

CLERK; Mr. President, I have some material to read in. I have a proposed rules change offered from Senator Newell. That will be referred to the Rules Committee for their consideration.

Mr. President, I have an Attorney General's opinion addressed to Senator Chambers regarding the Model Code of Professional Responsibility of the ABA.

Mr. President, study resolutions. Mr. President, LR 143 calls for a study, it is offered by Senator Pirsch, it calls for a study of crimes being committed with the use of a handgun. LR 144 by Senator Goodrich calls for a study of the College of Engineering and Technology at the University of Nebraska, Omaha, including their programs, instructional methods, and staff. LR 145 by the Banking Committee calls for a study of the concepts relating to multibank holding companies. LR 146 offered by Senator Koch, (read). That will be laid over, Mr. President. LR 147, Mr. President, calls for a study, it is offered by Senators Labedz and Fitzgerald, it calls for a study of the adequacy and practical accessibility of procedures in Chapter 48, Article 6 (sic) for resolution of disputes between public employers and employees. LR 148 offered by Senator DeCamp calls for a study of the product liability laws. LR 149 by Senators Higgins, Labedz and DeCamp calls for a study and a comprehensive review of all Nebraska statutes providing for the bonding of persons, professions, trades, corporations, businesses, associations engaged in commerce. LR 150 by Senator Wesely. The purpose of the study is to consider the feasibility of a Constitutional Amendment to abolish the office of State Treasurer and place the Auditor's Office under the control of the Legislature and determine the framework for the Auditor's Office. LR 151 by Senator Wesely. The purpose of the study is to examine motor vehicle registration and taxation statutes. LR 152 by Senator Haberman. The purpose of the study is that of law enforcement problems in small cities and villages in Nebraska. LR 153 by Senator Beutler, the purpose being to allow for early advancement of qualified high school students to Higher Education. 154 offered by Senator Fowler. The purpose of the study is the considering the feasibility of returning the statute of William Jennings Bryan currently located at the former Bryan home to a site on the grounds of the Nebraska State Capitol. LR 155 offered by the Agriculture and Environment Committee calls for a study of the review of all matters leading to and possibly supporting the introduction in the next legislative session authorizing the state to enter into a compact with states for purpose of facilitating development and operation of a proper low level

CLERK: Mr. President, LR 146 offered by Senator Koch found on page 1854 of the Journal. (Read.)

SENATOR CLARK: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. This resolution that was introduced as LR 56 and you have on your desk a letter that was sent out by the Tax Commissioner as it relates to assessment procedures of the county assessors and I wish you would take time to read that because when I read that Lancaster and others had met the intent of the law of seventy-eight as advanced by this body that there should be a review of the assessments of each county and then I saw where less than fifty percent of them were doing it I was, needless to say, angered and completely frustrated because this body has been trying to bring about an equity of assessments since I have been here and long before that. Then there is a letter that comes out from the Department of Revenue which tells them that they should follow certain procedures and I quote from Paragraph 4, "The county assessor should then calculate the percent of adjustment needed by class so that the values of the two classes set out in Paragraph 3 above will not increase nor decrease from the previous year's value. This will preserve the intercounty equalization that was determined by the State Board of Equalization and Assessment last year between the counties." Now that is a pretty simple way of keeping some equalization among the counties but I submit to you that is not equitable in terms of inside the county and you also know that I have been trying to get the computer assisted system of assessment procedures since I have been here. That is seven years now. The most recent bill was LB 88. The county assessors have always told me that that wasn't necessary, that they could do it the way they wanted to and would take care of it, but you also note in the news article of that day that many assessors said they didn't have the staff to get it done. They just could not get it done, and not only that, but they didn't have the money. Now I think that is rather hypocritical on their part because if they would have computer assisted assessment procedures they would be able to do this job every year with a minimum of effort. So that is the reason I brought this to your attention and I am frustrated to the point that when we say here legislatively by law, "You shall do these things", and then we find out they are ignoring it and in some cases I am not too sure how the Revenue Department advised them, then I think it is time this Legislature takes a serious look at what is happening out there, and the most recent example, and I will use state

aid because you are all familiar with it. When Lancaster County noted that they were going to increase their values by twenty percent, the School District of Lincoln was going to lose a \$1,500,000 in state aid. The reason for that is the qualifying mill levy of that school system plus several others in this county would bring in considerably more dollars. As a result, the end result is less state aid because the county assessor was doing what they are supposed to do and so they were going to get penalized. Now the other counties that did do something, it will happen to them as well and so that is when you run into a fallacy. If you don't reappraise, you get more in state aid. Those who do get less. So, therefore, some counties are being overpaid in terms of state aid to public schools, others are being underpaid. And so I think it is important that you take a serious look at this because if this is the game we are going to play, then I think they are flying right in the face of the Legislature and particularly the most recent law of 1978 which was very specific and said, "You shall do it every two years", "You shall do it every two years", and those people said, "We can do it". Now we get here, this is 1981 coming to an end and there are only half of the counties who have tried and yet in reality when you look at it, they really haven't done much at all. They merely went through, looked at the parcels, put them all together and made sure they weren't going to come out with a higher figure. The form there is even provided, if you take a look at that handout, the illustrations. It shows you exactly how they were supposed to go through it in terms of urban improvements and other kinds of improvements. So I suggest to you I think this is exactly flaunting the Legislature and, frankly, I am getting a little sick of it.

SENATOR CLARK: Senator Kahle.

SENATOR KAHLE: Well, Mr. President, I know that this has been an issue with Senator Koch as long as I have been in the Legislature and we have argued about whether the counties were going to get the job done or not over the years, and I think about three years ago the last day of the Legislature we had the same issue up I think three times whether we should go to computers or not and I guess I found out through the process that from being on a county board before that we had made a desperate effort to get our appraisal done and many other counties in my particular part of the state had made that effort. And we found out that it wasn't out there at all that the problem was existing, it was right here in Lincoln and Douglas County and Lancaster County and, of course, it was a political thing that year because they were supposed to get it done but didn't. And the

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Governor then, Jim Exon, and the Tax Commissioner didn't push because of the political thing in my estimation. So I guess just to finish my argument on this, as long, as long, and I quote, as we have the seven percent lid at the county level, you are not going to be...you can't expect those county assessors to get the job done. The assessor maybe is as willing as can be, as willing as water, but when he goes to the county board with his budget for the year to hire the help to do the job, they are not going to okay it. They don't know where to find the money and I think that is part of the problem. There are, of course, some who drag their feet. There always have been and there always will be but I think perhaps this resolution is kind of worthless. Thank you.

SENATOR CLARK: Senator Nichol.

SENATOR NICHOL: Mr. Chairman, I would just ask Senator Koch this. I don't know if you need to respond to what I say your resolution says is that those assessors who have accomplished their reappraisals, we send them a letter or something saying you have been a good little boy or girl, and those who haven't, we send them a letter saying you have been a bad boy or girl but I don't see any penalties or anything in your resolution. I just assume you are going to say, "Good job, buddy!", or "No good job, buddy!", is that right? Okay, thank you.

SENATOR CLARK: Senator Koch, do you wish to close?

SENATOR KOCH: Thank you, Mr. Chairman. In reply to Senator Kahle, I know that there are assessors out there very serious that try to do their jobs and the county commissioners are the ones that give them the money to do it but the county commissioners ought to also be aware of the fact that it is a law. The assessor must comply so the money has to be appropriated to whatever degree is necessary to carry out the intent of the law. To Senator Nichol I would say it is too bad we don't have a penalty in the law, and possibly then a few more people at that level would get a little more serious about that job. And for those of you who lose money in general aid to your public schools simply because there are some not doing their job, or doing their job and others not doing it, that is not in the best interest of other subdivisions of your counties either. So I think that the resolution is here for one purpose and that is to bring notice to the county assessors, to the county commissioners that we are going to watch, that if this continues, we will have to possibly do something more stringent to make

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certain that they do carry out their mission and I submit to you I don't think it was in good taste for the Tax Commissioner to put out that kind of a letter because he encouraged almost inaction in each of the counties and here is a high person appointed to that position who is supposed to carry out the law as well. Now that is not very good practice in my mind because all of us elected are supposed to live under certain laws whether we like them or not. That is the purpose of the resolution. I ask for the adoption of it.

SENATOR CLARK: The question before the House is the adoption of the resolution. All those in favor vote aye, all those opposed vote nay. Voting no.

CLERK: Senator Clark voting no.

SENATOR CLARK: Have you all voted? Senator Koch. Senator Koch.

SENATOR KOCH: Mr. Chairman, I think this is important enough that I would like to have a record vote, and if necessary a Call of the House, but I do want a record vote because I want to see how people stand on whether or not we should enforce laws or not at any level of government.

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

CLERK: 9 ayes, 1 nay to go under Call, Mr. President.

SENATOR CLARK: The House is under Call. All legislators will return to their seats and check in please. Before we take any vote, we will tell you what we are voting on for those who have just come in. Will all those that are sitting in their seats please check in? Senator Hoagland and Senator Beutler, Senator DeCamp, Senator Cullan and Senator Haberman, Senator Landis, Senator Chambers, Senator Marsh, Senator Marvel, Senator Fitzgerald, Senator Dworak. The Clerk will tell you what we are voting on. He will take call in votes.

CLERK: Mr. President, we are voting on the adoption of LR 146. Senator Sieck voting aye. Senator Marsh voting aye. Senator Fitzgerald voting aye. Senator Cope voting yes.

SENATOR CLARK: Report the vote.

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CLERK: 26 ayes, 8 nays...you want a record vote, Senator, is that right?

SENATOR KOCH: I want a roll call vote.

SENATOR CLARK: A roll call has been asked for. Call the roll.

CLERK: (Roll call vote taken. See pages 2378 and 2379, Legislative Journal.) 28 ayes, 8 nays, Mr. President, on adoption of the resolution.

SENATOR CLARK: The resolution is adopted. We will now go to the Rules. If Senator Wesely gets off the telephone, we will take up the Rules. The Call is raised. The Clerk will read the first rule change.

CLERK: Senator, which one would you prefer to do first?

SENATOR WESELY: Why don't we go with the Warner rule change concerning fiscal notes and A bills. That is found on page 298 and 299 of the Journal.

CLERK: Mr. President, Senator Warner offers proposed rules change found on pages 298 and 299 and 300 of the Journal. The proposal was referred to the Rules Committee. It was advanced to the membership for their consideration.

SENATOR CLARK: Senator Wesely.

SENATOR WESELY: Yes. Mr. President and members of the Legislature, this rule change is one-half of a combination proposed rule change from Senator Warner. The other half is a very...oh, I guess elaborate change in our appropriations process that it was felt perhaps we ought to wait to discuss it until next year, so we split the rule change proposals into two distinct proposals and this is the other half which deals with the question of fiscal notes and A bills. Now I have passed out on your desk, and each of you should have a copy of a summary of that rule change, again if you want to look at the specifics, it's on page 298 and 299 of the Journal. However, I can just tell you quite briefly the highlights of that rule change and I would be happy then at that point to answer any further questions, or I am sure Senator Warner would be as well. First off, what we try and do is recognize that on fiscal notes we have a situation where presently fiscal notes are not required if the fiscal impact is below \$5,000. We strike that figure and say, if there is any fiscal impact

LR 146, 180, 188, 189,
191, 194-196

LB 111, 118, 138, 213, 216,
320, 472, 506, 506A, 512,
523, 551, 556, 556A

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PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Prayer this morning by the Reverend John Schmeltzer, Associate Pastor of First Plymouth Congregational Church here in Lincoln.

REVEREND SCHMELTZER: Prayer offered.

PRESIDENT: Roll call. Record the presence, Mr. Clerk.

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

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

CLERK: One little one, Mr. President, on page 2378, insert the contents of LR 194.

PRESIDENT: All right, the Journal will stand published as corrected. Any messages, reports or announcements?

CLERK: Mr. President, I have a series of items. Mr. President, I have several communications from the Governor addressed to the Clerk. (Read. Re.: LB 320, 472, 111, 118, 213, 216, 512, 523, 551, 553, 554, 556, 556A, LB 138, LB 506. See pages 2383-2384.)

Mr. President, I have a veto message from the Governor. (Read. Re.: LB 506A. See page 2385 of the Journal.)

Mr. President, I have an Attorney General's opinion addressed to Senator Beutler regarding LB 321; an opinion addressed to Senator Hoagland on LB 213. See pages 2385-2387 of the Journal.)

Mr. President, new resolutions, LR 195 by Senator Koch. (Read. See page 2387-2388.) And Mr. President, LR 196 offered by Senators Wesely, Hoagland, Fowler and Beutler. (Read. See pages 2388-2389.) Mr. President, finally LRs 146, 180, 188, 189, 191 and 194 are all ready for your signature.

PRESIDENT: While the Legislature is in session and capable of transacting business, I propose to sign and I do sign LR 146, LR 180, LR 188, LR 189, LR 191, LR 194. Anything further, Mr. Clerk?

CLERK: I have nothing further, Mr. President.

PRESIDENT: We will proceed then with agenda item #4, Final Reading on this final day of the 87th Legislature, first session. The Sergeant at Arms will secure the Chamber.