

**FORTY-EIGHTH DAY - MARCH 19, 2007****LEGISLATIVE JOURNAL****ONE HUNDREDTH LEGISLATURE  
FIRST SESSION****FORTY-EIGHTH DAY**

Legislative Chamber, Lincoln, Nebraska  
Monday, March 19, 2007

**PRAYER**

The prayer was offered by Senator Pirsch.

**ROLL CALL**

Pursuant to adjournment, the Legislature met at 9:00 a.m., President Sheehy presiding.

The roll was called and all members were present except Senator Loudon who was excused; and Senators Cornett and Engel who were excused until they arrive.

**CORRECTIONS FOR THE JOURNAL**

The Journal for the forty-seventh day was approved.

**COMMITTEE REPORTS  
Enrollment and Review****Correctly Engrossed**

The following bills were correctly engrossed: LBs 12, 12A, 192, 286, and 568.

ST9019

Enrollment and Review Change to LB 192

The following changes, required to be reported for publication in the Journal, have been made:

1. In the Harms amendment, AM701, on page 2, line 5, "mandatory" has been inserted before "fees"; and in line 14 "the second" has been inserted after "strike".

ST9017

## Enrollment and Review Change to LB 568

The following changes, required to be reported for publication in the Journal, have been made:

1. On page 1, line 1, "81-1534, Reissue Revised Statutes of Nebraska, and section" has been inserted after "section"; in line 3 "to provide for followup surveys under the Nebraska Litter Reduction and Recycling Act; to harmonize provisions;" has been inserted after the semicolon; and in line 4 "section" has been struck and "sections" inserted.

(Signed) Amanda McGill, Chairperson

**COMMITTEE REPORTS**  
**Health and Human Services**

**LEGISLATIVE RESOLUTION 39.** Reported to the Legislature for further consideration with the following amendment:

AM757

- 1 1. Strike the original resolution and insert:
- 2 WHEREAS, the Legislature regards access to mental health
- 3 and substance abuse treatment to be of paramount importance to the
- 4 citizens of our state; and
- 5 WHEREAS, President George W. Bush's proposed budget
- 6 for the United States Government, Fiscal Year 2008 includes
- 7 significantly decreased appropriations to a number of programs
- 8 that are critical in providing services to citizens with mental
- 9 illness and substance abuse disorders; and
- 10 WHEREAS, the Legislature finds that individuals
- 11 experiencing problems associated with mental health and substance
- 12 abuse are having difficulty accessing appropriate services in a
- 13 timely manner. This is evidenced by extensive wait lists for
- 14 individuals requiring mental health and substance abuse services
- 15 in the community. Currently, over one thousand people are on wait
- 16 lists for such services in Nebraska; and
- 17 WHEREAS, the Legislature finds that delays in accessing
- 18 mental health and substance abuse services can exacerbate
- 19 conditions for those consumers needing such professional
- 20 intervention. Wait lists and access delays demonstrate an
- 21 inadequate capacity for behavioral treatment services in Nebraska
- 22 to sufficiently and timely meet consumer need in both rural and
- 23 urban settings; and
- 1 WHEREAS, the Legislature finds that insurance companies
- 2 are increasingly limiting their liability for claims for mental
- 3 health and substance abuse services. The diminishing availability
- 4 for mental health and substance abuse treatment resources for the
- 5 insured population has impacted public resources. An increasing
- 6 number of consumers are forced to access the public behavioral
- 7 health system to meet mental health and substance abuse needs; and

8 WHEREAS, the Legislature considers federal funding for  
 9 mental health and substance abuse treatment to be critical in  
 10 providing an appropriate level of access to proper treatment for  
 11 citizens; and

12 WHEREAS, the Legislature finds that a decrease in federal  
 13 funding for mental health and substance abuse treatment will  
 14 provide substantive harm to a vulnerable population and will  
 15 negatively impact the quality of life for our citizens.

16 NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE  
 17 HUNDREDTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

18 1. That the Legislature urges the members of Nebraska's  
 19 congressional delegation to ensure that Congress fully fund mental  
 20 health and substance abuse treatment.

21 2. That the Legislature urges the Governor to use his  
 22 best efforts to work with the Nebraska congressional delegation to  
 23 ensure that this funding is restored.

24 3. That the Governor and each member of Nebraska's  
 25 congressional delegation receive a copy of this resolution.

(Signed) Joel Johnson, Chairperson

**Banking, Commerce and Insurance**

**LEGISLATIVE BILL 368.** Placed on General File - Com AM717.  
 AM717

1 1. On page 7, line 4, strike "A" and insert "(1) Except  
 2 as otherwise provided in this act, a"; and after line 11 insert the  
 3 following new subsection:

4 "(2)(a) Except as otherwise provided in subdivision (b)  
 5 of this subsection, a limited cooperative association shall not  
 6 issue bonds, debentures, or other evidence of indebtedness to a  
 7 participant unless, prior to issuance, the association provides the  
 8 participant with a written disclosure statement that includes a  
 9 conspicuous notice that the money is not insured or guaranteed by  
 10 an agency or instrumentality of the United States government and  
 11 that the investment may lose value.

12 (b) A limited cooperative association need not provide  
 13 the written disclosure statement described in subdivision (a) of  
 14 this subsection to any participant that is described in subdivision  
 15 (8) of section 8-1111.

16 (c) Any extension of credit by a limited cooperative  
 17 association to a participant in connection with the sale of the  
 18 association's goods or services shall not:

19 (i) Exceed nine months from the date of such sale; or

20 (ii) Be secured by real property, except that an  
 21 extension of credit in default at the end of the original term may  
 22 be extended or renewed for successive periods not exceeding nine  
 23 months in length and may be secured by real property at the end of  
 1 the original term or any extension or renewal thereof.

- 2 (d) No new money may be advanced by an association in  
 3 connection with the extension or renewal of an extension of credit  
 4 granted under subdivision (2)(c) of this section."  
 5 2. On page 34, line 15, strike "or governance rights";  
 6 and in line 17 after "rights" insert "in such association".

(Signed) Rich Pahls, Chairperson

### Revenue

**LEGISLATIVE BILL 575.** Placed on General File - Com AM750.  
 AM750

- 1 1. Insert the following new section:  
 2 Sec. 2. This act becomes operative on October 1, 2007.  
 3 2. Renumber the remaining section accordingly.

**LEGISLATIVE BILL 170.** Indefinitely postponed.  
**LEGISLATIVE BILL 604.** Indefinitely postponed.  
**LEGISLATIVE BILL 687.** Indefinitely postponed.  
**LEGISLATIVE BILL 688.** Indefinitely postponed.

(Signed) Ray Janssen, Chairperson

### MOTION - Approve Appointments

Senator Raikes moved the adoption of the Education Committee report for the confirmation of the following appointment(s) found on page 862:

Board of Trustees of the Nebraska State Colleges

Gary Bieganski  
 Floyd Vrtiska

Voting in the affirmative, 39:

Adams	Fischer	Janssen	McGill	Raikes
Aguilar	Friend	Johnson	Mines	Rogert
Avery	Gay	Karpisek	Nantkes	Schimek
Burling	Hansen	Kopplin	Nelson	Stuthman
Carlson	Harms	Kruse	Pahls	Wallman
Christensen	Heidemann	Langemeier	Pankonin	White
Dierks	Howard	Lathrop	Pedersen	Wightman
Erdman	Hudkins	McDonald	Pirsch	

Voting in the negative, 0.

Present and not voting, 7:

Ashford	Dubas	Fulton	Synowiecki
Chambers	Flood	Preister	

Excused and not voting, 3:

Cornett            Engel            Louden

The appointments were confirmed with 39 ayes, 0 nays, 7 present and not voting, and 3 excused and not voting.

**GENERAL FILE**

**LEGISLATIVE BILL 292A.** Title read. Considered.

Advanced to E & R for review with 40 ayes, 0 nays, 6 present and not voting, and 3 excused and not voting.

**COMMITTEE REPORTS**  
**Enrollment and Review**

**LEGISLATIVE BILL 292.** Placed on Select File - ER8050.  
ER8050

1     1. Strike the original sections and all amendments  
2     thereto and insert the following new sections:  
3     Section 1. Section 68-104, Revised Statutes Cumulative  
4     Supplement, 2006, is amended to read:  
5     68-104 The Department of Health and Human Services shall  
6     be the overseer of the poor and shall be vested with the entire and  
7     exclusive superintendence of the poor in this state, except that  
8     the county board of each county shall furnish such medical service  
9     as may be required for the poor of the county who are not eligible  
10    for other medical assistance programs and general assistance for  
11    the poor of the county. Any person who is or becomes ineligible for  
12    other medical assistance programs due to his or her own actions or  
13    inactions shall also be ineligible for medical services from the  
14    county.

15    The county board of each county shall administer the  
16    medical assistance provided pursuant to this section. A county  
17    board may enter into an agreement with the Department of Health  
18    and Human Services which allows the department to aid in the  
19    administration of such medical assistance program. In providing  
20    medical and hospital care for the poor, the county board shall make  
21    use of any existing facilities, including tax-supported hospitals  
22    and charitable clinics so far as the same may be available, and  
23    shall use the financial eligibility criteria established for the  
1     standard of need developed by the county pursuant to section  
2     68-126.

3     A county board may transfer funds designated for public  
4     assistance to the Department of Health and Human Services for  
5     purposes of payments to providers who serve eligible recipients of  
6     medical assistance or low-income uninsured persons and meet federal  
7     and state disproportionate-share payment requirements pursuant to

8 subdivision (2)(c) of section 68-910.

9 Sec. 2. Section 68-1803, Revised Statutes Cumulative  
10 Supplement, 2006, is amended to read:

11 68-1803 (1) Each intermediate care facility for the  
12 mentally retarded shall pay a tax equal to ~~six percent a percentage~~  
13 of its net revenue for the most recent State of Nebraska fiscal  
14 year. The percentage shall be (a) six percent prior to January  
15 1, 2008, (b) five and one-half percent beginning January 1, 2008,  
16 through September 30, 2011, and (c) six percent beginning October  
17 1, 2011.

18 (2) Taxes collected under this section shall be remitted  
19 to the State Treasurer for credit to the ICF/MR Reimbursement  
20 Protection Fund.

21 (3) Taxes collected pursuant to this section shall be  
22 reported on a separate line on the cost report of the intermediate  
23 care facility for the mentally retarded, regardless of how such  
24 costs are reported on any other cost report or income statement.  
25 The department shall recognize such tax as an allowable cost  
26 within the state plan for reimbursement of intermediate care  
27 facilities for the mentally retarded which participate in the  
1 medical assistance program. The tax shall be a direct pass-through  
2 and shall not be subject to cost limitations.

3 Sec. 3. Original sections 68-104 and 68-1803, Revised  
4 Statutes Cumulative Supplement, 2006, are repealed.

5 2. On page 1, strike beginning with "assistance" in line  
6 1 through line 5 and insert "health and welfare; to amend sections  
7 68-104 and 68-1803, Revised Statutes Cumulative Supplement, 2006;  
8 to authorize transfers of public assistance funds from counties to  
9 the state as prescribed; to change the rate of tax on intermediate  
10 care facilities for the mentally retarded; and to repeal the  
11 original sections."

**LEGISLATIVE BILL 389.** Placed on Select File.

**LEGISLATIVE BILL 304.** Placed on Select File - ER8048.  
ER8048

1 1. Strike the original sections and all amendments  
2 thereto and insert the following new sections:

3 Section 1. Section 77-6102, Revised Statutes Cumulative  
4 Supplement, 2006, is amended to read:

5 77-6102 For purposes of the Long-Term Care Savings Plan  
6 Act:

7 (1) Long-term care expense means the cost of long-term  
8 care in a long-term care facility and the cost of care provided in  
9 a person's home when the person receiving the care is unable to  
10 perform multiple basic life functions independently;

11 (2) Long-term care insurance premiums means premiums  
12 paid for a long-term care insurance policy issued pursuant to  
13 the Long-Term Care Insurance Act that offers coverage to the

14 individual, ~~or the individual's spouse, or another person for whom~~  
 15 the taxpayer has an insurable interest;

16 (3) Participant means an individual who has entered  
 17 into a participation agreement or established an account with  
 18 a financial institution with which the State Treasurer has an  
 19 agreement under subsection (1) of section 77-6103; and

20 (4) Qualified individual means (a) a person who ~~turned~~  
 21 ~~sixty five years of age or older during the taxable year who has~~  
 22 ~~a medical necessity for long term care during the taxable year;~~  
 23 ~~(b) a disabled person who has a medical necessity for long term~~  
 1 ~~care incurred long-term care expenses during the taxable year; or~~  
 2 ~~(c) or (b) a person who turned sixty two-fifty years of age or~~  
 3 ~~older during the taxable year who made payments for long-term care~~  
 4 ~~insurance premiums during the taxable year.~~

5 Sec. 2. Section 77-6105, Revised Statutes Cumulative  
 6 Supplement, 2006, is amended to read:

7 77-6105 A qualified individual as defined in subdivision  
 8 (4)(a) ~~or (b)~~ of section 77-6102 may make withdrawals as a  
 9 participant in the Nebraska long-term care savings plan to pay  
 10 or reimburse long-term care expenses. A qualified individual as  
 11 defined in subdivision ~~(4)(c)-(4)(b)~~ of section 77-6102 may make  
 12 withdrawals to pay or reimburse long-term care insurance premiums.  
 13 Any participant who is not a qualified individual or who makes  
 14 a withdrawal for any reason other than transfer of funds to a  
 15 spouse, long-term care expenses, long-term care insurance premiums,  
 16 or death of the participant shall be subject to a ten-percent  
 17 penalty on the amount withdrawn. The State Treasurer shall collect  
 18 the penalty.

19 Sec. 3. Original sections 77-6102 and 77-6105, Revised  
 20 Statutes Cumulative Supplement, 2006, are repealed.

21 2. On page 1, strike lines 2 through 4 and insert "to  
 22 amend sections 77-6102 and 77-6105, Revised Statutes Cumulative  
 23 Supplement, 2006; to redefine terms; to change provisions relating  
 24 to authorized withdrawals; to harmonize provisions; and to repeal  
 25 the original sections."

**LEGISLATIVE BILL 677.** Placed on Select File - ER8049.  
 ER8049

1 1. On page 1, line 3, after "inspection" insert  
 2 "requirements and"; and in line 4 strike "and" and after "section"  
 3 insert "; and to declare an emergency".

**LEGISLATIVE BILL 636.** Placed on Select File - ER8051.  
 (Amendment is printed separately and available in the Bill Room, Room  
 1104.)

(Signed) Amanda McGill, Chairperson

**GENERAL FILE**

**LEGISLATIVE BILL 476.** Title read. Considered.

Senator Flood renewed his motion, found on page 554, to bracket LB 476 to May 31, 2007.

**SENATOR LANGEMEIER PRESIDING**

**PRESIDENT SHEEHY PRESIDING**

Senator Flood withdrew his motion to bracket.

Pending.

**AMENDMENT - Print in Journal**

Senator Preister filed the following amendment to LB 585:  
AM747

- 1 1. On page 2, lines 13 and 21, strike "except" and insert
- 2 "including"; and in line 20 after "products" insert "except cigars,
- 3 cheroots, and stogies".

**COMMUNICATIONS**

March 14, 2007

Mr. Patrick O'Donnell  
Clerk of the Legislature  
Room 2018  
State Capitol Building  
Lincoln, Nebraska 68509

Dear Mr. O'Donnell:

Pursuant to the Provisions of Section 85-404, R.R.S. of Nebraska, 1943 Legislative approval is required for the following University of Nebraska projects:

**University of Nebraska at Omaha, Student Housing Project.** The University of Nebraska at Omaha proposes to finance, design, construct and manage new housing facilities for up to 400 students on the Dodge site in an area adjacent to University Village in apartment suite-style living configurations. Each suite will have a living space and a kitchen space, and will be designed for internal loading where residents access suites through a central hallway. This project will increase campus housing to a total of approximately 1,620 available student housing beds serving 11 percent of the current UNO student population. On average, peer institutions provide student housing for 13 percent of

their student population. The project is estimated to cost \$16,475,236.

**Request.** The University requests approval of this student housing project totaling \$16,475,236 to be financed from University of Nebraska at Omaha Student Facilities Revenue Bonds Series 2007.

**University of Nebraska at Omaha, Parking Structure Project.** The University of Nebraska at Omaha proposes to construct a multi-level parking structure with approximately 900 parking spaces at the southwest corner of the Dodge site. The structure will provide parking for the expansion of campus housing in this area and additional spaces to alleviate the parking deficit that already exists with University Village. The project is estimated to cost \$11,849,746.

**Request.** The University requests approval of this parking structure project totaling \$11,849,746 to be financed from University of Nebraska at Omaha Student Facilities Revenue Bonds Series 2007.

The Board of Regents authorized these expenditures at its January 19, 2007, meeting. The Nebraska Coordinating Commission for Postsecondary Education approved the expenditures on March 13, 2007. The CCPE Revenue Bond Project Evaluation Forms indicating approval of the projects are attached.

Thank you for your consideration of these projects.

Respectfully submitted,  
(Signed) Donal J. Burns  
Corporation Secretary

March 19, 2007

Senator Pat Engel  
Chairperson, Executive Board  
Room 2010  
State Capitol  
Lincoln, NE 68509

Dear Senator Engel,

Enclosed is correspondence from Donal J. Burns, Corporation Secretary for the Office of the President of the University of Nebraska and correspondence from the Coordinating Commission for Postsecondary Education. The correspondence relates to expenditure of bond funds for the following:

University of Nebraska at Omaha: Student Housing Project.

University of Nebraska at Omaha: Parking Structure Project.

I am forwarding this correspondence to you for Executive Board action.

Sincerely,  
 (Signed) Patrick J. O'Donnell  
 Clerk of the Legislature

PJO:ck

### **REFERENCE COMMITTEE REPORT**

The Legislative Council Executive Board referred the University of Nebraska's request to issue revenue bonds to the Appropriations Committee for further consideration.

(Signed) L. Patrick Engel, Chairperson  
 Legislative Council, Executive Board

### **NOTICE OF COMMITTEE HEARING**

**Education**  
 Room 1525

Monday, April 23, 2007

8:30 a.m.

Kenneth Bird - Nebraska Educational Telecommunications Commission  
 Mandy Johnson - Nebraska Educational Telecommunications Commission  
 Dennis Miller Jr. - Nebraska Educational Telecommunications Commission  
 Robert Moline - Nebraska Educational Telecommunications Commission  
 Clay Smith - Nebraska Educational Telecommunications Commission

(Signed) Ron Raikes, Chairperson

### **VISITORS**

Visitors to the Chamber were Roger Green from Scottsbluff; 21 students and teacher from Cedar Rapids; members of Friendship Force of Gold Coast Australia; and Laura Nevius and Simon Woodrup from Durham, North Carolina.

The Doctor of the Day was Dr. Roger Meyer from Utica.

### **ADJOURNMENT**

At 12:01 p.m., on a motion by Senator Hudkins, the Legislature adjourned until 9:00 a.m., Tuesday, March 20, 2007.

Patrick J. O'Donnell  
 Clerk of the Legislature