get, that were being taken away from them, that were being implemented by national policy and it struck me that this Legislature was committing and adding to the same crime and that is, trying to ignore and forget that which had been done. I think it was ill-advised to take Senator Pirsch's bill and turn it into something that denies benefits and privileges. If we want to address this question I think a bill can be introduced. The Revenue Committee can have a hearing. If income standards need to be established that could be addressed in a full public discussion but to try through the back door to take away these

benefits I think is a very poor public policy and I would say again that I think it is a very unhealthy trend in the United States at this time to somehow attack the veteran, to deny the benefits to the veteran, to try and somehow blame the veteran, if you will for some of the mistakes that we have made in our foreign policy. So with that, I would join in striking this amendment, returning Senator Pirsch's bill to the small original concept which she had. I don't think the Nebraska Legislature needs to jump on the bandwagon that has been started in Washington to take away benefits from our veterans.

PRESIDENT: The Chair recognizes Senator Dworak.

SENATOR DWORAK: Well, Mr. President and colleagues, after listening to three speakers on this, finally Senator Fowler alluded to the fact that there is an income qualification that we are trying to establish through the Landis-Peterson amendment and this is sound and nobody is attacking the veteran, Senator Fowler. In fact, we want to provide the benefits to those veterans who need them, the needy veterans but we do not want to provide homestead exemption at the expense of the elderly, at the expense of the middle class, at the expense of the lower class, for veterans that are living in a hundred and fifty to two hundred and fifty thousand dollar homes and providing him homestead exemptions to that category of recipient. This is exactly the kind of thing we need to be straightening out. We need to set criteria whereby those that need the benefits get, in fact, the benefits rather than everybody, irregardless of need. Yes, it is difficult. If you are used to being on the dole and living in that in that two hundred and fifty or three hundred thousand dollar home and having a homestead exemption, it is difficult then suddenly to pay your property taxes and that is, in fact, what we are asking some of these people to do is, in fact, if they can afford, if they have the income, if they have the money, if they have the dollars, then they, in fact, do not or are not entitled to tax incentives through the homestead exemption whereby that the other people in the block, the average middle class type individual, we are asking them to pay these benefits for these type of recipients. So I urge that we stick by the Landis-Peterson amendment. It is not that complicated. To lament the fact that the only reason I oppose this is because it hasn't a public hearing is ludicrous. The issue is very sound and it is very simple. You either set a criteria or you don't set a criteria based on income for these kind of benefits. That is the issue and I think it is a sound, solid issue. In fact, I think one of the things that, brought out in the campaign by President Reagan, actually increased the amount of welfare benefits to the California recipients by elimi-

nating a lot of those people who qualify who are not eligible or abusing. You see, we hear this story over and over again, the food stamp situation and how many times have we heard about those people not eligible or not in need, eligible for food stamps, and this is the same kind of issue and here is the chance to get a hold of it and a chance to correct it. This issue basically is setting an income criteria. If somebody makes 60, 70, 80, 90, a 100 thousand dollars a year, right now if this amendment is not detached, would be eligible for some of these homestead exemptions by the mere basis that they are a veteran or disabled veteran and that is not right. That is not right and this is not free money. This is paid for by somebody else and I don't mind being asked to pay my share of those that are in need but when you take away that need criteria and you get in my pocket to help those that, in fact, that are making more money than I am, I resent it and I resent it strongly. And so I think we have made the right step with Senator Peterson and Senator Landis' amendment and I think we ought to stick with that step, be consistent and not undo what has already been done.

PRESIDENT: The Chair recognizes Senator Marsh.

SENATOR MARSH: Mr. President and members of the Legislature, Saturday was the day that the veterans and the veterans' widows were all cued in to call Shirley Marsh. My first call started at seven forty-five. There were seventeen during the day, not all from my legislative district because some people told me where they lived and I told them whose district they were in. However, the purpose was to do exactly what the proposal before us is but I took time to tell each person who called that it was my intent that the individuals, whether that individual was a veteran or not a veteran, but was low income and had physical problems, that individual needed the state's dollars as a supporting mechanism. But I went on to say that I did not feel that simply because an individual was a veteran but had a higher income, I did not feel that we should be providing the homestead exemption which had been provided in the past and by taking time to inform each person who called me with one exception, each of them agreed with me. Now I have to tell you one did not agree with me but out of seventeen I thought that was a pretty good percentage. I do not expect to vote for the proposed amendment which is offered to us now. I feel that it is a very reasonable amendment which was added to LB 478. I support the concept of a needs criteria. The State of Nebraska does not have unlimited dollars. We need to make wise decisions to make those dollars stretch where there is need, not simply the magic word, veteran, and as most of

you know, I am the daughter, the niece, the wife, the sister of veterans who have served their country well. I do not lightly say what I am saying but I feel it is very important that LB 478 be passed in its current form and I will support it if it is left without the proposed amendment which is offered now.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Senator Fitzgerald.

SENATOR FITZGERALD: Mr. Speaker and members, my sentiments today are with the same thing that Senator Fowler said. What are we going to do with the veteran? I would like to ask Senator Dworak, how many of these veterans who live in two hundred and three hundred thousand dollar houses? I mean, my golly, I think I am with the veterans ever since World War II and I have not seen a fellow living in a two hundred to three hundred thousand dollar house. I mean, you got to realize the effect here, you might have one that was very very fortunate that made it big in civilian life and because he went over there and risked his life on the battlefield and he is drawing 100% disability, are you going to crucify him, that he come out here and he bettered himself? I mean, this has got me. Now, here we got the veterans coming out of World War II who need help and the people down here made these laws. World War II has been over, I take here, thirty-six years. Now where is the wisdom of all of the senators up-to-date? We have not changed these laws. These laws are great laws and these laws shouldn't be changed. Now these veterans are coming out of World War II, they need help and we are going to get down here and say, you fellows, we used you. Now we don't need you anymore. Go out here and live and give them a few pencils and let them go down here in the corner and sell pencils, let them fight over the corners. Are we going to regulate that? What corner they are going to get to? Now what I am getting at to the extent here, I mean, the wisdom of these senators today, trying to change rules and regulations that has been in effect for years. These fellows here are living with the income they have now and I just cannot see it myself. So I hope each one of you take under consideration and vote the way we want you to vote, do away with the Landis amendment.

SPEAKER MARVEL: Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the body, we discussed in some depth in executive session and questions were brought up involving income criteria in this bill in the committee. Now some of the points have not been brought out on this. The individuals involved in this bill are small in numbers and testimony came that there really was no abuse

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coming on this score to begin with. Now I support the move to strip the Landis-Peterson amendment. I would support an income criteria at much higher levels but what we are talking about here, we are breaking in and the amendment went to the elderly exemption and started at \$4,300. Now most of the people involved, and I wish everyone would listen to this, you have got people that we are bringing in that have lost the use of their arms. You have got people that have wheel-chairs and most of the people involved have to alter their homes. These homes we are talking about giving more exemption to have been altered. They are given a different market status to begin with, and to go in with such low income status as this bill presently exists, I think would be a step backward in helping out the crippled people, the people that are handicapped. Because when they altered this home, they brought down the market to those where they would have a reasonable market of a few individuals like in the City of Lincoln that would be looking for wider doorways that wheel-chairs could go back, maybe a sink that sets so that a wheel chair can come in under it, and a home that has been lowered in valuation because of the alterations for the average homebuyer. It has reduced its market potential. These people usually have high medical costs. You are talking about a single group of people with much higher than average medical cost, and to come in with income criteria where you start stripping away the exemption at \$4,300, when they have had to modify that home, when they have additional medical expenses hanging over them is totally unreasonable. I personally support the idea of income criteria on all these exemptions but the ones we placed on the bill are totally unreasonable because of the circumstances of those individuals that are handicapped. The special needs they have, the special medical costs that they incur, so at the present time with a very limited aspect of the bill as originally introduced, I think we should strip the amendments off and proceed with the bill, pass it in its original form and give some help to some really needy people. Now if the Legislature would care to look at it again, I think we could have a more thorough discussion of what income limitations would be realistic. As amended the present bill is a step backward in state law. Let's strip the amendments and pass the bill and help out some very needy people. Thank you.

SPEAKER MARVEL: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I am a veteran and a veteran of the Southeast Asia campaign, so I think that I probably have as much sympathy for the people who fought over there as any one here. I knew a

lot of those people but most of us considered it our duty to be over there, and in a profound sense, although maybe not on the surface, a privilege to be over there, and I think most everybody expects that with regard to disabilities that were caused by the war, whether they were physical or whether they were mental, that those disabilities would be taken care of by the government in the country that sent them there and we do that and our State Constitution says that we will do that with regards to real estate property taxation also. So what we are talking about today are not service connected disabilities, not service connected disabilities, but disabilities that happen to veterans here and there in life as they happen...as they might happen to any one of us. Disabilities that take place because of car accidents or because of disease, that happen in the course of life, that happen in the course of a veteran's life just as they happen in the course of any...might happen in the course of any individual's life. So we are not talking, it seems to me, about something that is service connected, and in that regard, I guess I don't fully understand why it is expected that a veteran would be treated differently from anyone else who has suffered a misfortune, and it seems to me that if the income guidelines are in fact too low, then the solution is not to do away with the income guidelines but to raise the income guidelines and make them equally applicable to all who fall under the act, make them equally applicable to all who have suffered misfortune in this life, whatever its cause. And so Senator Wagner, I guess I would ask you if you think these guidelines are unfair or too low, what would be the appropriate income guideline in your opinion if you would care to respond?

SPEAKER MARVEL: Senator Landis.

SENATOR WAGNER: Did you want me to respond to this?

SENATOR BEUTLER: Was it your amendment, Senator Wagner.

SENATOR WAGNER: It is not mine. It is my amendment to take the Landis amendment off. I, and Senator DeCamp, and Fitzgerald.

SENATOR BEUTLER: Yes. To what extent are these guidelines inappropriate or what evidence to you have that these guidelines are inappropriate? How many veterans, for example, would this cut out?

SENATOR WAGNER: You know this is one of the problems I think of bringing something like this up on Select File because none of this was discussed there in the committee hearing and

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this is really one reason why I object to it. If we had it in a committee hearing, we could have brought these points up but nothing like this was done, and to do it on Select File is where I have my problems with doing something like that. If you want to do it, then I say, you know for these questions you are asking, it'd been brought out in a committee hearing. Maybe it doesn't answer your question but that is where I think they should have been discussed.

SENATOR BEUTLER: Well, I just find it interesting that apparently there has been a lot of lobbying indicating that people will be cut out in these income guidelines and I guess I would like to know, are we talking about people with hundred thousand dollar houses whose wives have had very good jobs and this sort of thing or are we talking, you know, who are we talking about, I don't know.

SENATOR WAGNER: Chris, I am going to go back and I am not really going to answer your question but the thing I keep coming back to, if we had a public hearing, these things could have been discussed at that public hearing. And all of a sudden we have an amendment up, the Landis amendment up here, that brings these things up that we really don't get a chance for it. Now this has happened, and I think Senator Cullan had a bill here the other day that he got switched around and they went back to a committee hearing simply because it didn't basically have a public hearing. My biggest contention is, it didn't have a public hearing and I think it should have had a public hearing. It has been tacked on to a little tiny bill and you have got a completely different thing tied to it. That is my objections, basically the most.

SENATOR BEUTLER: Okay, thank you, Mr. Speaker.

SPEAKER MARVEL: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, we have served in this body, some of us at least, with a member of the armed services who qualified for this disability, this homestead exemption. It was Senator Murphy. Two years ago when I tried to make exactly the same change, Senator Murphy supported me down the line. I don't know if you remember Senator Murphy. I assume most of you do who served with him are familiar. Those of you who are new probably don't remember him. Let's see, he was a banking executive. He was a plumbing executive. He was not a man of minimal means and he stood up on this floor and said I don't need this exemption. This exemption is foolish. I thought it was an act of great courage on his

part to indicate that. To my knowledge he is the only individual who qualifies under the language that we delete or put under the income guidelines and he was the one who thought it was a wise idea. The language itself that Senator Beutler just referred to is this. "Veterans who are totally disabled by a nonmilitary accident or illness." That is the language we are applying this income standard to so it does clean up just a couple of the ideas that have been discussed here on the floor. I suppose I can agree to the idea of a hearing being necessary or important in most cases. This bill was discussed. You just had a member of the committee discuss this, saying that it was brought up in the committee. It also has been on the floor two years ago. It is not a new idea and has been discussed around this body in the past. So it is not an idea that has simply been sprung on the body. Essentially we have a privilege that is contained in these sections of law, a privilege based on a status. The privilege is this kind of special tax break that is granted not because of need, not because of any proven lack of basic human necessity, but simply because somebody has arrived at this status in life, that, therefore, the state is going to forgive them a certain amount of the normal tax obligations that other citizens have. Now at the time this was considered on Select File, we had a full discussion. There was no objection because of the hearing. There was no objection because of the lateness of the hour. The amendment passed 26 to 0. I see that seven of the names that supported the amendment, as a matter of fact, also have signed this letter from the Veterans Council and apparently probably have changed their votes between Select File and Final Reading on these procedural questions but in fact we know what is at work here. We know that selective groups, very powerful groups have been lobbying this issue and have demanded the retention of their privilege rather than having an income standard being applied to them. Well, I have to salute their political power. I do not salute, however, the social policy that you are about to enact in the event you pass the Wagner-Fitzgerald amendment at this point. In essence you are saying that we have a social policy that gives a tax benefit or a tax break without regard to need, and if that is the policy this body believes in, I want the people of the State of Nebraska to know it, because I thought when they voted for Ronald Reagan in the amount that they did, they were saying we want a different philosophy of government. We want a new philosophy that doesn't have any sacred cows but justifies tax dollar expenditures on the basis of need, not for those people who can get by, not for those people who are milking the system, be they welfare cheaters or food stamp users or those hot lunch utilizers and the people out there milking the system. I thought that

was what was being said in that election. Unfortunately if you change the...fill in the blank person, if you change the cast of characters and start talking about this being applied to people that fall in the status of 77-3508 and 3509, veterans from nonmilitary accidents or those who have the disabilities listed there, then apparently we do continue to allow sacred cows, we don't look for the issue of need and we simply reward a certain kind of status with a tax break. I think that is a social policy we might have afforded at a different time. But with the economy the way it is and the public sentiment the way it is, I think this Legislature has no right to continue to bow down to certain sacred cows, and then at the same time mouth the same platitudes with respect to other kinds of people that benefit from social policy and social programs, the poor, the needy, ADC mothers, hot lunch programs and the like. We have reined in education. We have reined in the fourth graders, by god. We have made sure that we have got tight fiscal control there. We have got tight fiscal control on the University. We have got tight fiscal control on welfare programs, but with respect to this issue, apparently the Legislature doesn't want to look to need. The Legislature doesn't want to look to wise expenditures of dollars but simply for the reward of status and privilege.

SPEAKER MARVEL: Your time is up.

SENATOR LANDIS: And that is what we are about to do with this amendment. I will close with that and I want you to notice that I did that without rancor for the most part.

SPEAKER MARVEL: Senator Howard Peterson.

SENATOR H. PETERSON: Mr. Chairman and members of the Legislature, I just would like to rise and correct some errors that I believe have been made on this legislative floor this morning. Number one, every person who came before the Revenue Committee including Senator Pirsch relative to this particular subject, I raised the question of whether or not we couldn't put in some income criteria. All agreed we could. It just seems to me that is what we are doing with this particular amendment. I think what we are trying to do is to treat everyone the same. Now relative to Senator Burrows, as far as any expenses in terms of what you might need for medical care, this kind of thing, certainly these are taken off the federal income tax and thus would come off of the state income tax and would reflect back in what that person has as far as income is concerned. So what we are really doing is getting people down on an equal basis. It appears to me that what we really

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have here is a question of whether or not we are going to treat people differently because of what they happened to have suffered. I am one who believes that we ought to have a uniform system and I fully believe that this amendment does that. If the rate is too low, then there is no reason why we can't come back another year and say, "Well, the rate is too low." But I, for one, would like to see us get to the point where we treat everyone on the same basis whether they happen to be a veteran or whether they happen to be a poor person, whether they happen to be an elderly, whether they happen to be in a wheelchair. If they are making the kind of money that some of these people are making, certainly there is no reason for this state to underwrite for them something they can afford to pay for themselves. That is the reason why when Senator Landis asked me whether I would be interested in cosponsoring this amendment, I told him I certainly would because I believe that we are going in the right direction.

SPEAKER MARVEL: Senator Koch.

SENATOR KOCH: Mr. Speaker and members of the body, it bothers me when certain members of this body forget that there is some people who pay a considerable price that we have the privilege to discuss this issue today with a freedom of speech. The first amendment, because many of them paid the most supreme price, some of them still suffer from the infirmities, even though it may not have happened in the action directly involved. Who knows what happens to some of these individuals as a result of the psychological effects of the trauma. I voted for this amendment the other day and I was going to admit right now I didn't take time to see what the effect of that amendment was. I want to remind you this state has never given to its veterans a bonus. Many have. One of the things we try to do though is we tried to give him other rewards. You may say that we are treating him differently. So be it. Maybe we are treating them differently. I would like for us to see or to empathize ourselves into a position where we have crippling diseases or loss of arms or legs and then see how much it is worth to you. Is it worth a few thousand dollars to spend the rest of your life in that kind of a condition? How many of you people are willing to do that? I doubt not many of you would. We don't know the full impact of what we did the other day and I think in fairness to veterans who've had certain privileges there should be a full and complete hearing on the issue. Then if this body determines in its wisdom it is appropriate, we will do it but right now in this state the veterans have never received a bonus and never will. They took their bonus in lieu of that bonus and put it in a fund to help needy

veterans. That is what they did with that money a long time ago, very appropriate, very unselfish, for those who have served in a time defined by law. I am going to support to repeal this amendment. Now then if the Revenue Committee wants to come back next year and talk about this subject again and it has had a full hearing where everyone has had an opportunity to speak to the issue which is very germane to their problem, that is fine. I am a little concerned this morning. We are talking about these rich veterans who are paraplegics or whoever they are. I know of very few of those. I know of very few of those. It is easy for us to sit here and say we have got a bunch of wealthy veterans who are living off of the law, who are parasites. I don't think that is in good taste at all. For us to do this to them at the present time without their full knowledge I think is irresponsible on our part. I am a veteran but I will tell you what. I didn't get damaged by the war, in no shape, form or way, and I am extremely thankful for that and those who paid a price beyond what I paid outside of the fact the three years I served there deserve some recognition. I am going to support the repeal of the Landis-Peterson amendment.

SPEAKER MARVEL: Senator Barrett.

SENATOR BARRETT: Mr. Speaker, I move the previous question.

SPEAKER MARVEL: Do I see five hands? I see fifty hands. All in favor of ceasing debate vote aye, opposed vote no. Record.

CLERK: 29 ayes, 0 nays to cease debate, Mr. President.

SPEAKER MARVEL: Senator Wagner.

SENATOR WAGNER: Mr. Speaker and members, I think Senator Fowler and Senator Koch hit on an issue here that really does concern me because it does hit the Vietnam veterans and I think it is kind of like maybe a little bit of a low blow if we do something like this at this particular time. I think they feel pretty bad in a number of areas. I would hate to kind of like add to it but I think this all points out one thing is that this till really should have had a public hearing. I think a number of people that would have come and testified would have been greatly different than those that did, and for that reason I would very much ask your support of this amendment, DeCamp and Fitzgerald and Wagner, and at this time I would like to yield a little bit of my time to Senator Fitzgerald in the closing.

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SENATOR FITZGERALD: Mr. Speaker and members.

SPEAKER MARVEL: Senator Fitzgerald, have you closed?

SENATOR FITZGERALD: I just have a minute, he told me I could have, Mr. Speaker.

SPEAKER MARVEL: The Chair recognizes you.

SENATOR FITZGERALD: When this bill was put in originally, Senator Pirsch talked to me and she says, "What do you think of it?" And I says, "It is a good bill as it is now." I talked to the Veterans Council. They said they would go with it. Now this amendment came in. This amendment changed everything. If these Senators think this is a necessity to have, why didn't they put it in in a separate bill and run on its own merits instead of tying it into another bill. And this is what I can't understand here, changing the contents of one bill and putting in another one, kind of a backdoor approach, and if this bill is a necessity, I would like to see Senator Landis put it in next year. I will not vote for it but I mean he can still put it in and that is all I have to say.

SPEAKER MARVEL: The motion is to return the bill. All those in favor of returning the bill vote aye, opposed vote no. Record the vote.

CLERK: 27 ayes, 8 nays, Mr. President, on the motion to return the bill.

SPEAKER MARVEL: Okay, the bill is returned. All those in favor of the Wagner amendment vote aye, opposed vote no. Have you all voted? Record.

CLERK: 25 ayes, 6 nays, Mr. President, on the motion to adopt the amendment.

SPEAKER MARVEL: The motion is carried and the amendment is adopted. All those in favor of readvancing the bill say aye. A machine vote has been requested. All those in favor of returning the bill vote aye, opposed vote no. Record the vote.

CLERK: 29 ayes, 5 nays, Mr. President, on the motion to readvance the bill.

SPEAKER MARVEL: The motion is carried. The bill is readvanced. Senator Landis.

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SENATOR LANDIS: A point of personal privilege, Mr. Speaker.

SPEAKER MARVEL: State the point to the Chair, please.

SENATOR LANDIS: Just for a point of information, I will over the summer prepare a bill which can have adequate hearing designed to do what the Landis-Peterson amendments did with respect to LB 478 and let the issue stand on its own merits. Those Senators who are interested in helping me arrive at equitable standards and equitable income guidelines can meet at any time over the summer and I will try to take the Revenue Committee also into account and into my confidence as I prepare that bill. I will just give the body notice that I intend to do that and there will be a bill on this topic next year designed to create an income standard for these sections under the homestead exemption.

SPEAKER MARVEL: Thank you.

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

SPEAKER MARVEL: Read the motion.

CLERK: Mr. President, Senator Wesely moves to return LB 478 to Select File for a specific amendment. (Read Wesely amendment on page 1456, Legislative Journal.)

SPEAKER MARVEL: Senator Wesely.

SENATOR WESELY: I hope it is easier to pass than it is to read. Mr. Speaker, members of the Legislature, this is an amendment that was considered by the Lancaster County Assessor. Carol Broman brought it to my attention about a year ago. Essentially the present situation is such that we have, if you look at the bill, it talks about progressive neuromuscular disability. That provision some doctors feel includes the question of progressive osteoarthritis. Now what that is is an extreme case of arthritis where it is disabling to a point where you just hardly can function. You are essentially a hundred percent disabled and some people say that the neuromuscular provisions in the bill presently would cover that so some people are getting this exemption that have this progressive osteoarthritis. However, there are a number of people who are not because their doctor says, "No, it isn't covered". So there is a concern as to is it or isn't it covered and, you know, what is the situation as far as osteoarthritis goes and a lot of people are concerned about clarifying the situation and so I bring it to your attention and ask your support for that measure. And I think it should be considered in context to the broader

question of the total disability exemptions that we provide for now in the homestead exemption. Senator Landis just talked about working further on the question of income guidelines. I certainly think that ought to be done. Furthermore, I think we ought to clean up the whole question of the homestead exemption law and the disabilities that are provided for in that law. I bring to your attention the osteoarthritis amendment but I think you ought to keep in mind the fact that here we are adding the loss of two arms amendment that is contained in the bill that Senator Pirsch brought us in the first place, I want to add osteoarthritis. There are other potential disabilities that need to be brought to the attention of the body. I think we have got a mess for a homestead exemption law as far as disabilities go. I think the approach shouldn't be to keep listing and adding and providing for this and that different functional disability. I think we need a broad functional disability definition that says when you are a hundred percent disabled, whether that be from progressive osteoarthritis or whether that be from whatever may be the cause of that disability, then you get this exemption but I think the point is that we shouldn't really try and deal with that at this time on the floor. So I am not going to propose that but I think bringing this amendment to your attention should give you pause to consider the problems that we have with this section of the law. The Revenue Department provided in a recommendation to the Legislature this last October, the recommendation that we totally rewrite our disability sections of our homestead exemption act. It says, and I quote, "We recommend consolidating the exemptions which apply to persons with a disability." And it goes on from there to say that they should allow the same exemption and simplify the definitions of disability. Clearly a recommendation that was looked at by the Revenue Department that makes sense for Nebraska at this time. However, the Revenue Committee did not pursue that recommendation, did not pursue some other recommendations from the Revenue Department and did not provide for this change. I did have a bill drafted. It is a bill that would provide for a functional definition of disabilities and change this and improve the situation. Unfortunately with the bill limitation question that we had at the start of session and all the other factors, I didn't introduce that bill but I would like to follow up on Senator Landis' comments about looking at the question of income guidelines and say let's go out and let's put in an income guideline for disabilities, make it a reasonable one, and then let's also look at this functional definition of disabilities. Let's take a broader look at the problems we have seen, that have been brought to our attention by this bill, and

trying to deal with those problems, so I think we can do a very broad study and clean up this whole section of the act, putting in guidelines, providing for a better definition and deal with this over the interim period, but in the meantime, this specific question about osteoarthritis ought to be dealt with. The fact is there is confusion. There is a problem. People are not certain what course they should take and I think we ought to follow County Assessor Broman's advice. We are going to have a resolution soon praising her. She does a good job. I think she has identified a problem and I would like to call it to your attention through this amendment and ask for your support to return the bill, add to the definition of disabilities for progressive osteoarthritis and move on with the bill and take a broader look at the questions involved during the interim period. I ask your support for this motion.

SPEAKER MARVEL: Before we continue, it is my privilege to introduce from Senator Kahle's District 23 fifth and sixth grade students from the Zion Lutheran School at Kearney, Nebraska, Mr. Reed Sander, Principal, and five parents, in the North balcony. Will you hold up your hand so we can see where you are? Welcome to the Unicameral. Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I would just like to briefly oppose adding another exemption to the law. I find it difficult to believe that in light of the discussion that has occurred and in light of the admission that Senator Wesely has just made with regard to the chaos in the law with regard to the lack of total disability definition and with regard to the lack of income definition, that in this context he would propose to put another exemption, throw another exemption in there before we have solved the problem. I am very much opposed to doing that and I must frankly say to Senator Pirsch, although I hate to do it, I am going to vote against her bill also until we get these problems cleared up because basically I don't see where the impetus to clear up these problems is going to come from unless we lay down the law that we are not giving any additional exemptions until it is clarified. I think that is what has to be done. I think the Legislature has to take a little more hardheaded approach to this and it is difficult to do because we are dealing in an area where we are trying to be fair to some very unfortunate people but we have got to do it in the name of equity to all who should or could benefit from this type of a law. I think we should stop right now with these exemptions and go back with Senator Landis' bill next year and examine the whole problem and come up with a broad solution that is

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fair in all of its aspects. Thank you.

SPEAKER MARVEL: Senator Pirsch.

SENATOR PIRSCH: Thank you, Mr. Speaker, and members of the body, I am in a very, very precarious position. I agree with everything that has been said on this floor this morning. I agree that there should be some salary limitations. I agree that we should look at the other disabilities that should be included in our homestead exemption. I agree with all of those factors but what I can't understand is why didn't the Revenue Committee tackle this in October. Why has this not been, if it is such a matter of concern to Senator Wesely, et cetera, why have they not worked on this and presented something of their own that we can consider, we can debate and that will rise or fall on its own merits? I have a simple one liner bill. It is included in the neurological-neuromuscular disease category that the other legislators saw fit to include in this homestead exemption. The disability of the arms I feel is sometimes even more of a debilitating factor than the legs. I added the arms to this bill and that was my sole purpose was to include the arms in a bill, in a policy that other legislators have put forward. As I say, it puts me in a very unattainable position because I do agree with what has been said but I do wish that you would consider my one amendment by itself and let it rise or fall on its own merit. Thank you.

SPEAKER MARVEL: Senator Hoagland.

SENATOR HOAGLAND: I would like to call the previous question, Mr. Speaker.

SPEAKER MARVEL: The question has been called for. Do I see five hands? Okay, all those in favor of ceasing debate vote aye, opposed vote no. Have you all voted? The motion is to cease debate. Record.

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

SPEAKER MARVEL: The Chair recognizes Senator Wesely to close.

SENATOR WESELY: Thank you, Mr. Speaker. I think the point has been made that we keep adding to the list of disabilities listed under the homestead exemption act. We are going to end up with a chaos that we started with and we are going to only get in a worse situation and we need to move, instead of listing disabilities, have a functional definition of disabilities. Now that is something Senator Pirsch said,

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well, why didn't I do something about it. I did have a bill drafted. I did follow up on the Revenue Department's recommendations. I did send a memo to the Revenue Committee asking that they do something, but when you have twenty-three some bills and you are getting to a point where you just don't know if you can add that many more issues to your workload, I decided not to introduce the bill thinking that perhaps the interim period would provide a chance to introduce a bill next year. So I think clearly Senator Beutler, Senator Landis and others have talked about the need to do something. I hope the Revenue Committee is listening and will take on this initiative and I think that there definitely is a cause for a whole rewriting of our disability section of our home-stead exemption law and I would at this point withdraw my amendment making the point that I wanted to and ask for unanimous consent to do that.

SPEAKER MARVEL: Okay, we are still on Final Reading. Will everyone return to their seats and we will complete the last bill on Final Reading. The Clerk will read on Final Reading LB 479E.

CLERK: (Read LB 479E 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? Record the vote.

CLERK: (Read the record vote as found on pages 1456 and 1457 of the Legislative Journal.) 42 ayes, 0 nays, 5 excused and not voting, 2 present and not voting, Mr. President.

SPEAKER MARVEL: The motion is carried. The first order of business is under item 5, LB 76. There has been a request to pass over that. Do I hear any objection? Senator DeCamp.

SENATOR DeCAMP: Mr. President, just to clarify, Senator Chambers and some others want to get some information from the Attorney General. I have tried in this bill to accommodate them one hundred percent on the theory that if I do, then when we finally read the bill, I may stand a better chance, so I will give in one more generous time to show what a loving person I am.

SPEAKER MARVEL: Any objection to his being....yes, I was going to say, is there any objection to his being a loving person? Hearing no objection, so ordered. Now, Mr. Clerk,

April 16, 1981

LB 44, 74, 87, 113, 271, 298,
327, 328, 331, 404, 478, 486,
252, 241, 483

not going to be built for a variety of reasons, environmental costs, eminent domain and many other reasons. You start talking about building a project and immediately you have a whole group of people that rise up in arms to it. We all know that, but yet it is nice to stand up on the floor and make glowing speeches about how we need to store more water. But now when we are talking about an issue where we might be able to save some of that water in the State of Nebraska although it might not be in your area, it might not be in your basin, you might have to drive a couple hundred miles to go fish in it, suddenly you don't want to do that and you want to put language in the statutes that I assure you is going to prohibit it from happening. I suggest that reasonable people that are of conservative nature should agree with me to remove the language in lines 13 and 14.

SPEAKER MARVEL: Okay, the motion is on the second half of the Vickers amendment, is the adoption of that amendment. All those in favor vote aye, opposed vote no. Have you all voted? Senator Vickers, where are you? Oh, there you are. Eight are excused, Senator Vickers.

SENATOR VICKERS: Record the vote. Oh, make it...I want a record vote.

SPEAKER MARVEL: Okay, record.

CLERK: (Read the record vote as found on page 1519 of the Legislative Journal.) 10 ayes, 23 nays, Mr. President, on adoption of the amendment.

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

CLERK: Your Enrolling Clerk has presented to the Governor LB 483.

I have a communication from the Governor addressed to the Clerk. (Read communication regarding the signing of LBs 44, 74, 87, 271 and 483 as found on pages 1520 and 1521 of the Legislative Journal.)

Mr. President, Senator Fowler would like to print amendments to LB 404. (See pages 1521 and 1522 of the Journal.)

Your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 241 and find the same correctly engrossed; 298, 327, 328, 486, 113, and 331 and 478, all correctly engrossed, Mr. President. (See pages 1524 and 1525 of the Legislative Journal.)

April 27, 1981

LB 331, 478, 486

PRESIDENT: The motion is to return LB 331 to E & R for engrossment. Any discussion? If not, all those in favor signify by saying aye, opposed nay. LB 331 is returned to E & R for engrossment. The next bill on Final Reading, Mr. Clerk, is LB 478. I would remind everyone we are still on Final Reading. It is kind of hard to remember when you are debating so much but we are on Final Reading. Everyone is supposed to be at your desks by your rules. All right, Mr. Clerk, read LB 478.

CLERK: (Read LB 478 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 486 (sic) pass with the emergency clause attached. All those in favor vote aye, opposed nay. 478, yes, excuse me. Record the vote.

CLERK: (Read record vote as found on page 1583 of the Legislative Journal.) 33 ayes, 12 nays, 2 excused and not voting, 2 present and not voting, Mr. President.

PRESIDENT: LB 478 passes with the emergency clause attached. The next bill on Final Reading, Mr. Clerk, is LB 486.

CLERK: (Read LB 486 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 486 pass with the emergency clause attached. All those in favor vote aye, opposed nay. Record the vote.

CLERK: (Read record vote as found on page 1584 of the Legislative Journal.) 42 ayes, 4 nays, 2 excused and not voting, 1 present and not voting, Mr. President.

April 28, 1981

LR 65
LB 11A, 35, 241, 248,
296A, 298, 328A, 394, 470,
478, 486.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Harold M. Onwiler, United Methodist Church, Lincoln, Nebraska. Aldersgate United Methodist Church.

PASTOR HAROLD M. ONWILDER: Prayer offered.

CLERK: Mr. President, Senators Newell and Koch would like to be excused until they arrive. Senator Wiitala as well.

SPEAKER MARVEL: Record your presence. Have you all recorded your presence? Okay, record.

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

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

CLERK: Yes, Mr. President, if I may, your committee on Enrollment and Review respectfully reports that we have carefully examined and reviewed LB 11A and recommend that same be placed on Select File; 296A, Select File; 328A, Select File; 394, Select File with amendments; 248, Select File and 470, Select File. All signed by Senator Kilgarin as Chair. (See pages 1599 and 1600 of the Legislative Journal.)

Mr. President, new resolution, LR 65, offered by Senator Wesely. (Commenced reading LR 65.) Oh, well then we will hold off on that, Mr. President.

Mr. President, LBs 241, 298, 478 and 486 are ready for your signature.

SPEAKER MARVEL: While the Legislature is in session and capable of transacting business, I am about to sign and do sign engrossed LB 241, 298, 478, 486. Do you have any other items under #3?

CLERK: Mr. President, Senator.....I have nothing further, Mr. President.

SPEAKER MARVEL: We are ready to go on Final Reading. Will all legislators please return to your seats. Will you please return to your seats so we can begin reading about three bills on Final Reading? Okay, the first bill on Final Reading is LB 35.

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

SPEAKER MARVEL: Read the motion.

April 28, 1981

LB 13, 184, 241, 242,
284A, 298, 477, 478, 486

Reading? Those in favor vote aye, opposed vote no.
Have you all voted? Have you all voted? Record the vote.

ASSISTANT CLERK: (Read the record vote as found on page 1607 of the Legislative Journal.) The vote is 41 ayes, 11 nays, 2 excused and not voting and 2 present and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed on Final Reading. The Clerk will now read on Final Reading LB 249.

ASSISTANT CLERK: (Read LB 249 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. LB 249 on Final Reading. Have you all voted? Record the vote.

ASSISTANT CLERK: (Read the record vote as found on page 1608 of the Legislative Journal.) The vote is 33 ayes, 11 nays, 2 excused and not voting, 3 present and not voting, Mr. President.

SPEAKER MARVEL: The bill is declared passed on Final Reading. There has been a request to lay over LB 477. Senator Pirsch, do you have any comments you want to make?

SENATOR PIRSCH: Thank you, Mr. Speaker, I do ask that we lay over 477. I have been informed that it does require an A bill, although it is not over the \$50,000 that I thought was necessary to require an A bill. So I will get that in the works immediately and ask you to indulge the lay-over of this bill at the present time.

SPEAKER MARVEL: Hearing no objection, we will pass over the bill. Okay, the Clerk has some items to read in and then we will go to Select File.

CLERK: Mr. President, Senator Carsten would like to print amendments to LB 284A. (See page 1609 of the Legislative Journal.)

Mr. President, your Enrolling Clerk has presented to the Governor for his approval LB 486, 478, 298 and 241.

Mr. President, Miscellaneous Subjects will have a meeting at twelve noon in Room 2102.

Mr. President, Senator Burrows would like to print amendments to LB 184. (See page 1609 of the Legislative Journal.)

May 4, 1981

LB 11, 249, 290, 298,
478, 531, 536

PRESIDENT LUEDTKE PRESIDING

DR. ROBERT PALMER: (Prayer offered.)

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

CLERK: A quorum present, Mr. President.

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

CLERK: I have no corrections, Mr. President.

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

CLERK: Mr. President, I have an all-party pamphlet of the address to the Governor regarding LB 11. That will be inserted in the Journal. (See page 1700, Legislative Journal.)

Mr. President, your modeling clerk Margaret Kelly reports that she has on this day at 1:00 p.m., May 1, presented to the Governor LB 290 and 536.

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

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

Mr. President, I have a series of audit reports from the State Auditor: (Read. See page 1701, Legislative Journal.) Those audit reports will be on file in my office, Mr. President.

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

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

PRESIDENT: All right. Anything further?

CLERK: No, sir.