

EIGHTH DAY - JANUARY 17, 2012**LEGISLATIVE JOURNAL****ONE HUNDRED SECOND LEGISLATURE
SECOND SESSION****EIGHTH DAY**

Legislative Chamber, Lincoln, Nebraska
Tuesday, January 17, 2012

PRAYER

The prayer was offered by Senator Wallman.

ROLL CALL

Pursuant to adjournment, the Legislature met at 10:00 a.m., President Sheehy presiding.

The roll was called and all members were present.

CORRECTIONS FOR THE JOURNAL

The Journal for the seventh day was approved.

MESSAGE FROM THE GOVERNOR

January 14, 2012

Mr. President, Speaker Flood
and Members of the Legislature
State Capitol
Lincoln, NE 68509

Dear Mr. President, Speaker Flood and Senators:

I hereby appoint Lester R. Seiler to fill the vacancy in the 33rd Legislative District created by the passing of Senator Dennis Utter. This appointment takes effect on January 14, 2012.

Sincerely,
(Signed) Dave Heineman
Governor

GUBERNATORIAL APPOINTMENT

Greetings To All Who Shall See These Presents Know Ye, that I, Dave Heineman, on behalf of the State of Nebraska and as Governor, do hereby appoint Lester R. Seiler as a member of the Legislature - District 33.

Reposing special trust in your ability, integrity and patriotism, I do authorize and empower you to discharge the duties of said appointment, according to law.

This appointment shall take effect on January 14, 2012, and continue until January 8, 2013, provided you shall satisfactorily perform all the duties imposed by law.

(Signed) Dave Heineman
Governor

(Signed) John A. Gale
Secretary of State

COMMUNICATIONS

Received communications from Joann Schaefer MD, Chief Medical Officer, Director, Division of Public Health, Department of Health and Human Services, regarding the reappointments of the following to the Stem Cell Research Advisory Committee:

Dr. Rebecca Jane Morris
Dr. Dennis Roop
Dr. Gerald Spangrude
Dr. Bradley Keller

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the following report:

LB/LR	Committee
LB907	Agriculture (rereferred)
LB939	Judiciary
LB940	Judiciary
LB941	Judiciary
LB942	Banking, Commerce and Insurance
LB943	Banking, Commerce and Insurance
LB944	Government, Military and Veterans Affairs
LB945	Health and Human Services
LB946	Education
LB947	Education

LB948 Judiciary
LB949 Health and Human Services
LB950 Natural Resources
LB951 Judiciary
LB952 Appropriations
LB953 Government, Military and Veterans Affairs
LB954 Education
LB955 Appropriations
LB956 Revenue
LB957 Health and Human Services
LB958 Appropriations
LB959 Business and Labor
LB960 Appropriations
LB961 Health and Human Services
LB962 Revenue
LB963 Banking, Commerce and Insurance
LB964 Banking, Commerce and Insurance
LB965 Banking, Commerce and Insurance
LB966 Government, Military and Veterans Affairs
LB967 Revenue
LB968 Appropriations
LB969 Appropriations
LB970 Revenue
LB971 Government, Military and Veterans Affairs
LB972 Judiciary
LB973 Nebraska Retirement Systems
LB974 Revenue
LB975 Government, Military and Veterans Affairs
LB976 Revenue
LB977 Revenue
LB978 General Affairs
LB979 General Affairs
LB980 Revenue
LB981 Appropriations
LB982 Banking, Commerce and Insurance
LB983 Revenue
LB984 Banking, Commerce and Insurance
LB985 Judiciary
LB986 Revenue
LB987 General Affairs
LB988 Health and Human Services
LB989 Revenue
LB990 Education
LB991 Education
LB992 General Affairs
LB993 Judiciary
LB994 Appropriations
LB995 Health and Human Services

Keller, Bradley-Stem Cell Research Advisory Committee-Health and Human Services

Morris, Rebecca Jane-Stem Cell Research Advisory Committee-Health and Human Services

Roop, Dennis-Stem Cell Research Advisory Committee-Health and Human Services

Spangrude, Gerald-Stem Cell Research Advisory Committee-Health and Human Services

(Signed) John Wightman, Chairperson
Executive Board

NOTICE OF COMMITTEE HEARING
Banking, Commerce and Insurance

Room 1507

Tuesday, January 24, 2012 1:30 p.m.

LB784

LB887

LB942

LB943

(Signed) Rich Pahls, Chairperson

BILLS ON FIRST READING

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

LEGISLATIVE BILL 996. Introduced by Wightman, 36.

A BILL FOR AN ACT relating to schools; to amend section 79-201, Revised Statutes Cumulative Supplement, 2010; to change provisions relating to compulsory attendance; to harmonize provisions; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 997. Introduced by Wightman, 36.

A BILL FOR AN ACT relating to power lines; to amend sections 48-436, 48-437, 48-438, and 60-6,299, Reissue Revised Statutes of Nebraska; to change provisions relating to high voltage conductor safety; and to repeal the original sections.

LEGISLATIVE BILL 998. Introduced by Krist, 10.

A BILL FOR AN ACT relating to foster care; to amend sections 28-726, 43-1303, 43-1304, 43-1305, 43-1307, 43-1308, 43-1309, 43-1310, 43-1313, 43-1314.01, 43-1317, and 43-1321, Reissue Revised Statutes of Nebraska,

sections 43-1302 and 43-3001, Revised Statutes Cumulative Supplement, 2010, and sections 43-285, 43-1301, and 43-1314, Revised Statutes Supplement, 2011; to eliminate the State Foster Care Review Board; to create the Foster Care Review Office; to rename a fund; to provide for an executive director; to provide powers and duties; to harmonize provisions; to provide an operative date; to repeal the original sections; and to outright repeal section 43-1306, Reissue Revised Statutes of Nebraska.

LEGISLATIVE BILL 999. Introduced by Price, 3.

A BILL FOR AN ACT relating to flags; to amend section 80-206, Reissue Revised Statutes of Nebraska; to authorize the display of an honor and remember flag at certain public buildings as prescribed; and to repeal the original section.

ANNOUNCEMENT

The Chair announced today is Senator Schilz's birthday.

GENERAL FILE

LEGISLATIVE BILL 66A. Title read. Considered.

Advanced to Enrollment and Review Initial with 38 ayes, 0 nays, and 11 present and not voting.

LEGISLATIVE BILL 370. Considered.

Advanced to Enrollment and Review Initial with 40 ayes, 0 nays, and 9 present and not voting.

RESOLUTIONS

Pursuant to Rule 4, Sec. 5(b), LR 364, 366, 367, 368, 369, and 370 were adopted.

PRESIDENT SIGNED

While the Legislature was in session and capable of transacting business, the President signed the following: LR 364, 366, 367, 368, 369, and 370.

GENERAL FILE

LEGISLATIVE BILL 415. Title read. Considered.

Committee AM525, found on page 773, First Session, 2011, was adopted with 34 ayes, 0 nays, 14 present and not voting, and 1 excused and not voting.

Advanced to Enrollment and Review Initial with 35 ayes, 0 nays, 13 present

and not voting, and 1 excused and not voting.

LEGISLATIVE BILL 503. Title read. Considered.

Advanced to Enrollment and Review Initial with 34 ayes, 0 nays, 14 present and not voting, and 1 excused and not voting.

LEGISLATIVE BILL 352. Title read. Considered.

Committee AM631, found on page 799, First Session, 2011, was adopted with 34 ayes, 0 nays, 12 present and not voting, and 3 excused and not voting.

Advanced to Enrollment and Review Initial with 32 ayes, 1 nay, 13 present and not voting, and 3 excused and not voting.

NOTICE OF COMMITTEE HEARINGS
Health and Human Services

Room 1510

Wednesday, January 25, 2012 1:30 p.m.

LB891
LB900
LB825
LB826

(Signed) Kathy Campbell, Chairperson

Appropriations

Room 1524

Tuesday, January 24, 2012 1:30 p.m.

LB968
LB969

(Signed) Lavon Heidemann, Chairperson

Transportation and Telecommunications

Room 1113

Tuesday, January 24, 2012 1:30 p.m.

LB718
LB724
LB910

LB803

(Signed) Deb Fischer, Chairperson

Education

Room 1525

Tuesday, January 24, 2012 1:30 p.m.

LB946

(Signed) Greg Adams, Chairperson

Urban Affairs

Room 1510

Tuesday, January 24, 2012 1:30 p.m.

LB918

LB921

LB932

(Signed) Amanda McGill, Chairperson

COMMITTEE REPORTS

Enrollment and Review

LEGISLATIVE BILL 705. Placed on Select File.

LEGISLATIVE BILL 706. Placed on Select File.

LEGISLATIVE BILL 707. Placed on Select File.

LEGISLATIVE BILL 708. Placed on Select File.

LEGISLATIVE BILL 709. Placed on Select File.

LEGISLATIVE BILL 710. Placed on Select File.

LEGISLATIVE BILL 66. Placed on Select File with amendment.

ER143

- 1 1. On page 1, strike beginning with "29-4106" in line
- 2 2 through line 4 and insert "29-4107, Reissue Revised Statutes
- 3 of Nebraska, and section 29-4106, Revised Statutes Cumulative
- 4 Supplement, 2010; to change provisions relating to DNA collection
- 5 and the costs of DNA sample kits; and to repeal the original
- 6 sections.".

(Signed) Tyson Larson, Chairperson

CONFLICT OF INTEREST STATEMENT

Pursuant to Rule 1, Sec. 19, Senator Conrad has filed a Potential Conflict of Interest Statement under the Nebraska Political Accountability and Disclosure Act. The statement is on file in the Clerk of the Legislature's Office.

GENERAL FILE

LEGISLATIVE BILL 418. Title read. Considered.

Committee AM643, found on page 801, First Session, 2011, was considered.

SENATOR GLOOR PRESIDING**PRESIDENT SHEEHY PRESIDING**

Pending.

BILLS ON FIRST READING

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

LEGISLATIVE BILL 1000. Introduced by McGill, 26.

A BILL FOR AN ACT relating to fees; to amend section 33-110, Reissue Revised Statutes of Nebraska; to change certain county clerk fees; and to repeal the original section.

LEGISLATIVE BILL 1001. Introduced by McGill, 26.

A BILL FOR AN ACT relating to the government; to amend section 71-6405, Revised Statutes Supplement, 2011; to create the Building Code Advisory Committee; to provide for membership; to provide powers and duties; to provide for expenses; to change and eliminate provisions relating to compliance with and amendments to the state building code by state agencies; and to repeal the original section.

LEGISLATIVE BILL 1002. Introduced by Sullivan, 41.

A BILL FOR AN ACT relating to the Nebraska Health Care Certificate of Need Act; to amend section 71-5829.04, Reissue Revised Statutes of Nebraska; to change provisions relating to the moratorium on long-term care beds; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 1003. Introduced by Schumacher, 22.

A BILL FOR AN ACT relating to motor vehicles; to amend sections 44-6408, 60-310, 60-346, 60-509, 60-534, and 60-549, Reissue Revised

Statutes of Nebraska, and section 60-501, Revised Statutes Supplement, 2011; to change liability insurance and financial responsibility requirements; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 1004. Introduced by Schumacher, 22.

A BILL FOR AN ACT relating to public funds; to amend section 77-2365.01, Reissue Revised Statutes of Nebraska; to authorize credit unions to receive deposits of public funds; and to repeal the original section.

LEGISLATIVE BILL 1005. Introduced by Lambert, 2.

A BILL FOR AN ACT relating to the Voluntary Emergency Responders Job Protection Act; to amend sections 35-1403, 35-1406, and 35-1407, Reissue Revised Statutes of Nebraska, and section 35-1402, Revised Statutes Cumulative Supplement, 2010; to include members of state emergency response teams established under the Emergency Management Act; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1006. Introduced by Fulton, 29; Avery, 28.

A BILL FOR AN ACT relating to blind and visually impaired persons; to amend section 71-8611, Reissue Revised Statutes of Nebraska; to change provisions relating to a priority for vending facilities as prescribed; and to repeal the original section.

LEGISLATIVE BILL 1007. Introduced by Fulton, 29.

A BILL FOR AN ACT relating to the Legislature; to amend section 50-114.03, Reissue Revised Statutes of Nebraska; to require costs to be stated on reports to the Legislature; to provide a duty for the Clerk of the Legislature; and to repeal the original section.

LEGISLATIVE BILL 1008. Introduced by Fulton, 29.

A BILL FOR AN ACT relating to the Nebraska Workers' Compensation Act; to amend section 48-1,110, Revised Statutes Supplement, 2011; to provide for utilization and treatment guidelines for medical, surgical, and hospital services; to authorize a medical director; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1009. Introduced by Ashford, 20.

A BILL FOR AN ACT relating to criminal procedure; to amend section 29-2263, Reissue Revised Statutes of Nebraska, and section 84-712.05, Revised Statutes Supplement, 2011; to declare probation records not subject to disclosure as provided; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1010. Introduced by Nordquist, 7; Cook, 13; Mello, 5.

A BILL FOR AN ACT relating to public health and welfare; to amend section 68-1017.02, Revised Statutes Supplement, 2011; to change provisions relating to the Supplemental Nutrition Assistance Program; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1011. Introduced by Dubas, 34.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2734.03, Reissue Revised Statutes of Nebraska, and sections 77-2715.07, and 77-2717, Revised Statutes Supplement, 2011; to adopt the Property Tax Relief Act; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 1012. Introduced by Lautenbaugh, 18.

A BILL FOR AN ACT relating to the Nebraska Workers' Compensation Act; to amend sections 48-121 and 48-162.01, Reissue Revised Statutes of Nebraska, and section 48-120, Revised Statutes Supplement, 2011; to change provisions relating to medical treatment and temporary disability compensation; and to repeal the original sections.

LEGISLATIVE BILL 1013. Introduced by Mello, 5; Conrad, 46; Nordquist, 7.

A BILL FOR AN ACT relating to the Administrative Procedure Act; to amend sections 84-901, 84-908, and 84-911, Reissue Revised Statutes of Nebraska; to redefine a term; to provide for award of attorney's fees and court costs as prescribed; and to repeal the original sections.

LEGISLATIVE BILL 1014. Introduced by Conrad, 46.

A BILL FOR AN ACT relating to the Auditor of Public Accounts; to amend section 84-304, Reissue Revised Statutes of Nebraska; to provide for a performance audit of the Department of Roads; and to repeal the original section.

LEGISLATIVE BILL 1015. Introduced by Conrad, 46.

A BILL FOR AN ACT relating to infants; to amend section 43-536, Revised Statutes Supplement, 2011; to change provisions relating to child care reimbursement; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 1016. Introduced by Conrad, 46.

A BILL FOR AN ACT relating to public health and welfare; to require the Department of Health and Human Services to contract with certain agencies as prescribed.

LEGISLATIVE BILL 1017. Introduced by Conrad, 46.

A BILL FOR AN ACT relating to appropriations; to amend section 58-703, Revised Statutes Supplement, 2011; to transfer funds to the Affordable Housing Trust Fund; to change provisions relating to the fund; and to repeal the original section.

LEGISLATIVE BILL 1018. Introduced by Conrad, 46.

A BILL FOR AN ACT relating to business entities; to amend sections 21-2001, 21-20,128, 21-20,130, 67-296, and 67-450, Reissue Revised Statutes of Nebraska, and sections 21-2005 and 67-248.02, Revised Statutes Cumulative Supplement, 2010; to change provisions relating to mergers, consolidations, and conversions; to define terms; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1019. Introduced by Harms, 48; Heidemann, 1.

A BILL FOR AN ACT relating to appropriations; to appropriate funds for capital improvements at the Nebraska State Colleges.

LEGISLATIVE BILL 1020. Introduced by Nordquist, 7; Ashford, 20; Campbell, 25; Council, 11; Howard, 9; Mello, 5.

A BILL FOR AN ACT relating to public health and welfare; to amend section 9-836.01, Revised Statutes Cumulative Supplement, 2010, and section 9-812, Revised Statutes Supplement, 2011; to adopt the Nebraska Coordinated School Health Act; to change allocation provisions relating to the Education Innovation Fund; to harmonize provisions; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 1021. Introduced by Schilz, 47.

A BILL FOR AN ACT relating to civil procedure; to amend section 25-21,274, Reissue Revised Statutes of Nebraska; to change provisions relating to actions involving motor vehicle collisions with domestic animals; and to repeal the original section.

LEGISLATIVE BILL 1022. Introduced by Nordquist, 7; Flood, 19; Heidemann, 1.

A BILL FOR AN ACT relating to the Nebraska State Patrol Retirement Act; to amend section 81-2017, Revised Statutes Supplement, 2011; to change

officer and employer contribution rates as prescribed; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 1023. Introduced by Avery, 28.

A BILL FOR AN ACT relating to veterans; to amend section 80-411, Reissue Revised Statutes of Nebraska; to provide for the waiver of fees for dependents of veterans as prescribed; and to repeal the original section.

LEGISLATIVE BILL 1024. Introduced by Avery, 28.

A BILL FOR AN ACT relating to state government; to amend section 81-1316, Revised Statutes Supplement, 2011; to provide exemptions from the State Personnel System; and to repeal the original section.

LEGISLATIVE BILL 1025. Introduced by Avery, 28.

A BILL FOR AN ACT relating to the Nebraska Political Accountability and Disclosure Act; to amend section 49-1401, Reissue Revised Statutes of Nebraska; to prohibit certain gifts and contributions; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1026. Introduced by Avery, 28.

A BILL FOR AN ACT relating to the Uniform Disposition of Unclaimed Property Act; to amend section 69-1317, Reissue Revised Statutes of Nebraska; to change provisions relating to confidential records; and to repeal the original section.

LEGISLATIVE BILL 1027. Introduced by Cook, 13.

A BILL FOR AN ACT relating to the Nursing Home Administrator Practice Act; to amend sections 38-2401, 38-2418, 38-2419, and 38-2420, Reissue Revised Statutes of Nebraska; to provide and eliminate requirements for a credential as an administrator of a facility for persons with head injuries and associated disorders; to provide requirements for such facilities; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1028. Introduced by Cook, 13.

A BILL FOR AN ACT relating to health and human services; to provide duties for the Department of Health and Human Services; and to require application for a federal grant as prescribed.

LEGISLATIVE BILL 1029. Introduced by Lambert, 2.

A BILL FOR AN ACT relating to real property; to amend sections 25-2142 and 76-1006, Reissue Revised Statutes of Nebraska; to require a complainant or trustee to provide an address for acceptance of demands of

payment as prescribed; and to repeal the original sections.

LEGISLATIVE BILL 1030. Introduced by Hansen, 42.

A BILL FOR AN ACT relating to the Nebraska Rules of the Road; to amend sections 60-6,109 and 60-6,133, Reissue Revised Statutes of Nebraska; to change provisions relating to obligations of drivers; and to repeal the original sections.

LEGISLATIVE BILL 1031. Introduced by B. Harr, 8.

A BILL FOR AN ACT relating to secured transactions; to amend section 9-503, Uniform Commercial Code, Revised Statutes Supplement, 2011; to change provisions relating to name of debtor; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 1032. Introduced by Wightman, 36; Campbell, 25.

A BILL FOR AN ACT relating to the Uniform Credentialing Act; to amend sections 38-105 and 38-124, Reissue Revised Statutes of Nebraska, and section 38-101, Revised Statutes Cumulative Supplement, 2010; to change provisions relating to display of credentials and advertisement; to provide for disciplinary action; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1033. Introduced by Cornett, 45.

A BILL FOR AN ACT relating to the Nebraska Advantage Act; to amend sections 77-5708, 77-5723, and 77-5727, Reissue Revised Statutes of Nebraska, and sections 77-5715 and 77-5725, Revised Statutes Cumulative Supplement, 2010; to provide tax incentives for renewable energy projects as prescribed; to redefine terms; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1034. Introduced by Nordquist, 7; Lathrop, 12; Lautenbaugh, 18.

A BILL FOR AN ACT relating to universities and colleges; to amend section 85-1412, Revised Statutes Supplement, 2011; to adopt the College Choice Grant Program Act; to provide duties for the Coordinating Commission for Postsecondary Education; to provide an operative date; to repeal the original section; and to declare an emergency.

LEGISLATIVE BILL 1035. Introduced by Sullivan, 41.

A BILL FOR AN ACT relating to airport authorities; to amend section 32-811, Revised Statutes Supplement, 2011; to provide for automatic nomination of candidates for airport authority boards as prescribed; and to repeal the original section.

LEGISLATIVE BILL 1036. Introduced by Nordquist, 7; Karpisek, 32; Lambert, 2; Mello, 5.

A BILL FOR AN ACT relating to retirement; to amend sections 23-2317 and 84-1319, Revised Statutes Cumulative Supplement, 2010, and sections 23-2308.01, 23-2319.01, 84-1309.02, and 84-1321.01, Revised Statutes Supplement, 2011; to provide for a cash balance benefit election for certain county and state employees; to change provisions relating to county and state employer funds; to create funds; to harmonize provisions; to repeal the original sections; to outright repeal section 23-2319.02, Revised Statutes Cumulative Supplement, 2010; and to declare an emergency.

LEGISLATIVE BILL 1037. Introduced by Nelson, 6; Avery, 28; Hansen, 42; Harms, 48; Mello, 5; Nordquist, 7; Wightman, 36.

A BILL FOR AN ACT relating to the arts; to amend section 82-332, Revised Statutes Cumulative Supplement, 2010, and section 82-331, Revised Statutes Supplement, 2011; to change provisions relating to dollar-for-dollar matches; and to repeal the original sections.

LEGISLATIVE BILL 1038. Introduced by Council, 11; Ashford, 20; Campbell, 25; B. Harr, 8; Krist, 10; Lathrop, 12; McGill, 26; Mello, 5; Nordquist, 7.

A BILL FOR AN ACT relating to children; to amend sections 79-219, 79-220, 79-221, and 79-222, Reissue Revised Statutes of Nebraska, and section 79-217, Revised Statutes Cumulative Supplement, 2010; to define terms; to require blood-lead testing prior to school enrollment; to provide for exceptions; to provide duties for the Department of Health and Human Services regarding blood-lead testing and notification of parents; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1039. Introduced by Brasch, 16.

A BILL FOR AN ACT relating to motor vehicles; to amend section 60-6,175, Reissue Revised Statutes of Nebraska, and section 60-4,182, Revised Statutes Supplement, 2011; to change provisions relating to school bus safety requirements; to harmonize provisions; and to repeal the original sections.

RESOLUTIONS

LEGISLATIVE RESOLUTION 375CA. Introduced by Schumacher, 22.

THE MEMBERS OF THE ONE HUNDRED SECOND LEGISLATURE OF NEBRASKA, SECOND SESSION, RESOLVE THAT:

Section 1. At the general election in November 2012 the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article III, section 24:

III-24 (1) Except as provided in this section, the Legislature shall not authorize any game of chance or any lottery or gift enterprise when the consideration for a chance to participate involves the payment of money for the purchase of property, services, or a chance or admission ticket or requires an expenditure of substantial effort or time.

(2) The Legislature may authorize and regulate a state lottery pursuant to subsection (3) of this section and other lotteries, raffles, and gift enterprises which are intended solely as business promotions or the proceeds of which are to be used solely for charitable or community betterment purposes without profit to the promoter of such lotteries, raffles, or gift enterprises.

(3) (a) The Legislature may establish a lottery to be operated and regulated by the State of Nebraska. The proceeds of the lottery shall be appropriated by the Legislature for the costs of establishing and maintaining the lottery and for the following purposes, as directed by the Legislature:

(i) The first five hundred thousand dollars after the payment of prizes and operating expenses shall be transferred to the Compulsive Gamblers Assistance Fund;

(ii) Forty-four and one-half percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act;

(iii) Forty-four and one-half percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be used for education as the Legislature may direct;

(iv) Ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska State Fair Board if the most populous city within the county in which the fair is located provides matching funds equivalent to ten percent of the funds available for transfer. Such matching funds may be obtained from the city and any other private or public entity, except that no portion of such matching funds shall be provided by the state. If the Nebraska State Fair ceases operations, ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the General Fund; and

(v) One percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers Assistance Fund.

(b) No lottery game shall be conducted as part of the lottery unless the type of game has been approved by a majority of the members of the Legislature.

(4) Nothing in this section shall be construed to prohibit (a) the enactment of laws providing for the licensing and regulation of wagering on the results of horseraces, wherever run, either within or outside of the state, by the parimutuel method, when such wagering is conducted by licensees within a

licensed racetrack enclosure or (b) the enactment of laws providing for the licensing and regulation of bingo games conducted by nonprofit associations which have been in existence for a period of five years immediately preceding the application for license, except that bingo games cannot be conducted by agents or lessees of such associations on a percentage basis.

(5) (a) The Legislature may authorize and regulate any other game of chance, lottery, or gift enterprise, except that the Legislature shall not authorize any game of chance, lottery, or gift enterprise under this subsection to be operated within sixty miles of the border of a bordering state which, within one year after the adoption of this subsection, enters into a compact that, in substance, provides for the bordering state to share gaming revenue with the State of Nebraska in consideration for the State of Nebraska not authorizing games of chance under this subsection within sixty miles of the border of the bordering state. The bordering state shall share its gaming revenue with the State of Nebraska in proportion to its population as determined by the most recent federal decennial census residing within sixty miles of a game of chance operated under its authority or by its agreement with a federally recognized Indian tribe compared to the population as determined by the most recent federal decennial census residing in the State of Nebraska within sixty miles of any such game of chance.

(b) For purposes of this subsection:

(i) Gaming premises means the site where games of chance of the type which could be authorized in Nebraska only under this subsection are conducted and any hotel, liquor establishment, or entertainment facility which is located in the same county as such site and from which income is derived by the owner of the site, the operator of the game of chance, or any affiliate of the owner or operator; and

(ii) Gaming revenue means revenue derived by the bordering state or any political subdivision thereof from (A) taxation or licensing of the types of games of chance which could be authorized in Nebraska only under this subsection, (B) access or admission fees for the gaming premises, (C) property and ad valorem taxes levied upon gaming premises in excess of ten thousand dollars annually, (D) sales, use, and excise taxes on activities conducted on the gaming premises, (E) taxes on income produced on the gaming premises, and (F) a compact with a federally recognized Indian tribe having jurisdiction over Indian lands in the bordering state.

(c) Subject to the terms of any gaming compact entered into by the State of Nebraska and a federally recognized Indian tribe having jurisdiction over Indian lands in Nebraska, the proceeds of any compact entered into by the State of Nebraska and a bordering state as described in this subsection and the proceeds of any tax on gaming activity authorized by the Legislature under this subsection which are credited to the General Fund at the direction of the Legislature shall be distributed by the Legislature for the following purposes, as directed by the Legislature:

(i) The Legislature shall provide for the transfer of an amount it determines to be prudent to the Cash Reserve Fund; and

(ii) Of the balance remaining:

(A) Seventy-five percent shall be appropriated for education as the Legislature may direct;

(B) Twenty-four percent shall be appropriated for public transportation infrastructure as the Legislature may direct; and

(C) One percent shall be transferred to the Compulsive Gamblers Assistance Fund.

(d) Nothing in this subsection limits the authority of the Legislature under subsections (1) through (4) of this section.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to permit the Legislature to authorize and regulate games of chance, lotteries, and gift enterprises, to provide requirements for compacts with bordering states, and to provide for the distribution of tax proceeds from such activities to the state Cash Reserve Fund, education, public transportation infrastructure, and the Compulsive Gamblers Assistance Fund.

For

Against.

LEGISLATIVE RESOLUTION 376CA. Introduced by Mello, 5.

THE MEMBERS OF THE ONE HUNDRED SECOND LEGISLATURE OF NEBRASKA, SECOND SESSION, RESOLVE THAT:

Section 1. At the general election in November 2012 the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article VIII, section 12:

VIII-12 For the purpose of rehabilitating, acquiring, or redeveloping ~~substandard and blighted~~ property in need of rehabilitation or redevelopment in a redevelopment project as determined by law, any city or village of the state may, notwithstanding any other provision in the Constitution, and without regard to charter limitations and restrictions, incur indebtedness, whether by bond, loans, notes, advance of money, or otherwise.

Except as provided in this section and notwithstanding ~~Notwithstanding~~ any other provision in the Constitution or a local charter, such cities or villages may also pledge for and apply to the payment of the principal, interest, and any premium on such indebtedness all taxes levied by all taxing bodies, which taxes shall be at such rate for a period not to exceed ~~fifteen~~ twenty years, on the assessed valuation of the property in the project area portion of a designated ~~blighted and substandard~~ area in need of rehabilitation or redevelopment that is in excess of the assessed valuation of such property for the year prior to such rehabilitation, acquisition, or redevelopment.

Notwithstanding any other provision in this Constitution, the Legislature may provide that the limitation to a period of twenty years on the collection of all taxes levied on the excess value of property and collected for the payment of the indebtedness incurred for the purpose of rehabilitating, acquiring, or redeveloping such property may be extended to a period not to exceed thirty years if more than one-half of the property by area within the project area was previously owned by the State of Nebraska and if the

indebtedness to be incurred for the rehabilitation, acquisition, or redevelopment of such property cannot be reasonably financed within twenty years.

When such indebtedness and the interest thereon have been paid in full, such property thereafter shall be taxed as is other property in the respective taxing jurisdictions and such taxes applied as all other taxes of the respective taxing bodies.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to change standards for redevelopment projects and change the special tax treatment for property in need of rehabilitation or redevelopment from fifteen to twenty years and to authorize the Legislature to extend the term of such special tax treatment from twenty to thirty years.

For

Against.

UNANIMOUS CONSENT - Add Cointroducers

Senator Krist asked unanimous consent to add his name as cointroducer to LB993. No objections. So ordered.

Senator Bloomfield asked unanimous consent to add his name as cointroducer to LB986. No objections. So ordered.

Senator Conrad asked unanimous consent to add her name as cointroducer to LB952, LB923, LB891, LB835, and LB825. No objections. So ordered.

Senator Howard asked unanimous consent to add her name as cointroducer to LB469. No objections. So ordered.

Senator Lambert asked unanimous consent to add his name as cointroducer to LB902. No objections. So ordered.

Senator Council asked unanimous consent to add her name as cointroducer to LB993. No objections. So ordered.

VISITOR

The Doctor of the Day was Dr. Weiss from Lincoln.

ADJOURNMENT

At 11:54 a.m., on a motion by Senator B. Harr, the Legislature adjourned until 9:00 a.m., Wednesday, January 18, 2012.

Patrick J. O'Donnell
Clerk of the Legislature