

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 22, 2015

[LB65 LB99 LB100 LB150 LB151 LB170 LB171 LB177 LB656 LB657 LB658 LB659
LB660 LB661 LB662 LB663 LR36]

PRESIDENT FOLEY PRESIDING

PRESIDENT FOLEY: GOOD MORNING, LADIES AND GENTLEMEN. WELCOME TO THE GEORGE W. NORRIS LEGISLATIVE CHAMBER FOR THE ELEVENTH DAY OF THE ONE HUNDRED FOURTH LEGISLATURE, FIRST SESSION. OUR CHAPLAIN FOR TODAY IS FATHER RYAN LEWIS, PASTOR OF ST. THOMAS MORE PARISH IN OMAHA, NEBRASKA, THE GUEST OF SENATOR KRIST AND SENATOR MELLO. PLEASE RISE.

FATHER LEWIS: (PRAYER OFFERED.)

PRESIDENT FOLEY: THANK YOU, FATHER LEWIS. I CALL TO ORDER THE ELEVENTH DAY OF THE ONE HUNDRED FOURTH LEGISLATURE, FIRST SESSION. SENATORS, PLEASE RECORD YOUR PRESENCE. ROLL CALL. MR. CLERK, PLEASE RECORD.

CLERK: I HAVE A QUORUM PRESENT, MR. PRESIDENT.

PRESIDENT FOLEY: THANK YOU, MR. CLERK. ARE THERE ANY CORRECTIONS FOR THE JOURNAL?

CLERK: I HAVE NO CORRECTIONS.

PRESIDENT FOLEY: THANK YOU, MR. CLERK. ARE THERE ANY MESSAGES, REPORTS, OR ANNOUNCEMENTS?

CLERK: MR. PRESIDENT, YOUR COMMITTEE ON URBAN AFFAIRS, CHAIRED BY SENATOR CRAWFORD, REPORTS LB150, LB151 TO GENERAL FILE WITH AMENDMENTS ATTACHED. REVENUE COMMITTEE, CHAIRED BY SENATOR GLOOR, REPORTS LB170 AND LB171 TO GENERAL FILE. SENATOR SULLIVAN, AS CHAIR OF EDUCATION, REPORTS LB99 AND LB100 TO GENERAL FILE. SENATOR CRAIGHEAD WOULD OFFER LR36, MR. PRESIDENT. THAT WILL BE LAID OVER AT THIS TIME. I HAVE RECEIVED A REFERENCE REPORT REFERRING LB431 THROUGH LB496. THAT IS SIGNED BY SENATOR KRIST AS CHAIR. MR. PRESIDENT, I HAVE COMMUNICATION FROM THE EXECUTIVE BOARD REGARDING THE RESIGNATION OF SENATOR HOWARD FROM THE PLANNING COMMITTEE AND THE APPOINTMENT OF SENATOR COOK TO FILL THAT VACANCY. I HAVE HEARING NOTICE, MR. PRESIDENT, FROM THE RETIREMENT SYSTEMS COMMITTEE. AND I HAVE TWO CONFLICT OF INTEREST STATEMENTS, ONE BY SENATOR WATERMEIER, ONE BY SENATOR WILLIAMS.

Floor Debate
January 22, 2015

BOTH WILL BE ON FILE IN THE CLERK'S OFFICE. THAT'S ALL THAT I HAVE AT THIS TIME, MR. PRESIDENT. (LEGISLATIVE JOURNAL PAGES 271-274) [LB150 LB151 LB170 LB171 LB99 LB100 LR36]

PRESIDENT FOLEY: THANK YOU, MR. CLERK. (DOCTOR OF THE DAY AND VISITORS INTRODUCED.) SENATOR KOLOWSKI, YOU ARE RECOGNIZED FOR A MOTION.

SENATOR KOLOWSKI: MR. CHAIRMAN, I MOVE 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. THANK YOU.

PRESIDENT FOLEY: THANK YOU, SENATOR KOLOWSKI. SENATORS, YOU'VE HEARD THE MOTION. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE MOTION IS ADOPTED. THE FOLLOWING SENATORS ARE HEREBY APPOINTED TO THE GOVERNOR'S ESCORT COMMITTEE: SENATORS KOLTERMAN, SULLIVAN, SCHEER, JOHNSON, AND CRAWFORD. WOULD THOSE SENATORS PLEASE RETIRE TO THE GOVERNOR'S OFFICE TO ESCORT THE GOVERNOR FROM HIS OFFICE TO THE LEGISLATIVE CHAMBER. THANK YOU. MR. SERGEANT AT ARMS, YOU'RE RECOGNIZED.

SERGEANT AT ARMS: MR. PRESIDENT, YOUR COMMITTEE NOW ESCORTING THE GOVERNOR OF THE GREAT STATE OF NEBRASKA, PETE RICKETTS, AND FIRST LADY, SUSANNE SHORE.

PRESIDENT FOLEY: HONORABLE SENATORS AND DISTINGUISHED GUESTS, I PRESENT TO YOU THE GOVERNOR OF THE GREAT STATE OF NEBRASKA, GOVERNOR PETE RICKETTS.

GOVERNOR RICKETTS: THANK YOU VERY MUCH. THANK YOU. PLEASE GO AHEAD AND SIT DOWN. THANK YOU VERY MUCH. I APPRECIATE IT. PRESIDENT FOLEY, SPEAKER HADLEY, MEMBERS OF THE LEGISLATURE, TRIBAL CHAIRMEN, DISTINGUISHED GUESTS, FRIENDS, FELLOW NEBRASKANS, CONGRATULATIONS ONCE AGAIN ON THE COMMENCEMENT OF THE ONE HUNDRED FOURTH NEBRASKA LEGISLATURE. I WANT TO COMMEND YOU ON YOUR WILLINGNESS TO SERVE YOUR CONSTITUENTS AND OUR GREAT STATE. I RECOGNIZE YOUR PERSONAL SACRIFICE AS WELL AS YOUR COMMITMENT TO PUBLIC SERVICE, WHICH IS A HIGH AND NOBLE CALLING. I LOOK FORWARD TO WORKING TOGETHER IN A SPIRIT OF COLLABORATION WHICH IS, OF COURSE, THE TRADITION OF NEBRASKA'S UNIQUE UNICAMERAL NONPARTISAN INSTITUTION. OUR FUTURE SUCCESS DEPENDS ON OUR ABILITY TO WORK TOGETHER. AND I LOOK FORWARD TO CONTINUING TO

Floor Debate
January 22, 2015

WORK WITH EACH AND EVERY ONE OF YOU. SPEAKER HADLEY, IT'S A PLEASURE TO WORK WITH YOU. I LOOK FORWARD TO SEEING WHAT WE CAN DO TOGETHER FOR THE STATE. CONGRATULATIONS ON BEING ELECTED SPEAKER. THE CONFIDENCE YOUR COLLEAGUES HAVE IN YOU SPEAKS VOLUMES AND NEBRASKA IS GRATEFUL FOR YOUR DEDICATION. I ALSO WANT TO TAKE A MOMENT TO RECOGNIZE THE NEBRASKA NATIONAL GUARD. THE ROLE OF THESE MEN AND WOMEN WHO ARE TRULY CITIZEN SOLDIERS HAS NEVER BEEN MORE IMPORTANT, HAS NEVER BEEN MORE DIFFICULT FOR FAMILIES, AND NEVER BEEN MORE DANGEROUS. WE LIVE IN A WORLD THAT IS DANGEROUS, AND THESE MEN AND WOMEN NOT ONLY PROTECT US BY DEPLOYING TO FOREIGN REGIONS BUT ALSO KEEP US SAFE HERE AT HOME WHEN WE HAVE SITUATIONS LIKE THE TORNADOES IN PILGER AND BEAVER CROSSING. WE ARE GRATEFUL FOR THEIR SERVICE AND THEIR SACRIFICE. AND, GENERAL BOHAC, I THINK YOU ARE HERE. NEBRASKA IS A SPECIAL PLACE. WE ARE MORE THAN JUST LINES ON A MAP. WE ARE BOUND TOGETHER BY MORE THAN JUST OUR COMMON GEOGRAPHY. IT'S A CULTURE, A WAY OF LIFE. IT'S HOW WE TREAT EACH OTHER WITH DIGNITY, RESPECT, AND CIVILITY. WE HAVE A GREAT STATE BUILT BY OUR ANCESTORS WHO MADE NEBRASKA HOME FOR THEIR CHILDREN AND GRANDCHILDREN. LIKE OUR ANCESTORS BEFORE US, WE HAVE A DUTY TO CREATE AN EVEN BETTER FUTURE FOR OUR KIDS AND GRANDKIDS. AND JUST AS OUR ANCESTORS BEFORE US, WE HAVE A DUTY TO GROW NEBRASKA. I'M EXCITED TO JOIN YOU TO TAKE ADVANTAGE OF THE OPPORTUNITIES THAT WE HAVE. I'VE BEEN ENCOURAGED BY THE DISCUSSIONS I'VE HAD WITH MANY OF YOU ABOUT HOW WE GROW NEBRASKA. AS CITIZEN LEGISLATORS, YOU ALL BRING YOUR EXPERIENCES, YOUR LIFE EXPERIENCES TO OUR WORK. I, TOO, HAVE OUTSIDE EXPERIENCES. AND I PROMISED THE PEOPLE OF NEBRASKA TO BRING MY BUSINESS EXPERIENCE TO WORK FOR THE STATE. TO THAT END, I'VE CRAFTED A BUDGET, A BLUEPRINT, THAT SLOWS THE GROWTH OF SPENDING, PROVIDES FOR PROPERTY TAX RELIEF, HAS ROOM TO MAKE IMPROVEMENTS IN CRITICAL AREAS, SUCH AS HHS AND CORRECTIONS, AND ALSO FUNDS THE ESSENTIAL SERVICES OF STATE GOVERNMENT. LET ME TAKE A MOMENT TO TALK ABOUT MY PHILOSOPHY ON THE CASH RESERVE. MY BUDGET RECOMMENDATION FOR THE NEXT BIENNIUM DOES NOT DRAW DOWN ON THESE RESERVES. HOWEVER, RIGHT NOW WE HAVE TOO MUCH MONEY THERE. MY BELIEF IS WE SHOULD WORK TOGETHER TO RETURN MORE OF THAT MONEY TO TAXPAYERS. AND THE REMAINING RESERVES SHOULD BE ONLY USED FOR EMERGENCIES OR ONE-TIME CRITICAL EXPENSES. IT'S EASY TO VIEW A GOVERNMENT BUDGET AS A COLLECTION OF NUMBERS AND ROWS AND COLUMNS NEXT TO AGENCIES AND PROGRAMS. BUT BEHIND THOSE NUMBERS ARE PEOPLE'S LIVES. WE MUST BE MINDFUL THAT EVERY DOLLAR IS PRECIOUS. THE DOLLARS THAT FUND OUR BUDGETS ARE DOLLARS THAT COME FROM HARDWORKING NEBRASKANS. WE MUST

Floor Debate
January 22, 2015

ALSO BE MINDFUL THAT THE AGENCIES AND PROGRAMS ARE DESIGNED TO SERVE OUR CITIZENS AND MANY OF THEM ARE PEOPLE IN NEED. THIS SESSION, WE WILL MEET. WE WILL DEBATE. WE MAY EVEN COMPROMISE ABOUT HOW WE SET ABOUT TO FUND THE IMPORTANT SERVICES FOR THE PEOPLE THAT WE REPRESENT. THAT'S OUR JOB. WE WILL DO IT WITH DEDICATION AND COMMITMENT. TODAY, I AM PRIVILEGED TO REPORT ON THE CONDITION OF NEBRASKA. IT SHOULD COME AS NO SURPRISE THAT I BELIEVE THE STATE OF OUR STATE OF NEBRASKA TO BE STRONG. THAT'S A GOOD (INAUDIBLE). YEAH. HERE IN THE HEARTLAND, WE HAVE MAJOR MILITARY INSTALLATIONS, FINE ACADEMIC RESEARCH CENTERS, AND WE ARE AT THE HEART OF THE NATION'S AGRICULTURAL SYSTEM. NEBRASKA IS ON THE FRONT LINES OF BIOTERRORISM PREPAREDNESS, AND AT THE UNIVERSITY OF NEBRASKA MEDICAL CENTER WE HAVE MEDICAL PROFESSIONALS THAT HAVE MADE NATIONAL HEADLINES WITH THEIR SUCCESS IN RESPONDING TO THE EBOLA OUTBREAK. I WANT TO RECOGNIZE THAT THE MEMBERS OF THE TEAM THAT WERE ARE WITH US HERE TODAY FOR THEIR SUCCESS AND BRAVERY. UP HERE WE HAVE DR. DAN JOHNSON, NURSES KATE BOULTER AND SHELLY SCHWEDHELM. PLEASE STAND UP AND TAKE A BOW. THERE WE GO, THERE WE GO. OUR PEOPLE, EVERYDAY HEROES ALL ACROSS NEBRASKA, ARE THE REASON THE STATE OF OUR STATE IS SO STRONG. FROM THE TEACHERS THAT PREPARE OUR CHILDREN FOR AN EVER-CHANGING WORLD TO THE MEDICAL PROFESSIONALS AT UNMC TREATING EBOLA PATIENTS, FROM THE LAW ENFORCEMENT OFFICERS AND FIREFIGHTERS WHO PUT THEMSELVES AT RISK EACH AND EVERY DAY TO OUR FARM FAMILIES THAT FEED THE WORLD, FROM THE VOLUNTEERS WHO BUILD OUR COMMUNITIES TO THE CREWS AT OFFUTT AIR FORCE BASE AND OUR MILITARY FAMILIES WHO ANSWER THE CALL, THESE NEBRASKANS LOVE TO SERVE AND THEY ARE WHAT MAKE OUR STATE STRONG. I'VE LONG SAID THAT NEBRASKA'S GREATEST RESOURCE IS OUR PEOPLE. I KNOW FROM PERSONAL EXPERIENCE, WHEN YOU HIRE A NEBRASKAN, YOU HIRE SOMEBODY WHO'S GOT A GREAT EDUCATION, A GREAT WORK ETHIC, WHO'S LOYAL, AND WHO WILL HELP YOUR BUSINESS SUCCEED. AS I'VE SAID IT BEFORE, NEBRASKA IS WHAT AMERICA IS SUPPOSED TO BE. I'VE TRAVELED NEBRASKA FROM CHADRON TO FALLS CITY, FROM NORFOLK TO OGALLALA. I'VE LISTENED TO THE PEOPLE OF NEBRASKA AND I'VE BEEN PRIVILEGED IN MY TRAVELS TO CONNECT WITH OLD FRIENDS LIKE SENATORS LYDIA BRASCH, BOB KRIST, CURT FRIESEN, AND JIM SMITH. I'VE ALSO APPRECIATED MAKING NEW FRIENDS WHO HAVE SUPPORTED ME, LIKE SENATOR DAN HUGHES AND JOHN KUEHN WHO WERE ON MY AG ADVISORY COMMITTEE, AND SENATOR DAVE BLOOMFIELD WHO WAS SUPPORTIVE THROUGHOUT NORTHEAST NEBRASKA. SENATORS CAMPBELL AND MELLO WERE GRACIOUS ENOUGH TO MEET WITH ME TO DISCUSS ISSUES. AND SENATOR KATE BOLZ CAME TO A LINCOLN EVENT THAT WE HAD WITH LIEUTENANT GOVERNOR

Floor Debate
January 22, 2015

MIKE FOLEY. THIS BUDGET, WHICH WAS INFORMED BY MY DISCUSSIONS WITH MANY OF YOU AND BY THE FACT THAT I GREW UP HERE, REPRESENTS NOT ONLY THE PRIORITIES OF NEBRASKANS BUT THEIR HOPES FOR OUR SHARED FUTURE. I'M EAGER TO WORK WITH YOU ON FOUR MAJOR PRIORITIES TO GROW NEBRASKA. THE FIRST IS STRENGTHENING OUR ECONOMY AND CREATING JOBS; SECOND, REDUCING TAXES; THIRD, EASING REGULATORY BURDENS; AND, ADDITIONALLY, EXPANDING EDUCATIONAL OPPORTUNITIES. ALL OF THESE PRIORITIES ARE INTERCONNECTED AND ARE REFLECTED IN MY BUDGET RECOMMENDATIONS. NOW BECAUSE IT'S SO IMPORTANT THAT WE BOOST THE ECONOMIC ENGINE OF OUR STATE AND CREATE JOBS, ONE OF MY ADMINISTRATION'S FIRST STEPS WAS TO CONDUCT A NATIONAL JOB SEARCH FOR A NEW DIRECTOR OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT. I'M PROUD TO HAVE BRENDA HICKS-SORENSEN JOIN MY TEAM. HER EXPERTISE WILL HELP US REALIZE THE UNTAPPED POTENTIAL IN OUR STATE AND WE'LL BE WELL SERVED BY HER TRACK RECORD IN TRACKING AND RECRUITING BUSINESSES. WE WANT THE WORLD TO KNOW THAT NEBRASKA WELCOMES BUSINESS INVESTMENT AND HAS GOOD JOBS IN GREAT COMMUNITIES. BRENDA WILL HELP US GET THAT MESSAGE OUT. BUT CREATING JOBS IS MORE THAN JUST A MARKETING FOCUS OR INCENTIVES. WE NEED TO EVALUATE WHAT WE'RE DOING TO ENCOURAGE SMALL BUSINESS TO EXPAND AND GROW. WE NEED TO HAVE A PLAN TO ATTRACT BUSINESS INVESTMENT AS WELL AS BUSINESS RELOCATIONS. AND WE NEED TO BE STRATEGIC AND AGGRESSIVE ABOUT TRADE OPPORTUNITIES, AND THERE IS NO BETTER PLACE IN EXPANDING EXPORT OPPORTUNITIES THAN WITH AGRICULTURE. OUR FARMERS AND RANCHERS ARE FEEDING THE WORLD. ACCORDING TO RONNIE GREEN AT THE UNIVERSITY OF NEBRASKA, BY 2050, THERE WILL BE 2 BILLION MORE PEOPLE ON THE FACE OF THE EARTH. AND BECAUSE OF RISING STANDARDS OF LIVING, WE WILL HAVE TO PRODUCE 100 PERCENT MORE FOOD; 70 PERCENT OF THAT WILL HAVE TO COME FROM PRODUCTIVITY AND INNOVATION. WELL, FOLKS, OUR FARMERS AND RANCHERS ARE THE MOST PRODUCTIVE, INNOVATIVE IN THE WORLD. NEBRASKA IS NUMBER ONE FOR CATTLE ON FEED, NUMBER TWO FOR ETHANOL PRODUCTION, NUMBER THREE IN CORN PRODUCTION, AND WE'RE THE FOURTH LARGEST STATE FOR OVERALL AGRICULTURAL PRODUCTION. I'M LOOKING FORWARD TO WORKING WITH SENATOR JOHNSON AND THE MEMBERS OF THE AG COMMITTEE ON HOW WE CAN EXPAND UPON THESE SUCCESSES. THIS BUDGET PROVIDES ADDITIONAL FUNDS FOR MORE EXPORT TRADE MISSIONS IN BOTH THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND THE DEPARTMENT OF AGRICULTURE. AND UNDER MY ADMINISTRATION, THESE TWO DEPARTMENTS WILL WORK MORE CLOSELY THAN EVER BEFORE. JOB CREATION IN PART DEPENDS UPON A TAX CLIMATE THAT ENCOURAGES GROWTH. WE HAVE A LOT OF WORK TO DO TO STAY COMPETITIVE WITH OUR NEIGHBORING STATES, AND STAYING COMPETITIVE IS SOMETHING THAT IS

Floor Debate
January 22, 2015

OFTEN OVERLOOKED WHEN WE TALK ABOUT JOBS. WE NEED TO ATTRACT NEW INDIVIDUALS AND FAMILIES TO NEBRASKA. WE HAVE A GREAT WAY OF LIFE AND GREAT JOBS TO OFFER. NOW WE NEED TO HIGHLIGHT THESE AND INVITE PEOPLE TO COME AND MAKE NEBRASKA THEIR HOME. UNEMPLOYMENT IN NEBRASKA IS AROUND 3 PERCENT, WHICH IS A BLESSING AND A CHALLENGE. A RECENT STATE CHAMBER STUDY SAID THAT RETAINING A SKILLED WORK FORCE IS ONE OF THE TOP CONCERNS FOR OUR BUSINESS LEADERS. WE HAVE LONG DISCUSSED THE PROBLEM OF BRAIN DRAIN. AND I CAN TELL YOU AS A DAD, I WANT ALL ROADS TO LEAD BACK TO NEBRASKA. TO DO THAT, WE NEED TO REMOVE THE OBSTACLES, WHICH IS ONE REASON WHY WE MUST REDUCE TAXES. ACCORDING TO ONE NATIONAL BUSINESS NEWS NETWORK, WE ARE THE THIRD OVERALL HIGHEST TAX STATE, BEHIND ONLY CALIFORNIA AND NEW YORK. NOW, THINK ABOUT THAT FOR A SECOND. WE CAN DO BETTER. OUR HIGH TAX REALITY DOESN'T JUST HIT THE WALLS OF OUR CITIZENS. IT CREATES A REPUTATION. IT DISCOURAGES OUR BUSINESSES FROM NEW BUSINESS INVESTMENT. AND OUR HIGH TAXES DISCOURAGE PEOPLE FROM CHOOSING NEBRASKA AS A PLACE TO LIVE, WORK, AND RAISE THEIR FAMILY. AND THERE IS ONE CONSISTENT MESSAGE THAT I HAVE HEARD IN EVERY CORNER OF THE STATE: PROPERTY TAXES ARE TOO HIGH. MY BUDGET ADDS \$60 MILLION EACH YEAR TO THE PROPERTY TAX CREDIT RELIEF FUND. THAT'S NEARLY A 43 PERCENT INCREASE, AND IT WILL CREATE A GRAND TOTAL FOR THE BIENNIUM OF \$400 MILLION. THIS PROPERTY TAX RELIEF WILL HELP ALL NEBRASKANS, HOMEOWNERS, BUSINESS OWNERS, AND OUR FARMERS AND RANCHERS. AN EXAMPLE OF SOMEONE WE CAN HELP IS ROGER BRANDT. ROGER IS A FARMER FROM CARROLL UP IN WAYNE COUNTY. WHEN I MET WITH HIM...ACTUALLY, HE'S HERE TODAY. ROGER, CAN YOU STAND UP, PLEASE? WHEN I MET WITH ROGER LAST SPRING, ROGER SHOWED ME HIS TAX ASSESSMENTS FOR THREE PIECES OF PROPERTY THAT HE OWNS. HIS ASSESSMENTS INCREASED BETWEEN 36 PERCENT TO ALMOST 50 PERCENT ON EACH PARCEL, AND THAT WAS JUST IN ONE YEAR. FOLKS, THAT IS NOT SUSTAINABLE. THAT'S WHY I ALSO WANT TO WORK WITH YOU TO REDUCE THE VALUATIONS ON AG LAND. I HAVE FUNDED A PHASED-IN APPROACH IN MY BUDGET TO REDUCE VALUATIONS FROM 75 PERCENT TO 65 PERCENT. NOW, WE DIDN'T GET TO BE A HIGH TAX STATE OVERNIGHT, AND WE'RE NOT GOING TO GET OUR TAXES DOWN OVERNIGHT EITHER. BUT TOGETHER, WE CAN TAKE IMPORTANT STEPS TO PROVIDING TAX RELIEF. I DO WANT TO TAKE A MOMENT TO TALK ABOUT SOME OF OUR FUNDING PRIORITIES. ONE OF THE MOST IMPORTANT THINGS WE DO IN GOVERNMENT IS TAKE CARE OF THE MOST VULNERABLE PEOPLE IN OUR STATE. WE, AS ELECTED OFFICIALS, ARE A VOICE...GIVE VOICE TO THE VOICELESS. AND WE CAN AND WE MUST DO BETTER. MY ADMINISTRATION IS CONDUCTING A NATIONAL JOB SEARCH FOR A NEW CEO FOR THE HEAD...FOR HEALTH AND HUMAN SERVICES. I AM LOOKING FOR A TRANSFORMATIONAL

Floor Debate
January 22, 2015

LEADER TO COME IN AND REFORM THAT CULTURE. STATE GOVERNMENT NEEDS TO WORK FOR THE CHILDREN WHO ARE IN THE CARE OF THE STATE, FOR THE INDIVIDUALS WHO ARE IN OUR FACILITIES OR WHO RELY ON GOVERNMENT SERVICES. WE NEED A CULTURE IN OUR STATE AGENCIES THAT IS PEOPLE-CENTRIC. THE PEOPLE WHO WE HELP DON'T FIT NEATLY INTO THE SILOS WE'VE CREATED. THEY USE SERVICES ACROSS ALL OF OUR DIVISIONS. AND WE NEED A SYSTEM THAT WILL HELP THE ENTIRE PERSON, AND HELP THEM REACH THEIR FULL POTENTIAL AND, IF POSSIBLE, LIVE A LIFE FREE OF PUBLIC ASSISTANCE. THERE WILL ALWAYS BE PEOPLE WHO CONTINUE TO NEED OUR HELP AND WE MUST SERVE THEM WITH DIGNITY AND RESPECT AND MORE EFFECTIVELY. AND WHEN WE START GETTING BETTER OUTCOMES FOR OUR PEOPLE, OUR COSTS WILL COME DOWN AS WELL. MANY PEOPLE WHO NEED OUR SERVICES JUST NEED A HAND UP TO GET BACK ON THEIR FEET. WE HAVE TO PREVENT GOVERNMENT FROM GETTING IN THEIR WAY. LAST YEAR, I MET SUSANNE SHALD. SHE LIVES IN McCOOK. SUSANNE IS WIDOWED AND HAS THREE KIDS. THEY RECEIVE THEIR HEALTH INSURANCE THROUGH MEDICAID. SHE WORKS HARD AND IS INTENT ON TEACHING HER CHILDREN THE VALUE OF A GREAT WORK ETHIC JUST LIKE HER FATHER TAUGHT HER. SO WHEN HER 16-YEAR-OLD DAUGHTER GOT A JOB AND WAS TOLD THAT IF SHE EARNED MORE THAN \$6,000 A YEAR SHE WOULD LOSE HER HEALTHCARE INSURANCE, SUSANNE WAS INFURIATED AND I DON'T BLAME HER. SUSANNE AND HER FAMILY HAVE JOINED ME HERE TODAY. THEY'RE UP HERE IN THE BALCONY. SUSANNE? COULD YOU STAND (INAUDIBLE)? SUSANNE AND HER CHILDREN PUT FACES ON OUR NEED FOR A COMMONSENSE APPROACH FOR A GOVERNMENT THAT DOESN'T CREATE DISINCENTIVES FOR PEOPLE AND FAMILIES TO WORK. NEXT, IT IS TIME TO PURSUE COMPREHENSIVE REFORM IN OUR CORRECTIONS SYSTEM, ANOTHER DEPARTMENT IN NEED OF CULTURAL REFORM. SCOTT FRAKES WILL BE JOINING MY ADMINISTRATION AS THE NEW DIRECTOR OF THE DEPARTMENT OF CORRECTIONS. HE BRINGS A WEALTH OF EXPERIENCE WITH OVER 32 YEARS IN THE CORRECTION SYSTEM. STARTING OUT AS A CORRECTIONS OFFICER, HE WORKED HIS WAY UP THROUGH THE UNIFORMED RANKS BEFORE MOVING INTO MANAGEMENT. I'M CONFIDENT THAT HE WILL HELP US CHART A NEW COURSE FOR THIS AGENCY. INMATES RELEASED EARLY BY MISTAKE THREATEN NOT ONLY THE PUBLIC SAFETY, BUT ALSO THE PUBLIC'S TRUST IN THEIR GOVERNMENT. NOBODY IN CORRECTIONS WANTED THESE MISTAKES TO OCCUR, BUT THEY DID. AND WE HAVE GOT TO DO BETTER. UNDER DIRECTOR FRAKES, WE WILL CREATE A CULTURE OF ACCOUNTABILITY, COMMON SENSE, AND EXCELLENCE. THE DEPARTMENT OF CORRECTIONS WILL SEEK TO IMPROVE ITS REHABILITATION AND REENTRY PROGRAMS TO ADDRESS RECIDIVISM. WE WILL IMMEDIATELY EVALUATE OUR SHORT-TERM AND OUR LONG-TERM NEEDS AND SET OUT ON A COURSE OF REFORM FOR THIS SYSTEM. THIS BUDGET LEAVES ROOM TO ADDRESS THE

Floor Debate
January 22, 2015

IMMEDIATE NEEDS THAT WE HAVE IN CORRECTIONS. MANY OF YOU HERE TODAY HAVE WORKED TO TACKLE THIS ISSUE. THERE IS NO BRANCH OF GOVERNMENT THAT HAS A CORNER ON THE MARKET OF GOOD IDEAS OR SOLUTIONS. WE HAVE TO WORK TOGETHER--EXECUTIVE, LEGISLATIVE, AND JUDICIAL--FOR COMPREHENSIVE REFORM THAT INCLUDES ADDRESSING SENTENCING, GOOD TIME LAWS, AND FACILITIES MANAGEMENT, ALSO MENTAL HEALTH. I WILL WORK WITH SCOTT FRAKES TO GET A FULL PICTURE OF WHAT WE NEED TO DO AND I LOOK FORWARD TO SITTING DOWN WITH THE LEADERSHIP OF THIS BODY TO SET A TIMETABLE TO WHAT WE CAN AGREE ON TO MAKE SUBSTANTIVE CHANGES. THIS BUDGET HOLDS THE GROWTH OF OUR STATE SPENDING TO A LITTLE MORE THAN 3 PERCENT OVER THE NEXT TWO YEARS. THAT'S A SLOWER GROWTH RATE THAN THE APPROXIMATELY 6.5 PERCENT FROM THE LAST BIENNIUM. WE WILL FUND OUR PRIORITIES BUT IN A WAY THAT IS SUSTAINABLE. WE GROW OUR REVENUES ABOUT 5 PERCENT A YEAR ON AVERAGE. IF WE RESTRAIN GOVERNMENT'S GROWTH, WE CAN AFFORD TO PUT MONEY BACK TO THE POCKET OF TAXPAYERS. IN TURN, TAXPAYERS WILL BE ABLE TO AFFORD MORE GOODS AND SERVICES, BUSINESSES WILL EXPAND, AND WE'LL GROW NEBRASKA. ANOTHER WAY I'VE TAKEN ACTION TO DERIVE OPERATIONAL EXCELLENCE INTO EVERY CORNER OF OUR STATE AGENCIES IS A PRIVATE SECTOR SOLUTION TO CREATE THE POSITION OF CHIEF OPERATING OFFICER. I'VE HIRED FELIX DAVIDSON, U.S. MARINE CORPS ARMY CAPTAIN AND A BUSINESS EXECUTIVE WITH A PROVEN TRACK RECORD OF SUCCESS IN CHANGE MANAGEMENT AND PROCESS IMPROVEMENT. I HAVE ONE MORE TAX RELIEF PROPOSAL, AN IMPORTANT ONE. LIKE MANY OF YOU, I BELIEVE WE THAT NEED TO ELIMINATE THE STATE INCOME TAXES ON OUR MILITARY FAMILIES. I'VE LEFT ROOM IN THIS BUDGET PACKAGE TO WORK WITH CHAIRMAN GLOOR AND THE REVENUE COMMITTEE TO GIVE OUR VETERANS RELIEF. CHAIRMAN GLOOR, I WANT TO THANK YOU FOR YOUR SERVICE IN THE U.S. AIR FORCE, AND I KNOW YOU UNDERSTAND HOW IMPORTANT IT IS TO TAKE CARE OF OUR VETERANS, FROM THE CREWS AT OFFUTT AIR FORCE BASE TO THE NATIONAL GUARD ARMORY IN SCOTTSBLUFF, WE CAN'T THANK OUR MEN AND WOMEN IN UNIFORM ENOUGH, AND WE DON'T WANT TO LOSE THESE TREASURED RESOURCES TO ANOTHER STATE. BESIDES HIGH TAXES AND LOST TALENT, OUR BUSINESS LEADERS SAY OVERREGULATION IS A TOP CONCERN. WE ALL WANT CLEAN AIR, CLEAN WATER, AND SAFE WORKING CONDITIONS. BUT WE MUST ALSO APPLY COMMON SENSE SO THAT WE DON'T CREATE BARRIERS FOR BUSINESSES CREATING JOBS. WHEN WE GET OUR PROPERTY TAX BILL, WE CAN SEE EXACTLY HOW MUCH WE'RE PAYING. THE COST OF REGULATION, HOWEVER, IS HIDDEN, BUT IT'S A JOB KILLER ALL THE SAME. AS GOVERNOR, I WILL STAND UP TO THE OVERREGULATION FORCED ON US BY WASHINGTON. WHETHER IT'S NEW HEALTHCARE MANDATES FOR EMPLOYERS, EPA OVERREACH ON CARBON EMISSIONS OR WATERS OF THE U.S., OR THE DELAY

Floor Debate
January 22, 2015

IN THE KEYSTONE PIPELINE, WASHINGTON JUST DOESN'T GET IT. I HAVE URGED CONGRESS AND PRESIDENT OBAMA TO SWIFTLY APPROVE THE KEYSTONE XL PIPELINE. IT WILL BRING MUCH-NEEDED TAX REVENUE TO NEBRASKA COUNTIES NOT ONLY DURING CONSTRUCTION BUT FOR YEARS TO COME. AND BACK HERE AT HOME, WE ALSO WANT TO SET A GOOD EXAMPLE. I WILL BE ASKING ALL OF MY AGENCY DIRECTORS TO MAKE IT A PRIORITY TO INNOVATE WAYS TO REDUCE REGULATORY BURDENS AND BUREAUCRATIC DELAYS. PROPER REGULATION PROTECTS OUR HEALTH AND SAFETY. OVERREGULATION DELAYS PROGRESS AND GROWTH. WE CAN DO BETTER AND WE WILL. AS WE SEEK TO CREATE JOBS, SLOW THE GROWTH OF GOVERNMENT, REDUCE TAXES, AND FIGHT BURDENSOME REGULATION, WE MUST ALSO CONTINUE TO STRENGTHEN OUR EDUCATION SYSTEM. AS WE BALANCE THE BUDGET, WE MUST ENSURE WE PUT A PRIORITY ON PROPER SCHOOL FUNDING AND IMPROVE EDUCATIONAL OUTCOMES. IN PARTICULAR, I'VE TALKED A LOT ABOUT CAREER AND VOCATIONAL TRAINING. EVERY MANUFACTURER I'VE TALKED WITH HAS SAID THEY CANNOT FIND ENOUGH SKILLED LABOR AND IT'S A BARRIER FOR THEM EXPANDING. TO ADDRESS THIS, I HAVE PROPOSED AN INVESTMENT IN INNOVATION. MY BUDGET INCLUDES FUNDING FOR A PILOT PROGRAM, \$250,000 IN EACH YEAR, TO FORM A PUBLIC-PRIVATE PARTNERSHIP TO CREATE CAREER AND VOCATIONAL TRAINING. IT'S A GREAT OPTION FOR OUR YOUNG PEOPLE THAT ARE LOOKING FOR JOBS, HIGH-PAID JOBS IN OUR SKILLED LABOR FORCE, MANUFACTURING, AND AGRICULTURE. I WAS AT ASH GROVE CEMENT IN LOUISVILLE AND THEY WERE TELLING ME THAT IF YOU GET A TWO-YEAR ELECTRICIANS DEGREE OUT OF HIGH SCHOOL AND COME WORK FOR THEM, YOU'LL MAKE \$22 AN HOUR OR \$23 AN HOUR. STAY THERE A YEAR AND PASS TWO TESTS, AND YOU'RE MAKING \$28 AN HOUR. NOW THINK ABOUT THAT. THAT'S A 21-YEAR-OLD MAKING \$56,000 A YEAR, PLUS FULL BENEFITS. THAT'S THE START OF A GREAT CAREER. NOW AS I MENTIONED BEFORE, WE HONOR THE SERVICE OF OUR NATIONAL GUARD. MY BUDGET RECOMMENDATION INCLUDES AN ADDITIONAL \$120,000 PER YEAR FOR A TOTAL OF MORE THAN \$488,000 OF TUITION ASSISTANCE FOR THESE PATRIOTS WHO SERVE IN OUR NEBRASKA NATIONAL GUARD. WE NEED TO HELP THEM FURTHER THEIR EDUCATION AS WELL. AS WE WORK TOGETHER, I WANT YOU TO KNOW ABOUT THE CULTURE WE'RE FOSTERING IN MY ADMINISTRATION. EVERY DAY, I WANT MY TEAM TO ASK A COUPLE OF QUESTIONS: HOW CAN I SERVE THE PEOPLE OF NEBRASKA BETTER TODAY? AND WHAT CAN WE BE DOING TO MAKE NEBRASKA A PLACE WHERE PEOPLE WANT TO BE? WHILE MANY OF US IN THIS CHAMBER HAVE DIFFERING POLITICAL PHILOSOPHIES OR COME FROM DIFFERENT ENDS OF THE STATE, I KNOW THAT WE ARE UNITED. WE ARE UNITED IN OUR DESIRE TO MAKE NEBRASKA A BETTER PLACE FOR OUR COMMUNITIES AND FOR OUR CHILDREN AND GRANDCHILDREN. WE'RE UNITED IN OUR DESIRE TO MAKE NEBRASKA A PLACE WHERE PEOPLE WANT TO BE.

Floor Debate
January 22, 2015

FROM THE NATIVE AMERICANS WHO NURTURED OUR RICH LAND TO THE PIONEER HOMESTEADERS TO THE FOUNDERS OF OUR GREAT BUSINESSES, UNIVERSITIES, FARMS, AND RANCHES, OUR ANCESTORS BUILT MORE THAN JUST A STATE. THEY BUILT A COMMUNITY THAT REFLECTS THE VERY BEST OF AMERICA. OUR ANCESTORS MADE SACRIFICES FOR FUTURE GENERATIONS FOR THE GREATER GOOD OF NEBRASKA AND SO, TOO, WE WILL FOCUS ON THE FUTURE OF NEBRASKA. WE WILL HARNESS THE SPIRIT OF OUR UNMC HEROES AND ALL OF THE NURSES AND DOCTORS ACROSS THE STATE. WE WILL CALL UPON THE DEDICATION OF OUR POLICE AND FIREFIGHTERS IN NEBRASKA'S CITIES AND TOWNS. WE WILL HARNESS THE DETERMINATION OF ROGER BRANDT AND NEBRASKA'S VETERANS AND WE WILL CALL UPON THE HARD WORK AND ASPIRATIONS OF SUSANNE SHALD AND HER FAMILY AND ALL OF THE HARDWORKING FAMILIES ACROSS NEBRASKA. WE WILL WORK TOGETHER, FUELED BY THEIR STRENGTH, ACTING ON THEIR BEHALF, AND WE WILL GROW NEBRASKA. THANK YOU ALL VERY MUCH FOR WHAT YOU DO FOR OUR GREAT STATE. GOD BLESS, AND GOD BLESS THE PEOPLE OF OUR GREAT STATE.

PRESIDENT FOLEY: WOULD THE ESCORT COMMITTEE ESCORT PLEASE ESCORT THE GOVERNOR AND FIRST LADY SUSANNE SHORE FROM THE LEGISLATIVE CHAMBER TO THE GOVERNOR'S OFFICE. THANK YOU. MR. CLERK, ARE THERE ITEMS FOR THE RECORD?

CLERK: MR. PRESIDENT, NEW BILLS. FIRST OF ALL, I MIGHT INDICATE SENATOR COOK WOULD LIKE TO HAVE A MEETING OF THE PLANNING COMMITTEE UNDERNEATH THE NORTH BALCONY IMMEDIATELY. PLANNING COMMITTEE, NORTH BALCONY, IMMEDIATELY. MR. PRESIDENT, NEW BILLS. (READ LB656-663 BY TITLE FOR THE FIRST TIME.) MR. PRESIDENT, I ALSO HAVE IN ADDITION TO THOSE ITEMS HEARING NOTICES BY THE NATURAL RESOURCES COMMITTEE; BY THE GOVERNMENT, MILITARY AND VETERANS AFFAIRS COMMITTEE. AND THAT'S ALL THAT I HAVE AT THIS TIME. (ALSO, GOVERNMENT, MILITARY AND VETERANS AFFAIRS COMMITTEE REPORTS LB65 AND LB177 TO GENERAL FILE.) (LEGISLATIVE JOURNAL PAGES 282-285.) [LB656 LB657 LB658 LB659 LB660 LB661 LB662 LB663 LB65 LB177]

PRESIDENT FOLEY: THANK YOU, MR. CLERK. MR. CLERK, ITEMS FOR THE RECORD?

CLERK: THANK YOU, MR. PRESIDENT. HEARING NOTICES FROM THE APPROPRIATIONS COMMITTEE AND FROM THE JUDICIARY COMMITTEE. THE PLANNING COMMITTEE HAS ANNOUNCED THAT SENATOR COOK HAS BEEN SELECTED AS CHAIR AND SENATOR SCHUMACHER AS VICE CHAIR OF THE PLANNING COMMITTEE. (LEGISLATIVE JOURNAL PAGE 285.)

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 22, 2015

MR. PRESIDENT, I HAVE A PRIORITY MOTION. SENATOR DAVIS WOULD MOVE TO ADJOURN THE BODY UNTIL FRIDAY MORNING, JANUARY 23, AT 10:00 A.M.

PRESIDENT FOLEY: SENATORS, YOU'VE HEARD THE MOTION TO ADJOURN. ALL THOSE IN FAVOR SAY AYE. THOSE OPPOSED SAY NAY. THE MOTION IS ADOPTED AND WE ARE ADJOURNED.