FORTY-EIGHTH DAY - MARCH 25, 2013

LEGISLATIVE JOURNAL

ONE HUNDRED THIRD LEGISLATURE FIRST SESSION

FORTY-EIGHTH DAY

Legislative Chamber, Lincoln, Nebraska Monday, March 25, 2013

PRAYER

The prayer was offered by Senator Brasch.

ROLL CALL

Pursuant to adjournment, the Legislature met at 10:00 a.m., Senator Gloor presiding.

The roll was called and all members were present except Senators Christensen, Dubas, and Hadley who were excused; and Senators Chambers, Karpisek, Lathrop, and McCoy who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the forty-seventh day was approved.

COMMITTEE REPORTS

Enrollment and Review

LEGISLATIVE BILL 613. Placed on Select File with amendment. ER31

- 1 1. Strike the original sections and all amendments
- 2 thereto and insert the following new sections:
- 3 Section 1. The Legislature finds that the economy is
- 4 continually changing, requiring the need to continually review and
- 5 update the state tax laws. Furthermore, the Legislature finds that
- 6 state, county, and other local tax policies are interdependent
- 7 and that there are consequences that need to be studied when
- 8 adjustments are made to the state tax laws. The Tax Modernization
- 9 Committee's purpose is to review and study the state's tax laws,
- 10 including, but not limited to, sales and use taxes, income taxes,
- 11 property taxes, and other miscellaneous taxes and credits.
- 12 Sec. 2. The Tax Modernization Committee is created as
- 13 a special legislative committee. The committee shall comprise the
- 14 following individuals:

15 (1) The members of the Revenue Committee of the Legislature: 16 17 (2) The chairperson of the Appropriations Committee of 18 the Legislature; 19 (3) The chairperson of the Health and Human Services 20 Committee of the Legislature; 21 (4) The chairperson of the Education Committee of the 22 Legislature; 23 (5) The chairperson of the Agriculture Committee of the 1 Legislature: and 2 (6) The chairperson of the Legislature's Planning 3 Committee. 4 Sec. 3. The chairperson of the Revenue Committee of the 5 Legislature shall serve as the chairperson of the Tax Modernization 6 Committee. The committee shall meet as often as necessary to 7 accomplish the objectives established in sections 1 to 7 of this 8 act. At least one meeting shall be held concurrently with a 9 meeting of the Legislative Council called by the chairperson of the Executive Board of the Legislative Council for such purpose. 10 11 Sec. 4. The Tax Modernization Committee shall consider, 12 but not be limited to, the following six elements for successful 13 tax modernization: 14 (1) Fairness. In order to formulate an equitable system 15 of taxation, the committee shall review and analyze the tax burden 16 created by sales and use taxes, income taxes, property taxes, 17 and other miscellaneous taxes imposed on families, businesses, and 18 sectors of industry within the state: 19 (2) Competitiveness. Any modification of the tax system 20 should be designed to ensure that such modification in no way 21 impedes or restricts the state's ability to attract well paying 22 jobs and investment while keeping and protecting existing jobs and 23 businesses. The committee also shall review and analyze how the state compares to other states with reference to taxes imposed on 24 25 businesses and identify ways to enhance business competitiveness; 26 (3) Simplicity and compliance. The tax system should 27 be easy to understand and comply with. The committee shall formulate recommendations designed to ensure ease of compliance for individuals and businesses and efficient administration by the 3 state: 4 (4) Stability. A stable tax system has revenue that is 5 relatively reliable over time and not subject to unpredictable fluctuations. The committee shall not only address the stability 6 7 of Nebraska's current tax system but shall also ensure that any 8 recommended changes will maintain or improve stability; 9 (5) Adequacy. The tax modernization process should create 10 a tax system that provides adequate revenue to fund critical state 11 services. The tax structure should allow revenue to keep pace with

12 spending needs; and

- 13 (6) Complementary tax systems. Updating of the tax system
- 14 should address the interrelationships of tax systems within the
- 15 state revenue system as a whole.
- 16 Sec. 5. The Legislature finds that community discourse
- 17 and involvement is essential to the success of the Tax
- 18 Modernization Committee. The committee shall engage the public in
- 19 a variety of ways.
- 20 Sec. 6. The Tax Modernization Committee shall examine
- 21 previous studies, including, but not limited to, the Tax Policy
- 22 Reform Commission from 2005 to 2007 and the comprehensive tax
- 23 study done by Syracuse University from 1986 to 1988, and ascertain
- 24 which recommendations from such studies can be utilized in the
- 25 committee's research. The committee may require any state agency
- 26 or political subdivision to provide information relevant to the
- 27 committee's work, and the state agency or political subdivision
- 1 shall provide the information requested within thirty days after
- 2 the request. The committee may hold public hearings and, pursuant
- 3 to section 50-406 and the Rules of the Nebraska Unicameral
- 4 Legislature, may exercise its authority to administer oaths, issue
- 5 subpoenas, compel attendance of witnesses and the production of
- 6 documents, and cause depositions of witnesses to be taken in the
- 7 manner prescribed by law for taking depositions in civil actions
- 8 in the district court. The committee shall issue a report to the
- 9 Executive Board of the Legislative Council and the Governor by
- 10 December 15, 2013, containing any recommendations to update state,
- 11 county, and local tax policies and corresponding proposed language
- 12 for legislation. The report submitted to the Legislature shall be
- submitted electronically. The committee shall also identify areas
- of concern that require further indepth analysis and study.
- 15 Sec. 7. Once the report required under section 6 of
- 16 this act has been submitted, the Tax Modernization Committee shall
- 17 continue meeting as necessary until December 31, 2015.
- 18 Sec. 8. Since an emergency exists, this act takes effect
- 19 when passed and approved according to law.
- 20 2. On page 1, strike beginning with "create" in line
- 21 1 through line 3 and insert "state findings; to create the Tax
- 22 Modernization Committee; to provide powers and duties; to require a
- 23 report; and to declare an emergency.".

LEGISLATIVE BILL 203. Placed on Select File with amendment. ER32

- 1. On page 1, line 3, strike "define and redefine terms
- 2 relating to" and insert "redefine".

LEGISLATIVE BILL 464. Placed on Select File with amendment. ER33

- 1 1. Insert the following new section:
- 2 Sec. 9. Section 43-4203, Revised Statutes Cumulative
- 3 Supplement, 2012, is amended to read:

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4 43-4203 (1) The Nebraska Children's Commission shall work 5 with administrators from each of the service areas designated pursuant to section 81-3116, the teams created pursuant to section 7 28-728, local foster care review boards, child advocacy centers, 8 the teams created pursuant to the Supreme Court's Through the Eyes 9 of the Child Initiative, community stakeholders, and advocates for 10 child welfare programs and services to establish networks in each 11 of such service areas. Such networks shall permit collaboration 12 to strengthen the continuum of services available to child welfare 13 agencies and to provide resources for children and juveniles 14 outside the child protection system. Each service area shall 15 develop its own unique strategies to be included in the statewide 16 strategic plan. The Department of Health and Human Services shall 17 assist in identifying the needs of each service area. 18

- (2)(a) The commission shall create a committee to examine 19 state policy regarding the prescription of psychotropic drugs for 20 children who are wards of the state and the administration of such 21 drugs to such children. Such committee shall review the policy and 22 procedures for prescribing and administering such drugs and make 23 recommendations to the commission for changes in such policy and procedures.
- 2 (b) The commission shall create a committee to examine 3 the structure and responsibilities of the Office of Juvenile Services as they exist on April 12, 2012. Such committee shall 5 review the role and effectiveness of the youth rehabilitation 6 and treatment centers in the juvenile justice system and make recommendations to the commission on the future role of the 8 youth rehabilitation and treatment centers in the juvenile 9 justice continuum of care. Such committee shall also review the 10 responsibilities of the Administrator of the Office of Juvenile 11 Services, including oversight of the youth rehabilitation and 12 treatment centers and juvenile parole, and make recommendations 13 to the commission relating to the future responsibilities of the 14 administrator.
- (c) The commission may organize committees as it 16 deems necessary. Members of the committees may be members of 17 the commission or may be appointed, with the approval of the 18 majority of the commission, from individuals with knowledge of 19 the committee's subject matter, professional expertise to assist 20 the committee in completing its assigned responsibilities, and the 21 ability to collaborate within the committee and with the commission 22 to carry out the powers and duties of the commission.
- 23 (d) If the One Hundred Second Legislature, Second 24 Session, 2012, creates the Title IV-E Demonstration Project 25 Committee or the Foster Care Reimbursement Rate Committee, or both, 26 such committees shall be under the jurisdiction of the commission.
- 27 (3) The commission shall work with the office of the State Court Administrator, as appropriate, and entities which 1 coordinate facilitated conferencing as described in section

- 3 43 247.01.5 of this act. Facilitated conferencing shall be
- 4 included in statewide strategic plan discussions by the commission.
- 5 Facilitated conferencing shall continue to be utilized and
- 6 maximized, as determined by the court of jurisdiction, during
- 7 the development of the statewide strategic plan. Funding and
- 8 contracting of facilitated conferencing entities shall continue to
- 9 be provided by the Department of Health and Human Services to at
- 10 least the same extent as such funding and contracting are being
- 11 provided on April 12, 2012.
- 12 (4) The commission shall gather information and
- 13 communicate with juvenile justice specialists of the Office of
- 14 Probation Administration and county officials with respect to any
- 15 county-operated practice model participating in the Crossover Youth
- 16 Program of the Center for Juvenile Justice Reform at Georgetown
- 17 University.
- 18 (5) If the Nebraska Juvenile Service Delivery Project
- 19 is enacted by the One Hundred Second Legislature, Second Session,
- 20 2012, the commission shall coordinate and gather information about
- 21 the progress and outcomes of the project.
- 22 2. On page 1, line 4; and page 19, line 12, strike
- 23 "43-412" and insert "43-4203".
- 24 3. Renumber the remaining sections accordingly.

(Signed) John Murante, Chairperson

COMMITTEE REPORTS

Enrollment and Review

LEGISLATIVE BILL 94. Placed on Final Reading. LEGISLATIVE BILL 262. LEGISLATIVE BILL 295. LEGISLATIVE BILL 316. LEGISLATIVE BILL 340. LEGISLATIVE BILL 363. Placed on Final Reading. LEGISLATIVE BILL 363. Placed on Final Reading. LEGISLATIVE BILL 363A. Placed on Final Reading. LEGISLATIVE BILL 363A. Placed on Final Reading.

LEGISLATIVE BILL 434. Placed on Final Reading. ST9

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

- 1. In the Price Amendment, AM672, on page 1, line 19, the period has been struck.
- 2. On page 1, line 4, "relating to emergency management registries; to provide for voluntary participation" has been inserted after "Agency"; and in line 5 "to provide for confidentiality of certain information; to provide a penalty;" has been inserted after the semicolon.

LEGISLATIVE BILL 499. Placed on Final Reading.

(Signed) John Murante, Chairperson

MOTION - Approve Appointment

Senator Sullivan moved the adoption of the Education Committee report for the confirmation of the following appointment(s) found on page 789:

Nebraska Educational Telecommunications Commission Kim Dinsdale

Voting in the affirmative, 35:

Adams	Coash	Hansen	Lautenbaugh	Schilz
Avery	Conrad	Harms	Mello	Schumacher
Bloomfield	Cook	Howard	Murante	Seiler
Bolz	Crawford	Johnson	Nelson	Smith
Brasch	Davis	Kintner	Nordquist	Sullivan
Campbell	Gloor	Kolowski	Price	Wallman
Carlson	Haar, K.	Krist	Scheer	Wightman

Voting in the negative, 0.

Present and not voting, 7:

Ashford Janssen McGill Watermeier Harr, B. Larson Pirsch

Excused and not voting, 7:

Chambers Dubas Karpisek McCoy

Christensen Hadley Lathrop

The appointment was confirmed with 35 ayes, 0 nays, 7 present and not voting, and 7 excused and not voting.

GENERAL FILE

LEGISLATIVE BILL 6A. Title read. Considered.

Advanced to Enrollment and Review Initial with 36 ayes, 0 nays, 8 present and not voting, and 5 excused and not voting.

SELECT FILE

LEGISLATIVE BILL 620. Senator Krist withdrew his amendment, AM616, found on page 800.

Advanced to Enrollment and Review for Engrossment.

GENERAL FILE

LEGISLATIVE BILL 634. Committee AM298, found on page 619 and considered on page 809, was renewed.

Senator Carlson renewed his amendment, AM738, found on page 800 and considered on page 809, to the committee amendment.

The Carlson amendment was adopted with 35 ayes, 0 nays, 9 present and not voting, and 5 excused and not voting.

The committee amendment, as amended, was adopted with 36 ayes, 0 nays, 8 present and not voting, and 5 excused and not voting.

Advanced to Enrollment and Review Initial with 36 ayes, 0 nays, 8 present and not voting, and 5 excused and not voting.

LEGISLATIVE BILL 528. Title read. Considered.

Committee AM605, found on page 774, was offered.

Senator Kintner offered his amendment, AM767, found on page 812, to the committee amendment.

The Kintner amendment lost with 4 ayes, 21 nays, 16 present and not voting, and 8 excused and not voting.

Pending.

COMMITTEE REPORT

Education

LEGISLATIVE BILL 366. Placed on General File with amendment. AM785 is available in the Bill Room.

(Signed) Kate Sullivan, Chairperson

RESOLUTION

LEGISLATIVE RESOLUTION 118. Introduced by Larson, 40.

WHEREAS, Jan Schiferl of Fordyce, Nebraska, was born the youngest of three children in rural South Dakota and grew up in a faith-based farm family; and

WHEREAS, Jan Schiferl along with her husband of thirty-one years, Greg Schiferl, established the WJ Ranch near Fordyce in 1981; and

WHEREAS, Jan Schiferl has degrees in business management and vocal music, serves on numerous church boards, volunteers with her local school and community, and sings in the professional vocal trio "SweetWater"; and

WHEREAS, Jan Schiferl enthusiastically promotes family and community events, advocates for understanding and appreciation of harmony with horses, and loves spending time with her four children and two grandsons;

WHEREAS, Jan Schiferl was selected the 2013 Nebraska Mother of the Year.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED THIRD LEGISLATURE OF NEBRASKA. FIRST SESSION:

- 1. That the Legislature congratulates Jan Schiferl on her selection as the 2013 Nebraska Mother of the Year.
 - 2. That a copy of this resolution be sent to Jan Schiferl.

Laid over.

BILL ON FIRST READING

The following bill was read for the first time by title:

LEGISLATIVE BILL 362A. Introduced by Avery, 28.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 362, One Hundred Third Legislature, First Session, 2013.

ANNOUNCEMENT

Senator Schilz announced the Agriculture Committee will meet Monday, March 25, 2013, at 1:30 p.m. in Room 2102.

AMENDMENT - Print in Journal

Senator Chambers filed the following amendment to <u>LB613</u>: AM778

(Amendments to E & R amendments, ER31)

- 1 1. On page 3, strike beginning with "provides" in line 10 2 through "needs" in line 12 and insert "generates sufficient revenue
- 3 to fund essential state services and to meet spending needs".

VISITORS

Visitors to the Chamber were 61 fourth-grade students and teachers from Belair Elementary, Norfolk; 30 seniors from Northeast High School, Lincoln; 26 fourth-grade students, teacher, and sponsor from North Bend; Dede Pitts from St. Louis, MO; and 40 fourth-grade students and teachers from Paddock Lane Elementary, Beatrice.

ADJOURNMENT

At 12:03 p.m., on a motion by Senator Coash, the Legislature adjourned until 9:00 a.m., Tuesday, March 26, 2013.

Patrick J. O'Donnell Clerk of the Legislature