

SEVENTH DAY - JANUARY 11, 2007**LEGISLATIVE JOURNAL****ONE HUNDREDTH LEGISLATURE
FIRST SESSION****SEVENTH DAY**

Legislative Chamber, Lincoln, Nebraska
Thursday, January 11, 2007

PRAYER

The prayer was offered by Pastor David Evenson, Bethany Lutheran Church, Axtell.

ROLL CALL

Pursuant to adjournment, the Legislature met at 9:30 a.m., President Sheehy presiding.

The roll was called and all members were present except Senators Ashford and Schimek who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the sixth day was approved.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the following report:

LB/LR	Committee
LB 177	Revenue
LB 178	Health and Human Services
LB 179	Judiciary
LB 180	Judiciary
LB 181	General Affairs
LB 182	Transportation and Telecommunications
LB 183	Revenue
LB 184	Natural Resources
LB 185	Health and Human Services
LB 186	Banking, Commerce and Insurance
LB 187	Government, Military and Veterans Affairs
LB 188	Banking, Commerce and Insurance
LB 189	Banking, Commerce and Insurance
LB 190	Banking, Commerce and Insurance
LB 191	Banking, Commerce and Insurance

LB 192	Education
LB 193	Education
LB 194	Health and Human Services
LB 195	Government, Military and Veterans Affairs
LB 196	Government, Military and Veterans Affairs
LB 197	Judiciary
LB 198	Government, Military and Veterans Affairs
LB 199	Government, Military and Veterans Affairs
LB 200	Agriculture
LB 201	Judiciary
LB 202	Natural Resources
LB 203	Health and Human Services
LB 204	Business and Labor
LB 205	Education
LB 206	Urban Affairs
LB 207	Urban Affairs
LB 208	Government, Military and Veterans Affairs
LB 209	Business and Labor
LB 210	Business and Labor
LB 211	Judiciary
LB 212	Government, Military and Veterans Affairs
LB 213	Judiciary
LB 214	Judiciary
LB 215	Judiciary
LB 216	Judiciary
LB 217	Judiciary
LB 218	Judiciary
LB 219	Education
LB 220	Judiciary
LB 221	Judiciary
LB 222	Business and Labor
LB 223	Revenue
LB 225	Judiciary
LB 226	Business and Labor
LB 227	Judiciary
LB 228	Judiciary
LB 229	Appropriations
LB 230	Education
LB 231	Education
LB 232	Government, Military and Veterans Affairs
LB 233	Government, Military and Veterans Affairs
LB 234	Education
LB 235	Revenue
LR 6CA	Urban Affairs

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

PROPOSED RULES CHANGES

The Rules Committee offered the following proposed rules changes:

1. The Hudkins proposed rules change, found on pages 19 and 20, to Rule 4, Sec. 3.
2. The Schimek proposed rules change, found on page 83, to Rule 3, Sec. 4(e).

REPORT OF THE EXECUTIVE BOARD

Senator Engel, Chairperson of the Executive Board, reported the appointments of the following members of the Legislature to the following special committees:

Building Maintenance - Kopplin (C)
 Janssen Lathrop Louden Fulton
 Heidemann

Education Commission of the States
 Dubas Raikes Harms

Midwestern Higher Education Commission (Midwest Compact)
 Adams Raikes

Legislative Performance Audit
 Schimek Preister Engel Stuthman
 McDonald Heidemann Flood

Midwest Interstate Passenger Rail Compact
 Cornett Stuthman

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

**2006 INTERIM REPORT
 ON THE DISPOSITION OF
 INTERIM STUDY RESOLUTIONS**

Agriculture

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
319	Interim study to examine the requirements necessary to implement state mandatory livestock price reporting in the event Congress fails to reauthorize federal mandatory price reporting			X
320	Interim study to review the	X		

	benefits and criticisms of the livestock friendly county program			
329	Interim study to examine statutes regarding the movement and transfer of cattle into and out of a brand commission area		X	
350	Interim study to examine a requirement for significant purchasers of grain who are not required by law to be licensed or bonded to disclose that fact to grain sellers on scale tickets or contracts			X
351	Interim study to examine transferring the operations of the Grain Warehouse Division of the Public Service Commission to the Dept. of Agriculture or another appropriate division for administration			X
371	Interim study of issues relating to winemaking		X	
397	Interim study to examine issues relating to organic food production		X	
415	Interim study to examine issues associated with implementation of an animal identification program	X		

Banking, Commerce and Insurance

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
307	Interim study to examine whether insurance laws should be amended in order to allow insurance producers to charge fees for services		X	
333	Interim study to determine whether Nebraska should enact the Uniform Debt-Management Services Act		X	
334	Interim study to continue examining issues relating to the Uniform Trust Code		X	
364	Interim study to examine automobile insurance rates which are based on the occupation of the			X

	insurance applicant			
387	Interim study to determine whether Nebraska should enact the Uniform Real Property Electronic Recording Act			X
388	Interim study to determine whether Nebraska should enact the Uniform Residential Mortgage Satisfaction Act			X

Business and Labor

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
303	Interim study to examine issues relating to the salary structure of the Commission of Industrial Relations		X	
347	Interim study to examine requiring Nebraska contractors to register with the Department of Labor and provide a surety bond		X	
367	Interim study to examine the Workplace Safety Consultation Program			X
432	Interim study to determine whether providers of medical services should have standing in the workers' compensation court		X	
433	Interim study to examine overpayments made under the Employment Security Law		X	
434	Interim study to examine specific issues under the Nebraska Workers' Compensation Act			X
435	Interim study of the State Tort Claims Act and the State Miscellaneous Claims Act		X	
436	Interim study to examine issues relating to permitting out of state employees to collect Nebraska workers' compensation benefits		X	

Education

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
308	Interim study to examine the			X

	funding mechanisms of Nebraska's two tribally-controlled community colleges			
336	Interim study of educational service units	X		
345	Interim study to review community college funding statutes			X
378	Interim study to examine issues within the jurisdiction of the Education Committee			X
395	Interim study to examine school district boundary issues, adequacy of financial resources, racial diversity, and other issues in the Douglas County metropolitan area			X
414	Interim study to review the status of public higher education			X

Executive Board

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
413	Interim study to examine creation of lump-sum staff salary budgets for state senators		X*	

*Report may be issued later

General Affairs

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
353	Interim study of cemetery statutes			X
371	Interim study of issues relating to winemaking		X	
344	Interim study to examine matters relating to the licensing and regulating of electronic systems technicians	X		
352	Interim study to examine issues relevant to the Nebraska Liquor Control Act and whether additional license categories, such as a bed and breakfast category are needed		X	
354	Interim study of the process of		X	

	micro-distillation and to determine the necessity for legislation			
382	Interim study to evaluate implementation of a new rule regarding acceptable forms of payment between retail licensees and wholesale licensees for purchases of alcoholic beverages			X
349	Interim study to examine issues relating to the governance of municipal libraries especially those in cities of the second class and villages			X

Government, Military and Veterans Affairs

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
318	Interim study to review the threat of voter fraud in Nebraska		X	
327	Interim study to examine the utilization by municipalities or counties of Transfer of Development Rights programs		X	
328	Interim study to examine procedures for inspection of public park buildings		X	
362	Interim study to examine statutes which require the completion of a cost-benefit analysis before state agencies may enter into a contract for services		X	
375	Interim study to examine the state's employee health insurance program		X	
398	Interim study to explore the issue of fees which are collected and retained by public officials and employees		X	
412	Interim study to examine whether the benefits of a unicameral system of government have been realized		X	
431	Interim study to examine reporting requirements under the Political Accountability and Disclosure Act of contributions,		X	

	expenditures, and services by businesses and organizations			
435	Interim study of the State Tort Claims Act and the State Miscellaneous Claims Act		X	
437	Interim study to examine issues within the jurisdiction of the Government, Military and Veterans Affairs Committee		X	
442	Interim study to examine the legislative confirmation process of gubernatorial appointees	X		

Health and Human Services

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
313	Interim study to explore policy options to promote increased employer-provided health insurance benefits for Nebraska's workforce		X	
314	Interim study to explore policy options that help families succeed in the transition from public assistance to work		X	
321	Interim study to examine the impact of Area Health Education Center programs on the health of the citizens of Nebraska		X	
357	Interim study of construction and safety standards and enforcement regulations relating to modular housing		X	
379	Interim study to address issues surrounding long-term residential treatment resources for chemical dependency		X	
400	Interim study to examine and provide recommendations relating to the Welfare Reform Act and state-funded public assistance programs		X	
401	Interim study to examine development of a plan for coordinating and funding of publicly funded services and support on behalf of persons with		X	

	traumatic brain injury and their families			
402	Interim study to examine issues within the jurisdiction of the Health and Human Services Committee		X	
404	Interim study of the Nebraska Health and Human Services System and related issues		X	
406	Interim study to provide recommendations relating to development and funding of a statewide immunization registry		X	
428	Interim study to examine current safety requirements and to determine whether tornado shelters should be required in mobile home parks		X	

Judiciary

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
383	Interim study to examine issues surrounding the use of ignition interlock devices for people who have been convicted of driving under the influence		X	
332	Interim study to examine issues relating to statutory rape		X	
399	Interim study to compare and contrast Nebraska statutes pertaining to dissolution of marriage, child custody, visitation, and protection orders, with California statutes		Interim Study Hearing on Dec. 4th	
337	Interim study to examine LB 1153 (2006) which allows for the development of a health information technology network			X
348	Interim study to examine the administrative license revocation process as administered by the Department of Motor Vehicles		X	
355	Interim study of the issue of unlicensed and uninsured drivers		X	
403	Interim study to follow-up on recommendations made in the		X	

	report "Moving Past the Era of Good Intentions: Methamphetamine Treatment Study" conducted by the University of Nebraska at Omaha			
380	Interim study of parole issues		X	
439	Interim study to examine constitutional issues raised in LB 1249 relating to natural gas regulation			X
373	Interim study to determine whether to implement a court screening process statewide to determine eligibility for indigent defense			X
374	Interim study to examine the current coroner system in which county attorneys are designated as county coroners			X
438	Interim study to examine personnel issues surrounding a proposed merger of the offices of probation and parole administration under the executive branch or the Supreme Court		X	
421	Interim study to review child custody proceedings and determinations		Interim Study Hearing on Dec. 4th	
330	Interim study to examine statutory rape statutes and the deterrent effect of such statutes		X	
410	Interim study to evaluate the variables affecting the incidence of suicide in county and city jail facilities			X
426	Interim study to review action taken in other states and on the national level relating to identity theft			X
416	Interim study to reexamine the effects of changing the age of majority from 19 to 18 years of age			X
331	Interim study to examine the process by which determinations are made regarding custodial placement of children during divorce proceedings		Interim Study Hearing on Dec. 4th	

Natural Resources Committee

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
323	Interim study to evaluate the locations of the Game and Parks Commission offices and the location of commission headquarters		X	
361	Interim study to examine programs administered by the Dept. of Environmental Quality which use agricultural inspectors			X
363	Interim study to examine the recycling of electronic waste			X
365	Interim study to examine renewable energy development in Nebraska		X	
372	Interim study to examine policies to maximize new market opportunities to help Nebraska become competitive with other states that are pursuing renewable energy development		X	
386	Interim study to examine the economic impact of net metering on private renewable energy production		X	
389	Interim study to examine the possibility of interbasin transfers during water-short years to assist the state in complying with any interstate compact		X	
390	Interim study to examine the exemption of certain individuals from requirements of the Geologists Regulation Act			X
391	Interim study to examine the possibility for elimination of park entry permit fees and possible replacement dollars		X	
392	Interim study to examine permit		X	

	application rejection, disciplinary actions, and frivolous complaints under the Livestock Waste Management Act			
393	Interim study to examine the effects of conservation practices on water quantity in Nebraska's rivers and streams		X	
394	Interim study to review the Nebraska Resources Development Fund in the Department of Natural Resources		X	
409	Interim study to examine fines issued and other actions taken by the Department of Environmental Quality for violations of program statues and regulations			X
411	Interim study to determine how Nebraska can encourage private landowners to allow the general public to hunt, fish, and trap on their land		X	
429	Interim study to examine procedures utilized by the Nebraska Environmental Trust			X
430	Interim study to examine potential conflicts between and among the regulations governing livestock waste control and groundwater quality standards and use classifications		X	
450	Interim study to examine issues relating to the Nebraska Environmental Trust			X

Nebraska Retirement Systems

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
338	Interim study to examine the employee retirement systems administered by the Public Employees Retirement Board	X		

339	Interim study to review and update the General Principles of Sound Retirement Planning	X		
340	Interim study to review actuarial assumptions used to perform the annual actuarial valuation for the retirement systems administered by the Public Employees Retirement Board		X	
341	Interim study to examine the treatment of compensation for purposes of calculating retirement benefits under the School Employees Retirement Act and the Class V School Employees Retirement Act		X	
342	Interim study to examine the minimum benefit for the purchasing power of the original benefit received upon retirement for members of the School Employees' Retirement System		X	
343	Interim study to examine the need for the state to make an additional contribution to the School Employees' Retirement System under the Class V School Employees' Retirement Act		X	
356	Interim study of the School Employees Retirement Act and determining whether to make participation in the system voluntary		X	
376	Interim study to examine the composition, qualifications, terms of service, and duties and responsibilities of the Public Employees Retirement Board	X		
417	Interim study to examine the retirement system in place for peace officers		X	

Revenue

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
423	Interim study to continue examination of Nebraska's tax structure	website		
424	Interim study to examine negotiating a fuel tax agreement between the state and the Ponca Tribe of Nebraska	X		
425	Interim study to examine the tax sale certificate process			X
368	Interim study to develop legislation to encourage businesses to use recyclable materials in their manufacturing processes		X	
310	Interim study to review the fairness of the property tax valuation system			X
369	Interim study to examine valuation and taxation of mineral interests for property tax purposes			X
384	Interim study to examine use of tax-deferred exchanges, also known as Starker exchanges			X
359	Interim study to examine the merit of the creation of a process outside the scope of the current county board of equalization processes			X
422	Interim study to examine hospital districts' access to property tax revenue			X
360	Interim study to examine the sales tax structure relating to both self-serve and fully-automated car washes			X

Transportation and Telecommunications

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
322	Interim study to examine how the federal law, referred to as the REAL ID Act, may alter the business practices of the Department of Motor Vehicles		X	
324	Interim study to examine issues within the jurisdiction of the Transportation and Telecommunications Committee			X
325	Interim study to examine the legislative intent in enacting the Nebraska Public Transportation Act and the appropriation of funds		X	
355	Interim study of the issue of unlicensed and uninsured drivers			X
366	Interim study to examine issues relating to uninsured motorists			X
381	Interim study to examine procedures to be followed by the Department of Motor Vehicles when motor vehicle liability insurance is canceled or terminated			X
418	Interim study to examine ways to support and develop the vehicle service and towing industry			X
419	Interim study to examine issues involved with seeking a federal exemption extending the length of combination vehicles for purposes of hauling grain			X

Urban Affairs

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
407	Interim study review options available to cities and villages to conduct economic development activities on their own initiative		X	
439	Interim study to examine constitutional issues raised in LB		X	

	1249 relating to natural gas regulation			
408	Interim study to examine issues within the jurisdiction of the Urban Affairs Committee		X	

Select Committee

LR	Subject	Completed Report Issued	Completed No Report Issued	Deferred
370	Interim study to continue examination of rural economic development issues in Nebraska			X

ANNOUNCEMENT

The Rules Committee elected Senator Erdman as Vice Chairperson.

MOTION - Withdraw LB 224

Senator Kopplin renewed his motion, found on page 176, to withdraw LB 224.

The Kopplin motion to withdraw prevailed with 34 ayes, 0 nays, 13 present and not voting, and 2 excused and not voting.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 298. Introduced by Burling, 33.

A BILL FOR AN ACT relating to the Election Act; to amend section 32-618, Reissue Revised Statutes of Nebraska; to change the number of signatures required on nominating petitions as prescribed; and to repeal the original section.

LEGISLATIVE BILL 299. Introduced by Hudkins, 21; Engel, 17.

A BILL FOR AN ACT relating to the Game Law; to amend sections 37-406, 37-414, 37-449, 37-4,111, 37-527, 37-548, 37-803, 37-811, and 77-27,119.01, Reissue Revised Statutes of Nebraska, and sections 37-407, 37-426, 37-427, 37-431, 37-447, 37-450, 37-452, and 37-457, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to licenses, permits, stamps, and fees; to provide for a lifetime Nebraska migratory waterfowl stamp; to change and eliminate provisions relating to hunting wild turkey; to rename a fund; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 300. Introduced by Howard, 9.

A BILL FOR AN ACT relating to state personnel; to create the State Work Incentive Program; to state intent; and to provide powers and duties.

LEGISLATIVE BILL 301. Introduced by Janssen, 15.

A BILL FOR AN ACT relating to the state lottery; to amend section 9-812, Revised Statutes Cumulative Supplement, 2006; to extend the current distribution of the proceeds from lottery ticket sales until January 1, 2013; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 302. Introduced by Friend, 10.

A BILL FOR AN ACT relating to property; to amend sections 14-406, 19-904.01, 39-212, and 69-1701, Reissue Revised Statutes of Nebraska, and section 15-902, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to buildings, structures, and outdoor advertising signs, displays, and devices as prescribed; and to repeal the original sections.

LEGISLATIVE BILL 303. Introduced by Synowiecki, 7.

A BILL FOR AN ACT relating to retirement; to amend sections 81-2014 and 81-2014.01, Revised Statutes Cumulative Supplement, 2006; to authorize a deferred retirement option plan for Nebraska State Patrol officers; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 304. Introduced by Gay, 14.

A BILL FOR AN ACT relating to the Long-Term Care Savings Plan Act; to amend section 77-6102, Revised Statutes Cumulative Supplement, 2006; to redefine the term qualified individual; and to repeal the original section.

LEGISLATIVE BILL 305. Introduced by Fischer, 43.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-27,132, Revised Statutes Cumulative Supplement, 2006; to change distribution of certain sales tax proceeds; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 306. Introduced by Stuthman, 22.

A BILL FOR AN ACT relating to child support; to amend section 42-364.13, Revised Statutes Cumulative Supplement, 2006; to provide for the protection of social security numbers as prescribed; and to repeal the original section.

LEGISLATIVE BILL 307. Introduced by Stuthman, 22.

A BILL FOR AN ACT relating to all-terrain vehicles; to amend section 60-6,356, Reissue Revised Statutes of Nebraska; to restrict operation of all-terrain vehicles as prescribed; and to repeal the original section.

MOTION - Escort Governor

Senator Nelson moved that a committee of five be appointed to escort the Governor of the State of Nebraska to the Legislative Chamber to deliver his State of the State Address.

The motion prevailed.

The Chair appointed Senators Langemeier, Lathrop, Nantkes, Pankonin, and Wightman to serve on said committee.

STATE OF THE STATE ADDRESS

“We have the opportunity to make Nebraska an even better place for our sons and daughters, and their families. To accomplish this, we must act decisively and face the challenges that lie ahead.”

Mr. President, Mr. Speaker, Members of the 100th Legislature, Tribal Chairmen, Distinguished Guests, Friends and Fellow Nebraskans:

This is a year of new beginnings. In the days and weeks ahead, we will work side-by-side in an effort to determine what sort of state the next generation of Nebraskans will inherit. Today, we embark on a journey that will reshape the future of Nebraska. I submit to you that we must act boldly with a vision of the future firmly in mind if we are to change our state for the better.

Our vision for the years ahead must be about preparing Nebraska to compete in the 21st Century, in an age of technological marvels, new educational challenges, international competition and entrepreneurial opportunity. That is the new reality facing the people of this state.

I want to first address the senators of this 100th Legislature.

To the returning senators, I appreciate the cooperation we have fostered, and I want to express the value I place on that relationship. The members of this distinguished institution have had an important impact on our state, and while there is no way to recognize all of you individually, let me say that I am pleased to be able to continue working with you.

To those Senators who are new to this body, I want to share with you that my door is always open. I look forward to hearing ideas from you and your colleagues on ways to continue improving our state.

One reason that I am so enthusiastic about this legislative session is because of the opportunity it presents to combine both the institutional knowledge of returning Senators and the fresh perspectives of our newest colleagues. We should capitalize on the opportunities that this combination presents, because our state is truly at a crossroads.

We have the opportunity to make Nebraska an even better place for our sons and daughters, and their families. To accomplish this, we must act decisively and face the challenges that lie ahead. Creating dynamic 21st Century jobs must be a priority.

We can no longer afford to ignore the fact that many talented young people are leaving our state to begin their careers in other states and other countries. That is why I believe so strongly that education and Nebraska's continued economic vitality go hand-in-hand.

We must act now to address the high tax burden on middle-class Nebraskans, small business owners, and would-be entrepreneurs. We must act now to address the need for a more reasonable and sustainable growth rate of government spending. We must act now to address the challenges of education, education funding, and student achievement. We must act now to address the statewide challenges of water, and we must act now to create a more logical and accountable organization for Health and Human Services.

Despite the scope of these challenges, I am optimistic that the ability to overcome each and every one of them is well within our reach. Together, we can and will address our state's greatest challenge, which is creating jobs for young people here in Nebraska.

We're already on the path to success thanks to the Nebraska Advantage, which in one year has encouraged 89 companies to consider Nebraska for locating or expanding their business. Over the next several years, these companies are planning to invest \$3.5 billion in Nebraska's economy and create nearly 9,000 new jobs.

The new chapter we've begun in ethanol and biofuels development has also helped put our state on the right path. Nebraska currently has more ethanol plants under construction than any other state, and communities of every size are poised to benefit from this latest wave of ethanol expansion. In the next two years, new ethanol plants will come online in communities such as: Adams, Albion, Cambridge, Fairmont, Jackson, Madrid, Mead, Ord, and Ravenna.

These communities will be the home of some of the most innovative and technologically advanced ethanol plants anywhere. Rural Nebraska has not seen an era of such sustained job growth in decades, and we can be very proud of the role our state has in helping provide cleaner, better fuels for our nation. These are just two areas where the hard work of lawmakers has paid dividends for the people of this state.

Therefore, I approach this session with optimism that we can find solutions to the challenges before us. But we must first address the disproportionate tax burden that has been placed on our citizens.

By any standard, Nebraska is a high-tax state, and while the results vary, studies show Nebraska with a tax burden as high as sixth in the nation. Our rankings have steadily declined over the past two decades, and look even worse when compared to neighboring states. I believe this is a situation we can change.

I believe we can compete, but in order to do so we must be committed to easing the tax burden on Nebraskans and their families. Stopping and reversing a decades-old trend toward a greater tax burden is essential to ensuring good job growth in the future.

Ensuring that businesses can create good jobs requires a determined and sustained commitment to lowering taxes and controlling state spending. Lower spending requires that we begin to make strategic investments in a new and vibrant future, rather than providing funding for every project with merit.

Making a fundamental change in the way we structure our income tax system is the first step in ensuring that our state continues on our journey toward becoming a more vibrant place for every Nebraskan. The tax relief package I'm proposing would provide more than \$475 million dollars in reductions over the next two years aimed at hard-working, middle-class families.

My interest in lowering taxes has two objectives; continuing to create the jobs our sons and daughters want, and in helping to protect the dreams and ambitions of Nebraska's middle-class families.

I want to thank Senator Ray Janssen for agreeing to introduce my proposal, which would: eliminate the marriage penalty, reduce the number of income tax brackets from four to three, widen the bracket that impacts the largest number of middle-class taxpayers, lower tax rates across-the-board, index the new brackets, repeal the remainder of the sales tax on construction labor, and eliminate the estate tax for family farmers and small business owners.

Under my plan, a family of four earning \$50,000 a year would receive a tax cut of \$227 dollars, or a 20 percent reduction in income taxes. A family of four earning \$75,000 dollars would receive a tax cut of \$504 dollars, a reduction of nearly 19 percent.

I encourage anyone with an interest in reducing taxes to also be committed to the need to rein in state spending. Our residents are willing to make difficult spending decisions, and we should be equally committed to that idea.

The two-year budget being introduced today is a conservative and responsible plan that restricts state spending growth to an average of 3.8 percent over the next two years. That is a far more reasonable and sustainable growth rate than the 5.4 percent average seen over the past decade.

My budget proposal provides significant tax relief, and yet it maintains the cash reserve at a robust level of nearly \$400 million dollars. We accomplished that by casting a critical eye on every budget request.

A recent newspaper editorial said it plainly: "It takes persistent frugality and priority-setting by taxpayers, as well as by elected officials in their spending, to hold down tax bills." I could not agree more.

We analyzed the baseline budget of every single agency in state government, from those in the Nebraska Health and Human Services System to cash-funded agencies such as the Nebraska Racing Commission, and in many cases we re-set the budgets of state agencies that had a history of spending less than their cash appropriation authority.

Our goal was to develop a budget that more closely reflects the needs of our state while achieving legitimate savings without impacting the quality of services.

This budget is also a realistic reflection of the competing interests for state funding. It very clearly shows the impact some of our largest expenditures have on funding for other programs.

Our obligations to fund Medicaid and the state aid to education formula represent more than 60 percent of the new money spent in this budget. However, the good news is that Nebraska's Medicaid Reform efforts are having some success in slowing the growth of that program. For this two-year budget Medicaid growth is less than 2.5 percent, yet more efforts to contain costs are needed for our state to thrive in the years to come.

My budget makes the education of our children a priority by providing an additional \$171 million dollars to fully fund the state aid to education formula. However, that commitment means that state aid to education will grow by more than 5 percent in the first year and by more than 12 percent in the second year of the biennium. That single investment represents 49 percent of the increased funding in this two-year budget.

This budget makes a significant investment in property tax assistance, providing more than \$2 billion dollars in relief to schools, cities, counties, and local units of government.

We must ensure that our citizens understand that any new state spending on state aid to schools and aid to local governments has the effect of increasing

state spending. Those efforts are a tax shift, not a tax cut. Real property tax relief comes from controlling spending at the local level.

If we are serious about achieving real property tax relief in this state, we need to engage our citizens in a discussion about local spending.

This budget is a concerted effort to control state spending, and I am going to share its message of restraint with local leaders and encourage them to follow our example. If we increase state spending for property tax assistance, we should do so with the honest understanding that the end result is a tax shift.

We need to be straightforward with the citizens we serve, and controlling spending is the only way to lower the amount of taxes we pay. The conversation we need to have as a state is whether we are willing to accept the status quo or whether we want to do something bold in order to prepare our state for the future. Nebraskans deserve better than the status quo.

Governing in the future will require state and local governments to work more closely together to restrain spending. I hope that here at the state level, we can lead by example and pass a budget that restricts spending to the amount I've proposed. While we may differ in the details of what this budget should include, I hope that we can agree on this number as our overall spending target.

Let us not forget that the voters who rejected the state spending lid in November did so not out of hopes for unrestrained state spending, but out of reverence for the Nebraska constitution and respect for the institutions we have been elected to lead. The voters of this state have given us the opportunity to show them that we can deliver on our promises, and I am confident that we can rise to the occasion.

A restrained budget has its priorities, and mine highlights education and the economic vitality of Nebraska. Approximately 17 percent of the state budget or more than \$580 million dollars will go to higher education, for the University of Nebraska, our community colleges, and state colleges. The University in particular will receive an additional \$20 million dollars in state spending over the next biennium.

We also need to do a better job of planning ahead for the challenges that await us. Despite our ethanol success story, Nebraska has a funding gap we need to address. In order to meet the expected shortfall in the Ethanol Production Incentive Cash Fund, I am proposing that we invest another \$15.5 million dollars in general funds, and extend the current corn check-off through 2012.

We must also address our water challenges. We cannot wait for a federal judge to decide our fate in the Republican River Basin, and we need to act now to plan for the challenges of implementing the Platte River Cooperative

Agreement and LB 962. My budget proposes the establishment of a new Water Resources Cash Fund to begin saving money for an issue that may well last longer than a decade. I am proposing that we set aside \$2.7 million dollars in general funds each year over the next 12 years, in addition to seeking \$300,000 each year from the Nebraska Environmental Trust and \$1 million dollars a year in federal funds for conservation programs.

This proposal would require natural resource districts to work with the state in providing regulation needed to help meet our obligations. I am also proposing that farmers be part of the solution by extending a half-cent of the current corn check-off, beginning in 2013 and channeling those funds into the Water Resources Cash Fund.

We also are continuing our work to make government more efficient and more effective. My priority is the restructuring of the Health and Human Services System, and I appreciate the leadership of Senator Joel Johnson for being willing to carry this proposal forward. I am seeking expedited approval from the Legislature so that we can be ready to implement the changes by July 1.

A key goal of that proposal is the creation of a separate Department of Children and Family Services, the prioritization of improvements to the Foster Care and Child Welfare Systems, and creating a more transparent, more accountable and more accessible Health and Human Services System led by a single CEO and six department directors.

The second agency in need of restructuring is the Nebraska Department of Revenue. We need to bring the Property Assessment and Taxation division back into the fold. We need the new structure to enable our leadership team the flexibility for additional change, and I would like to thank Senator Cap Dierks for agreeing to lead this initiative.

Another set of challenges we must confront involves both rural and urban education. I have confidence that we will confront these challenges with fairness and equality, as well as a respect and recognition that in education, one size does not fit all. We need to respect the will of the voters and create the opportunity for Class I school districts to exist, where Nebraskans want the option. We must also work together on improvements to LB 1024, with a focus on student achievement.

We need to ensure that our best teachers are placed in the most challenging schools, and we need to provide them with the training to help prepare them for the challenges of teaching in an environment that is increasingly diverse, both economically and ethnically. I want to applaud the efforts of the Omaha metropolitan area superintendents and the continuing work of Senator Ron Raikes and Senator Ernie Chambers on this issue. We need to resolve this issue during this legislative session.

In Omaha and across Nebraska, we also need K-12 schools to work

creatively to increase parental involvement and to foster a clearer sense of parental responsibility, neither of which require additional funding.

We need parents more involved in their children's education, and we need to dispel the myth that the need for parental involvement decreases as students get older. We also need to make sure parents understand their own personal responsibility to have their children prepared academically to attend and succeed in school at age five and every day thereafter.

A major challenge facing higher education centers on improving our college attendance rate, which is essential to a prosperous Nebraska, and I applaud University of Nebraska President J.B. Milliken for his willingness to join with me in attempting to address this issue.

A five percentage point increase in that rate would place Nebraska among the top five college attendance rates in the country. To that end, my budget proposes a \$1 million dollar annual increase in need-based aid for Nebraska college students, a general fund increase of more than 17 percent.

I am also proposing a dramatic increase in the tax deduction for parents using the Nebraska College Savings Plan to save for their children's college education. I am proposing that we increase the maximum annual tax-deductible savings to \$10,000, and I am very pleased that Senator Tim Gay has agreed to introduce that proposal.

Members of the Legislature, I have tried to address the major challenges confronting our state in this budget, and my focus is on results.

Today, I am asking all Nebraskans to join with me in putting an emphasis on lowering taxes and restraining government spending in order to secure a more prosperous future for the next generation of Nebraskans. I am asking all Nebraskans to sacrifice today for the long-term best interests of our state.

To Nebraska's business leaders, I would ask for your help in accomplishing this task. Over the past two years, we've passed a comprehensive tax incentive package that stimulates the economy, and we're proposing real tax relief for the middle class, along with fundamental tax reform, and the repeal of the estate tax. This is not the year for additional business incentives.

To Nebraska's teachers, school administrators, and school boards, I am seeking your assistance, too. Education is receiving a record \$1.9 billion dollars in state aid and special education funding in this biennium. This is not the year for new programs that require additional funds.

To Nebraska's elected officials at the local level, I need your help as well. Aid programs that offset local spending are receiving \$2.4 billion dollars in state funding for property tax relief, the most we've ever provided to local schools and local governments. I would like to ask you to follow my

budget's example and restrain spending.

If we act now and are successful in moving Nebraska down the road to a more vibrant and dynamic economy, all segments of our state will grow. We will need more teachers. We will have created a better climate for business owners and entrepreneurs, and working families will find better jobs.

Ladies and gentlemen, we need to transform our high-tax state into a place where more Nebraskans can afford to raise a family. We need to create new and expanding job opportunities. We need to provide a climate that encourages businesses to grow. We need to create a state government that reflects the innovations of the 21st Century, and provides real tax relief for middle-class Nebraskans.

This session is a new beginning in Nebraska. We have historic opportunities before us, and the time has come to act. I look forward to standing shoulder-to-shoulder with you to accomplish these goals. God bless this great State, God bless its citizens, and God bless America. Thank you.

The committee escorted Governor Dave Heineman from the Chamber.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 308. Introduced by Stuthman, 22.

A BILL FOR AN ACT relating to pharmacy; to amend section 71-1,143.03, Reissue Revised Statutes of Nebraska; to adopt the Automated Medication System Act; to provide a penalty; to harmonize provisions; to change and eliminate restrictions on drug vending machines; to repeal the original section; and to outright repeal sections 71-1,147.15 and 71-1,147.16, Revised Statutes Cumulative Supplement, 2006.

LEGISLATIVE BILL 309. Introduced by Heidemann, 1.

A BILL FOR AN ACT relating to parking permits; to amend section 18-1740, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to permanently issued permits for handicapped or disabled parking; and to repeal the original section.

LEGISLATIVE BILL 310. Introduced by Aguilar, 35.

A BILL FOR AN ACT relating to the Election Act; to amend section 32-941, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to early voting; and to repeal the original section.

LEGISLATIVE BILL 311. Introduced by Aguilar, 35.

A BILL FOR AN ACT relating to the Election Act; to amend section 32-1409, Reissue Revised Statutes of Nebraska; to change provisions relating to petition signature verification; and to repeal the original section.

LEGISLATIVE BILL 312. Introduced by Aguilar, 35; McDonald, 41.

A BILL FOR AN ACT relating to government officials; to amend sections 32-562, 32-1205, and 32-1306, Reissue Revised Statutes of Nebraska, and section 32-571, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to resignations, vacancy appointments, recall election costs, and recall elections; and to repeal the original sections.

LEGISLATIVE BILL 313. Introduced by Natural Resources Committee: Louden, 49, Chairperson; Carlson, 38; Christensen, 44; Hudkins, 21; Kopplin, 3; Wallman, 30.

A BILL FOR AN ACT relating to the Livestock Waste Management Act; to amend section 54-2429, Revised Statutes Cumulative Supplement, 2006; to exempt certain animal feeding operations from the Engineers and Architects Regulation Act; and to repeal the original section.

LEGISLATIVE BILL 314. Introduced by Louden, 49; Carlson, 38; Christensen, 44; Erdman, 47; Kopplin, 3.

A BILL FOR AN ACT relating to water; to amend sections 46-601.01 and 46-1212, Reissue Revised Statutes of Nebraska; to redefine water well for purposes of registration of water wells; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 315. Introduced by Janssen, 15; Burling, 33; Dierks, 40; Langemeier, 23; Raikes, 25.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 49-801.01, Revised Statutes Cumulative Supplement, 2006; to update references to the Internal Revenue Code of 1986; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 316. Introduced by Friend, 10; Raikes, 25.

A BILL FOR AN ACT relating to education; to create the Special Education Services Task Force; to provide powers and duties; to provide for termination; and to declare an emergency.

LEGISLATIVE BILL 317. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to amend Laws 2005, LB 424, sections 35 and 36; Laws 2005, LB 425, sections 65, 83, 84, 89, 92, 146, 161, and 239; Laws 2006, LB 454A, section 1; Laws 2006, LB 605A,

sections 1 and 2; and Laws 2006, LB 1060, sections 130, 186, 190, 192, 194, 197, 204, and 206; to define terms; to provide, change, and eliminate provisions relating to appropriations; to provide for transfers; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 318. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for the payment of salaries of members of the Nebraska Legislature and payments to be made as provided by Chapter 68, article 6, for FY2007-08 and FY2008-09; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 319. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for the payment of the salaries and benefits of certain state officers for FY2007-08 and FY2008-09; to define terms; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 320. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to define terms; to appropriate funds for capital construction and property acquisition as prescribed; to state intent; to require program statements; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 321. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to state intent; to define terms; to make appropriations for the expenses of Nebraska State Government for the biennium ending June 30, 2009; to transfer funds; to provide duties; to provide an operative date; and to declare an emergency.

LEGISLATIVE BILL 322. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to state government; to amend sections 47-633 and 66-1345.02, Reissue Revised Statutes of Nebraska, and sections 47-632, 48-162.02, 55-131, 60-1303, 60-1513, 61-210, 66-1345, 66-1345.01, 66-1345.04, 69-2436, 71-3532, 77-2602, 81-523, 81-5,153, 81-1108.22, and 81-1201.21, Revised Statutes Cumulative Supplement, 2006; to create, rename, and eliminate funds; to transfer funds; to change provisions relating to an excise tax on corn and grain sorghum; to change distribution of cigarette tax revenue; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections

84-221, 86-417.01, and 86-417.02, Revised Statutes Cumulative Supplement, 2006; and to declare an emergency.

LEGISLATIVE BILL 323. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to the Cash Reserve Fund; to amend section 84-612, Revised Statutes Cumulative Supplement, 2006; to provide for transfers of funds as prescribed; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 324. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to the Nebraska State Patrol; to amend section 81-2017, Revised Statutes Cumulative Supplement, 2006; to change and eliminate provisions relating to retirement system contributions; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 325. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-3806, Reissue Revised Statutes of Nebraska, and sections 77-908, 77-2701, 77-2715.07, 77-2717, and 77-2734.03, Revised Statutes Cumulative Supplement, 2006; to repeal the business child care credits; to harmonize provisions; to repeal the original sections; and to outright repeal section 77-27,222, Revised Statutes Cumulative Supplement, 2006.

LEGISLATIVE BILL 326. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to public assistance; to amend section 68-1070, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to eligibility; to provide an operative date; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 327. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to child care; to amend section 43-536, Reissue Revised Statutes of Nebraska; to change provisions relating to reimbursement rates; to provide an operative date; to repeal the original section; and to declare an emergency.

SENATOR LANGEMEIER PRESIDING

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 328. Introduced by Nebraska Retirement Systems Committee: Synowiecki, 7, Chairperson; Erdman, 47; Heidemann, 1; Karpisek, 32; Louden, 49; White, 8.

A BILL FOR AN ACT relating to retirement; to amend sections 23-2310.04, 23-2319.01, 23-2319.02, 23-2320, 84-1314, 84-1321.01, and 84-1322, Revised Statutes Cumulative Supplement, 2006; to rename and create funds; to change provisions relating to reemployment of county and state employees; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 329. Introduced by Nebraska Retirement Systems Committee: Synowiecki, 7, Chairperson; Erdman, 47; Heidemann, 1; Karpisek, 32; Louden, 49; White, 8.

A BILL FOR AN ACT relating to the Public Employees Retirement Board; to amend section 84-1503, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to the qualifications of the director; and to repeal the original section.

LEGISLATIVE BILL 330. Introduced by Schimek, 27; Howard, 9; Hudkins, 21.

A BILL FOR AN ACT relating to the Nebraska Telecommunications Regulation Act; to amend sections 86-101 and 86-103, Revised Statutes Cumulative Supplement, 2006; to define terms; to provide powers and duties to the Public Service Commission regarding wireless carriers as prescribed; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 331. Introduced by Janssen, 15; Dierks, 40; at the request of the Governor.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 30-103.01, 77-381, 77-2039, 77-3307, 77-3310, and 77-3313, Reissue Revised Statutes of Nebraska, and sections 30-2209, 30-2352, 77-2701.10, 77-2701.16, 77-2701.34, 77-2703, 77-2703.01, 77-2704.33, 77-2704.55, 77-2715.02, 77-2716.01, and 77-2716.03, Revised Statutes Cumulative Supplement, 2006; to eliminate the estate tax and taxation of construction services; to change income tax calculations; to harmonize provisions; to provide operative dates; to repeal the original sections; and to outright repeal sections 30-24,114, 77-2040, 77-2101, 77-2101.02, 77-2102, 77-2104, 77-2105, 77-2106, 77-2106.01, 77-2106.02, 77-2108, 77-2109, 77-2109.01, 77-2110, 77-2111, 77-2112, 77-2113, 77-2114, and 77-2116, Reissue Revised Statutes of Nebraska, and sections 77-2101.01, 77-2101.03, 77-2115, and 77-2701.45, Revised Statutes Cumulative Supplement, 2006.

LEGISLATIVE BILL 332. Introduced by Janssen, 15.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-5016 and 77-5017, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to appeals to the Tax Equalization and Review Commission; and to repeal the original sections.

LEGISLATIVE BILL 333. Introduced by Johnson, 37.

A BILL FOR AN ACT relating to the Private Onsite Wastewater Treatment System Contractors Certification and System Registration Act; to amend sections 81-15,237, 81-15,247, and 81-15,248, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to special and nonstandard private onsite wastewater treatment systems; to provide for fees and waivers of fees as prescribed; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 334. Introduced by Dierks, 40; at the request of the Governor.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 18-2713, 23-1611, 49-506, 49-617, 57-239, 72-258.03, 76-214, 77-115, 77-120, 77-202.01, 77-202.05, 77-202.09, 77-361, 77-370, 77-374, 77-377, 77-414, 77-420, 77-421, 77-601, 77-602, 77-603.01, 77-604, 77-605, 77-607, 77-609, 77-616, 77-621, 77-623, 77-680, 77-681, 77-682, 77-683, 77-685, 77-686, 77-687, 77-689, 77-690, 77-691, 77-693, 77-701, 77-702, 77-705, 77-706, 77-709, 77-801.02, 77-802.01, 77-803, 77-804, 77-1216, 77-1233.06, 77-1245, 77-1247, 77-1248, 77-1249.01, 77-1250, 77-1250.02, 77-1250.03, 77-1250.04, 77-1250.05, 77-1301.01, 77-1306.01, 77-1329, 77-1332, 77-1334, 77-1339, 77-1340.01, 77-1346, 77-1371, 77-1374, 77-1376, 77-1377, 77-1601, 77-1613.01, 77-1615.01, 77-1735, 77-1736.06, 77-1749, 77-1750, 77-1763, 77-1766, 77-1775.01, 77-27,137, 77-3523, 77-3902, 77-3903, 77-3904, 77-3905, 77-3906, 77-3907, 77-3908, 77-4105, 77-5008, 77-5014, 77-5030, 79-1031, 81-101, 81-102, and 81-15,102.01, Reissue Revised Statutes of Nebraska, sections 11-201, 13-2507, 18-2117.01, 18-2147, 23-3202, 60-147, 60-3,189, 60-3,202, 77-202.02, 77-202.03, 77-202.04, 77-202.12, 77-202.13, 77-366, 77-422, 77-603, 77-612, 77-684, 77-801, 77-802, 77-802.02, 77-1229, 77-1249, 77-1311, 77-1311.02, 77-1327, 77-1330, 77-1331, 77-1333, 77-1340, 77-1342, 77-1345, 77-1355, 77-1363, 77-1392, 77-1504.01, 77-1507, 77-1514, 77-1775, 77-5007, 77-5027, 77-5028, 77-5029, 77-5725, 77-6006, 79-1065.02, 79-2102, 81-1401, 81-15,113.01, and 86-570, Revised Statutes Cumulative Supplement, 2006, and sections 79-479 and 79-1016, Revised Statutes Cumulative Supplement, 2006, as affected by Referendum 2006, No. 422; to merge the Department of Property Assessment and Taxation with the Department of Revenue; to provide an operative date; to repeal the original sections; to outright repeal sections 77-415, 77-417, 77-704, 77-707, 77-708, and 81-109, Reissue Revised Statutes of Nebraska, and

section 77-703, Revised Statutes Cumulative Supplement, 2006; and to declare an emergency.

LEGISLATIVE BILL 335. Introduced by Kruse, 13; Ashford, 20; Burling, 33; Dierks, 40; Howard, 9; McGill, 26; Pedersen, 39.

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend section 53-1,121, Reissue Revised Statutes of Nebraska; to change provisions relating to civil protective custody; and to repeal the original section.

LEGISLATIVE BILL 336. Introduced by Kruse, 13; Burling, 33; Carlson, 38; Engel, 17; Hansen, 42; Hudkins, 21; Pahls, 31; Pedersen, 39; Synowiecki, 7.

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend section 53-180.05, Reissue Revised Statutes of Nebraska; to change a penalty relating to providing alcoholic liquor to a minor; and to repeal the original section.

LEGISLATIVE BILL 337. Introduced by Kruse, 13; Carlson, 38; Dubas, 34; Engel, 17; Hansen, 42; Pahls, 31; Synowiecki, 7.

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend section 53-101, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to attempted purchase by a minor; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 338. Introduced by Gay, 14; Adams, 24; Avery, 28; Carlson, 38; Erdman, 47; Harms, 48; Karpisek, 32; Langemeier, 23; Nantkes, 46; Pankonin, 2; White, 8; at the request of the Governor.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2716, Revised Statutes Cumulative Supplement, 2006; to change income tax reduction amounts for participants in the Nebraska educational savings plan trust; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 339. Introduced by Business and Labor Committee: Cornett, 45, Chairperson; Lathrop, 12; Rogert, 16; Wallman, 30; White, 8.

A BILL FOR AN ACT relating to claims against the state; to amend sections 25-213, 81-8,210, 81-8,212, 81-8,213, 81-8,228, 81-8,294, 81-8,300, and 81-8,305, Reissue Revised Statutes of Nebraska, and sections 81-8,211 and 81-8,224, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to the Risk Manager, the State Claims Board, and claim procedures; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 340. Introduced by Wightman, 36; Avery, 28;

Carlson, 38; Christensen, 44; Fulton, 29; Wallman, 30; White, 8.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-2701, 77-27,132, 79-1008.01, and 79-1018.01, Revised Statutes Cumulative Supplement, 2006; to authorize a local income tax for school capital construction purposes; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 341. Introduced by Schimek, 27; Flood, 19; Howard, 9; McGill, 26; Pedersen, 39.

A BILL FOR AN ACT relating to the Uniform Child Custody Jurisdiction Act; to amend section 43-1230, Reissue Revised Statutes of Nebraska; to change provisions relating to international jurisdiction under the act; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 342. Introduced by Raikes, 25; Adams, 24; Aguilar, 35; Avery, 28; Burling, 33; Carlson, 38; Christensen, 44; Cornett, 45; Dierks, 40; Engel, 17; Flood, 19; Friend, 10; Gay, 14; Hansen, 42; Janssen, 15; Johnson, 37; Karpisek, 32; Kopplin, 3; Kruse, 13; Lathrop, 12; McDonald, 41; Mines, 18; Pahls, 31; Pankonin, 2; Pedersen, 39; Preister, 5; Rogert, 16; Schimek, 27; Stuthman, 22; Synowiecki, 7; Wallman, 30; Wightman, 36.

A BILL FOR AN ACT relating to community colleges; to amend section 85-1536.01, Revised Statutes Cumulative Supplement, 2006; to change provisions relating to state aid; to harmonize provisions; to repeal the original section; and to declare an emergency.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the following report:

LB/LR	Committee
LB 152	Judiciary (rereferred)
LB 211	Business and Labor (rereferred)
LB 236	Health and Human Services
LB 237	Judiciary
LB 238	Education
LB 239	Transportation and Telecommunications
LB 240	Revenue
LB 241	Education
LB 242	Judiciary
LB 243	Judiciary
LB 244	Health and Human Services
LB 245	Health and Human Services
LB 246	Judiciary
LB 247	Health and Human Services
LB 248	Government, Military and Veterans Affairs

LB 249	Appropriations
LB 250	Health and Human Services
LB 251	General Affairs
LB 252	Government, Military and Veterans Affairs
LB 253	Transportation and Telecommunications
LB 254	Judiciary
LB 255	Business and Labor
LB 256	Government, Military and Veterans Affairs
LB 257	Judiciary
LB 258	Judiciary
LB 259	Judiciary
LB 260	Judiciary
LB 261	Judiciary
LB 262	Banking, Commerce and Insurance
LB 263	Natural Resources
LB 264	Revenue
LB 265	Business and Labor
LB 266	Transportation and Telecommunications
LB 267	Health and Human Services
LB 268	Government, Military and Veterans Affairs
LB 269	Government, Military and Veterans Affairs
LB 270	Revenue
LB 271	Business and Labor
LB 272	Revenue
LB 273	Agriculture
LB 274	Judiciary
LB 275	Appropriations
LB 276	Transportation and Telecommunications
LB 277	Transportation and Telecommunications
LB 278	Revenue
LB 279	Transportation and Telecommunications
LB 280	Judiciary
LB 281	Appropriations
LB 282	Revenue
LB 283	Health and Human Services
LB 284	Government, Military and Veterans Affairs
LB 285	Transportation and Telecommunications
LB 286	Transportation and Telecommunications
LB 287	Transportation and Telecommunications
LB 288	Transportation and Telecommunications
LB 289	Government, Military and Veterans Affairs
LB 290	Judiciary
LB 291	Natural Resources
LB 292	Health and Human Services
LB 293	Judiciary
LB 294	Revenue
LB 295	Natural Resources
LB 296	Health and Human Services
LB 297	Transportation and Telecommunications

LR 7CA Executive Board of the Legislative Council
 LR 8CA Government, Military and Veterans Affairs

(Signed) Pat Engel, Chairperson
 Legislative Council, Executive Board

NOTICE OF COMMITTEE HEARINGS

Revenue Room 1524

LB 98	Thursday, January 18, 2007	1:30 p.m.
LB 223	Thursday, January 18, 2007	1:30 p.m.
LB 177	Thursday, January 18, 2007	1:30 p.m.
LB 94	Thursday, January 18, 2007	1:30 p.m.
LB 3	Thursday, January 18, 2007	1:30 p.m.
LB 60	Thursday, January 18, 2007	1:30 p.m.

Thursday, January 18, 2007 1:30 p.m.
 Doug Ewald - State Tax Commissioner

(Signed) Ray Janssen, Chairperson

Natural Resources Room 1525

LB 140	Thursday, January 18, 2007	1:30 p.m.
LB 184	Thursday, January 18, 2007	1:30 p.m.

(Signed) LeRoy Louden, Chairperson

Judiciary Room 1113

LB 154	Thursday, January 18, 2007	1:30 p.m.
LB 67	Thursday, January 18, 2007	1:30 p.m.
LB 99	Thursday, January 18, 2007	1:30 p.m.
LB 19	Thursday, January 18, 2007	1:30 p.m.
LB 213	Thursday, January 18, 2007	1:30 p.m.

(Signed) Brad Ashford, Chairperson

Health and Human Services Room 1510

LB 296	Thursday, January 18, 2007	1:30 p.m.
LB 185	Thursday, January 18, 2007	1:30 p.m.
LB 178	Thursday, January 18, 2007	1:30 p.m.

LB 203	Friday, January 19, 2007	1:30 p.m.
LB 86	Friday, January 19, 2007	1:30 p.m.
LB 103	Friday, January 19, 2007	1:30 p.m.

(Signed) Joel Johnson, Chairperson

ANNOUNCEMENT

The Legislative Performance Audit Committee elected Senator Schimek as Chairperson and Senator McDonald as Vice Chairperson.

UNANIMOUS CONSENT - Add Cointroducers

Senator McDonald asked unanimous consent to add her name as cointroducer to LB 6. No objections. So ordered.

Senator Pedersen asked unanimous consent to add his name as cointroducer to LB 83. No objections. So ordered.

Senator Pankonin asked unanimous consent to add his name as cointroducer to LBs 62 and 144. No objections. So ordered.

Senator Cornett asked unanimous consent to add her name as cointroducer to LB 190. No objections. So ordered.

Senators Fischer and Harms asked unanimous consent to add their names as cointroducers to LB 232. No objections. So ordered.

Senator Nelson asked unanimous consent to add his name as cointroducer to LB 340. No objections. So ordered.

WITHDRAW - Cointroducer

Senator Aguilar withdrew his name as cointroducer to LB 86.

VISITORS

Visitors to the Chamber were the Gretna Chamber of Commerce, Economic Development.

The Doctor of the Day was Dr. Carol LaCroix from Omaha.

ADJOURNMENT

At 11:32 a.m., on a motion by Senator Preister, the Legislature adjourned until 9:00 a.m., Friday, January 12, 2007.

Patrick J. O'Donnell
Clerk of the Legislature

