## EIGHTY-SIXTH DAY - MAY 30, 2013

#### LEGISLATIVE JOURNAL

## ONE HUNDRED THIRD LEGISLATURE FIRST SESSION

#### EIGHTY-SIXTH DAY

Legislative Chamber, Lincoln, Nebraska Thursday, May 30, 2013

#### PRAYER

The prayer was offered by Senator Crawford.

#### ROLL CALL

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

The roll was called and all members were present except Senator Price who was excused; and Senators Ashford, Conrad, and Murante who were excused until they arrive.

#### CORRECTIONS FOR THE JOURNAL

The Journal for the eighty-fifth day was approved.

## **COMMITTEE REPORTS**

Enrollment and Review

**LEGISLATIVE BILL 90.** Placed on Final Reading.

# **LEGISLATIVE BILL 255.** Placed on Final Reading.

ST32

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

1. On page 1, the matter beginning with "27-804" in line 1 through line 17 and all amendments thereto have been struck and "28-801, 28-801.01, 28-804, 28-830, and 28-831, Reissue Revised Statutes of Nebraska, and sections 28-707, 28-802, 28-1354, 43-248, 43-250, and 81-1430, Revised Statutes Cumulative Supplement, 2012; to change provisions relating to child abuse; to change provisions and penalties relating to prostitution, solicitation of prostitution, pandering, and keeping a place of prostitution; to provide an affirmative defense to prosecution for prostitution for certain trafficking victims; to provide an affirmative defense to prosecution for solicitation of prostitution for certain trafficking victims; to provide immunity from prosecution for prostitution for persons under eighteen years

of age; to define and redefine terms and change penalty provisions relating to human trafficking offenses; to provide for temporary custody and disposition of juveniles committing prostitution; to provide duties for the human trafficking task force; to harmonize provisions; to provide an operative date; to provide severability; and to repeal the original sections." inserted.

(Signed) John Murante, Chairperson

#### BILLS ON FINAL READING

## **Dispense With Reading at Large**

Pursuant to Rule 6, Section 8, the Legislature approved the dispensing of the reading at large of LB34 with 36 ayes, 3 nays, 5 present and not voting, and 5 excused and not voting.

The following bill was put upon final passage:

#### LEGISLATIVE BILL 34.

A BILL FOR AN ACT relating to the Nebraska Advantage Act; to amend sections 77-5707.01, 77-5709, 77-5712, 77-5720, 77-5728, and 77-5734, Reissue Revised Statutes of Nebraska, and sections 77-5719, 77-5723, 77-5726, 77-5731, and 77-5735, Revised Statutes Cumulative Supplement, 2012; to redefine terms; to change provisions relating to applications, credits, reports, and transfers of incentives; to harmonize provisions; and to repeal the original sections.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?' "

Voting in the affirmative, 46:

Adams	Coash	Harr, B.	McCoy	Seiler
Ashford	Cook	Howard	McGill	Smith
Avery	Crawford	Janssen	Mello	Sullivan
Bloomfield	Davis	Johnson	Murante	Wallman
Bolz	Dubas	Karpisek	Nelson	Watermeier
Brasch	Gloor	Kintner	Nordquist	Wightman
Campbell	Haar, K.	Kolowski	Pirsch	•
Carlson	Hadley	Krist	Scheer	
Chambers	Hansen	Lathrop	Schilz	
Christensen	Harms	Lautenbaugh	Schumacher	

Voting in the negative, 0.

Excused and not voting, 3:

Conrad Larson Price

A constitutional majority having voted in the affirmative, the bill was declared passed and the title agreed to.

## **Dispense With Reading at Large**

Pursuant to Rule 6, Section 8, the Legislature approved the dispensing of the reading at large of LB545 with 35 ayes, 8 nays, 3 present and not voting, and 3 excused and not voting.

The following bill was put upon final passage:

#### LEGISLATIVE BILL 545.

A BILL FOR AN ACT relating to the Public Service Commission; to amend sections 71-1567, 71-4609, 75-134, 75-136, 75-139, 75-156, 75-722, 86-123, 86-158, 86-209, 86-255, 86-269, and 86-578, Reissue Revised Statutes of Nebraska, and section 57-1409, Revised Statutes Cumulative Supplement, 2012; to change appeal procedures as prescribed; to provide for motions for reconsideration; to harmonize provisions; to provide a duty for the Revisor of Statutes; and to repeal the original sections.

Whereupon the President stated: "All provisions of law relative to procedure having been complied with, the question is, 'Shall the bill pass?' "

Voting in the affirmative, 43:

Adams	Coash	Harr, B.	Lautenbaugh	Schilz
Ashford	Cook	Howard	McCoy	Seiler
Bloomfield	Davis	Janssen	McGill	Smith
Bolz	Dubas	Johnson	Mello	Sullivan
Brasch	Gloor	Karpisek	Murante	Wallman
Campbell	Haar, K.	Kintner	Nelson	Watermeier
Carlson	Hadley	Kolowski	Nordquist	Wightman
Chambers	Hansen	Krist	Pirsch	_
Christensen	Harms	Lathrop	Scheer	

Voting in the negative, 2:

Avery Schumacher

Present and not voting, 1:

Crawford

Excused and not voting, 3:

Conrad Larson Price

A constitutional majority having voted in the affirmative, the bill was declared passed and the title agreed to.

#### PRESIDENT SIGNED

While the Legislature was in session and capable of transacting business, the President signed the following: LBs 34 and 545.

#### SELECT FILE

**LEGISLATIVE BILL 224.** Senator Chambers withdrew his amendments, FA152, FA153, and FA155, found on pages 1688, 1693, and 1696.

Senator Murante withdrew his amendment, FA154, found on page 1696.

Senator Janssen renewed his amendment, AM1540, found on page 1688.

Senator Janssen offered the following amendment to his amendment: AM1546

## (Amendments to AM1540)

- 1. Strike amendment 1 and all amendments thereto and
- 2 insert the following new amendment:
- 1. Strike the original sections and all amendments
- thereto and insert the following new section:
- 5 Section 1. (1) When a state contract is to be awarded
- 6 to the lowest responsible bidder, a resident disabled veteran
- or a business located in a designated enterprise zone under the
- 8 Enterprise Zone Act shall be allowed a preference over any other
- resident or nonresident bidder if all other factors are equal.
- (2) For purposes of this section, resident disabled 10
- veteran means an individual (a) who resides in the State of 11
- Nebraska, who served in the United States Armed Forces, including 12
- any reserve component or the National Guard, who was discharged 13
- or otherwise separated with a characterization of honorable
- or general (under honorable conditions), and who possesses a
- disability rating letter issued by the United States Department 16
- of Veterans Affairs establishing a service-connected disability 17
- or a disability determination from the United States Department 18
- 19 of Defense and (b)(i) who owns and controls a business or, in
- 20 the case of a publicly owned business, more than fifty percent
- 21 of the stock is owned by one or more individuals described in
- 22 subdivision (a) of this subsection and (ii) the management and
- daily business operations of the business are controlled by one or
- 2 more individuals described in subdivision (a) of this subsection.
- (3) Any contract entered into without compliance with 3
- 4 this section shall be null and void.

The Janssen amendment was adopted with 41 ayes, 0 nays, 5 present and not

voting, and 3 excused and not voting.

Senator Chambers offered the following amendment to the Janssen amendment:

FA156

Amend AM1546

- 1. On page 1, in line 11, strike "an individual" and insert "any person";
- 2. On page 1, in line 21 and on page 2, in line 2, strike "<u>individuals</u>" and insert "<u>persons</u>".

The Chambers amendment was adopted with 40 ayes, 0 nays, 6 present and not voting, and 3 excused and not voting.

The Janssen amendment, AM1540, as amended, was adopted with 42 ayes, 0 nays, 4 present and not voting, and 3 excused and not voting.

Advanced to Enrollment and Review for Engrossment.

## RESOLUTION

## LEGISLATIVE RESOLUTION 155. Read. Considered.

Committee AM1328, found on page 1281, was offered.

## SENATOR COASH PRESIDING

## PRESIDENT HEIDEMANN PRESIDING

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

LR155, as amended, was adopted with 40 ayes, 0 nays, 5 present and not voting, and 4 excused and not voting.

## SELECT FILE

**LEGISLATIVE BILL 613.** ER31, found on page 815, was adopted.

Senator Chambers withdrew his motion, MO26, found on page 745, to bracket until June 1, 2013.

Senator Krist withdrew his amendment, AM744, found on page 795.

Senator Chambers withdrew his amendments, FA37, AM778, and AM1077, found on pages 800, 822, and 1080.

Senator Schumacher offered his amendment, AM1522, found on page 1614.

#### SPEAKER ADAMS PRESIDING

The Schumacher amendment was adopted with 38 ayes, 1 nay, 5 present and not voting, and 5 excused and not voting.

Senator Schumacher offered the following amendment: AM1548

## (Amendments to AM1522)

- 1 1. Insert the following new section:
- 2 Sec. 2. Section 50-407, Reissue Revised Statutes of
- 3 Nebraska, is amended to read:
- 4 50-407 In case of disobedience on the part of any person
- 5 to comply with any subpoena issued on behalf of the council or any
- 6 committee thereof or of the refusal of any witness to testify on
- 7 any matters regarding which he or she may be lawfully interrogated,
- 8 the district court for any county of Lancaster County or the
- 9 judge thereof, on application of a member of the council, shall
- 10 compel obedience by proceedings for contempt as in the case of
- 11 disobedience of the requirements of a subpoena issued from such
- 12 court or a refusal to testify therein.
- 13 If a witness refuses to testify before a special
- 14 committee of the Legislature authorized pursuant to section 50-404
- 15 on the basis of the privilege against self-incrimination, the
- 16 chairperson of the committee may request a court order pursuant to
- 17 sections 29-2011.02 and 29-2011.03.
- 18 2. Renumber the remaining sections and correct the
- 19 repealer accordingly.

The Schumacher amendment was adopted with 37 ayes, 0 nays, 7 present and not voting, and 5 excused and not voting.

Advanced to Enrollment and Review for Engrossment.

#### PRESENTED TO THE GOVERNOR

Presented to the Governor on May 30, 2013, at 9:38 a.m. were the following: LBs 34 and 545.

(Signed) Jamie Kruse Clerk of the Legislature's Office

## RESOLUTIONS

**LEGISLATIVE RESOLUTION 369.** Introduced by Nebraska Retirement Systems Committee: Nordquist, 7, Chairperson; Davis, 43; Karpisek, 32; Kolowski, 31; Mello, 5.

PURPOSE: The purpose of this resolution is to conduct a study and analysis of guidance principles for pension divestment policy decisions.

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

- 1. That the Nebraska Retirement Systems Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
- 2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

Referred to the Executive Board.

## **LEGISLATIVE RESOLUTION 370.** Introduced by Mello, 5.

WHEREAS, Johnny Goodman is considered by many to be the greatest golfer in Nebraska state history; and

WHEREAS, Johnny Goodman was born and raised in South Omaha, Nebraska, and attended Omaha South High School; and

WHEREAS, Johnny Goodman rose from poverty and hardship to national prominence as a self-taught golfer; and

WHEREAS, Johnny Goodman achieved tremendous success during his golfing career, including winning the United States Open, and was the last amateur golfer to win the United States Open; and

WHEREAS, the city of Omaha now has a public golf course dedicated to Johnny Goodman and his lifetime accomplishments; and

WHEREAS, Johnny Goodman is currently under consideration for induction into the World Golf Hall of Fame.

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

- 1. That the Legislature recognizes the exceptional contributions of Johnny Goodman to the sport of golf and to the State of Nebraska.
- 2. That a copy of this resolution be sent to the Omaha South High School Alumni Association's Packers Sports Greats Hall of Fame and to the Johnny Goodman Championship Golf Course.

Laid over.

#### COMMITTEE REPORT

Enrollment and Review

# **LEGISLATIVE BILL 224.** Placed on Final Reading. ST33

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

1. On page 1, the matter beginning with "public" in line 1 through line 4 has been struck and "state contracts; to require a preference for awarding state contracts to resident disabled veterans and certain businesses as prescribed." inserted.

(Signed) John Murante, Chairperson

## UNANIMOUS CONSENT - Add Cointroducers

Senator Schumacher asked unanimous consent to add his name as cointroducer to LR155. No objections. So ordered.

Senator Chambers asked unanimous consent to add his name as cointroducer to LB613. No objections. So ordered.

## **COMMITTEE REPORT**

Enrollment and Review

Correctly Enrolled

The following resolution was correctly enrolled: LR155.

(Signed) John Murante, Chairperson

#### ENROLLED RESOLUTION

**LEGISLATIVE RESOLUTION 155.** Introduced by Chambers, 11; Schumacher, 22.

WHEREAS, the economy is continually changing, creating the need to continually review and update the state's tax laws; and

WHEREAS, state, county, and other local tax policies are interdependent, and a study should be undertaken of possible consequences when adjustments are made to state tax laws; and

WHEREAS, the purpose of such a study is to review and evaluate the state's tax laws regarding, but not limited to, sales and use taxes, income taxes, property taxes, and other miscellaneous taxes and credits and incentives; and

WHEREAS, community discourse and involvement are essential to the success of a study, and the public shall be provided with opportunities to be engaged in a variety of ways.

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

- 1. The Tax Modernization Committee is created as a special legislative committee and shall comprise:
  - (a) The members of the Revenue Committee;
  - (b) The chairperson of the Appropriations Committee;
  - (c) The chairperson of the Health and Human Services Committee;
  - (d) The chairperson of the Education Committee;
  - (e) The chairperson of the Agriculture Committee;
  - (f) The chairperson of the Legislature's Planning Committee; and

- (g) Two other members of the Legislature selected by the Executive Board of the Legislative Council.
- 2. The chairperson of the Revenue Committee shall serve as the chairperson of the Tax Modernization Committee, which shall meet as often as is deemed necessary in order to accomplish the objectives enumerated in this resolution. At least one meeting shall be held concurrently with a meeting of the Legislative Council convened by the chairperson of the Executive Board.
- 3. The Tax Modernization Committee shall consider, but not be limited to, the following elements:
- (a) Fairness. In order to formulate an equitable system of taxation, the committee shall review and analyze the tax burden created by sales and use taxes, income taxes, property taxes, and other miscellaneous taxes imposed on families, businesses, and sectors of industry within the state;
- (b) Competitiveness. Any modification of the tax system should be designed to ensure that such modification in no way impedes or restricts the state's ability to attract well-paying jobs and investment while keeping and protecting existing jobs and businesses. The committee also shall review and analyze how the state compares to other states with reference to taxes imposed on businesses and identify ways to enhance business competitiveness;
- (c) Simplicity and compliance. The tax system should 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 state;
- (d) Stability. A stable tax system generates revenue that is relatively dependable and not prone to unpredictable fluctuations. The committee shall ensure that any recommended changes will maintain or improve stability;
- (e) Adequacy. The tax modernization process should create a tax system that generates adequate revenue to fund essential state services and obligations. The tax structure should ensure that revenue will meet spending needs; and
- (f) Complementary tax systems. Updating of the tax system should address the interrelationships among tax systems within the state revenue system as a whole.
- 4. The Tax Modernization Committee shall examine previous studies, including but not limited to, the Tax Policy Reform Commission from 2005 to 2007 and the comprehensive tax study conducted by Syracuse University from 1986 to 1988 and ascertain findings and recommendations contained in the studies that can be of assistance to the committee in carrying out its charge under this resolution.
- 5. The Tax Modernization Committee may require any state agency or political subdivision to provide information relevant to the committee's work, and the state agency or political subdivision shall provide the information requested within thirty days after the request. The committee may hold public hearings and, pursuant to section 50-406 and the rules of the Legislature, may exercise its authority to administer oaths, issue subpoenas, compel attendance of witnesses and the production of

documents, and cause depositions of witnesses to be taken in the manner prescribed by law for taking depositions in civil actions in the district court.

6. The Tax Modernization Committee shall issue a report to the Executive Board and to the Governor not later than December 15, 2013, containing any recommendations to update state, county and local tax policies, and proposed language for any needed legislation. The report to the Legislature shall be submitted electronically. The committee shall identify areas requiring further study and analysis.

## VISITORS

Visitors to the Chamber were Kolby Schneider from Paxton; 40 graduate students and teachers from the Education Administration Department of UNO College; 8 students and sponsors from Norfolk City Council for Kids; a group from CC Aurora Home School, York, Superior, and Hendersen; and 19 members of St. Mark Kid Zone, Lincoln.

#### RECESS

At 11:55 a.m., on a motion by Senator Gloor, the Legislature recessed until 1:30 p.m.

## AFTER RECESS

The Legislature reconvened at 1:30 p.m., Senator Krist presiding.

## ROLL CALL

The roll was called and all members were present except Senators Larson and Price who were excused; and Senators Ashford, Conrad, Cook, and Lautenbaugh who were excused until they arrive.

#### GENERAL FILE

## LEGISLATIVE BILL 574. Title read. Considered.

Committee AM446, found on page 807, was offered.

Senator Chambers offered the following amendment to the committee amendment:

FA157

Amend AM446

Page 1, line 1, strike "1".

Senator Chambers moved for a call of the house. The motion prevailed with 28 ayes, 0 nays, and 21 not voting.

The Chambers amendment lost with 7 ayes, 18 nays, 20 present and not voting, and 4 excused and not voting.

Pending.

The Chair declared the call raised.

#### RESOLUTIONS

## **LEGISLATIVE RESOLUTION 371.** Introduced by Kolowski, 31.

WHEREAS, in 2008 Bruce Froendt successfully conceptualized, developed, raised funds for, and built the ALLPLAY Complex, which is a \$1.5 million outdoor sports and recreation facility designed especially for persons with disabilities in Omaha; and

WHEREAS, located in Seymour Smith Park near 72nd and Harrison Street in Omaha, the entire complex features a barrier-free design. The fields and playgrounds have rubberized surfaces to soften falls which makes the complex perfect for people using wheelchairs, walkers, or braces and for those with visual impairments; and

WHEREAS, Bruce Froendt founded the ALLPLAY Miracle Baseball League for children with disabilities with over 235 children with disabilities participating in 2013; and

WHEREAS, volunteers called "buddies," who may be adults, high school youth, or family members, assist Miracle League players during games. As a result, players and buddies often form special bonds through a positive, encouraging, and inspiring environment filled with fun and special moments; and

WHEREAS, the thrill of playing, cheers from family and friends in the stands, and developed friendships make the Miracle League a special place for players, buddies, and volunteers; and

WHEREAS, coordinating with other organizations such as Special Olympics, Children's Hospital, Easter Seals, Cornhusker State Games, local schools, and more, Bruce Froendt expanded the use of the ALLPLAY Complex to include wheelchair softball teams and other events; and

WHEREAS, donors for the complex include the William and Ruth Scott Family Foundation, Peter Kiewit Foundation, Lozier Foundation, city of Omaha, and many other generous supporters who make this incredible experience possible for hundreds of children each year; and

WHEREAS, the success of the State of Nebraska, the strength of our communities, and the overall vitality of American society depend in great measure upon the dedication of people like Bruce Froendt who use their considerable talents, heart, and resources to help others.

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

- 1. That the Legislature recognizes Bruce Froendt as an outstanding leader and mentor whose vision is that everyone deserves the opportunity to play baseball and have an accessible place to play.
  - 2. That a copy of this resolution be sent to Bruce Froendt.

Laid over.

## **LEGISLATIVE RESOLUTION 372.** Introduced by Davis, 43; Coash, 27.

WHEREAS, Carrie Reeves of Whiteclay, Nebraska, will celebrate her 103rd birthday this year; and

WHEREAS, Carrie was born on December 2, 1910, on the Lehman homestead north of Rushville, Nebraska; and

WHEREAS, Carrie was married in 1932 to Louis Reeves and had four children, Gerald, Joyce, Maurice, and Hollis; and

WHEREAS, Carrie began work at the Whiteclay Post Office in 1959 as a part-time employee and was named postmaster in 1973, a position she held until 1986 when she retired at the age of 75 after working for the post office for 27 years; and

WHEREAS, Carrie is well-known throughout northwest Nebraska for her long service to postal patrons, her assistance to elderly Native Americans, and for her famous popcorn balls which she continued to make until the age of 100.

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

- 1. That the Legislature recognizes Carrie Reeves for exemplifying the pioneering spirit of Nebraska and congratulates her on the occasion of her 103rd birthday.
  - 2. That a copy of this resolution be sent to Carrie Reeves.

Laid over.

#### EXPLANATION OF VOTES

Had I been present, I would have voted "aye" on final passage of LBs 97, 225, 298e, 326, 331e, 479, 23, 23A, 93, 93A, 104e, 211e, 211Ae, 216e, 216A, 269e, 269Ae, 296, 306e, 306Ae, 308, 363, 363A, 366e, 366Ae, 429, 429A, 483, 483A, 507e, 507Ae, 517e, 517Ae, 530e, 530A, 556, 556A, 561e, 561Ae, 573, 579, 579A, 634e, and 634Ae.

(Signed) Les Seiler

#### GENERAL FILE

**LEGISLATIVE BILL 574.** Senator Chambers offered the following motion:

MO100

Unanimous consent to bracket until June 5, 2013.

No objections. So ordered.

## RESOLUTION

## LEGISLATIVE RESOLUTION 22. Read. Considered.

Committee AM937, found on page 1448, was adopted with 41 ayes, 0 nays, 2 present and not voting, and 6 excused and not voting.

LR22, as amended, was adopted with 41 ayes, 0 nays, 2 present and not voting, and 6 excused and not voting.

#### VISITORS

Visitors to the Chamber were 21 members from Omaha Public School's Migrant Education Program.

#### **ADJOURNMENT**

At 3:25 p.m., on a motion by Senator Howard, the Legislature adjourned until 9:00 a.m., Friday, May 31, 2013.

Patrick J. O'Donnell Clerk of the Legislature