

**FIFTY-SIXTH DAY - MARCH 30, 2017**  
**LEGISLATIVE JOURNAL**  
**ONE HUNDRED FIFTH LEGISLATURE**  
**FIRST SESSION**

**FIFTY-SIXTH DAY**

Legislative Chamber, Lincoln, Nebraska  
Thursday, March 30, 2017

**PRAYER**

The prayer was offered by Senator Albrecht.

**ROLL CALL**

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

The roll was called and all members were present except Senator Hilgers who was excused; and Senator McDonnell who was excused until he arrives.

**CORRECTIONS FOR THE JOURNAL**

The Journal for the fifty-fifth day was approved.

**GENERAL FILE**

**LEGISLATIVE BILL 98.** Title read. Considered.

Senator Groene offered his amendment, AM486, found on page 846.

Senator Groene offered the following motion:

MO67

Bracket until June 2, 2017.

Senator Groene moved for a call of the house. The motion prevailed with 25 ayes, 2 nays, and 22 not voting.

Senator Groene requested a roll call vote on the motion to bracket.

Voting in the affirmative, 19:

Albrecht	Briese	Erdman	Howard	Lowe
Bostelman	Clements	Geist	Krist	Schumacher
Brasch	Craighead	Groene	Kuehn	Vargas
Brewer	Ebke	Halloran	Linehan	

Voting in the negative, 19:

Baker	Friesen	Larson	Quick	Watermeier
Blood	Hilkemann	McCollister	Scheer	Williams
Chambers	Hughes	Morfeld	Stinner	Wishart
Crawford	Kolowski	Pansing Brooks	Walz	

Present and not voting, 8:

Bolz	Harr	Lindstrom	Smith
Hansen	Kolterman	Riepe	Wayne

Excused and not voting, 3:

Hilgers	McDonnell	Murante
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The Groene motion to bracket failed with 19 ayes, 19 nays, 8 present and not voting, and 3 excused and not voting.

The Chair declared the call raised.

The Groene amendment, AM486, found on page 846 and considered in this day's Journal, was renewed.

The Groene amendment lost with 21 ayes, 11 nays, 14 present and not voting, and 3 excused and not voting.

Senator Erdman offered the following amendment:

AM819

1 1. On page 2, line 30; and page 6, line 20, strike "FY2025-26" and  
2 insert "FY2017-18".

Pending.

#### **NOTICE OF COMMITTEE HEARING(S)**

Natural Resources

Room 1525

Wednesday, April 12, 2017 1:00 p.m.

Greg Moen - Nebraska Power Review Board

(Signed) Dan Hughes, Chairperson

**AMENDMENT(S) - Print in Journal**

Senator Kuehn filed the following amendment to LB98:  
AM823

1 1. On page 2, line 31; and page 6, line 20, after the period insert  
2 "Each district shall keep separate records on the funds raised pursuant  
3 to this subdivision and shall document how such funds are expended to  
4 administer and implement ground water management activities and  
5 integrated management activities under the Nebraska Ground Water  
6 Management and Protection Act.".

Senator Smith filed the following amendment to LB263:  
AM777

(Amendments to Standing Committee amendments, AM538)

1 1. On page 82, line 5, strike beginning with "contract" through  
2 "authorized" and insert "regulated motor carrier holding a designation of  
3 authority issued"; in line 11 strike "the authority of a permit" and  
4 insert "a designation of authority"; and in line 12 strike "contract" and  
5 insert "regulated motor".  
6 2. On page 83, strike beginning with "common" in line 27 through  
7 line 31 and insert "regulated motor carrier holding a designation of  
8 authority issued pursuant to subsection (3) of section 75-311.".  
9 3. On page 84, strike line 1.  
10 4. On page 85, line 9, strike "section 75-303.01" and insert  
11 "subsection (3) of section 75-311"; and strike lines 13 through 27 and  
12 insert the following new subsections:  
13 "(3) Rates for nonemergency medical transportation service providers  
14 with a designation of authority issued pursuant to subsection (3) of  
15 section 75-311 are not subject to commission regulation, and regulated  
16 motor carriers with such a designation reimbursed under this section are  
17 not subject to commission rate regulation for such reimbursement rates.  
18 (4)(a) The Department of Health and Human Services may reimburse an  
19 individual for the costs incurred by such individual in the  
20 transportation of a person eligible to receive transportation services  
21 through the department if:  
22 (i) The individual is under contract with the department and  
23 provides transportation to the eligible person; and  
24 (ii) The eligible person has chosen the individual to provide the  
25 transportation.  
26 (b) The department shall reimburse for the costs incurred in the  
1 transportation at a rate no greater than that provided for reimbursement  
2 of state employees pursuant to section 81-1176.  
3 (c) Transportation provided to an eligible person by an individual  
4 pursuant to this section does not constitute transportation for hire.  
5 (d) The department may adopt and promulgate rules and regulations to  
6 implement this subsection.".  
7 5. On page 87, strike lines 19 through 31 and insert the following  
8 new subsection:  
9 "(3) A designation of authority shall be issued to any regulated

10 motor carrier holding a certificate under subsection (1) of this section  
 11 or a permit under subsection (2) of this section authorizing such carrier  
 12 to provide medicaid nonemergency medical transportation services pursuant  
 13 to a contract with (i) the Department of Health and Human Services, (ii)  
 14 a medicaid-managed care organization under contract with the department,  
 15 or (iii) another agent working on the department's behalf as provided  
 16 under section 75-303.01, if it is found after notice and hearing from the  
 17 application or from any hearing held on the application that the  
 18 authorization is or will be required by the present or future convenience  
 19 and necessity to serve the distinct needs of medicaid clients. In  
 20 determining whether the authorization is or will be required by the  
 21 present or future convenience and necessity to serve the distinct needs  
 22 of medicaid clients, the commission shall consult with the Director of  
 23 Medicaid and Long-Term Care of the Division of Medicaid and Long-Term  
 24 Care of the department or his or her designee."  
 25 6. On page 88, strike lines 1 through 7.

#### **UNANIMOUS CONSENT - Add Cointroducer(s)**

Unanimous consent to add Senator(s) as cointroducer(s). No objections. So ordered.

Senator Craighead name added to LB91.  
 Senator Wishart name added to LB91.  
 Senator Blood name added to LB267.  
 Senator Blood name added to LB427.

#### **VISITOR(S)**

Visitors to the Chamber were participants of the Leadership Bellevue program and sponsors from the Bellevue Chamber of Commerce; 36 fourth-through eighth-grade students from Fishers 24, Schuyler; 11 fourth-grade students and sponsors from St. Paul's Lutheran School, Beatrice; 36 twelfth-grade students and teacher from Wilber Clatonia; and Michael Bogus family from Kearney.

#### **RECESS**

At 11:57 a.m., on a motion by Senator Craighead, the Legislature recessed until 1:30 p.m.

#### **AFTER RECESS**

The Legislature reconvened at 1:30 p.m., President Foley presiding.

**ROLL CALL**

The roll was called and all members were present except Senator Hilgers who was excused; and Senators Bolz, Clements, Groene, Howard, Linehan, Morfeld, Scheer, and Wayne who were excused until they arrive.

**GENERAL FILE**

**LEGISLATIVE BILL 535.** Title read. Considered.

Committee AM203, found on page 710, was adopted with 37 ayes, 0 nays, 2 present and not voting, and 10 excused and not voting.

Senator Harr offered his amendment, AM795, found on page 845.

The Harr amendment was adopted with 37 ayes, 0 nays, 4 present and not voting, and 8 excused and not voting.

Advanced to Enrollment and Review Initial with 39 ayes, 0 nays, 2 present and not voting, and 8 excused and not voting.

**LEGISLATIVE BILL 91.** Title read. Considered.

Committee AM331, found on page 563, was offered.

**SPEAKER SCHEER PRESIDING**

The committee amendment was adopted with 38 ayes, 0 nays, 6 present and not voting, and 5 excused and not voting.

Advanced to Enrollment and Review Initial with 39 ayes, 0 nays, 4 present and not voting, and 6 excused and not voting.

**LEGISLATIVE BILL 180.** Title read. Considered.

Senator Bolz offered her amendment, AM43, found on page 844.

The Bolz amendment was adopted with 33 ayes, 0 nays, 10 present and not voting, and 6 excused and not voting.

Advanced to Enrollment and Review Initial with 35 ayes, 0 nays, 8 present and not voting, and 6 excused and not voting.

**LEGISLATIVE BILL 180A.** Title read. Considered.

Advanced to Enrollment and Review Initial with 31 ayes, 0 nays, 12 present and not voting, and 6 excused and not voting.

**LEGISLATIVE BILL 267.** Title read. Considered.

Committee AM41, found on page 484, was adopted with 35 ayes, 0 nays, 8 present and not voting, and 6 excused and not voting.

Advanced to Enrollment and Review Initial with 34 ayes, 0 nays, 9 present and not voting, and 6 excused and not voting.

**LEGISLATIVE BILL 137.** Title read. Considered.

Advanced to Enrollment and Review Initial with 31 ayes, 0 nays, 13 present and not voting, and 5 excused and not voting.

**LEGISLATIVE BILL 172.** Title read. Considered.

Committee AM162, found on page 454, was adopted with 32 ayes, 0 nays, 12 present and not voting, and 5 excused and not voting.

Advanced to Enrollment and Review Initial with 33 ayes, 0 nays, 11 present and not voting, and 5 excused and not voting.

**LEGISLATIVE BILL 276.** Title read. Considered.

Committee AM50, found on page 412, was adopted with 34 ayes, 0 nays, 11 present and not voting, and 4 excused and not voting.

**PRESIDENT FOLEY PRESIDING**

Advanced to Enrollment and Review Initial with 39 ayes, 0 nays, 7 present and not voting, and 3 excused and not voting.

**AMENDMENT(S) - Print in Journal**

Senator Baker filed the following amendment to LB225:  
AM826

(Amendments to AM611)

- 1 1. On page 16, lines 1 and 2, 14, and 22, strike "or other placement
- 2 agreement"; and in line 27 after the period insert "Such plans and
- 3 reports shall not be required to be provided by child-care institutions
- 4 physically located outside the State of Nebraska or psychiatric
- 5 residential treatment facilities".
- 6 2. On page 17, strike lines 30 and 31.
- 7 3. On page 18, strike line 1; in line 2 strike "(7)" and insert
- 8 "(6)"; in line 3 strike "and licensed"; in lines 3 and 4 strike "and
- 9 juvenile facilities"; in line 4 after "section" insert "and plans and
- 10 reports from all youth rehabilitation and treatment centers pursuant to
- 11 subsection (7) of this section"; in line 9 strike "(8)" and insert "(7)";
- 12 and strike lines 10 through 16 and insert "requirements of subsection (5)
- 13 of this section".

14 4. On page 19, line 26, strike "thirty" and insert "third".

Senator Krist filed the following amendment to LB539:  
AM817

(Amendments to ER28)

- 1 1. Insert the following new section:
- 2 Sec. 6. Since an emergency exists, this act takes effect when passed
- 3 and approved according to law.

### COMMUNICATION

March 30, 2017

Patrick O'Donnell  
Clerk of the Legislature  
State Capitol  
Lincoln, NE 68509

Dear Mr. Clerk:

As Chairperson of the Special Committee regarding the Election Challenge to the Qualification of Senator Ernie Chambers filed by Mr. John Sciara, I hereby file with your office an *Order Affirming Burden of Proof*, adopted by the Special Committee on March 30, 2017. This *Order Affirming Burden of Proof* has been provided to both parties, pursuant to Rule 10, Sec. 4(c).

Sincerely,  
(Signed) Senator Dan Watermeier  
Chairman, Special Committee

Enclosure: *Order Affirming Burden of Proof*

### GENERAL FILE

**LEGISLATIVE BILL 217.** Title read. Considered.

Committee AM634, found on page 776, was offered.

Senator Harr offered the following amendment to the committee amendment:

AM814

(Amendments to Standing Committee amendments, AM634)

- 1 1. Insert the following new sections:
- 2 Sec. 9. Section 77-2503, Revised Statutes Cumulative Supplement,
- 3 2016, is amended to read:
- 4 77-2503 (1) An owner of an affordable housing project seeking a
- 5 Nebraska affordable housing tax credit shall file an application with the
- 6 authority on a form prescribed by the authority. A qualified taxpayer
- 7 shall be allowed a nonrefundable tax credit if the authority determines

8 that the project for which tax credits are sought is a qualified project.

9 (2) If the requirements of subsection (1) of this section are met,  
10 the authority shall issue an eligibility statement to the owner of such  
11 qualified project stating the amount of Nebraska affordable housing tax  
12 credits allocated to the qualified project. The amount of such tax  
13 credits shall be the amount of federal low-income housing tax credits  
14 available to such project, except as otherwise provided in subsection (4)  
15 of this section. Tax credits for each building in a qualified project  
16 shall be issued for the first six years of the credit period as defined  
17 in 26 U.S.C. 42(f)(1), except that any reduction in the credit allowable  
18 in the first year of the credit period due to the calculation in 26  
19 U.S.C. 42(f)(2) shall be allowable in the seventh year of the credit  
20 period. The authority shall only allocate tax credits to qualified  
21 projects that are placed in service after January 1, 2018.

22 (3) If the owner of the qualified project is (a) a partnership, (b)  
23 a limited liability company, or (c) a corporation having an election in  
24 effect under subchapter S of the Internal Revenue Code of 1986, as  
25 amended, the The Nebraska affordable housing tax credit shall be  
26 allocated among some or all of the partners, members, or shareholders of  
1 the owner of the qualified project in any manner agreed to by such  
2 persons. A qualified taxpayer may transfer, sell, or assign all or part  
3 of his or her ownership interest, including his or her interest in the  
4 tax credits authorized in this section. For any tax year in which such an  
5 interest is transferred, sold, or assigned pursuant to this subsection,  
6 the transferor assignor shall notify the Department of Revenue of the  
7 transfer, sale, or assignment and provide the tax identification number  
8 of the new owner at least thirty days prior to the new owner claiming the  
9 tax credits. The notification shall be in the manner prescribed by the  
10 department file a written statement with his or her tax return specifying  
11 the amount of the credits assigned.

12 (4) The maximum amount of Nebraska affordable housing tax credits  
13 awarded to all qualified projects in any given allocation year shall be  
14 no more than one hundred percent of the total amount of federal low-  
15 income housing tax credits awarded by the authority in the same  
16 allocation year. Notwithstanding any other provision of the Affordable  
17 Housing Tax Credit Act, the authority is prohibited from awarding to a  
18 qualified project any combined amount of federal low-income housing tax  
19 credits and Nebraska affordable housing tax credits that is more than  
20 necessary to make the qualified project financially feasible.

21 (5) Any Nebraska affordable housing tax credits granted under this  
22 section may be used to offset any income taxes due under section 77-2715  
23 or 77-2734.02, any premium and related retaliatory taxes due under  
24 section 44-150 or 77-908, or any franchise taxes due under sections  
25 77-3801 to 77-3807.

26 (6) The tax credit shall not be used to reduce the tax liability of  
27 the qualified taxpayer to less than zero. Any tax credit claimed but not  
28 used in a taxable year may be carried forward.

29 Sec. 10. Section 77-2506, Revised Statutes Cumulative Supplement,  
30 2016, is amended to read:



31 77-2506 If a portion of any federal low-income housing tax credits  
 1 taken on a qualified project is required to be recaptured or is otherwise  
 2 disallowed under 26 U.S.C. 42 during the 6-year period described in  
 3 subsection (2) of section 77-2503, a portion of the Nebraska affordable  
 4 housing tax credits with respect to such project shall also be recaptured  
 5 from the qualified taxpayer who claimed such credits. The percentage of  
 6 Nebraska affordable housing tax credits subject to recapture under this  
 7 section shall be equal to the percentage of federal low-income housing  
 8 tax credits subject to recapture or otherwise disallowed during such  
 9 period. Any Nebraska affordable housing tax credits recaptured or  
 10 disallowed under this section shall increase the tax liability of ~~be~~  
 11 ~~considered income to the qualified taxpayer who claimed the credits in a~~  
 12 ~~like amount, and such income shall be recognized by the qualified~~  
 13 ~~taxpayer~~ in the year the Department of Revenue declares the tax credits  
 14 to be disallowed or recaptured.  
 15 2. Renumber the remaining sections and correct internal references  
 16 accordingly.  
 17 3. Correct the operative date and repealer sections so that the  
 18 sections added by this amendment become operative three calendar months  
 19 after the adjournment of this legislative session.

The Harr amendment was adopted with 33 ayes, 0 nays, 12 present and not voting, and 4 excused and not voting.

The committee amendment, as amended, was adopted with 37 ayes, 0 nays, 8 present and not voting, and 4 excused and not voting.

Advanced to Enrollment and Review Initial with 39 ayes, 0 nays, 6 present and not voting, and 4 excused and not voting.

**LEGISLATIVE BILL 356.** Title read. Considered.

Committee AM652, found on page 815, was offered.

**SENATOR KRIST PRESIDING**

Speaker Scheer requested to pass over LB356.

**LEGISLATIVE BILL 487.** Title read. Considered.

Committee AM568, found on page 691, was offered.

Senator Morfeld offered the following amendment to the committee amendment:

AM822

(Amendments to Standing Committee amendments, AM568)

1 1. On page 53, lines 12 and 26, strike "Liable" and insert  
 2 "Personally liable"; in line 19 after the period insert "This subdivision  
 3 shall not affect the liability of such emergency medical service

4 organization for the emergency responder's acts of commission or  
5 omission."

6 2. On page 54, line 2, after the period insert "This subdivision  
7 shall not affect the liability of such law enforcement agency for the  
8 peace officer's acts of commission or omission."

The Morfeld amendment was adopted with 28 ayes, 5 nays, 12 present and not voting, and 4 excused and not voting.

The committee amendment, as amended, was adopted with 31 ayes, 6 nays, 8 present and not voting, and 4 excused and not voting.

Advanced to Enrollment and Review Initial with 35 ayes, 4 nays, 6 present and not voting, and 4 excused and not voting.

**LEGISLATIVE BILL 417.** Title read. Considered.

Committee AM579, found on page 707, was adopted with 35 ayes, 0 nays, 8 present and not voting, and 6 excused and not voting.

Advanced to Enrollment and Review Initial with 34 ayes, 0 nays, 9 present and not voting, and 6 excused and not voting.

**LEGISLATIVE BILL 376.** Title read. Considered.

Committee AM159, found on page 453, 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 33 ayes, 1 nay, 10 present and not voting, and 5 excused and not voting.

#### **UNANIMOUS CONSENT - Add Cointroducer(s)**

Unanimous consent to add Senator(s) as cointroducer(s). No objections. So ordered.

Senator Ebke name added to LB75.  
Senator Linehan name added to LB91.  
Senator Quick name added to LB91.  
Senator Vargas name added to LB441.  
Senator Krist name added to LB562.

#### **VISITOR(S)**

Visitors to the Chamber were Bob Rauner, President of United Leukodystrophy Foundation, Lincoln; 34 fourth-grade students from Ponca Elementary School; and 50 student Pharmacists and sponsors from Creighton University and UNMC.

**ADJOURNMENT**

At 4:56 p.m., on a motion by Senator Vargas, the Legislature adjourned until 9:00 a.m., Friday, March 31, 2017.

Patrick J. O'Donnell  
Clerk of the Legislature

