

May 28, 1981

LR 191, 194

we probably need an Attorney General's Opinion on that if they could do that in place of the Legislature because they are the Legislature when we are not in session.

SENATOR NEWELL: Okay. Well, I just wanted some sort of clarification of that and that's all. I don't know if it's all that important.

SENATOR MARESH: Okay. Thank you.

SENATOR CLARK: Is there further discussion? If not, the question before the House is the adoption of LR 191. All those in favor vote aye. All those opposed vote nay.

CLERK: Senator Clark voting yes.

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

CLERK: 27 ayes, 3 nays, Mr. President, on adoption of the resolution.

SENATOR CLARK: The resolution is adopted. The Clerk has a resolution on the desk.

CLERK: Mr. President, first of all there is a new resolution, LR 194, offered by Senators Clark and Marvel. (Read LR 194.) Mr. President, in order to consider that resolution today, we will need to suspend Rule 4, Section 6.

SENATOR CLARK: The motion before the House is the suspension of the rules. Is it Section 4....or Rule 4, Section 6?

CLERK: Yes, sir.

SENATOR CLARK: Rule 4, Section 6. All those in favor of suspending the rules vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: We are voting on the suspension of the rules. I think this is very important to all of you. Record the vote.

CLERK: 31 ayes, 0 nays, Mr. President, on the motion to suspend the rules.

SENATOR CLARK: The rules are suspended. Senator Marvel.

May 28, 1981

LR 194

SPEAKER MARVEL: Mr. Chairman and members of the Legislature, I would like to take a minute and read about three paragraphs which affect you financially if you have two residence as a legislator.

SENATOR CLARK: (Gavel)...I hope we have a little quiet, this affects all of you.

SPEAKER MARVEL: And the National Conference of State Legislatures, and some of you belong to special committees in that category, has sent out as of May 22nd the following letter: "Presently pending in the House Ways and Means Committee is legislation that would extend and make permanent a provision in the tax code that allows state legislators to deduct per diem expenses when filing federal income tax returns. Congress has enacted legislation in the past with a respect to per diem for state legislators on three different occasions with the most recent legislation expiring December 31st, 1980. The situation is at a point where time is of the essence. Every day which passes with no action on this legislation increases the likelihood that state legislators will be subjected to deficiency assessments by the IRS for income they have received in the past few years which has come to them in the form of per diem allowance. A bill sponsored by Representatives Matusui of California and Gibbons of Florida, HR 2605, not only makes this provision for state legislators permanent, but it also addresses the U. S. tax court decision which places a heavy burden for those who must maintain two residence during their legislative sessions. We believe this legislation must be acted on soon in order to avoid adverse impacts upon any state legislator. Accordingly, we urge you to contact your delegation in the U. S. House of Representatives requesting that they seek early action on this legislation. It is of critical importance to many of our colleagues and deserves prompt attention by the Congress." And at the bottom of the letter is an address and telephone number. And I assume that many of you are in the same category I am, and that is where you are required to have two residence, if an adverse IRS decision is made, then you are going to have to dig up additional money to pay for what has already been received. So, Mr. President, I make a motion that we adopt LR 194 and since this letter is in your office, I assume it is all right with you if legislators come and take a look at this. So I move the adoption of the resolution.

SENATOR CLARK: Senator Koch.

SENATOR KOCH: Mr. Speaker, I want to express my appreciation

May 28, 1981

LR 194

to you and Senator Clark for this very visionary resolution. I want you to know that I was a victim of this case in California. I had my 1978 income tax reviewed because of it. It cost me several thousands of dollars plus fines and interest, but the thing I was happiest about was that is not intentionally defrauding the government. My '79 tax return was also reviewed on the same issue. And so I think it is high time that the Congress puts into permanent law something that we can all depend upon in terms of what we are entitled to as opposed to always playing games based upon resolutions that are continued and the IRS challenges them. So I think this would be appropriate for all of us. And I was just wondering if any other of you had your income tax returns reviewed, or if mine just happened to pop up that year because I had a capital gain loss of several thousands of dollars and Uncle Sam paid me a little back once. Thank you.

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: Mr. President, I am going to support the resolution, however I would point out we are really not much of a beneficiary since we don't get any per diem, unfortunately. What we do get during the interim as members of the legislative council, not as members of the Legislature, by the way, is simply direct expense, you know, so many dollars for travel and specific reimbursement for a hotel room. So in a sense we are supporting the people in the other states and we haven't resolved our own problem during the session on per diem, or things like that. So I support the resolution, but it also highlights that everybody gets what we don't.

SENATOR CLARK: Going to have to tell you, Senator DeCamp, this is per diem you can take off your income tax, and that all of us have been taking off, and consequently, what would happen, you would have to pay it back. Senator Kahle. If there is no other discussion, the question before the House is the adoption of this amendment. All those in favor vote aye. All those opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted? I want to give you all a chance to vote. Record the vote.

CLERK: 38 ayes, 0 nays, Mr. President, on adoption of the resolution.

SENATOR CLARK: The resolution is adopted. We are now going to take up resolution 146.

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

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

May 29, 1981

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.