Any discussion? All those in favor then of Senator Clark's motion will vote aye, opposed nay. Have you all voted? Record the vote.

CLERK: 44 ayes, 0 mays to cease nominations, Mr. President.

PRESIDENT: The motion carries and Senator Barrett...Senator Bill Barrett, would you like to say a few words. You are elected unanimously, congratulations, and say a few words. The Chair recognizes Chairman Barrett.

SENATOR BARRETT: Thank you, Mr. President and members, I simply wanted to thank the body for the vote of confidence placed in me today. I will certainly attempt to represent the office and this body with integrity and a certain amount of dignity. Thank you very much.

PRESIDENT: Thank you, Senator Barrett. We are now ready for agenda item #9, introduction of new bills. Yes, proceed, Mr. Clerk, reading of new bills.

CLERK: Mr. President, new bills, LB 563 offered by Senator Lamb as Chairman of the Exec Board. (Read title for the first time). LB 564 offered by Senator Lamb as Chairman of the Executive Board. (Read title for the first time). LB 565 offered by Senator Lamb as Chairman of the Executive Board. (Read by title for the first time). LB 566 offered by Senator Lamb as Chairman of the Executive Board. (Read title for the first time). LB 567 offered by Senator Haberman. (Read title for the first time). LB 568 by Senator Haberman. (Read title for the first time). LB 569 offered by Senator Haberman. (Read title for the first time). LB 570 offered by Senator Haberman. (Read title for the first time). LB 571 offered by Senator Clark. (Read title for the first time). LB 572 offered by the Education Committee and signed by its members. (Read title for the first time). LB 573 offered by Senator Clark. (Read title for the first time). LB 574 offered by Senator Koch. (Read title for the first time). LB 575 offered by Senator Rumery. (Read title for the first time). LB 576 offered by Senators Koch and Wesely. (Read title for the first time). LB 577 by Senator Koch. (Read title for the first time). LB 578 offered by Senator Koch. (Read title for the first time). LB 579 offered by Senator Koch. (Read title for the first time). LB 580 offered by Senator koch. (Read title for the first time). LB 581 offered by Senator Koch. (Read title for the first time). LB 582 offered by Senator Kilgarin. (Read title for the first time). LB 583 offered by Senator Warner. (Read title for the first time). LB 584 offered by Senator Warner. (Read

Record the vote.

CLERK: 25 ayes, 1 nay, Mr. President.

PRESIDENT: Motion carries and LB 664 is advanced to E & R initial. The Chair recognizes Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker, members of the body, at this time I would move that the engrossing of LB 664 be expedited. As Senator Lamb pointed out the Nebraska School for the Deaf intends to honor Mr. Peterson this Saturday and for that reason I need to move this bill through as quickly as I can.

PRESIDENT: We can get unanimous consent. You don't have to move. Do you want to ask for that first?

SENATOR V. JOHNSON: I would ask for unanimous consent, Mr. Speaker.

PRESIDENT: All right, a request for unanimous consent. Is there any objection? Hearing none, so ordered.

SENATOR V. JOHNSON: Thank you.

PRESIDENT: We are now ready for agenda item #7 on motions. We begin with LB 570. Senator Vickers.

CLERK: Mr. President, Senator Vickers moves that LB 570 be rereferred from the Revenue Committee to the Education Committee pursuant to Rule 6, Section 2(a).

PRESIDENT: The Chair recognizes Senator Vickers.

SENATOR VICKERS: Mr. President and members, LB 570 and LB 572 both deal with a situation which came about as a result of a bill we passed in this body I think a couple of years ago, one that changed the valuation proceedings for real estate from 35% to 50% or from 35% to 100% and at the same time we neglected, it was just an oversight on our part, to change the amount of in lieu of tax payments that the Board of Educational Lands and Funds pay on the school lands from 50% up to an appropriate figure that would have included more than the 100% probably because that's what the determination had been made in the past. So as a result there are several school districts in this state that have school lands within their boundaries that are facing a very severe financial situation right now because they had budgeted those monies but are now not getting them. Now the reason these two bills were introduced as I say was to rectify the mistake that this body had made.

The matter of which committee to refer to it seems to me is one of, first of all, the Education Committee is the one that historically has dealt with the distribution of funds set aside for education. This body determines how much money they want to put back for state aid to education, education for various special interests, areas in education such as special education and so forth but the Education Committee is the body that determines how we distribute those funds. Now realize that the state school lands are set aside by Constitution to provide dollars for education. That is the only purpose for those lands. It is the only purpose that those dollars can go to so, therefore, we have a fund made up of monies derived from those lands and then it is up to this body to distribute those funds and that is also designated by the Constitution. So this is not an issue of taxation. It is not an issue of valuation. It is a simple issue of distribution of funds set aside for education and it is my contention and belief that the Education Committee should deal with that issue since it is simply a distribution within the boundaries of the State of Nebraska within the various school districts in this state as to how those monies are distributed. Now it is really that simple an issue it seems to me. The fact of the matter is that I'm sure probably the committee could deal with it but for the sake of the integrity of our committee systems I think our committees need to recognize that what they have historically done should be protected by the Reference Committee. Now I am also led to believe that Dr. Rodgers in his recommendations to the Reference Committee recommended that these two bills be sent to the Education Committee and I am simply asking this body to support me in rereferring them back to their appropriate committee, the Education Committee of the Nebraska Legislature.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: The next speaker is Senator Carsten followed by Senator Newell and Senator Koch and Senator Lamb. Senator Carsten.

SENATOR CARSTEN: Mr. President and members of the Legislature, I was the one that raised the question of referral of these two bills in our Reference Committee meeting. I felt that the measures were tax measures and that they rightfully belonged in the Revenue Committee. At the second meeting we had Dr. Rodgers admitted that at one point in the past history, a school land valuation bill was in the Revenue Committee even though other times they had been sent to the Education Committee. However, I think these two bills dealing with taxation

and valuation rightfully belong with Revenue and it is not that I want two more bills in my Revenue Committee for a workload, we've got enough without them, but I think that we do have to defend the principle of the activities of that committee and it is on that basis that I would hope you would reject the request. Thank you, Mr. President.

SPEAKER MARVEL: Senator Newell. The motion has to do with LB 570.

SENATOR NEWELL: Mr. President, members of the body, the Exec Board dealt with this issue and its determination was that, in fact, it was a revenue issue and I think the introducers intent here to rerefer it to Education because it deals with educational lands and funds is an attempt to try to deal with the likelihood of passage of the bill rather than where it appropriately ought to be referred, where it appropriately ought to be heard, etc. Now I think that when the merits of this bill is discussed that, on the floor of the Legislature in a rereferring motion, that we really create the kinds of problems that we've been into once or twice before in terms of referencing of bills. The question here, I think, ought to be and frankly the question for this Legislature must be whether or not the bill was referenced correctly. It deals with revenue issues. The revenue questions here are one of equity and it is a long time, a long term problem and I don't see any way other than for the purposes of trying to predetermine the bill's likelihood of passage that it should be rereferred. So I would urge this Legislature to look at this as a question of reference and not as a question of ultimate outcome and if you do that we will keep the integrity of the committee system and also be able to, as a Revenue Committee, be able to deal with all these issues related to taxation in a consistent and ongoing manner. So I would urge this Legislature to not rerefer the bill and to try to keep some semblance of the committee system in order at least during the early part of this session. Thank you.

SPEAKER MARVEL: The Chair recognizes Senator Koch.

SENATOR KOCH: Mr. Speaker and members of the body, it is difficult for me to argue the ownership of a piece of legislation, who should hear it particularly when you have discussed this issue with Senator Carsten but there is another piece of legislation that deals with the same subject introduced by Senator Lamb and also was brought to the Education Committee and the Education Committee decided that it should be a committee bill. That is 572. That bill has probably the most value, but I'm not saying this in terms of Senator Haberman's bill which we're talking about right now as the

introducer. What we are talking about, not a new source of revenue. School lands and funds have been around a long time as placed in the hands of trustees who make determinations on how it shall be apportioned. I've been around this body not only as a senator but as a lobbyist and on numerous occasions we have discussed the formula on school lands and how they shall be distributed to school systems. Therefore, since there was an oversight on Senator Warner's bill, when we went from mills to dollars and cents on hundreds of dollars of evaluation, what we were talking about here is the formula again. The same dollars are going to be there. You might correct that to 100% or whatever it might be or 143%. but there also has to be a formula which has to be looked at in relationship to that to make certain that those schools who now are showing up with a shortfall of those dollars, do not get more than they deserve in terms of formulas originally as it was applied to this issue. It doesn't make any difference to me as an individual nor as the chairman of the Education Committee but historically school lands and their formulas has been referred to the Education Committee. So I don't believe we're making a big mistake here today if we rerefer it to the Education Committee for their deliberation because there is a third bill which we hold in our committee right now and held it there intentionally which applies a formula. Now if you want to take Senator Haberman's bill that is your decision. to put it in the Revenue Committee, that is your decision. If you do that I suggest then that we just withdraw 572 on behalf of the Education Committee and speak only to 570 and then let us all have our hands in terms of the formula which we are going to argue about either in the Revenue Committee or on the floor of the Legislature. I think the Education Committee would get the formula the way we think it would be the most fair to all parties that we're talking about which are public schools and get it done there and come to the floor and say, "This is the best way we can do it under the present circumstances."

SPEAKER MARVEL: Okay, the Chair recognizes Senator Lamb.

SENATOR LAMB: Mr. President, members of the Legislature, I support Senator Vickers' motion to rerefer these first two bills. As Senator Koch has indicated these bills have to do with the distribution of funds by the State Department of Education. It's how the funds are distributed. It's not how much is raised or how it is raised. It's how the funds are distributed back to the schools. Now this is a function that the Education Committee has always assumed and I think Dr. Rodgers' recommendation was that these first two bills go to the Education Committee. The Reference Committee I believe made a mistake in overruling

Dr. Rodgers so I would urge support of Senator Vickers' motion on LB 570 and LB 572. Thank you.

SPEAKER MARVEL: Okay, the motion now is rerefer the bill from Revenue to Education Committee. This is Senator Vickers' bill. Do you want to close, Senator Vickers?

SENATOR VICKERS: Please. Mr. President, LB 570 first of all, is not my bill but it does deal with an issue that I think needs to be clarified. I think Senator Lamb attempted to clarify it very much and I would just like to expand on that a little bit more. Senator Newell indicated that the Revenue Committee should be the committee dealing with taxation and valuations and raising of revenues in this state and that is absolutely right. I certainly would not argue with that but the fact of the matter is that LB 570 or LB 572, neither one make any difference as far as the amount of dollars generated to be distributed to the schools. It doesn't change the valuation. It doesn't change the in lieu of taxes as far as the dollars taken away from the people of this state. The dollars are going to be there. All that either one of these bills deal with is the distribution of those dollars back to the school districts within this state. It is very similar to like once the amount of funds are generated through the taxes to be put in the state aid formula then the state aid formula itself is handled by the Education Committee and always has been. We do not, as the Education Committee in this Legislature, attempt to dictate to the Revenue Committee how we are going to raise those dollars. All we attempt to do is distribute those dollars and that is what LB 570 and LB 572 both do is distribute dollars already generated. So I cannot stress that too much. We're not changing the amount at all. We're just distributing those dollars and that historically has been handled by the Education Committee and I think should continue to be handled by the Education Committee and I urge this body's help in rereferring LB 570 and LB 572 to the Education Committee. vou. Mr. President.

SPEAKER MARVEL: The motion before the House is the rereferral from Revenue to Education as proposed under LB 570 by Senator Vickers. All those in favor of the Vickers motion vote aye, opposed vote no. Have you all voted? Have you all voted? Senator Vickers.

SENATOR VICKERS: Mr. President, I hate to do it but I think we need to do something about the 20 not voting so I will ask for a Call of the House.

SPEAKER MARVEL: Okay, the question before the House is shall the House go under Call. All those in favor vote aye, opposed vote no. Have you all voted? Record.

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

SPEAKER MARVEL: The House is under Call. All legislators please return to your seats, unauthorized personnel leave the floor and the Legislature please record your presence. Senator Wiitala, would you please record your presence. Senator Koch, would you please record your presence. Senator Cope, Senator Rumery, Senator Hoagland, Senator VonMinden and Senator Warner. The Clerk is authorized to accept call ins.

CLERK: Senator Goodrich voting yes, Senator Wagner voting yes, Senator Labedz voting yes, Senator Chambers voting yes, Senator DeCamp changing from yes to no.

SPEAKER MARVEL: Senator VonMinden and Senator Warner. Those are the only two absent.

CLERK: Senator Fowler voting yes.

SPEAKER MARVEL: Senator Vickers, for what purpose do you arise?

SENATOR VICKERS: Well it looks like I'm going to have to ask for a roll call vote if we're not going to get them this way. If somebody else would just vote we wouldn't have to worry about it. I will ask for a roll call vote then, Mr. President.

SPEAKER MARVEL: We can't start with the vote until all legislators are in their seats. Senator Vickers.

SENATOR VICKERS: Yes, how many are excused?

SPEAKER MARVEL: Five.

SENATOR VICKERS: Who is not here, Senator Haberman?

SPEAKER MARVEL: Senator Cullan, Senator Nichol, Senator Marsh, Senator Burrows, Senator Haberman.

SENATOR VICKERS: Is Haberman excused?

SPEAKER MARVEL: All of those are excused, Senator Vickers. We are waiting for Senator Warner, Senator Vickers. Yes, the call in vote is still open.

CLERK: Senator Higgins, do you want to vote? Senator Higgins voting yes.

SPEAKER MARVEL: The Clerk will announce the vote.

CLERK: 25 ayes, 11 nays, Mr. President, on the motion to rerefer the bill.

SPEAKER MARVEL: The motion is carried. The bill is rereferred. As we go to 572, is Mayor Boyle still here? Yes, we welcome you, Mike, to the Unicameral Legislature. Okay, Senator Vickers, do you have a motion?

SENATOR VICKERS: This is just the same song, second verse, the same exact arguments, the same exact subject, these two bills, both 570 and 572 as I indicated earlier deal with the same subject so same song, second verse. I urge the body's approval of rereferring 572 also.

SPEAKER MARVEL: Is there any further discussion to the Vickers motion known as LB 572? Senator Newell, your light is on. Do you wish to be recognized? Okay. We now vote on the Vickers motion. All those in favor of the rereferral as indicated under LB 572 vote aye, opposed vote no. Have you all voted? Record the vote.

CLERK: 25 ayes, 11 mays on the motion to rerefer the bill, ${\rm Mr.\ President.}$

SPEAKER MARVEL: The motion is carried. The bill is rereferred. The Chair feels that at this time we would break
for lunch and then come back at one-thirty. Is there any
objection to that? All those in favor of recessing vote
aye or say aye, all those opposed to recessing say no.
The motion carried. We are recessed until one-thirty.

Edited by ... M. Benischek

SPEAKER MARVEL PRESIDING

DR. ROBERT PALMER: Prayer offered.

SPEAKER MARVEL: Record your presence please. Have you all recorded your presence? We need one more vote. Record the...

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

SPEAKER MARVEL: Do you have some items to read in?

CLERK: Mr. President, your committee on Government gives notice of public hearing for January 28 and 29. That is signed by Senator Kahle as chairman.

Mr. President, your committee on Judiciary gives notice of hearing for next Wednesday, January 20. That is signed by Senator Nichol as chairman.

Mr. President, Senator Marvel gives notice that LB 126 has been moved from Passed Over to General File.

Mr. President, new bill, LB 801 offered by Business and Labor Committee and signed by its members. (Read by title for the first time as found on page 256 of the Legislative Journal.)

SENATOR CLARK PRESIDING

SENATOR CLARK: We are ready for item #5. The first thing on item #5 is LB 570 withdrawn by Haberman.

CLERK: Mr. President, Senator Haberman moves to withdraw LB 570.

SENATOR CLARK: Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Legislature, there is an identical bill introduced by Senator Lamb that will do the same thing. There is no need to go through two hearings and printing and all of the expense when the bills are identical, therefore, I would like to withdraw mine and go ahead and let Senator Lamb's bill become the main bill.

SENATOR CLARK: The motion before the House is the withdrawal of LB 570. All those in favor vote aye, opposed vote nay. Record the vote.

CLERK: Senator Clark voting age. 27 ages, 0 nays, Mr. President, on the motion to withdraw the bill.