

the authority to make those determinations. If Senator Schmit and Senator DeCamp want different mechanisms within their area then let them go to their natural resources districts and make that plea to them. It's the same as I should have the right to do with my NRD but you're taking that right away from me and I think that is wrong. I think that is fundamentally wrong. Why don't we just do away with the NRDs and make all the decisions right here? We'll draw the lines, we'll do the whole works. We'll be the Natural Resources Board for the whole state. That is really what we are doing. Is that what we want to do?

SENATOR CLARK: The question before the House is the adoption of the Vickers amendment to the Kremer amendment on Section two. All those in favor vote aye, opposed vote nay. This also takes a simple majority. A record vote has been requested. Once again, have you all voted? Record the vote.

CLERK: (Read record vote as found on page 353 of the Legislative Journal.) 12 ayes, 21 nays, Mr. President, on adoption of the amendment.

SENATOR CLARK: The motion lost. Senator DeCamp, would you like to adjourn us until nine o'clock tomorrow morning after the Clerk reads in the rest of the bills.

SENATOR DeCAMP: Marvel was saying something about coming back at four-thirty or something. Is that out?

SENATOR CLARK: No, I don't think we need to.

SENATOR DeCAMP: Okay, we're going until nine o'clock tomorrow then.

SENATOR CLARK: No, let's wait until he reads the bills in.

SENATOR DeCAMP: Oh, okay.

SENATOR CLARK: He still has some bills to read in.

CLERK: Mr. President, new bills. (Read by title for the first time, LBs 915-955 as found on pages 354-366 of the Legislative Journal.)

Mr. President, Senator Marsh would like to print amendments to LB 69 in the Legislative Journal. (See page 369 of the Legislative Journal.)

Banking gives notice of cancellation and rescheduling of a hearing. (See page 369.)

February 10, 1982

LR 218  
LB 300, 775, 776, 826,  
951, 952, 961, 126

SENATOR CLARK: A Call of the House has been requested. All those in favor of a Call vote aye, opposed vote nay. Record the vote.

CLERK: 13 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 be in their seats according to our rules and please check in. We have three excused. We are looking for sixteen. Will everyone that is sitting in their seats please check in. Senator Cope, would you please check in. Senator Schmit, Senator Newell, Senator Stoney. Senator Sieck, would you push your button, please. Senator Goodrich. We're going to look for Senator Stoney, Senator Schmit. We got to Schmit, now if we can get to Stoney. Senator Newell. We will tell you what we are going to vote on before we vote. Roll call vote, yes. Would all senators remain in their seats, please, so we can have a check. We will not start the roll call until all senators are in their seats. Senator Wagner, would you get in your seat, please. Can you find Senator Higgins? Do you want to start the roll call? The Clerk will call the roll. If we can keep it quiet so we can hear the response it will really help up here.

CLERK: (Read roll call vote as found on pages 621-622 of the Legislative Journal.) 26 ayes, 18 nays, Mr. President.

SENATOR CLARK: The motion passed. The amendment is passed. Do you have anything further on the bill? The Clerk would like to read some things in first.

CLERK: Mr. President, a special order announcement from the Speaker.

SENATOR CLARK: The Call is raised.

CLERK: Mr. President, Senator Fowler would like to print amendments to LB 218. Senator Fowler moves to place LB 300 on General File pursuant to Rule 3, Section 18(b). That will be laid over. (See page 622 of the Legislative Journal.)

Your committee on Banking, Commerce and Insurance advances 775 to General File; 776 to General File; 826 to General File; 951 to General File; 952 General File; 961 General File, all signed by Senator DeCamp as Chair.

Mr. President, the next amendment I have is from Senators Sieck, Lowell Johnson and Beutler.

SENATOR CLARK: Senator Sieck.

March 5, 1982

LB 961, 952

SPEAKER MARVEL: Senator Goodrich, do you wish to explain the bill?

SENATOR GOODRICH: Yes. Mr. President and members of the body, the bill itself says in essence that if a state institution...financial institution like a bank or a savings and loan is going to accept state funds, then they must agree to cash state warrants for the payee of the state warrant without charge, without placing a charge on cashing that state warrant or without forcing the payee of that warrant to have an account with that institution. Now, the thing that is happening is that some of the banks and savings and loans say that if you don't have an account with them, they won't cash your check, your regular...any kind of a check without either charging you a fee or forcing you to open an account with that institution. Now, I am saying in this bill only that if I as the payee of a state warrant walked into the bank that if they want to accept state funds, they must offer the service of cashing the warrants for the payee only. And this only applies to state warrants. So with that explanation I would move the advancement of the bill.

SPEAKER MARVEL: The motion is to advance the bill as explained by Senator Goodrich. All in favor vote aye, opposed vote no. Have you all voted? Record the vote.

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

SPEAKER MARVEL: The motion is carried. The bill is advanced. Senator Newell, do you want to take up 952?

SENATOR NEWELL: Mr. President, LB 952 is a bill that would allow hospitals to combine to buy equipment using the tax exempt provisions of that hospital authority that has already been authorized. It is that simple. I move the advancement of the bill.

SPEAKER MARVEL: 952, the motion is to advance. All those in favor of that motion vote aye, opposed vote no. Record the vote.

CLERK: 26 ayes, 3 nays, Mr. President, on the motion to advance the bill.

SPEAKER MARVEL: The motion is carried. The bill is advanced. Before we go to the next bill, from Senator Schmit's District eight students 1st through 8th from Malmo Public School, District 36, Malmo, Nebraska. Verna Rezac is the

LB 577, 579, 601, 605, 642, 644, 651, 662,  
677, 678, 696, 697, 718, 718, 719, 720,  
728, 729, 739, 743, 764, 767, 767A, 775,  
776, 778, 784, 792, 796, 807, 824, 825,  
828, 839, 845, 869, 877, 890, 892, 931,  
941, 951, 952, 961, 962

March 9, 1982

SPEAKER MARVEL PRESIDING

REV. MORRIS VENDEN: Prayer offered.

SPEAKER MARVEL: If I could have your attention for a moment before we proceed. The chairmen had a meeting today and it was agreed that we would attempt to control debate as we have not done too well in the last few months and that we would try, for instance, with 652 to have the debate and the vote on advancement after one hour and that we try to have the pros and the cons of these issues so it doesn't take forever to get the point across. This time we're in a position where we either try to limit debate or many of the other issues will simply go down the drain. So the Chair would appreciate, the chairmen would appreciate your cooperation in trying to give people an opportunity on both sides and not spend all day in the discussion. Record.

CLERK: There is a quorum present, Mr. President. Yes, sir, I do have some items to read in. Mr. President, your committee on Enrollment and Review respectfully reports we have carefully examined and engrossed LB 579 and find the same correctly engrossed; 662 correctly engrossed; 677 correctly engrossed; 718 correctly engrossed; 719 correctly engrossed; 728, 729 correctly engrossed; 764 correctly engrossed and 778 correctly engrossed. (See page 1060 of the Journal.)

Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 720 and recommend that same be placed on Select File with amendments; 767 Select File with amendments; 767A Select File; 807 Select File with amendments; 941 Select File; 877 Select File; 577 Select File; 792 Select File; 605 Select File; 931 Select File with amendments; 796 Select File; 845 Select File; 644 Select File; 739 Select File; 696 Select File; 828 Select File; 642 Select File; 678 Select File; 775 Select File; 776 Select File; 951 Select File; 961 Select File; 952 Select File; 784 Select File; 651 Select File; 716 Select File with amendments; 743 Select File; 601 Select File; 869 Select File with amendments; 697 Select File; 825 Select File; 892 Select File; 962 Select File with amendments; 839 Select File and 890 Select File with amendments. Those are all signed by Senator Kilgarin as Chair, Mr. President. (See pages 1057-1059 of the Legislative Journal.)

Mr. President, I have a motion from Senator Labeledz to place LB 824 on General File pursuant to Rule 3, Section 18(b). That will be laid over pursuant to our rules, Mr. President.

SPEAKER MARVEL: Okay, we go to item #4 and we're talking about LB 924 and I would caution you to do your best to get

March 19, 1982

LB 739, 952

The next bill is LB 739. Is anyone prepared to take the Vickers amendment? Senator Goodrich says he is on his own bill. So we will take up the Vickers amendment, Senator Goodrich, if you will carry that.

SENATOR GOODRICH: When this bill advanced off of General File, Senator Vickers asked if it was going to be okay with me if he would add a one word amendment to the bill and that is this. It says, the legislation, the current law on the books says, the salaries of any general manager or assistant general manager, etc., etc., shall be published. He wanted to add the word "the current salaries" and that doesn't change the meaning at all other than the fact that it clarifies one point and that is that it is the current salary they are getting, not last year's salaries, and I have no objection to that so I said I would handle it for him when it got here. I move the adoption of the amendment.

PRESIDENT: Any further discussion on the Vickers amendment as described and explained by Senator Goodrich. All those in favor then of the Vickers amendment vote aye, opposed vote nay. We are on LB 739. Have you all voted? Record the vote.

CLERK: 26 ayes, 0 nays, Mr. President.

PRESIDENT: The motion carries, the Vickers amendment is adopted. Any further amendments?

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

PRESIDENT: Senator Kilgarin.

SENATOR KILGARIN: I move we advance LB 739.

PRESIDENT: Motion is we advance LB 739 to E & R for Engrossment. Any discussion? All those in favor of advancing LB 739 to E & R for Engrossment signify by saying aye, opposed nay. LB 739 is advanced to E & R for Engrossment. Next bill is LB 952.

CLERK: Mr. President, I have no E & R amendments, but I do have a motion from Senator Beutler to indefinitely postpone the bill which will lay the bill over unless. . .

PRESIDENT: Senator Beutler places a motion to indefinitely postpone, which will lay it over.

CLERK: Unless Senator Newell agrees to . . .

March 19, 1982

LB 952

PRESIDENT: Unless Senator Newell wants to take it up. Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, I think I would like to withdraw that motion. I would like a recorded vote on the advancement of the bill.

PRESIDENT: All right, it is withdrawn. Is there any further, anything further on the bill, Mr. Clerk? Anything further on the bill? All right, then the motion is, Senator Kilgarin, would you move to advance LB 952.

SENATOR KILGARIN: I move we advance LB 952.

PRESIDENT: All right, the motion is to advance LB 952 to E & R for Engrossment. Senator Beutler requests a machine vote. All those in favor vote aye, opposed vote nay on the advance of 952. Have you all voted? Senator Newell, I presume you had better get the troops back in because there are only six excused and twenty-six are not voting.

SENATOR NEWELL: Well, let's do that. The numbers are changing all over. Somebody is playing games. I want to Call the House.

PRESIDENT: Motion is to have the House go under Call. Record what's on the board. All those in favor of the House going under Call vote aye, opposed vote nay. All voted on going under Call? Record the vote.

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

PRESIDENT: The House is under Call. The Sergeant at Arms, one more time will you go get the missing members and everyone return to your desks and all of you here will record your presence. Senator Newell, then what do you wish to do? Have a . . . call in votes? All right, as they come in. You may receive call in votes.

CLERK: Senator Landis voting yes.

PRESIDENT: The advance of 952 for those who are just coming in.

CLERK: Senator Beyer voting yes. Senator Goll voting yes.

PRESIDENT: Senator Labedz, will you put your green light on so that we know you are here.

March 19, 1982

LB 952, 743

CLERK: Senator Wiitala voting yes. Senator R. Peterson voting yes.

PRESIDENT: All of you register your presence so we do know who is here.

CLERK: Senator Cope voting no.

PRESIDENT: Senator Vard Johnson, Senator Warner, will you put the green lights on so we know who is here and who isn't.

CLERK: Senator Warner changing from no to yes.

PRESIDENT: Record the vote.

CLERK: 25 ayes, 6 nays, Mr. President.

PRESIDENT: LB 952 is advanced to E & R for Engrossment. We will go on to the next bill then, LB 743.

CLERK: Mr. President, I have no E & R amendments to the bill. I do have an amendment from Senator Warner.

PRESIDENT: Chair recognizes Senator Warner for amendments on LB 743.

SENATOR WARNER: Which one do you have, Pat?

CLERK: It is the first one, Senator (read amendment).

SENATOR WARNER: Okay, what this amendment. . . LB 743 deals with the green belt. You will recall the definition of the land that can qualify is changed and land that can be used commercially and for industrial purposes would not qualify. What this amendment does, it makes sure that any property that became disqualified that currently is receiving the greenbelt reduction in their property tax that they are disqualified by the passage of the act but then they are not also subject to the back taxes that would have been due, or the taxes that would have been due because. . . had they not received the exemption. It is simple equity, it would be done in good faith, they complied with the law, there would be no justice to go back and expect them to pay taxes if they do become disqualified or can not qualify, when they were legal, at least they had done what they thought was legal in the first place. So, that is the purpose of the amendment to ensure that those presently qualified are not penalized if they no longer qualify for greenbelt after the date the law becomes effective which will not be until January 1 of next year. I move the adoption of the amendment.

PRESIDENT: Any further discussion on the Warner amendment, the first Warner amendment. If not, Senator Warner, we will

March 23, 1982

LB 208, 573, 633, 668, 693,  
739, 751, 766, 790, 816,  
869, 875, 892, 952

Would they also be recognized and welcome to your Nebraska Legislature to you. Yes, the Clerk will now, before we commence Final Reading, read some matters in.

CLERK: Mr. President, Senator DeCamp would like to print amendments to LB 816; Senator Carsten to 693. (See pages 1368-1369 of the Legislative Journal.)

Your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 573 and find the same correctly engrossed; 633, 668, 739, 751, 766, 790, 869, 875, 892 and 952 all correctly engrossed.

PRESIDENT: All right, we're ready then if all the members are at your desks, we're still on Final Reading. Mr. Clerk, will you commence on Final Reading, LB 208.

CLERK: (Read LB 208 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 208 pass. All those in favor vote aye, opposed nay. Have you all voted? Record the vote.

CLERK: (Read record vote as found on page 1370 of the Legislative Journal.) 30 ayes, 17 nays, 2 excused and not voting, Mr. President.

PRESIDENT: LB 208 passes. The next bill on Final Reading, Mr. Clerk, is LB 383.

ASSISTANT CLERK: (Read LB 383 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 383 pass. All those in favor vote aye, opposed nay. Record the vote.

ASSISTANT CLERK: (Read record vote as found on page 1371 of the Legislative Journal.) The vote is 47 ayes, 0 nays, 2 excused and not voting, Mr. President.

PRESIDENT: LB 383 passes. Before we go to the next bill, I notice that we have some rolls being passed out. If you want to know what that is for, why we'll have to all recognize Senator Howard Peterson's birthday. It was March 22, Howard, and we say "happy birthday" to you and join in. Happy birthday, Howard. The next bill on Final Reading while you're celebrating Senator Peterson's birthday is LB 421.

ASSISTANT CLERK: (Read LB 421 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure hav-



March 31, 1982

LB 869, 875, 892, 952

PRESIDENT: The motion fails. Any other motions on LB 869?

CLERK: No, sir. Nothing further on the bill.

PRESIDENT: Proceed then with the Final Reading of LB 869, Mr. Clerk.

CLERK: (Read LB 869 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 869 pass. All those in favor vote aye, opposed nay. Record the vote.

CLERK: (Read record vote as found on pages 1519-1520 of the Legislative Journal.) 33 ayes, 11 nays, 3 excused and not voting, 2 present and not voting, Mr. President.

PRESIDENT: LB 869 passes. The next bill on Final Reading, Mr. Clerk, is LB 875.

CLERK: (Read LB 875 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 875 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 1520 of the Legislative Journal.) 46 ayes, 0 nays, 3 excused and not voting, Mr. President.

PRESIDENT: LB 875 passes with the emergency clause attached. The next bill on Final Reading, Mr. Clerk, is LB 892.

CLERK: (Read LB 892 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 892 pass with the emergency clause attached. All those in favor vote aye, opposed nay. Record the vote.

CLERK: (Read record vote as found on pages 1520-21 of the Legislative Journal.) 46 ayes, 0 nays, 3 excused and not voting, Mr. President.

PRESIDENT: LB 892 passes with the emergency clause attached. The final bill on Final Reading this morning is LB 952, Mr. Clerk.

CLERK: (Read LB 952 on Final Reading.)

March 31, 1982

LB 952

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 952 pass. All those in favor vote aye, opposed nay. Well....there's no.... There really isn't anything to be done. Senator Newell. Yes.

SENATOR NEWELL: I don't understand this.

PRESIDENT: I'm listening.

SENATOR NEWELL: It is a little hospital authority bill that allows them to save money.

PRESIDENT: Now, let's not have any politicking.

SENATOR NEWELL: Maybe we could have a roll call.

PRESIDENT: All right, let's have a roll call vote. We will have a roll call vote and because there has been some movement in and out I think the Clerk's admonition is good that we do have a recording of our presence to make sure that all are here that are supposed to be here so the Sergeant at Arms can check on. So would you please record your presence before we have the roll call. There are 3 excused, Senator Newell, 3 excused. Senator DeCamp, Senator Chambers, Senator Schmit, would you all show your presence and that takes care of all but the 3 so we are all here. Proceed then with a roll call vote on the final passage of LB 952. Proceed, Mr. Clerk.

CLERK: (Read roll call vote as found on pages 1521-1522 of the Legislative Journal.) 24 ayes, 18 nays, Mr. President, on the motion to pass the bill.

PRESIDENT: LB 952 having failed to receive the constitutional majority necessary for passage does not pass on Final Reading. All right, Senator Newell requests a verification. Go ahead.

CLERK: (Read verification of vote on LB 952.) 24 ayes, 18 nays, Mr. President.

March 31, 1982

LB 953, 604A, 626, 952, 531

Have you all voted? Record the vote.

CLERK: 6 ayes, 25 nays, Mr. President.

PRESIDENT: The motion fails. The Clerk will have some matters to read in and then we will...the Chair will recognize Senator Clark for recessing us.

CLERK: Mr. President, Senator Pirsch offers an explanation of vote. (See page 1531 of the Legislative Journal.)

Mr. President, a new resolution LR 281 offered by Senators Vickers and Barrett. (Read. See page 1531 of the Legislative Journal.)

Your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 531 and find the same correctly engrossed; 604A correctly engrossed. (See page 1532 of the Legislative Journal.)

Mr. President, I have a motion from Senator Beyer and Cullan to reconsider the vote on Final Reading of LB 952 and a motion from Senator DeCamp to reconsider the vote on Final Reading of LB 626. (See page 1532.)

And, Mr. President, Senator Koch would like to remind the Education Committee that they are having a public hearing at twelve noon. That is the Education Committee, a public hearing at twelve noon. That is all that I have, Mr. President.

PRESIDENT: The Chair recognizes Senator Clark.

SENATOR CLARK: Mr. President, I move that we recess until one-thirty this afternoon.

PRESIDENT: The motion is to recess until one-thirty. Any discussion? All those in favor signify by saying aye, opposed nay. We are in recess until one-thirty.

Edited by

L. M. Benischek  
L. M. Benischek

April 1, 1982

LB 202, 952

CLERK: Continues roll call vote. 23 ayes, 23 nays, 3 excused and not voting. Vote appears on pages 1561-62 of the Legislative Journal.

SENATOR LAMB: Motion fails. The next on the agenda is the motion to reconsider LB 952.

CLERK: Mr. President, Senators Beyer, Sieck and Cullan would move to reconsider the vote on Final Reading of LB 952.

SENATOR LAMB: Senator Beyer.

SENATOR BEYER: Mr. Speaker and colleagues, I was on some business yesterday morning, was late in coming in and this is a bill that would be beneficial to a hospital in my area so for this reason I ask that we reconsider.

SENATOR LAMB: Raise the Call, the Call is raised. Senator Wesely.

SENATOR WESELY: Mr. President, members of the Legislature, I appreciate the fact that Senator Beyer feels that this bill would benefit a hospital in his area but I think we need to look at the total impact of this legislation on the state and also take a perspective beyond the State of Nebraska. I think we were wise yesterday in voting against the final enactment of LB 952. A handout at that time that I passed out indicated a recent study by the congressional budget offices found that this whole area of hospital taxes and bonds is a real sore spot in terms of high health care cost and it is that way for a number of different reasons. I think it is clear from the handout that I gave that they have concluded to further the goal of reducing hospital costs by eliminating tax subsidies for private hospital construction would be a good step to take. That is a federal level, a national level action that has to be taken but nevertheless there is no reason for us at this time when they are looking at that option to expand what we now provide in terms of hospital authority bond issuance. I think we really ought to look at the idea of keeping the bill where it is at right now and that is indefinitely postponed. Those who would support the bill are going to need 30 votes to reconsider. I would ask that you oppose this motion to reconsider. Again I think one of the key points you have to make is the hidden subsidy question that has always been present with a different bond bills that we have had before this legislature. As you know we have been sort of bond happy this session. Passing all kinds of different bond issuance legislation, expanding

bond authorities and bond this and bond that. Well there are a lot of problems when you start doing that and one of them is evident with this piece of legislation. That is a fact that when you talk about hospital tax exempt bonds, if you read the summary that I passed around you will see that the benefit is much greater to those who purchase those bonds than it is of benefit to the hospitals by reducing their interest savings. That is to say that because of this policy the federal government has, we lose more moneys in tax revenues than is saved by the hospitals by using these tax exempt bonds and that we would be better off just eliminating these tax exempt bonds which would save about 1.8 billion dollars according to this study for about a five year period and then we would find that there would be an increase in Medicare and Medicaid but they would only be about a third of that savings so we would end up saving somewhere over a billion dollars in the course of the next five years by doing this. Now what happens when you have tax exempt bonds is this. You provide marginal projects with that just enough of a break to make them feasible and going ahead with projects that, as I say are marginal, they have this break, it is subsidized by the federal government, a hidden subsidy, and they go ahead and expand, they build and they construct, they purchase equipment and whatever they use these tax exempt bonds for, when in fact they didn't have this break, they didn't have the subsidy they could not justify that expenditure. So we are purchasing and building and spending on projects that really shouldn't be pursued, but because of the break that we have, they are able to do that. This bill expands the break that we provide for and allows the pooling of different bond issuance authorities under the hospital act and would expand that authority. I think there is some talk, in talking to some of you, that maybe we ought to just eliminate the whole concept of hospital tax exempt bonds for our State of Nebraska. I'm not sure that we really need to do that at this point, but it something to look into having looked at this study. I'm asking you please don't take a step of expanding authority when in fact we are seeing that there is recognition in the fact that perhaps that authority should exist in the first place. So let me go back through very briefly what exactly I am trying to say. By providing a tax subsidy, a hidden subsidy, from the federal tax break that we provide on these tax exempt bonds, you encourage projects that really shouldn't be built in some cases that would not otherwise be reasonable and feasible, but because of the break they are and they go ahead and they use the tax exempt status and they build the project or they purchase the equipment or do whatever

they intend to do. The cost to the federal government is great. It is a great amount of tax dollars that are lost. The savings to the hospital is less than the tax loss to the federal government is. Beyond that, it does provide for less of a Medicare-Medicaid cost because of the lower financing cost but in the end the tax break we provide on the other hand is much greater than the savings in the Medicare-Medicaid expenses. So you lose on both counts. Ultimately the tax break that is up front with these hospital bonds is they are further subsidized through the reimbursement process that we have. So you pay coming and you pay going on this whole proposal. What I am saying to you is the congressional budget office has looked into the whole matter, they found serious problems. I requested a copy of the study it is on its way here, it hasn't come back yet. When I get that I will distribute the summary and further conclusions about it.

SENATOR LAMB: Your time is up Senator.

SENATOR WESELY: But let me just conclude with this. I think the research is there and it shows we shouldn't pursue this option and I would ask you please to object to the reconsideration motion.

SENATOR LAMB: Senator Newell.

SENATOR NEWELL: Mr. President, members of the Legislature, I rise and I know that we have a short amount of time and Don took a great deal of it, but I want to say that. . .

SENATOR LAMB: You have about four minutes Senator.

SENATOR NEWELL: I appreciated Don's remarks, but he did not talk about the bill. We can talk about hospital costs and we can talk about bonds and so forth and we can talk about the expansion of authority under this bill, but it does not, in fact, authorize new bonds. I hope somebody cares, obviously not. What it does is allows them to wrap around those hospitals which already have the use of tax exempt bonds, wrap them around to finance a larger financial package, they can pull them together, it is easier and cheaper for the bond houses and it is better for the individual hospitals and it is only used for equipment. That is what the bill says. It does not authorize any new tax exempt status for the issuance of new bonds. These bonds would be issued anyways, it allows them to pull together for administrative purposes and therein is the cost savings. Now you can forget all of the other baloney that Don talked

about and this little letter that he passed around yesterday is totally inaccurate. It talks about capital construction. The bill never once says capital construction, doesn't include capital construction, it is for equipment only. So lets deal with the issue as it is in this bill, 952. It is a mechanism to assist hospitals that they can go together and pool the tax exempt resources as opposed to all of the other baloney things that Senator Wesely has said. Senator Cullan, you have the rest of your time.

SENATOR LAMB: Senator Cullan.

SENATOR CULLAN: Mr. President, I call the question.

SENATOR LAMB: I believe we will just continue, we only have another couple of minutes here and then we are going to call for the vote anyway, this is a strict 15 minute limit on this debate. I guess about seven minutes, but Senator Schmit is next.

SENATOR SCHMIT: Mr. President and members of the Legislature, yesterday was the day to discuss the red meat concept that Senator Newell is referring too, baloney, we had 953 yesterday, I think there is a little bit of baloney involved here and it might not all be from Senator Wesely. First of all there is strong evidence that the use of tax exempt bonds for hospital construction increases the cost of health care. It has been an established fact, it has been known for a number of years that it is acutally counter productive. I think I want to call your attention to the proposal right here in this city. There may be available at this time a 15% tax exempt bond. Now someone who is in a 50% tax bracket that is a 30% return on your money. When you capitalize that into the cost of construction, you can tell what it is going to do to health care costs. Strange as it may seem, we would have a lower cost of health care if we were to put the hospitals on a profit sharing basis and a tax paying basis and let them earn a profit and pay taxes. But to allow the use of a tax exempt bond for any facility, regardless of the need, etc. and so forth is not conducive to holding down health care costs. Now Senator Newell has a particular problem that he is trying to address here but the facts are this. It extends the use of the bond, the tax exempt bond financing, for the construction of hospitals. We do not need it. I think it is wrong. It is counterproductive and it is one of those things that is eventually going to be phased out by the federal government if we are going to hold down health costs. It is just one more thing. It is just like the, and I probably shouldn't even touch upon this, but it is like the non-taxable premiums we pay for health care. We would be better off if we paid

taxes on those dollars and bought our own health care, we buy a lower cost health care and we would have lower cost health care provided throughout the United States. I am against the proposal. I think it is a step in the wrong direction and we should not bring the bill back.

SENATOR LAMB: Senator Sieck.

SENATOR SIECK: I'll call the question.

SENATOR LAMB: The question has been called for. Do I see five seconds? I haven't seen five seconds at this point. I do see it now. Those in support of ceasing debate vote aye, those opposed vote no. Have you all voted? Have you all voted on ceasing debate?

CLERK: Senator Lamb voting aye.

SENATOR LAMB: Record.

CLERK: 26 ayes, 7 nays, Mr. President to cease debate.

SENATOR LAMB: Debate has ceased. Senator Beyer, do you wish to close? Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, if I could have your attention for just a second. Senator Schmit and Senator Wesely talked about capital construction and that is nice. But the bill doesn't talk about capital construction. The bill talks about equipment. What the bill does is allows hospitals to save money to provide equipment cheaper so that they can buy the CAT Scanners, so they can buy the things that we need, X-Ray equipment and the other diagnostic equipment that we need and that we are going to purchase anyway cheaper so we can do better patient care, less expensive. That is what the bill is all about. That is all that it is all about. Senator Wesely relies on this study from the Department of. . . from the congressional budget office or whatever about capital construction. That is nice. But, it doesn't have anything to do with LB 952. The other point that I would make is that I'm not sure I would place a great deal of trust in that study anyway. It is probably the same budget office that thought Certificate of Need was such a great thing to force on the states. If any of you pay attention to what happened recently on Certificate of Need you will have learned that no matter what savings may have been claimed previously they have all been wiped out by the last expense that has been mandated and that is a 33.5 million dollar increase in the cost of the



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Bryan Project the direct result of that burden. So all I am saying is this: I think it is time to support Senator Newell's bill. I think it is time for us to be a little bit consistent and work in the direction of controlling health care cost by giving them the tools to purchase what they need less expensively. That is all the bill is about. I think we should support Senator Newell in his attempt to revive the bill.

SENATOR LAMB: The motion is to reconsider our action. It takes 30 votes. Those in support vote aye, those opposed vote no.

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Senator Cullan.

SENATOR CULLAN: Mr. President, could we have a Call of the House and a roll call vote.

SENATOR LAMB: A Call of the House has been requested. Those in support vote yes, those opposed vote no. Record.

CLERK: 11 ayes, 1 nay, to go under Call, Mr. President.

SENATOR LAMB: The House is under Call. All Legislators please return to your seats, record your presence, all unauthorized personnel please leave the floor. At this time we would like to recognize twenty senior students from Nemaha Valley from Senator Carsten's district, Randy Smith sponsor in the north balcony. Would you please rise and be recognized and welcome to your Legislature. Have you all recorded your presence? We also this morning have 25 students from the Oak Dale School in Omaha. Senator Koch says West Side, from Senator Koch and Senator Wiitala's district, Betty Jantz teacher in the north balcony. Please rise and be recognized and welcome to your Legislature. Please proceed with the roll call.

CLERK: Roll call vote taken. 29 ayes, 15 nays, 2 present and not voting, 3 excused and not voting. Vote appears on page 1562 of the Legislative Journal.

SENATOR LAMB: Motion fails. Do you have material to read in Mr. Clerk?

CLERK: Yes sir I do. Mr. President, a new study resolution offered by Senator Clark. Read LR 291. Mr. President, that will be referred to the Executive Board.

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LB 408, 602A, 611, 761, 952

CLERK: Yes, very quickly, Mr. President, I have a motion from Senator Newell regarding LB 952 to be printed in the Journal, Mr. President.

Your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 408 and recommend that same be placed on Select File; 611 Select File and 602A Select File.

Mr. President, a new A bill, 768A, offered by Senators Higgins, Labedz, DeCamp and Rumery. (Read. See page 1570 of the Journal.)

Mr. President, the next motion I have on LB 761 is a motion by Senator Koch and Nichol but I understand you want to withdraw that. Alright, Mr. President, the next motion is the one by Senator Richard Peterson and that is on page 1505 of the Legislative Journal.

SENATOR NICHOL: Senator Richard Peterson.

SENATOR R. PETERSON: Mr. Speaker and colleagues, I guess why I am offering these three amendments is because of the last month when I went home, I have discussed many issues and some of them have been these agencies and the figures, how they have grown over the last number of years. And the story I get, about 100%, is, "My God, eliminate them or cut them down." So out of some of the agencies I am going to ask your consideration of the first amendment which I have to cut the Mexican-American Commission. All three of these amendments are directed to the economic situation in the State of Nebraska in 1982. There is no doubt in anyone's mind that there is a slumping economy in Nebraska which for agriculture may be comparable to the 1930s. We are looking at a shortfall for the state of fifty, who knows, maybe sixty million dollars. We are faced with a sharply reduced state budget. This is reality and none of us can live in a dream world at budget time. There was a public demand in the last election for less spending and less taxes and our economic situation in Nebraska reinforces that public demand. My amendments do not take money from the poor, the suffering, the senior citizens. They do not reduce the level of essential government services. My amendments are a part of a reappraisal of the need for some of our state's commissions and boards and their increasing budget requests. These amendments take into consideration the record unemployment in Nebraska and the real hardships faced by many, many Nebraska citizens and taxpayers. If we are going to have to raise the state individual income tax rate, the corporate tax, the cigarette tax in an effort to meet the state economic crisis then some of these other functions will have to be reduced.

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I would urge you to vote for this reconsideration motion. I would urge you to vote for the \$10 increase. It absolutely is not excessive. You all know...you all know how expensive it is to raise a family and not all mothers can work, not all mothers are working. Like I said, I don't know what my family would have done if my mother hadn't been working at the time, and it was tough even with mom working. But I would urge you to vote for the reconsideration of LB 115 and I would request the Chair to have all senators please check in and roll call vote.

SENATOR CLARK: Call of the House has been requested. All those in favor of a Call of the House will vote aye, opposed vote nay. Record the vote.

CLERK: 14 ayes, 0 nays, Mr. President, to go under Call.

SENATOR CLARK: The House is under Call. All senators will return to their seats. All unauthorized personnel will leave the floor and everyone will check in, please. Senator Higgins, will you check in, please? Senator Chambers, will you check in, please? We have three excused. Senator Marsh. Senator DeCamp is in now. All right, they are all here. We must have it quiet so the Clerk can hear your response, please. The Clerk will call the roll.

CLERK: (Read the roll call vote as found on page 2011 of the Legislative Journal.) 28 ayes, 17 nays, Mr. President.

SENATOR CLARK: The motion lost. The next motion, 590.

CLERK: Mr. President, Senator Beutler would move to reconsider the Final Reading vote on LB 590.

SENATOR CLARK: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, I would withdraw that.

SENATOR CLARK: It is withdrawn. The next motion is on 952.

CLERK: Mr. President, Senator Newell would move to suspend Rule 7, Section 7, to reconsider the Final Reading vote of LB 952.

SENATOR CLARK: Senator Newell.

SENATOR NEWELL: I have got mixed emotions today. LB 952 is a hospital bond act. It does not authorize anything new. It has been basically misunderstood. It allows for administrative consolidation of hospital authorities so that they

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can buy equipment. " is mostly an administrative consolidation proposal. I would urge the body to reconsider its action.

SENATOR CLARK: Senator Wesely.

SENATOR WESELY: Mr. President and members of the Legislature, this is the third time we have considered LB 952 on reconsideration. You have upheld its defeat every time before. I would ask you to do that again. There is a handout from the Congressional Budget Office on Health Planning. It is just for reauthorization and one of the things they think would be one of the best things the nation could do would be to eliminate tax exempt bonds for private hospital construction. This doesn't deal with construction, it deals with equipment. I understand that. But the concept is fairly similar and just on the principle I would oppose LB 952.

SENATOR CLARK: Senator Beutler. Senator DeCamp. All right, you don't have to do that. Senator Newell, do you wish to close? No closing. The question before the House is the suspension of the rules to reconsider 952. All those in favor vote aye, opposed vote nay. It takes 30 votes.

CLERK: Senator Clark voting no.

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

CLERK: 24 ayes, 17 nays, Mr. President, on the motion to suspend the rules.

SENATOR CLARK: The motion lost. The next motion is to override the Governor's veto.

CLERK: Mr. President, the first motion I have with respect to vetoes is a motion from Senator Warner. Is this an Appropriations Committee motion, Senator? An Appropriations Committee motion to override the Governor's line item reduction in LB 761. The motion would read as follows: (Read motion as found on page 2112 of the Legislative Journal.)

SENATOR CLARK: Senator Warner.

SENATOR WARNER: Mr. President and members of the Legislature, pursuant to Rule 6, Section 14, which requires the Appropriations Committee to make a report relative to the Governor's action on the general appropriation bills,