RECESS

SENATOR CLARK PRESIDING

SENATOR CLARK: The Legislature will come to order. Everyone check in please. Will everyone record their presence, please. Senator DeCamp, will you record your presence, please. Has everyone recorded their presence please? The Clerk will record.

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

SENATOR CLARK: The first thing we're going to take up is... you have some things to read in. Go ahead.

CLERK: Mr. President, new bills: (Read by title for the first time, LBs 764, 765 as found on page 219 of the Legislative Journal.)

SENATOR CLARK: The first thing we will take up is the return of LB 472A to committee from Final Reading. Senator Koch.

SENATOR KOCH: Would you read the motion, Mr. Clerk?

CLERK: Mr. President, Senator Koch on behalf of the Education Committee and it is signed by Senators Wiitala, Goll, Hoagland, Vickers, Kremer, Beutler and Lamb, move that pursuant to Rule 6, Section 8, part (b) the Legislature recommit LB 472A to the Education Committee for the purpose of a public hearing.

SENATOR CLARK: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. As...if you'll allow me I'll recap the history of 472A. 472A was an Appropriations bill that was introduced by Senator Hoagland and last session, late in that session we were involved in the issue of offering the alternatives for Christian education to function in the State of Nebraska within the law. As you recall, we argued first of all on germaneness of the subject to 472A. Second then, we argued to some degree over whether or not the body of that bill had had an appropriate hearing under the standing committee of this Legislature. In both cases it was not germane possibly and secondly, it did not have a public hearing. Since the committee has two bills before it at the present time which will be heard next Tuesday, those bills are LB 607 and LB 652, one is a committee bill and one is a bill introduced by Senator Peterson and possibly several others on this floor both dealing with Christian education. Rather than for us to be sitting here with 472A on Final Reading with approximately seventy-six amendments, it is appropriate that we take

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SENATOR NICHOL: Senator Clark, did you wish to close, please?

SENATOR CLARK: Mr. President, I would move that the bill be advanced to E & R. I think that Senator Newell might have an amendment on for Select File. Is that right, Senator Newell? Alright, then I would move the bill be advanced.

SENATOR NICHOL: The question is, shall LB 702 be advanced. All those in favor vote aye, opposed no.

CLERK: Senator Nichol voting yes.

SENATOR NICHOL: Record, Mr. Clerk.

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

SENATOR NICHOL: The bill is advanced. I would like to announce that Senator Don Wesely has some guests under the North balcony, Brad Pennington, Marty Walters, John Ahrends, all from Robin Mickle Junior High School in Lincoln, Nebraska. Would you please welcome them to our Legislature. Mr. Clerk, do you have something you would like to say?

CLERK: Something I must say, Senator. Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 834 and recommend that same be placed on Select File and that is signed by Senator Kilgarin as Chair. (See page 804 of the Journal.)

Your committee on Business and Labor whose chairman is Senator Barrett reports LB 765 advanced to General File with committee amendments; 599 indefinitely postponed; 610 indefinitely postponel; 732 indefinitely postponed; 864 indefinitely postponed; 937 indefinitely postponed and 959 indefinitely postponed, all signed by Senator Barrett as Chair. (See pages 804-805 of the Legislative Journal.)

Your committee on Government, Military and Veterans Affairs reports LB 601 advanced to General File; 748 General File and 854 General File with committee amendments attached. Those are signed by Senator Kahle as Chair. (See page 805 of the Legislative Journal.)

Your committee on Miscellaneous Subjects reports LB 808 advanced to General File; 809 General File; 869 General File; 429 indefinitely postponed, all signed by Senator Hefner as Chair. (See page 805 of the Legislative Journal.)

SENATOR V. JOHNSON: Let's wait for them to show up and then we will do a roll call vote, Senator Clark.

SENATOR CLARK: All right, Mr. Sergeant at Arms, can you get everyone back in their chairs now so we can go ahead with the roll call. Senator Haberman, would you get back please. You have permission to rope and tie that one. The Clerk will call the roll. I think the others will be here by the time they get in.

CLERK: (Roll call vote taken. See page 957, Legislative Journal.) 21 ayes, 24 nays, Mr. President, on adoption of the amendment.

SENATOR CLARK: The motion failed. The Call is raised. And Senator Marvel, would you like to excuse us until tomorrow morning at nine o'clock? Oh, we have to read some things in first.

CLERK: Mr. President, very quickly, Senator Wiitala would like to print amendments to LB 765; Senator Schmit to 626; and Senator Koch to 208.

Mr. President, there will be an executive session of the Business and Labor Committee tomorrow morning at ten thirty in the William H. Hasebroock Memorial Hearing Room. That is Business and Labor at ten thirty.

Mr. President, a new resolution, LR 237 by Senator DeCamp. (Read.) (See pages 962 and 963, Legislative Journal.) That will be laid over, Mr. President.

SENATOR CLARK: Senator Marvel.

SENATOR MARVEL: I move that we adjourn until Thursday, March 4, 1982 at nine o'clock.

SENATOR CLARK: You heard the motion. All those in favor. We are adjourned. Administrative Rules will meet under the North balcony here right now.

Edited by <u>Arleen McCrory</u>.

Arleen McCrory

SENATOR CLARK: The bill is advanced. Now we will go back and take 765. Yes, read it in.

CLERK: Mr. President, very quickly, Senator Fenger would like to print amendments to LB 686 in the Journal; Senator Warner to print amendments to LB 971 in the Journal; Senator Fenger to print amendments to LB 714 in the Journal.

Mr. Presiden , LB 765 was a bill introduced by the Business and Labor Committee and signed by its members. (Read title.) The bill was read on January 11 of this year. It was referred to the Business and Labor Committee for hearing. The bill was advanced to General File, Mr. President. I do have committee amendments pending.

SENATOR CLARK: Senator Warner, for what purpose do you rise?

SENATOR WARNER: Mr. President, I just wanted to indicate I filed on behalf of the Appropriatons Committee a couple of amendments to LB 970 and 971 and they will be part of a public hearing on Wednesday and Thursday. It is my only way to give some previous notice that those amendments would be offered to those bills and I just wanted to indicate that to the members.

SENATOR CLARK: Thank you. Senator Barrett, on the bill, 765.

SENATOR BARRETT: Mr. President and members, I believe the committee amendment should be taken up first, a very small technical amendment. On page 2, line 18 of LB 765, an error or one penny, the \$400.01 should have been \$400.00, an error of one penny. I would move the adoption of the committee amendment.

SENATOR CLARK: We have an amendment to the committee amendments.

CLERK: Mr. President, Senator Vard Johnson would move to amend the committee amendment to LB 765 by adding a new Section 2 which would read as follows: Strike Section 4 of LB 765 and delete 48-628 found in Section 7.

SENATOR CLARK: Senator Johnson.

SENATOR V. JOHNSON: Yes, Mr. Speaker. Mr. President, members of the body, I will ask one question. Do the same rules obtain this afternoon to this bill as obtained this morning, that is there is only fifteen minutes time allowed?

SENATOR CLARK: Right.

SENATOR V. JOHNSON: In that case, I withdraw the amendment.

SENATOR CLARK: All right, the amendment is withdrawn. Senator Landis, did you want to talk on the amendment? All right, the question before the House is the adoption of the amendment as explained by Senator Barrett. All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

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

CLERK: 26 ayes, 0 nays on adoption of committee amendments, Mr. President.

SENATOR CLARK: The committee amendments are adopted. Now on the bill, Senator Barrett.

SENATOR BARRETT: Thank you, Mr. President, members, LB 765, a bill introduced by the Business and Labor Committee, modifies various provisions to our unemployment insurance statutes. A brief synopsis perhaps, Section 1 increases the maximum weekly benefits from the present \$106 to \$116; and Section 2 repeals language which provides for reduction in benefits according to the number of weeks the claimant has been disqualified for a voluntary quit or a discharge for misconduct from his employment. We also increased the base period wages required to be eligible for benefits to \$1200 in a base period, that is from the current \$600, with at least \$400 having been earned in at least two calendar quarters. We also provide that an individual who voluntarily quits or is discharged for misconduct or fails to accept suitable work shall be disqualified from benefits until he has earned six times his weekly benefit amount in insured work. provide that under the proposed requalifying system base period employers are still entitled to noncharging of their experience accounts, and finally we provide the claimants receiving benefits on the effective date of the bill would not have their benefit amounts recalculated because of any changes in the bill, that is their benefits could not be reduced. I would suggest to you that the Business and Labor Committee has worked long and hard on this particular bill; two interim studies, hearings, that is, held in Omaha and Lincoln this summer; a great amount of work this fall. We feel that it is a good bill and I would therefore move the advancement of the bill as amended.

SENATOR CLARK: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I know this amounts to a consensus bill from the committee and I know very few who oppose the bill but I am one who It is not because I don't want to see higher unemployment compensation benefits. I think that is fair. I think adjustments in the base period are probably long overdue. I made the suggestion, as a matter of fact, to the committee myself last year and to the advisory labor committee in the Department of Labor to do exactly that. I have no cause with that concept. However, we add to Nebraska statutes a pernicious doctrine I think in LB 765 which is the requalifying system making oneself eligible for unemployment compensation. Requalifying says in the event you fall into one of three categories when you apply for unemployment compensation; you quit voluntarily without good cause, you were fired for misconduct, or you haven't been able to find suitable work and haven't made a search for the suitable work. You may not be eligible for unemployment until you have requalified for a certain number of qualifying wages which means you have got to go back to work. So the Catch 22 is you get out of work for one of these circumstances and you can't get unemployment compensation until you go back to work and earn some credits which you then would be able to draw on in the event you were released from work but certainly not for one of these mechanisms. I mean if you then quit, you couldn't utilize it because, of course, that would be quitting without good cause. Why, why should one object to the requalifying principle? The requalifying principle is simply a way to do what we have never been able to do before and that is to bring an end to unemployment compensation benefits for those kinds of situations, simply writing them off. Requalification, in essence, brings to an end unemployment compensation for those three circumstances. But what are those three circumstances, voluntarily quitting without good cause? I can understand why those of you here would object to that, why people who were drawing such benefits might meet the calumny of the body. However, that has been very narrowly interpreted. "Good cause" is not what maybe you and I would agree to be good cause but which the court has said only arises in cases of the contract. In other words, the breach of the contract or unsafe working conditions or the like. What isn't covered in there as far as good cause are quitting because of problems with child care in the homes, problems with transportation that have changed, perhaps a spouse who has a new job and you quit to follow your spouse to a new place of business where you intend then to look for a job and in fact don't find one and apply for unemployment compensation but in fact you don't receive it because you quit without good cause. "Good cause" is only defined as arising out of a contract in the place of employment and frankly that is far too narrow. Picture this scenario. A sheet metal worker in Lincoln finds out that because we have difficulty here he can't find a job, he goes down to Kansas, gets a job, and that is 400 miles away from his home. He finds out that the market in Lincoln opens back up. He quits his job in Kansas even though he has been down there working contributing to the welfare of his family. He quits that job, comes back to Nebraska but the job which he has been promised simply isn't there. What has he done? He has quit without good cause. He has quit because he was trying to come back to this working area, to get back with his family and to stay with them in hopes or contemplation that there was a job when in fact there didn't prove to be a job. And under the law, he has guit without good cause.

SENATOR CLARK: You have one minute limit left.

SENATOR LANDIS: Thank you. My point is this, requalification is far too high a standard for the limited range of good cause that Nebraska law identifies and accepts. There are many genuine personal reasons for which people should be able to apply for unemployment compensation benefits and to pass this we will simply foreclose them from receiving UI. It is far too harsh a rule to apply to many people. There are roughly 1500 women a year who would be cut off from UI because of the rule, that they couldn't follow a spouse and continue to be available for UI. The standard is too high. I oppose LB 765.

SENATOR CLARK: We have five minutes left on this bill. We have got five speakers. Senator Wesely.

SENATOR WESELY: Thank you. I would like to ask some questions of Senator Barrett if he would yield please.

SENATOR CLARK: Senator Barrett, will you yield to questions?

SENATOR WESELY: Senator Barrett, Senator Landis raised pretty much the issues I was going to raise about the question about the legitimate leaving of a job and in a sense trying to gain a better opportunity for oneself and having that opportunity foreclosed unexpectedly and then the situation they would be placed in as a result of this bill. Has your committee considered the points that Senator Landis just made and the concerns there and is this really the only alternative we have? Is there any other alternatives we might have that more legitimately might recognize some of these situations and help them a little bit? Could you talk about that for a minute?

SENATOR BARRETT: Yes, Senator Wesely, the committee considered this at great length, substantial conversation, and a lot of work in this area. However, we did find that there are a lot of states now who are going to this requalifying system, I believe about 40 in all, and specifically South Dakota and Washington, D. C. have very recently, I think within the last year, gone to this type of requalifying system and it has worked very well. Actually a disqualified claimant under the question raised by Senator Landis does remain disqualified until he or she goes back to work which is pretty much the heart of the argument I guess. The worker who quits job after job after job remains disqualified under the present provisions of 765, the requalifying system, and one of the purposes for this particular section is to stop that type of job hopping.

I see. Okay. Well, I know that Senator SENATOR WESELY: Wiitala also has some concerns and will have an amendment I guess on Select File on this bill. What Senator Barrett has described sounds favorable to me. I guess the concern I have had in dealing with this issue in the past has always been how to draw that line. It is clear in my mind that there have been some abuses in the unemployment compensation area we need to tighten up. On the other hand, we don't want to have the pendulum swing back so far the other way that we have a situation where those who legitimately have left a job, have attempted to better themselves, and with our economy as it is today, we all know it is volatile and at a point at which we can't even see at this time we may see jobs closing down that we thought were the brightest future of any that we have a potential of participating in. it seems to me quite clear that we want to keep an eye out towards the poor situation that we all don't like to recognize and that being that the economy is slowing down, somebody takes another job, the job is lost to them, and they are back on the street and they aren't requalified for unemployment compensation doesn't seem very fair to me. But I know the direction that is being taken in this bill is a fair one. So I guess as we are discussing in fifteen minutes legislation and the fact is I haven't had a chance to review it in detail, perhaps this is a little too quick a pace at which to consider such an important measure. As we look at the economy today, we have to keep in mind there are many, many Nebraskans that are unemployed...

SENATOR CLARK: You only have ten seconds.

SENATOR WESELY: ...and we all know that it is going to get worse.

SENATOR CLARK: Senator Vard Johnson, you have three minutes and the bill will be done.

SENATOR V. JOHNSON: I will try to make my presentation in two minutes so the bill does have an opportunity for a vote. I do agree with Senator Landis that the Section 4 of the bill makes this a bad measure, notwithstanding the fact that this bill would call for an increase in the state unemployment compensation rate. What Section 4 does is it says to any worker, any worker who has voluntarily left his job without good cause or who has been fired from his job, he cannot get any unemployment compensation benefits until he gets another job and he at least works another job for enough time to build up a certain amount of money. In an economy like we are having where there are 20,600 in Omaha alone, almost the size of a legislative district, unemployed, it is too hard to requalify. This is a bad time for this provision, and for that reason, this bill ought not be advanced.

SENATOR CLARK: We have one minute left on the bill. Senator Vickers. At that time, we will pass over the bill. We have four more speakers.

SENATOR VICKERS: Mr. Speaker, will you tell me when I have thirty seconds left. I want to make one point and the point is simply this, the previous speakers have talked about the fact that we are causing people who voluntarily quit a job to have to be requalified but at the same time nobody has made the comment and nobody has mentioned that we are making it apply only to the most recent employer, and right now we are applying that concept to anybody in the base period, so we are also making it so that there won't be nearly as many people disqualified as there have been right now.

SENATOR CLARK: You have thirty seconds left.

SENATOR VICKERS: Thank you, Mr. President. I would like to give the remaining thirty seconds of my time to Senator Barrett if I may for closing.

SENATOR CLARK: There is no closing because we have got four more speakers. The bill will just have to be passed over. We will pass over and go to the next bill, #611.

CLERK: Mr. President, LB 611 is a bill introduced by Senator Kahle. (Read title.) The bill was read on January 6 of this year, referred to the Public Works Committee. The bill was advanced to General File. Mr. President, there are Public Works Committee amendments pending.

Sergeant at Arms will find Senator Higgins and Senator Schmit and then we are ready to proceed. Senator Schmit is here so we just need to get him in his chair and then we will....Senator Higgins, we have to wait for Senator Higgins anyway. Senator Higgins is the only one. All right, Senator Stoney, shall we proceed? Senator Higgins is the only one. So if you are ready to proceed we shall proceed. Proceed with the roll call vote then. The question, Mr. Clerk, you might repeat the question for those who came in so they know what we are voting on.

CLERK: Mr. President, the motion before the membership is to reconsider the kill motion on LB 870. (Read the roll call vote as found on page 1306 of the Legislative Journal.) 30 ayes, 14 nays, Mr. President.

PRESIDENT: Motion carries, LB 870 is now to be reconsidered. All right, now it's back on General File, Senator Beyer, so it is ready to be dealt with in the future. It is now in a position to be brought up again. We will proceed then with the next agenda item 6, General File, priority bills Special Order, LB 816, Mr. Clerk. Ready for Select File. That's where we are, yes.

CLERK: Mr. President, while we are waiting I have amendments from Senator Landis to be printed in the Legislative Journal to LB 765. (See page 1306 of the Journal.)

PRESIDENT: I understand those have been taken care of so we are on Select File on the reverse side. We are ready for 36, is that it?

CLERK: Yes, sir.

PRESIDENT: All right, on Select File which is agenda item 7 with LE 36. Proceed, Mr. Clerk.

CLERK: Mr. President, I have no amendments to LB 36. The bill was considered by the Legislature on February 24th on Select File. At that time it failed to advance.

PRESIDENT: Senator Schmit, do you wish to move the advancement of the bill then?

SENATOR SCHMIT: Mr. President, I move that LB 36 be advanced to E & R.

PRESIDENT: Any discussion on the advancement of the bill? Senator Cullan, what did you....you request a machine vote? All right, machine vote has been requested. So the motion is