

**SIXTY-SECOND DAY - APRIL 10, 2017**  
**LEGISLATIVE JOURNAL**  
**ONE HUNDRED FIFTH LEGISLATURE**  
**FIRST SESSION**

**SIXTY-SECOND DAY**

Legislative Chamber, Lincoln, Nebraska  
Monday, April 10, 2017

**PRAYER**

The prayer was offered by Pastor Phyllis Dunlop, First Christian Church, Elwood.

**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 Senators Craighead, Hansen, Kolowski, and Watermeier who were excused until they arrive.

**CORRECTIONS FOR THE JOURNAL**

The Journal for the sixty-first day was approved.

**COMMITTEE REPORT(S)**

Enrollment and Review

**LEGISLATIVE BILL 9.** Placed on Final Reading.

**LEGISLATIVE BILL 88.** Placed on Final Reading.

ST8

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

1. In the E & R amendments, ER26:
  - a. On page 72, line 15, "67 and 71" has been struck and "69 and 74" inserted;
  - b. On page 73, line 7, "67" has been struck and "69" inserted;
  - c. On page 86, line 30, "68, 92, and 93" has been struck and "70, 95, and 96" inserted;
  - d. On page 87, line 1, "65, 66, 67, 71, and 91" has been struck and "53, 54, 67, 68, 69, 74, and 94" inserted; in line 9 "38-2220," has been inserted after "38-2130,;" in line 14 "38-2201" has been struck and "38-1509, 38-1512, 38-2201," inserted; in line 29 "38-1509, 38-1512," has been

inserted after the second comma; and in line 31 "38-2220," has been inserted after the second comma; and

e. On page 88, line 11, ", the Hearing Instrument Specialists Practice Act, and the Nurse Practice Act" has been inserted after "Act".

**LEGISLATIVE BILL 92.** Placed on Final Reading.

ST5

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

1. On page 1, the matter beginning with "telehealth" in line 1 through line 3 has been struck and "public health and welfare; to amend section 71-8509, Revised Statutes Cumulative Supplement, 2016; to require certain health carriers to provide coverage for certain services delivered through telehealth; to change provisions relating to telehealth services for children's behavioral health; to provide a duty for the Revisor of Statutes; and to repeal the original section." inserted.

**LEGISLATIVE BILL 161.** Placed on Final Reading.

**LEGISLATIVE BILL 195.** Placed on Final Reading.

**LEGISLATIVE BILL 225.** Placed on Final Reading.

**LEGISLATIVE BILL 271.** Placed on Final Reading.

**LEGISLATIVE BILL 339.** Placed on Final Reading.

ST7

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

1. On page 2, lines 24 and 25, "a fund" has been struck and "funds" inserted.

2. On page 9, line 19, the first "her" has been struck and "his" inserted.

**LEGISLATIVE BILL 340.** Placed on Final Reading.

**LEGISLATIVE BILL 506.** Placed on Final Reading.

ST4

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

1. On page 1, line 1, "to amend section 71-3407, Revised Statutes Cumulative Supplement, 2016;" has been inserted after the semicolon; and in line 2 "; to provide duties for the State Child and Maternal Death Review Team; and to repeal the original section" has been inserted after "Act".

**LEGISLATIVE BILL 539.** Placed on Final Reading.

**LEGISLATIVE BILL 600.** Placed on Final Reading.

**LEGISLATIVE BILL 625.** Placed on Final Reading.

**LEGISLATIVE BILL 641.** Placed on Final Reading.

ST6

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

1. In the Schumacher amendment, FA54, "planning committee" has been struck and "Legislature's Planning Committee" has been inserted.
2. In the Watermeier amendment, AM893:
  - a. On page 1, line 17, "six" has been struck and "seven" inserted; and
  - b. On page 2, line 21, "Advisory committee" has been struck and "Task Force" inserted.
3. In the Lindstrom amendment, AM902, on page 1, line 5, "(4)" has been struck and "(3)" inserted.
4. In the Schumacher amendment, AM868, on page 1, line 7, "(4)" has been struck and "(5)" inserted.
5. In the E and R amendment, ER32, on page 4, line 10, "the Business Innovation Act" has been struck and "economic development" inserted.

(Signed) Anna Wishart, Chairperson

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

Senator Smith filed the following amendment to LB461:  
AM965

(Amendments to Standing Committee amendments, AM954)

- 1 1. On page 24, line 11, after "Board" insert "in its October
- 2 forecast".
- 3 2. On page 37, line 11, strike the first comma and show as stricken,
- 4 after "each" insert "tax", and after "thereafter" insert "through tax
- 5 year 2018"; and in line 14 after the period insert "For tax year 2019,
- 6 the credit amount shall be one hundred forty-six dollars. For tax year
- 7 2020 and each tax year thereafter, the credit amount shall be adjusted
- 8 for inflation by the method provided in section 151 of the Internal
- 9 Revenue Code of 1986, as amended. The one-hundred-forty-six-dollar credit
- 10 amount shall be adjusted for cumulative inflation since 2019."

Senator Smith filed the following amendment to LB461:  
AM966

(Amendments to Standing Committee amendments, AM954)

- 1 1. On page 2, line 7, after "means" insert "land".

#### COMMITTEE REPORT(S)

Education

**LEGISLATIVE BILL 409.** Placed on General File with amendment.  
AM955

- 1 1. Strike the original sections and insert the following new
- 2 sections:
- 3 Section 1. Section 77-3446, Revised Statutes Cumulative Supplement,
- 4 2016, is amended to read:
- 5 77-3446 Base limitation means the budget limitation rate applicable
- 6 to school districts and the limitation on growth of restricted funds
- 7 applicable to other political subdivisions prior to any increases in the
- 8 rate as a result of special actions taken by a supermajority of any

9 governing board or of any exception allowed by law. The base limitation  
 10 is two and one-half percent until adjusted, except that the base  
 11 limitation for school districts for school fiscal years 2017-18 and  
 12 2018-19 ~~year 2012-13 is one half of one percent and the base limitation~~  
 13 ~~for school districts for school fiscal year 2013-14~~ is one and one-half  
 14 percent. The base limitation may be adjusted annually by the Legislature  
 15 to reflect changes in the prices of services and products used by school  
 16 districts and political subdivisions.

17 Sec. 2. Section 79-1009, Revised Statutes Cumulative Supplement,  
 18 2016, is amended to read:

19 79-1009 (1)(a) A district shall receive net option funding if (i)  
 20 option students as defined in section 79-233 were actually enrolled in  
 21 the school year immediately preceding the school year in which the aid is  
 22 to be paid, (ii) option students as defined in such section will be  
 23 enrolled in the school year in which the aid is to be paid as converted  
 24 contract option students, or (iii) for the calculation of aid for school  
 25 fiscal year 2017-18 for school districts that are members of a learning  
 26 community, open enrollment students were actually enrolled for school  
 27 year 2016-17 pursuant to section 79-2110.

1 (b) The determination of the net number of option students shall be  
 2 based on (i) the number of students enrolled in the district as option  
 3 students and the number of students residing in the district but enrolled  
 4 in another district as option students as of the day of the fall  
 5 membership count pursuant to section 79-528, for the school fiscal year  
 6 immediately preceding the school fiscal year in which aid is to be paid,  
 7 (ii) the number of option students that will be enrolled in the district  
 8 or enrolled in another district as converted contract option students for  
 9 the fiscal year in which the aid is to be paid, and (iii) for the  
 10 calculation of aid for school fiscal year 2017-18 for school districts  
 11 that are members of a learning community, the number of students enrolled  
 12 in the district as open enrollment students and the number of students  
 13 residing in the district but enrolled in another district as open  
 14 enrollment students as of the day of the fall membership count pursuant  
 15 to section 79-528 for school fiscal year 2016-17.

16 (c) Except as otherwise provided in this subsection, net number of  
 17 option students means the difference of the number of option students  
 18 enrolled in the district minus the number of students residing in the  
 19 district but enrolled in another district as option students. For  
 20 purposes of the calculation of aid for school fiscal year 2017-18 for  
 21 school districts that are members of a learning community, net number of  
 22 option students means the difference of the number of students residing  
 23 in another school district who are option students or open enrollment  
 24 students enrolled in the district minus the number of students residing  
 25 in the district but enrolled in another district as option students or  
 26 open enrollment students.

27 (2)(a) For all school fiscal years except school fiscal years  
 28 2017-18 and 2018-19 ~~(2) For purposes of this section~~, net option funding  
 29 shall be ~~the sum of~~ the product of the net number of option students  
 30 multiplied by the statewide average basic funding per formula student.

31 (b) For school fiscal years 2017-18 and 2018-19, net option funding  
 1 shall be the product of the net number of option students multiplied by  
 2 ninety-five and five-tenths percent of the statewide average basic  
 3 funding per formula student.

4 (3) A district's net option funding shall be zero if the calculation  
 5 produces a negative result.

6 Payments made under this section for school fiscal years prior to  
 7 school fiscal year 2017-18 shall be made from the funds to be disbursed  
 8 under section 79-1005.01.

9 Such payments shall go directly to the option school district but  
 10 shall count as a formula resource for the local system.

11 Sec. 3. Section 79-1015.01, Reissue Revised Statutes of Nebraska, is  
 12 amended to read:

13 79-1015.01 (1) Local system formula resources shall include local  
 14 effort rate yield which shall be computed as prescribed in this section.

15 (2) For each school fiscal year except school fiscal years 2017-18  
 16 and 2018-19 2011-12 through 2013-14: (a) For state aid certified pursuant  
 17 to section 79-1022, the local effort rate shall be the maximum levy, for  
 18 the school fiscal year for which aid is being certified, authorized  
 19 pursuant to subdivision (2)(a) of section 77-3442 less five cents; (b)  
 20 for the final calculation of state aid pursuant to section 79-1065, the  
 21 local effort rate shall be the rate which, when multiplied by the total  
 22 adjusted valuation of all taxable property in local systems receiving  
 23 equalization aid pursuant to the Tax Equity and Educational Opportunities  
 24 Support Act, will produce the amount needed to support the total formula  
 25 need of such local systems when added to state aid appropriated by the  
 26 Legislature and other actual receipts of local systems described in  
 27 section 79-1018.01; and (c) the local effort rate yield for such school  
 28 fiscal years shall be determined by multiplying each local system's total  
 29 adjusted valuation by the local effort rate.

30 ~~(3) For school fiscal years 2011-12 and 2012-13: (a) For state aid~~  
 31 ~~certified pursuant to section 79-1022, the local effort rate shall be the~~  
 1 ~~maximum levy, for the school fiscal year for which aid is being~~  
 2 ~~certified, authorized pursuant to subdivision (2)(a) of section 77-3442~~  
 3 ~~less one and five hundredths of one cent; (b) for the final calculation~~  
 4 ~~of state aid pursuant to section 79-1065, the local effort rate shall be~~  
 5 ~~the rate which, when multiplied by the total adjusted valuation of all~~  
 6 ~~taxable property in local systems receiving equalization aid pursuant to~~  
 7 ~~the Tax Equity and Educational Opportunities Support Act, will produce~~  
 8 ~~the amount needed to support the total formula need of such local systems~~  
 9 ~~when added to state aid appropriated by the Legislature and other actual~~  
 10 ~~receipts of local systems described in section 79-1018.01; and (c) the~~  
 11 ~~local effort rate yield for such school fiscal years shall be determined~~  
 12 ~~by multiplying each local system's total adjusted valuation by the local~~  
 13 ~~effort rate.~~

14 (3) (4) For school fiscal years 2017-18 and 2018-19 year 2013-14:

15 (a) For state aid certified pursuant to section 79-1022, the local effort  
 16 rate shall be the maximum levy, for the school fiscal year for which aid  
 17 is being certified, authorized pursuant to subdivision (2)(a) of section

18 77-3442 less two and ninety-seven hundredths cents; (b) for the final  
 19 calculation of state aid pursuant to section 79-1065, the local effort  
 20 rate shall be the rate which, when multiplied by the total adjusted  
 21 valuation of all taxable property in local systems receiving equalization  
 22 aid pursuant to the Tax Equity and Educational Opportunities Support Act,  
 23 will produce the amount needed to support the total formula need of such  
 24 local systems when added to state aid appropriated by the Legislature and  
 25 other actual receipts of local systems described in section 79-1018.01;  
 26 and (c) the local effort rate yield for such school fiscal years shall be  
 27 determined by multiplying each local system's total adjusted valuation by  
 28 the local effort rate.

29 Sec. 4. Section 79-10,145, Revised Statutes Cumulative Supplement,  
 30 2016, is amended to read:

31 79-10,145 (1) For school fiscal year 2017-18, the department shall,  
 1 based on data for school fiscal year 2016-17, calculate the amount of  
 2 learning community transition aid, if any, to be paid from the Nebraska  
 3 Education Improvement Fund to each school district that is a member of a  
 4 learning community which levied a common levy for member school districts  
 5 prior to school fiscal year 2017-18. Learning community transition aid  
 6 for each such district shall be calculated by:

7 (a) Recalculating the 2016-17 state aid for each member school  
 8 district as if the district were not a member of the learning community  
 9 using the same data that was used in the certification pursuant to  
 10 section 79-1022 to determine the calculated 2016-17 individual state aid  
 11 for each member school district;

12 (b) Multiplying the aggregate taxable valuation for all member  
 13 school districts for the 2016 tax year by the ratio of ninety-five cents  
 14 per one hundred dollars of taxable valuation and multiplying the result  
 15 by ninety-nine percent to determine the calculated 2016-17 common levy  
 16 receipts;

17 (c) Dividing the calculated 2016-17 common levy receipts among  
 18 member school districts proportionally based on the difference of the  
 19 formula need calculated pursuant to section 79-1007.11 minus the sum of  
 20 the state aid certified pursuant to section 79-1022 and the other actual  
 21 receipts included in local system formula resources pursuant to section  
 22 79-1018.01 for the 2016-17 school fiscal year to determine the district  
 23 share of the calculated 2016-17 common levy receipts for each member  
 24 district;

25 (d) Adding the district share of the calculated 2016-17 common levy  
 26 receipts to the state aid certified pursuant to section 79-1022 for the  
 27 2016-17 school fiscal year to determine the calculated 2016-17 common  
 28 levy resources total for each member school district;

29 (e) Multiplying the taxable valuation for each member school  
 30 district for the 2016 tax year by the ratio of ninety-five cents per one  
 31 hundred dollars of taxable valuation and multiplying the result by  
 1 ninety-nine percent to determine the calculated 2016-17 individual levy  
 2 receipts for each member school district;

3 (f) Adding the calculated 2016-17 individual levy receipts to the  
 4 calculated 2016-17 individual state aid to determine the calculated

5 2016-17 individual district resources total for each member school  
6 district; and  
7 (g) Multiplying the difference of ~~between~~ the calculated 2016-17  
8 common levy resources total minus both the calculated 2016-17 individual  
9 district resources total and the community achievement plan aid  
10 calculated for school fiscal year 2017-18 pursuant to section 79-1005 for  
11 each member school district by fifty percent to equal the 2017-18  
12 learning community transition aid for each member school district for  
13 which the calculated common levy resources total is greater than such sum  
14 of the calculated individual district resources total plus the community  
15 achievement plan aid.  
16 (2) For school fiscal year 2018-19, the department shall, based on  
17 data for school fiscal year 2017-18, calculate the amount of learning  
18 community transition aid, if any, to be paid from the Nebraska Education  
19 Improvement Fund to each school district that is a member of a learning  
20 community which levied a common levy for member school districts prior to  
21 school fiscal year 2017-18. Learning community transition aid for each  
22 such district shall be calculated by:  
23 (a) Recalculating the 2017-18 state aid for each member school  
24 district as if the district continued to be subject to a learning  
25 community general fund common levy and without any poverty allowance  
26 adjustment pursuant to section 79-1007.06 or community achievement aid  
27 pursuant to section 79-1005 using the same data that was used in the  
28 certification pursuant to section 79-1022 to determine the calculated  
29 2017-18 common levy formula need and calculated 2017-18 common levy state  
30 aid for each member school district;  
31 (b) Multiplying the aggregate taxable valuation for all member  
1 school districts for the 2017 tax year by the ratio of ninety-five cents  
2 per one hundred dollars of taxable valuation and multiplying the result  
3 by ninety-nine percent to determine the calculated 2017-18 common levy  
4 receipts;  
5 (c) Dividing the calculated 2017-18 common levy receipts among  
6 member school districts proportionally based on the difference of the  
7 calculated common levy formula need minus the sum of the calculated  
8 2017-18 common levy state aid and the other actual receipts included in  
9 local system formula resources pursuant to section 79-1018.01 for the  
10 2017-18 school fiscal year to determine the district share of the  
11 calculated 2017-18 common levy receipts for each member district;  
12 (d) Adding the district share of the calculated 2017-18 common levy  
13 receipts to the calculated 2017-18 common levy state aid to determine the  
14 calculated 2017-18 common levy resources total for each member school  
15 district;  
16 (e) Multiplying the taxable valuation for each member school  
17 district for the 2017 tax year by the ratio of ninety-five cents per one  
18 hundred dollars of taxable valuation and multiplying the result by  
19 ninety-nine percent to determine the calculated 2017-18 individual levy  
20 receipts for each member school district;  
21 (f) Adding the calculated 2017-18 individual levy receipts to the  
22 state aid certified pursuant to section 79-1022 for school fiscal year

23 2017-18 to determine the calculated 2017-18 individual district resources  
 24 total for each member school district; and  
 25 (g) Multiplying the difference between the calculated 2017-18 common  
 26 levy resources total minus the calculated 2017-18 individual district  
 27 resources total for each member school district by twenty-five percent to  
 28 equal the 2018-19 learning community transition aid for each member  
 29 school district for which the calculated common levy resources total is  
 30 greater than the calculated individual district resources total.  
 31 (3) Learning community transition aid shall not be considered in the  
 1 calculation of formula resources pursuant to section 79-1017.01.  
 2 Sec. 5. Original section 79-1015.01, Reissue Revised Statutes of  
 3 Nebraska, and sections 77-3446, 79-1009, and 79-10,145, Revised Statutes  
 4 Cumulative Supplement, 2016, are repealed.  
 5 Sec. 6. Since an emergency exists, this act takes effect when  
 6 passed and approved according to law.

(Signed) Mike Groene, Chairperson

Health and Human Services

**LEGISLATIVE BILL 223.** Placed on General File with amendment.  
 AM950

1 1. Strike the original sections and all amendments thereto and  
 2 insert the following new sections:  
 3 Section 1. Section 71-2454, Revised Statutes Cumulative Supplement,  
 4 2016, is amended to read:  
 5 71-2454 (1) An entity described in section 71-2455 shall establish a  
 6 system of prescription drug monitoring for the purposes of (a) preventing  
 7 the misuse of controlled substances that are prescribed and (b) allowing  
 8 prescribers and dispensers to monitor the care and treatment of patients  
 9 for whom such a prescription drug is prescribed to ensure that such  
 10 prescription drugs are used for medically appropriate purposes and that  
 11 the State of Nebraska remains on the cutting edge of medical information  
 12 technology.  
 13 (2) Such system of prescription drug monitoring shall be implemented  
 14 as follows: Except as provided in subsection (4) of this section,  
 15 beginning January 1, 2017, all dispensed prescriptions of controlled  
 16 substances shall be reported; and beginning January 1, 2018, all  
 17 prescription information shall be reported to the prescription drug  
 18 monitoring system. The prescription drug monitoring system shall include,  
 19 but not be limited to, provisions that:  
 20 (a) Prohibit any patient from opting out of the prescription drug  
 21 monitoring system;  
 22 (b) Require all prescriptions dispensed in this state or to an  
 23 address in this state to be entered into the system by the dispenser or  
 24 his or her designee daily after such prescription is dispensed, including  
 25 those for patients paying cash for such prescription drug or otherwise  
 26 not relying on a third-party payor for payment for the prescription drug;  
 27 (c) Allow all prescribers or dispensers of prescription drugs to



1 access the system at no cost to such prescriber or dispenser; ~~and~~  
2 (d) Ensure that such system includes information relating to all  
3 payors, including, but not limited to, the medical assistance program  
4 established pursuant to the Medical Assistance Act; and -  
5 (e) Make the prescription information available to the statewide  
6 health information exchange described in section 71-2455 for access by  
7 its participants if such access is in compliance with the privacy and  
8 security protections set forth in the provisions of the Health Insurance  
9 Portability and Accountability Act of 1996, Public Law 104-191, and  
10 regulations promulgated thereunder, except that if a patient opts out of  
11 the statewide health information exchange, the prescription information  
12 regarding that patient shall not be accessible by the participants in the  
13 statewide health information exchange.  
14 Dispensers may begin on February 25, 2016, to report dispensing of  
15 prescriptions to the entity described in section 71-2455 which is  
16 responsible for establishing the system of prescription drug monitoring.  
17 (3) Except as provided in subsection (4) of this section,  
18 prescription ~~Prescription~~ information that shall be submitted  
19 electronically to the prescription drug monitoring system shall be  
20 determined by the entity described in section 71-2455 and shall include,  
21 but not be limited to:  
22 (a) The patient's name, address, and date of birth;  
23 (b) The name and address of the pharmacy dispensing the  
24 prescription;  
25 (c) The date the prescription is issued;  
26 (d) The date the prescription is filled;  
27 (e) The name of the drug dispensed or the National Drug Code number  
28 as published by the federal Food and Drug Administration of the drug  
29 dispensed;  
30 (f) The strength of the drug prescribed;  
31 (g) The quantity of the drug prescribed and the number of days'  
1 supply; and  
2 (h) The prescriber's name and National Provider Identifier number or  
3 Drug Enforcement Administration number when reporting a controlled  
4 substance.  
5 (4) Beginning ~~July~~ January 1, 2018, a veterinarian licensed under  
6 the Veterinary Medicine and Surgery Practice Act shall be required to  
7 report a dispensed prescription of controlled substances listed on  
8 Schedule II, Schedule III, or Schedule IV pursuant to section 28-405.  
9 Each such veterinarian shall indicate that the prescription is an animal  
10 prescription and shall include the following information in such report:  
11 (a) The first and last name and address, including city, state, and  
12 ZIP code, of the individual to whom the drug is dispensed in accordance  
13 with a valid veterinarian-client-patient relationship;  
14 (b) Reporting status;  
15 (c) The first and last name of the prescribing veterinarian and his  
16 or her federal Drug Enforcement Administration number;  
17 (d) The name of the drug dispensed and the prescription number;  
18 (e) The date the prescription is written and the date the

19 prescription is filled;

20 (f) The number of refills authorized, if any; and

21 (g) The quantity of the drug dispensed and the number of days'

22 supply.

23 (5)(a) (~~5~~) All prescription drug information submitted pursuant to

24 this section, all data contained in the prescription drug monitoring

25 system, and any report obtained from data contained in the prescription

26 drug monitoring system are confidential, are privileged, are not public

27 records, and may be withheld pursuant to section 84-712.05.

28 (b) No patient-identifying data as defined in section 81-664,

29 including the data collected under subsection (3) of this section, shall

30 be disclosed, made public, or released to any public or private person or

31 entity except to the statewide health information exchange described in

1 section 71-2455 and its participants and to prescribers and dispensers as

2 provided in subsection (2) of this section.

3 (c) All other data is for the confidential use of the department and

4 the statewide health information exchange described in section 71-2455

5 and its participants. The department may release such information as

6 Class I, Class II, or Class IV data in accordance with section 81-667 to

7 the private or public persons or entities that the department determines

8 may view such records as provided in sections 81-663 to 81-675.

9 (6) Before accessing the prescription drug monitoring system, any

10 user shall undergo training on the purpose of the system, access to and

11 proper usage of the system, and the law relating to the system, including

12 confidentiality and security of the prescription drug monitoring system.

13 Such training shall be administered by the statewide health information

14 exchange described in section 71-2455 which shall have access to the

15 prescription drug monitoring system for training and administrative

16 purposes. Users who have been trained prior to the effective date of this

17 act are deemed to be in compliance with the training requirement of this

18 subsection.

19 (7) (~~6~~) For purposes of this section:

20 (a) Designee means any licensed or registered health care

21 professional credentialed under the Uniform Credentialing Act designated

22 by a prescriber or dispenser to act as an agent of the prescriber or

23 dispenser for purposes of submitting or accessing data in the

24 prescription drug monitoring system and who is directly supervised by

25 such prescriber or dispenser;

26 (b) Dispenser means a person authorized in the jurisdiction in which

27 he or she is practicing to deliver a prescription to the ultimate user by

28 or pursuant to the lawful order of a prescriber but does not include (i)

29 the delivery of such prescription drug for immediate use for purposes of

30 inpatient hospital care or emergency department care, (ii) the

31 administration of a prescription drug by an authorized person upon the

1 lawful order of a prescriber, (iii) a wholesale distributor of a

2 prescription drug monitored by the prescription drug monitoring system,

3 or (iv) through December 31, 2017, a veterinarian licensed under the

4 Veterinary Medicine and Surgery Practice Act when dispensing

5 prescriptions for animals in the usual course of providing professional

6 services;~~and~~

7 (c) Participant means an individual or entity that has entered into  
8 a participation agreement with the statewide health information exchange  
9 described in section 71-2455 which requires the individual or entity to  
10 comply with the privacy and security protections set forth in the  
11 provisions of the Health Insurance Portability and Accountability Act of  
12 1996, Public Law 104-191, and regulations promulgated thereunder; and

13 (d) ~~(e)~~ Prescriber means a health care professional authorized to  
14 prescribe in the profession which he or she practices.

15 Sec. 2. Original section 71-2454, Revised Statutes Cumulative  
16 Supplement, 2016, is repealed.

17 Sec. 3. Since an emergency exists, this act takes effect when  
18 passed and approved according to law.

**LEGISLATIVE BILL 578.** Placed on General File with amendment.  
AM917

1 1. Strike the original sections and insert the following new  
2 sections:

3 Section 1. Section 68-901, Revised Statutes Cumulative Supplement,  
4 2016, is amended to read:

5 68-901 Sections 68-901 to 68-976 and sections 2 to 13 of this act  
6 shall be known and may be cited as the Medical Assistance Act.

7 Sec. 2. Sections 2 to 13 of this act shall be known and may be  
8 cited as the Ground Emergency Medical Transport Act.

9 Sec. 3. For purposes of the Ground Emergency Medical Transport Act:

10 (1) Advanced life support means special services designed to provide  
11 definitive prehospital emergency medical care, including, but not limited  
12 to, cardiopulmonary resuscitation, cardiac monitoring, cardiac  
13 defibrillation, advanced airway management, intravenous therapy,  
14 administration with drugs and other medicinal preparations, and other  
15 specified techniques and procedures;

16 (2) Basic life support means emergency first aid and cardiopulmonary  
17 resuscitation procedures to maintain life without invasive techniques;

18 (3) Dry run means ground emergency medical transport services  
19 provided by an eligible ground emergency medical transport services  
20 provider to an individual who is released on the scene without  
21 transportation by ambulance to a medical facility;

22 (4) Ground emergency medical transport means the act of transporting  
23 an individual from any point of origin to the nearest medical facility  
24 capable of meeting the emergency medical needs of the patient, including  
25 dry runs;

26 (5) Ground emergency medical transport services means advanced life  
27 support, limited advanced life support, and basic life support services  
1 provided to an individual by ground emergency medical transport services  
2 providers before or during ground emergency medical transport;

3 (6) Limited advanced life support means special services to provide  
4 prehospital emergency medical care limited to techniques and procedures  
5 that exceed basic life support but are less than advanced life support  
6 services; and

7 (7) Medical transport means transportation to secure medical  
8 examinations and treatment for an individual.  
9 Sec. 4. It is the intent of the Legislature that no General Funds  
10 be used in carrying out the Ground Emergency Medical Transport Act.  
11 Sec. 5. An eligible provider as described in section 6 of this act  
12 shall, in addition to the rate of payment that the provider would  
13 otherwise receive for medicaid ground emergency medical transport  
14 services, receive supplemental reimbursement pursuant to the Ground  
15 Emergency Medical Transport Act.  
16 Sec. 6. Participation in the supplemental reimbursement program by  
17 an eligible provider is voluntary. A provider is eligible for  
18 supplemental reimbursement only if the provider has all of the following  
19 characteristics continuously during a fiscal year of the state:  
20 (1) Provides ground emergency medical transport services to medicaid  
21 beneficiaries;  
22 (2) Is enrolled as a medicaid provider for the period being claimed;  
23 (3) Is owned or operated by the state or a city, county, rural or  
24 suburban fire protection district, hospital district, federally  
25 recognized Indian tribe, or another unit of government; and  
26 (4) Participates in the intergovernmental transfer program created  
27 pursuant to section 8 of this act.  
28 Sec. 7. (1) An eligible provider's supplemental reimbursement  
29 pursuant to the Ground Emergency Medical Transport Act shall be  
30 calculated and paid as follows:  
31 (a) The supplemental reimbursement shall equal the amount of federal  
1 financial participation received as a result of the claims submitted  
2 pursuant to the act; and  
3 (b) In no instance may the amount certified pursuant to section 10  
4 of this act, when combined with the amount received from all other  
5 sources of reimbursement from the medical assistance program, exceed one  
6 hundred percent of actual costs, as determined pursuant to the medicaid  
7 state plan, for ground emergency medical transport services.  
8 (2) The supplemental reimbursement shall be distributed exclusively  
9 to eligible providers under a payment method based on ground emergency  
10 medical transport services provided to medicaid beneficiaries by eligible  
11 providers on a per-transport basis or other federally permissible basis.  
12 Sec. 8. (1) The department shall design and implement, in  
13 consultation with eligible providers as described in section 6 of this  
14 act, an intergovernmental transfer program relating to medicaid managed  
15 care ground emergency medical transport services, including services  
16 provided by emergency medical technicians at the basic, advanced, and  
17 paramedic levels in prestabilization and preparation for transport, in  
18 order to increase capitation payments for the purpose of increasing  
19 reimbursement to eligible providers.  
20 (2)(a) To the extent intergovernmental transfers are voluntarily  
21 made by, and accepted from, an eligible provider described in section 6  
22 of this act or a governmental entity affiliated with an eligible  
23 provider, the department shall make increased capitation payments to  
24 applicable medicaid managed care plans.

25 (b) The increased capitation payments made pursuant to this section  
26 shall be in actuarially determined amounts at least to the extent  
27 permissible under federal law.  
28 (c) Except as provided in subsection (6) of this section, all funds  
29 associated with intergovernmental transfers made and accepted pursuant to  
30 this section shall be used to fund additional payments to medicaid  
31 managed care plans.  
1 (d) Medicaid managed care plans shall enter into contracts or  
2 contract amendments with providers for the disbursement of any amount of  
3 increased capitation payments made pursuant to this section.  
4 (3) The intergovernmental transfer program developed pursuant to  
5 this section shall be implemented on the date federal approval is  
6 obtained and only to the extent intergovernmental transfers from the  
7 eligible provider or the governmental entity with which it is affiliated  
8 are provided for this purpose.  
9 (4) To the extent permitted by federal law, the department may  
10 implement the intergovernmental transfer program and increased capitation  
11 payments pursuant to this section retroactive to the date that the state  
12 plan amendment is submitted to the Centers for Medicare and Medicaid  
13 Services of the United States Department of Health and Human Services  
14 pursuant to section 11 of this act.  
15 (5) Participation in intergovernmental transfers under this section  
16 is voluntary on the part of the transferring entities for purposes of all  
17 applicable federal laws.  
18 (6)(a) As a condition of participation under this section, each  
19 eligible provider or the governmental entity affiliated with an eligible  
20 provider shall agree to reimburse the department for any costs associated  
21 with implementing such program.  
22 (b) Intergovernmental transfers described in this section are  
23 subject to a twenty percent administration fee of the nonfederal share  
24 paid to the department and are allowed to count as a cost of providing  
25 the services.  
26 (7) As a condition of participation under this section, medicaid  
27 managed care plans, eligible providers, and governmental entities  
28 affiliated with eligible providers shall agree to comply with any  
29 requests for information or similar data requirements imposed by the  
30 department for purposes of obtaining supporting documentation necessary  
31 to claim federal funds or to obtain federal approval.  
1 Sec. 9. (1) An eligible provider, as a condition of receiving  
2 supplemental reimbursement, shall enter into and maintain an agreement  
3 with the department for purposes of implementing the Ground Emergency  
4 Medical Transport Act and reimbursing the department for the costs of  
5 administering the act.  
6 (2) The nonfederal share of the supplemental reimbursement submitted  
7 to the federal Centers for Medicare and Medicaid Services for purposes of  
8 claiming federal financial participation shall be paid only with funds  
9 from the governmental entities described in subdivision (3) of section 6  
10 of this act and certified to the department as provided in section 10 of  
11 this act.

12 Sec. 10. If a governmental entity elects to seek supplemental  
13 reimbursement pursuant to the Ground Emergency Medical Transport Act on  
14 behalf of an eligible provider owned or operated by the entity, the  
15 governmental entity shall:

16 (1) Certify, in conformity with the requirements of 42 C.F.R.  
17 433.51, that the claimed expenditures for ground emergency medical  
18 transport services are eligible for federal financial participation;

19 (2) Provide evidence supporting the certification as specified by  
20 the department;

21 (3) Submit data as specified by the department to determine the  
22 appropriate amounts to claim as expenditures qualifying for federal  
23 financial participation; and

24 (4) Keep, maintain, and have readily retrievable any records  
25 specified by the department to fully disclose reimbursement amounts to  
26 which the eligible provider is entitled and any other records required by  
27 the federal Centers for Medicare and Medicaid Services.

28 Sec. 11. (1) On or before January 1, 2018, the department shall  
29 submit an application to the Centers for Medicare and Medicaid Services  
30 of the United States Department of Health and Human Services amending the  
31 medicaid state plan to provide for the supplemental reimbursement rate  
1 for ground emergency medical transport services as specified in the  
2 Ground Emergency Medical Transport Act.

3 (2) The department may limit the program to those costs that are  
4 allowable expenditures under Title XIX of the federal Social Security  
5 Act, 42 U.S.C. 1396 et seq., as such act and sections existed on April 1,  
6 2017. Without such federal approval, the Ground Emergency Medical  
7 Transport Act may not be implemented.

8 (3) The intergovernmental transfer program authorized in section 8  
9 of this act shall be implemented only if and to the extent federal  
10 financial participation is available and is not otherwise jeopardized and  
11 any necessary federal approval has been obtained.

12 (4) To the extent that the chief executive officer of the department  
13 determines that the payments made pursuant to section 8 of this act do  
14 not comply with federal medicaid requirements, the chief executive  
15 officer may return or not accept an intergovernmental transfer and may  
16 adjust payments as necessary to comply with federal medicaid  
17 requirements.

18 Sec. 12. (1) The department shall submit claims for federal  
19 financial participation for the expenditures for the services described  
20 in section 11 of this act that are allowable expenditures under federal  
21 law.

22 (2) The department shall annually submit any necessary materials to  
23 the federal government to provide assurances that claims for federal  
24 financial participation will include only those expenditures that are  
25 allowable under federal law.

26 (3) If either a final judicial determination is made by any court of  
27 appellate jurisdiction or a final determination is made by the  
28 administrator of the federal Centers for Medicare and Medicaid Services  
29 that the supplemental reimbursement provided for in the act shall be made

30 to any provider not described in this section, the chief executive  
31 officer of the department shall execute a declaration stating that the  
1 determination has been made and such supplemental reimbursement becomes  
2 inoperative on the date of such determination.  
3 Sec. 13. To the extent federal approval is obtained, the increased  
4 capitation payments under section 8 of this act may commence for dates of  
5 service on or after January 1, 2018.  
6 Sec. 14. Original section 68-901, Revised Statutes Cumulative  
7 Supplement, 2016, is repealed.

**LEGISLATIVE BILL 596.** Placed on General File with amendment.  
AM621

1 1. On page 2, line 15, strike "high-performance".

(Signed) Merv Riepe, Chairperson

Revenue

**LEGISLATIVE BILL 640.** Placed on General File with amendment.  
AM752 is available in the Bill Room.

(Signed) Jim Smith, Chairperson

### **MESSAGE(S) FROM THE GOVERNOR**

April 6, 2017

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

Dear Mr. President, Speaker Scheer and Members of the Legislature:

Contingent upon your approval, the following individual is being appointed to the State Board of Health:

Dr. Brian Brightman, 14000 Brush Creek Place, Roca, NE 68430

The aforementioned appointee is respectfully submitted for your consideration. Copies of the certificate and background information are included for your review.

(Signed) Sincerely,  
Pete Ricketts  
Governor

Enclosures

**COMMUNICATION(S)**

April 7, 2017

Mr. Patrick O'Donnell  
Clerk of the Legislature  
State Capitol  
P.O. Box 94604  
Lincoln, NE 68509

Dear Mr. O'Donnell:

Please accept this letter of support and endorsement for a generous gifting offer from the Norfolk Veterans Home Heroes Park Foundation Inc. This gift will enable the addition of a World War II and Korean War Memorial to the Flag Plaza located in front of Norfolk Veterans Home. The memorials will serve as a place of remembrance, reflection and honor for all veterans. The addition of these memorials will further enhance the development of the Memorial Flag Plaza and serve as a constant reminder of the sacrifices our veterans have made to ensure our lasting freedom. The flag plaza is frequented by the members of the veteran's home and their families, and serves as a place for the communities of Northeast Nebraska to come together to express their support and appreciation for our veterans. The gift of the two memorials including materials and labor is valued at \$300,000.

This project will enhance the quality of life for the members of our home. There will be no significant maintenance issues that cannot be addressed by current facility staff and resources. Lastly, I would like to commend the members of the Foundation as well as all the people who have cared so much to work together to make an excellent facility even better.

I would ask that this request be referred to the appropriate committee of the Legislature for consideration.

Sincerely,  
(Signed) John Hilgert, Director  
Division of Veterans' Homes

**GENERAL FILE**

**LEGISLATIVE RESOLUTION 6.** Read. Considered.

Senator Halloran offered his amendment, AM758, found on page 867.

Senator Chambers offered the following motion:  
MO74  
Bracket until June 2, 2017.

Senator Chambers withdrew his motion to bracket.

Pending.



**COMMITTEE REPORT(S)**

Enrollment and Review

**LEGISLATIVE BILL 427.** Placed on Select File with amendment.

ER50

1 1. On page 1, line 1, strike "civil rights" and insert "parenting";  
2 in line 2 after the semicolon insert "to state findings; to provide  
3 duties for school districts and the State Department of Education  
4 relating to policies for pregnant and parenting students; to provide for  
5 training,".

**LEGISLATIVE BILL 647.** Placed on Select File.**LEGISLATIVE BILL 647A.** Placed on Select File.**LEGISLATIVE BILL 152.** Placed on Select File with amendment.

ER51

1 1. On page 1, line 4, strike "fess" and insert "fees"; and in line 5  
2 after the semicolon insert "to harmonize provisions;".

**LEGISLATIVE BILL 300.** Placed on Select File with amendment.

ER52

1 1. On page 1, line 2, strike "eliminate" and insert "change"; and in  
2 line 3 after the semicolon insert "to provide for severability;".

**LEGISLATIVE BILL 346.** Placed on Select File.**LEGISLATIVE BILL 323.** Placed on Select File.**LEGISLATIVE BILL 257.** Placed on Select File with amendment.

ER53

1 1. On page 1, strike beginning with "the" in line 1 through  
2 "section" in line 4 and insert "civil procedure; to define a term; to  
3 provide for a statute of limitations for claims relating to real estate  
4 brokerage services as prescribed; and provide a duty for the Revisor of  
5 Statutes".

(Signed) Anna Wishart, Chairperson

**COMMITTEE REPORT(S)**

Enrollment and Review

**LEGISLATIVE BILL 34.** Placed on Final Reading.**LEGISLATIVE BILL 35.** Placed on Final Reading.**LEGISLATIVE BILL 122.** Placed on Final Reading.**LEGISLATIVE BILL 151.** Placed on Final Reading.

ST11

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

1. In the E&R amendments, ER31, on page 1, the matter beginning with "certain" in line 7 through "to" in line 8 has been struck and "provisions relating to notice requirements for certain hearings and meetings; to change procedures and" inserted; and in line 12 "require descriptions of corrective action, provide for liability for fees and interest," has been inserted after the comma.

**LEGISLATIVE BILL 166.** Placed on Final Reading.

**LEGISLATIVE BILL 222.** Placed on Final Reading.

ST9

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

1. On page 1, line 10, "and" has been inserted after the last semicolon; and in lines 11 and 12 "; and to declare an emergency" has been struck.

**LEGISLATIVE BILL 432.** Placed on Final Reading.

**LEGISLATIVE BILL 639.** Placed on Final Reading.

(Signed) Anna Wishart, Chairperson

### RESOLUTION(S)

**LEGISLATIVE RESOLUTION 93.** Introduced by Hilkemann, 4; Kolowski, 31; McCollister, 20; Riepe, 12.

WHEREAS, the West in the Groove show choir from Millard West High School traveled to Nashville, Tennessee, to compete in the 2017 Heart of America show choir competition; and

WHEREAS, the West in the Groove show choir was named the Grand Champion of the Championship Division at the 2017 Heart of America competition; and

WHEREAS, the fifty performers in the West in the Groove show choir, sixteen members of the show band, and fifteen crew members balance a variety of extracurricular activities in addition to their school work and show choir responsibilities; and

WHEREAS, the West in the Groove show choir performed under the direction of Directors Zack Bjornsen and Thomas Young with the assistance of Jordan Newhouse; and

WHEREAS, the Legislature recognizes the academic, athletic, and artistic achievements of the youth of our state.

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

1. That the Legislature congratulates the members of the West in the Groove show choir from Millard West High School for their outstanding performance and for being named the Grand Champion at the 2017 Heart of America competition in Nashville.

2. That a copy of this resolution be sent to the West in the Groove show choir, Directors Zack Bjornsen and Thomas Young, and assistant Jordan Newhouse.

Laid over.

### COMMUNICATION(S)

April 7, 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 notify you that the following motion was unanimously adopted by the Special Committee today, April 7, 2017.

*The Special Committee recommends to the full Legislature that the petition filed by Mr. John Sciara challenging the qualifications of Senator Chambers be dismissed.*

As required by Rule 10 of the Rules of the Nebraska Unicameral, a report will be filed with the Legislature by the Special Committee later this week.

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

### COMMITTEE REPORT(S)

Nebraska Retirement Systems

**LEGISLATIVE BILL 415.** Placed on General File with amendment. AM923 is available in the Bill Room.

(Signed) Mark Kolterman, Chairperson

### UNANIMOUS CONSENT - Add Cointroducer(s)

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

Senator Smith name added to LB253.

**VISITOR(S)**

Visitors to the Chamber were 14 German exchange high school students and teachers from Omaha North High School.

**RECESS**

At 11:56 a.m., on a motion by Senator Briese, 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 Senators Howard, Larson, Stinner, and Watermeier who were excused until they arrive.

**GENERAL FILE**

**LEGISLATIVE BILL 248.** Senator Harr renewed his amendment, AM936, found on page 944, to the committee amendment.

Senator Howard moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 25 ayes, 7 nays, and 17 not voting.

Senator Harr moved for a call of the house. The motion prevailed with 34 ayes, 5 nays, and 10 not voting.

Senator Harr requested a roll call vote on his amendment.

Voting in the affirmative, 24:

Baker	Ebke	Kolowski	Pansing Brooks	Walz
Blood	Hansen	Krist	Quick	Wayne
Bolz	Harr	McCollister	Scheer	Williams
Chambers	Hilkemann	McDonnell	Schumacher	Wishart
Crawford	Howard	Morfeld	Vargas	

Voting in the negative, 20:

Albrecht	Clements	Geist	Hughes	Linehan
Bostelman	Craighead	Groene	Kolterman	Lowe
Brasch	Erdman	Halloran	Kuehn	Riepe
Brewer	Friesen	Hilgers	Larson	Watermeier

Present and not voting, 4:

Briese Lindstrom Murante Smith

Excused and not voting, 1:

Stinner

The Harr amendment lost with 24 ayes, 20 nays, 4 present and not voting, and 1 excused and not voting.

The Chair declared the call raised.

Pending.

### SELECT FILE

**LEGISLATIVE BILL 641A.** Considered.

### SPEAKER SCHEER PRESIDING

Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 180.** ER43, found on page 886, was adopted.

Senator Bolz offered the following amendment:

AM866

(Amendments to E and R amendments, ER43)

1 1. On page 2, line 12, after "parent" insert "or guardian ad litem".

The Bolz amendment was adopted with 31 ayes, 0 nays, 15 present and not voting, and 3 excused and not voting.

Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 180A.** Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 267.** Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 137.** Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 317.** Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 444.** ER36, found on page 867, was adopted.

Senator Erdman offered the following amendment:

AM982

(Amendments to Standing Committee amendments, AM467)

- 1 1. On page 1, line 11, after the period insert "The State of
- 2 Nebraska shall reimburse cities and counties for the costs of providing
- 3 individual or family health insurance for first responders.".

Senator Erdman withdrew his amendment.

Senator Bolz offered the following amendment:

AM842

(Amendments to Standing Committee amendments, AM467)

- 1 1. Insert the following new sections:
- 2 Sec. 2. Section 48-101.01, Revised Statutes Cumulative Supplement,
- 3 2016, is amended to read:
- 4 48-101.01 (1) Personal injury includes mental injuries and mental
- 5 illness unaccompanied by physical injury for an employee who is a first
- 6 responder or frontline state employee if such first responder or
- 7 frontline state employee:
- 8 (a) Establishes, by a preponderance of the evidence, that the
- 9 employee's employment conditions causing the mental injury or mental
- 10 illness were extraordinary and unusual in comparison to the normal
- 11 conditions of the particular employment; and
- 12 (b) Establishes, by a preponderance of the evidence, the medical
- 13 causation between the mental injury or mental illness and the employment
- 14 conditions by medical evidence.
- 15 (2) For purposes of this section, mental injuries and mental illness
- 16 arising out of and in the course of employment unaccompanied by physical
- 17 injury are not considered compensable if they result from any event or
- 18 series of events which are incidental to normal employer and employee
- 19 relations, including, but not limited to, personnel actions by the
- 20 employer such as disciplinary actions, work evaluations, transfers,
- 21 promotions, demotions, salary reviews, or terminations.
- 22 (3) For purposes of this section: ~~first~~
- 23 (a) First responder means a sheriff, a deputy sheriff, a police
- 24 officer, an officer of the Nebraska State Patrol, a volunteer or paid
- 25 firefighter, or a volunteer or paid individual licensed under a licensure
- 26 classification in subdivision (1) of section 38-1217 who provides medical
- 1 care in order to prevent loss of life or aggravation of physiological or
- 2 psychological illness or injury; -
- 3 (b) Frontline state employee means an employee of the Department of
- 4 Correctional Services or the Department of Health and Human Services
- 5 whose duties involve regular and direct interaction with high-risk
- 6 individuals;
- 7 (c) High-risk individual means an individual in state custody for
- 8 whom violent or physically intimidating behavior is common, including,
- 9 but not limited to, a committed offender as defined in section 83-170, a

10 patient at a regional center as defined in section 71-911, and a juvenile  
 11 committed to the Youth Rehabilitation and Treatment Center-Kearney or the  
 12 Youth Rehabilitation and Treatment Center-Geneva; and  
 13 (d) State custody means under the charge or control of a state  
 14 institution or state agency and includes time spent outside of the state  
 15 institution or state agency.  
 16 Sec. 3. Original section 48-101.01, Revised Statutes Cumulative  
 17 Supplement, 2016, is repealed.

**PRESIDENT FOLEY PRESIDING**

**SPEAKER SCHEER PRESIDING**

**PRESIDENT FOLEY PRESIDING**

Senator Williams moved the previous question. The question is, "Shall the debate now close?" The motion prevailed with 26 ayes, 3 nays, and 20 not voting.

The Bolz amendment was adopted with 26 ayes, 3 nays, 17 present and not voting, and 3 excused and not voting.

Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 535.** ER42, found on page 883, was adopted.

Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 91.** Senator Hilkemann offered his amendment, AM858, found on page 911.

The Hilkemann amendment was adopted with 35 ayes, 0 nays, 11 present and not voting, and 3 excused and not voting.

Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 417.** ER45, found on page 935, was adopted.

Senator Riepe offered the following amendment:  
 AM977

(Amendments to E&R amendments, ER45)

1 1. Insert the following new section:  
 2 Sec. 6. Section 43-4406, Reissue Revised Statutes of Nebraska, is  
 3 amended to read:  
 4 43-4406 On or before September 15, 2012, and each September 15  
 5 thereafter, the department shall report electronically to the Health and  
 6 Human Services Committee of the Legislature the following information  
 7 regarding child welfare services, with respect to children served by any  
 8 lead agency or the pilot project and children served by the department:

- 9 (1) The percentage of children served and the allocation of the  
10 child welfare budget, categorized by service area and by lead agency or  
11 the pilot project, including:
- 12 (a) The percentage of children served, by service area and the  
13 corresponding budget allocation; and  
14 (b) The percentage of children served who are wards of the state and  
15 the corresponding budget allocation;
- 16 (2) The number of siblings in out-of-home care placed with siblings  
17 as of the June 30th immediately preceding the date of the report,  
18 categorized by service area and by lead agency or the pilot project;
- 19 (3) The number of waivers granted under subsection (2) of section  
20 71-1904;
- 21 ~~(4) (3)~~ An update of the information in the report of the Children's  
22 Behavioral Health Task Force pursuant to sections 43-4001 to 43-4003,  
23 including:
- 24 (a) The number of children receiving mental health and substance  
25 abuse services annually by the Division of Behavioral Health of the  
26 department;
- 1 (b) The number of children receiving behavioral health services  
2 annually at the Hastings Regional Center;
- 3 (c) The number of state wards receiving behavioral health services  
4 as of September 1 immediately preceding the date of the report;
- 5 (d) Funding sources for children's behavioral health services for  
6 the fiscal year ending on the immediately preceding June 30;
- 7 (e) Expenditures in the immediately preceding fiscal year by the  
8 division, categorized by category of behavioral health service and by  
9 behavioral health region; and
- 10 (f) Expenditures in the immediately preceding fiscal year from the  
11 medical assistance program and CHIP as defined in section 68-969 for  
12 mental health and substance abuse services, for all children and for  
13 wards of the state;
- 14 ~~(5) (4)~~ The following information as obtained for each service area  
15 and lead agency or the pilot project:
- 16 (a) Case manager education, including college degree, major, and  
17 level of education beyond a baccalaureate degree;
- 18 (b) Average caseload per case manager;
- 19 (c) Average number of case managers per child during the preceding  
20 twelve months;
- 21 (d) Average number of case managers per child for children who have  
22 been in the child welfare system for three months, for six months, for  
23 twelve months, and for eighteen months and the consecutive yearly average  
24 for children until the age of majority or permanency is attained;
- 25 (e) Monthly case manager turnover;
- 26 (f) Monthly face-to-face contacts between each case manager and the  
27 children on his or her caseload;
- 28 (g) Monthly face-to-face contacts between each case manager and the  
29 parent or parents of the children on his or her caseload;
- 30 (h) Case documentation of monthly consecutive team meetings per  
31 quarter;
- 1 (i) Case documentation of monthly consecutive parent contacts per  
2 quarter;



- 3 (j) Case documentation of monthly consecutive child contacts with  
4 case manager per quarter;
- 5 (k) Case documentation of monthly consecutive contacts between child  
6 welfare service providers and case managers per quarter;
- 7 (l) Timeliness of court reports; and
- 8 (m) Non-court-involved children, including the number of children  
9 served, the types of services requested, the specific services provided,  
10 the cost of the services provided, and the funding source;
- 11 ~~(6) (5)~~ All placements in residential treatment settings made or  
12 paid for by the child welfare system, the Office of Juvenile Services,  
13 the State Department of Education or local education agencies, any lead  
14 agency or the pilot project through letters of agreement, and the medical  
15 assistance program, including, but not limited to:
- 16 (a) Child variables;
- 17 (b) Reasons for placement;
- 18 (c) The percentage of children denied medicaid-reimbursed services  
19 and denied the level of placement requested;
- 20 (d) With respect to each child in a residential treatment setting:
- 21 (i) If there was a denial of initial placement request, the length  
22 and level of each placement subsequent to denial of initial placement  
23 request and the status of each child before and immediately after, six  
24 months after, and twelve months after placement;
- 25 (ii) Funds expended and length of placements;
- 26 (iii) Number and level of placements;
- 27 (iv) Facility variables; and
- 28 (v) Identification of specific child welfare services unavailable in  
29 the child's community that, if available, could have prevented the need  
30 for residential treatment; and
- 31 (e) Identification of child welfare services unavailable in the  
1 state that, if available, could prevent out-of-state placements;
- 2 ~~(7) (6)~~ From any lead agency or the pilot project, the percentage of  
3 its accounts payable to subcontracted child welfare service providers  
4 that are thirty days overdue, sixty days overdue, and ninety days  
5 overdue; and
- 6 ~~(8) (7)~~ For any individual involved in the child welfare system  
7 receiving a service or a placement through the department or its agent  
8 for which referral is necessary, the date when such referral was made by  
9 the department or its agent and the date and the method by which the  
10 individual receiving the services was notified of such referral. To the  
11 extent the department becomes aware of the date when the individual  
12 receiving the referral began receiving such services, the department or  
13 its agent shall document such date.
- 14 2. On page 21, line 17, after the last comma insert "43-4406,".
- 15 3. Renumber the remaining sections accordingly.

The Riepe amendment was adopted with 38 ayes, 0 nays, 8 present and not voting, and 3 excused and not voting.

Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 376.** Advanced to Enrollment and Review for Engrossment.

**LEGISLATIVE BILL 75.** Advanced to Enrollment and Review for Engrossment with 32 ayes, 8 nays, 7 present and not voting, and 2 excused and not voting.

**LEGISLATIVE BILL 263.** ER41, found on page 866, was adopted.

Senator Smith offered his amendment, AM777, found on page 851.

The Smith amendment was adopted with 31 ayes, 6 nays, 10 present and not voting, and 2 excused and not voting.

Pending.

### RESOLUTION(S)

**LEGISLATIVE RESOLUTION 94.** Introduced by Craighead, 6; Blood, 3; Chambers, 11; Clements, 2; Crawford, 45; Harr, 8; Hilkemann, 4; Howard, 9; Kolowski, 31; Krist, 10; Lindstrom, 18; Linehan, 39; McCollister, 20; McDonnell, 5; Murante, 49; Riepe, 12; Scheer, 19; Smith, 14; Vargas, 7; Wayne, 13.

WHEREAS, Kevin Andahl began his career as a police officer with the Omaha Police Department on October 2, 1989. He came to the City of Omaha after receiving an honorable discharge from the United States Air Force where he served on the Military Police Force; and

WHEREAS, Officer Andahl graduated from the Omaha Police Academy in March of 1990 and served the Omaha Police Department in many capacities throughout his career, including the Uniform Patrol Unit, Gang Unit, Warrants Unit, Information Services, and Community Revitalization Patrol; and

WHEREAS, Officer Andahl proudly dedicated his life to serving and helping others as a valued member of his department. He was dependable and always willing to assist and listen; and

WHEREAS, Officer Andahl had love and support from his family including his wife Michelle and sons Tyler, Garret, William, and Andrew, along with daily love and prayers for his safety by his parents Patricia and Robert Andahl, brothers and sisters, and many more family and friends; and

WHEREAS, Officer Andahl's last day in service is May 20th, 2017, and upon his final End of Tour radio call, Officer Andahl will be officially retired from the Omaha Police Department after more than 27 years of service.

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

1. That the State of Nebraska expresses its gratitude and appreciation to Officer Kevin Andahl for his many years of enthusiastic and conscientious service and his passionate dedication and loyalty to the police profession, the Omaha Police Department, the City of Omaha, and all Nebraskans.
2. That a copy of this resolution be delivered to Officer Kevin Andahl.

Laid over.

**LEGISLATIVE RESOLUTION 95.** Introduced by Craighead, 6.

WHEREAS, the Honor and Remember Flag was conceived as a universal symbol that specifically acknowledges the American service men and women who never made it home; and

WHEREAS, the red field on the flag represents the blood shed by brave men and women who have sacrificed their lives for freedom, and the white border recognizes the purity of that sacrifice; and

WHEREAS, the blue star on the flag is a symbol of active service in military conflict that dates back to World War I, and the gold star signifies the ultimate sacrifice of a warrior in active service who is not returning home and reflects the value of the life given; and

WHEREAS, the flame on the flag symbolizes the eternal spirit of the departed, and the folded American flag highlights the final tribute of this nation to a fallen service member and a family's sacrifice.

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

1. That the Honor and Remember Flag is hereby adopted as an official symbol of the State of Nebraska representing the state's commitment to honoring and remembering the lives of all members of the armed forces of the United States who have lost their lives while serving or as a result of their service.
2. That the Honor and Remember Flag may be displayed on any day, including the following:
  - (1) Armed Forces Day, the third Saturday in May;
  - (2) Memorial Day, the last Monday in May;
  - (3) Gold Star Mother's Day, the last Sunday in September;
  - (4) Veterans Day, November 11; and
  - (5) Any other date on which a resident of this state dies while serving on active duty in the armed forces of the United States.

Laid over.

**SPEAKER'S ANNOUNCEMENT**

Pursuant to Rule 4, Section 8, LR95 was referred to the Reference Committee.

**RESOLUTION(S)****LEGISLATIVE RESOLUTION 96.** Introduced by Bostelman, 23.

WHEREAS, on March 23, 2017, at the University of Nebraska at Kearney, the David City High School speech team won the 2017 Class C-1 State Speech Championship; and

WHEREAS, Bethany Tebbe, Sarah Wolfenden, Brooke Bell, Iris Prochaska, and Evan Forney won the championship in Oral Interpretation of Drama; and

WHEREAS, Jackson Hardin was an individual champion in Poetry; and

WHEREAS, Bethany Tebbe was an individual champion in Informative Speaking; and

WHEREAS, Laurel Ockander was an individual champion in Persuasive Speaking; and

WHEREAS, Will Heller and Jackson Hardin won the championship in Duet Speaking; and

WHEREAS, Coach Jarod Ockander and the Scouts Speech Team have won consecutive state championships the last two years and seven state championships since 2006; and

WHEREAS, the Legislature recognizes the academic, athletic, and artistic achievements of the youth of our state.

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

1. That the Legislature congratulates the David City High School speech team and Coach Jarod Ockander for their championship awards and successful season.

2. That copies of this resolution be sent to Coach Jarod Ockander and the David City High School speech team.

Laid over.

**LEGISLATIVE RESOLUTION 97.** Introduced by Kuehn, 38.

WHEREAS, Nebraska's electricity is generated by power plants connected to a complex electrical grid consisting of over 6,000 miles of transmission lines and 100,000 miles of subtransmission and distribution lines that deliver energy to homes, businesses, hospitals, churches, and schools throughout our state; and

WHEREAS, the electrical grid must be maintained and operated twenty-four hours a day, seven days a week, and three hundred sixty-five days a year despite inclement weather, including blizzards, thunderstorms, floods, and other hazards; and

WHEREAS, Nebraska's 1,350 lineworkers have demonstrated outstanding skill and dedication to their jobs by working in hazardous conditions to build, maintain, and repair our electricity infrastructure; and

WHEREAS, the hardworking lineworkers of Nebraska who leave their families and risk their lives daily to ensure the reliable delivery of electricity to all citizens of the state are deserving of our respect, gratitude, and honor.

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

1. That the Legislature recognizes the significant contributions and efforts of Nebraska lineworkers who often work in challenging conditions to keep the lights on and expresses its appreciation to all of Nebraska's hardworking lineworkers.

2. That the Legislature designates April 10, 2017, as Lineworker Appreciation Day in Nebraska.

Laid over.

**LEGISLATIVE RESOLUTION 98.** Introduced by Wayne, 13; Linehan, 39; McDonnell, 5; Vargas, 7; Wishart, 27.

WHEREAS, on February 27, 2014, the My Brother's Keeper initiative was launched to address persistent opportunity gaps faced by boys and young men of color nationwide; and

WHEREAS, the initiative is a call to action and targeted effort to convene local leaders, identify effective strategies, and work together to accomplish a shared goal of improving life outcomes for young people in our communities; and

WHEREAS, through the initiative and the My Brother's Keeper Community Challenge, local governments, businesses, non-profits, and foundations are taking important steps to connect young people to mentoring and support networks and to promote the skills necessary to find a good job or go to college and work into the middle-class; and

WHEREAS, the initiative encourages cities, counties, rural areas, and tribal communities to implement a coherent cradle-to-college-and-career strategy for improving the life outcomes of all young people, focusing especially on achieving six universal milestones for success; and

WHEREAS, these six universal milestones include:

(1) Entering school ready to learn: All school-aged children should have a healthy start and enter school cognitively, physically, socially, and emotionally prepared to learn;

(2) Reading at grade level by third grade: All children should be reading at grade level by age 8, the age at which reading is solidified as a truly essential, and foundational component of ongoing learning;

(3) Graduating from high school ready for college and career: All young adults should have the option to attend postsecondary education equipped with skills for continued success;

(4) Completing post-secondary education or training: All young adults should receive the education and training needed for quality jobs of today and tomorrow;

(5) Successfully entering the workforce: All individuals who want a job should be able to secure and sustain employment that allows them to support themselves and their families; and

(6) Reducing violence and providing a second chance: All children should be safe from violent crime. Individuals who are confined should receive the education, training, and treatment they need for a second chance; and

WHEREAS, data has shown that boys and young men of color, regardless of socioeconomic background, are disproportionately at risk throughout their journey from birth to college and into a career; and

WHEREAS, the percentage of residents who are people of color is expected to continue increasing into the future; and

WHEREAS, the overall goals of the initiative are consistent with state goals of growing economic prosperity in our communities, addressing concentrated areas of economic poverty, reducing crime, and responding proactively to our changing demographics, which can also provide the state with an opportunity to make our diversity into our strength.

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

1. That the Legislature hereby supports the call to action of the My Brother's Keeper Initiative and Community Challenge and recognizes the importance of the initiative milestones by adding the State of Nebraska to the list of nearly 200 cities, counties, and tribes already supporting the initiative across the country.

Laid over.

#### **SPEAKER'S ANNOUNCEMENT**

Pursuant to Rule 4, Section 8, LR98 was referred to the Reference Committee.

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

Senator Briese filed the following amendment to LB512:  
AM970

(Amendments to Standing Committee amendments, AM724)

1 1. Strike sections 6 and 14 and insert the following new sections:

2 Sec. 6. Section 77-3442, Revised Statutes Cumulative Supplement,  
3 2016, is amended to read:

4 77-3442 (1) Property tax levies for the support of local governments  
5 for fiscal years beginning on or after July 1, 1998, shall be limited to  
6 the amounts set forth in this section except as provided in section  
7 77-3444.

8 (2)(a) Except as provided in subdivisions (2)(b) and (2)(e) of this  
9 section, school districts and multiple-district school systems may levy a  
10 maximum levy of one dollar and five cents per one hundred dollars of  
11 taxable valuation of property subject to the levy.

12 (b) For each fiscal year prior to fiscal year 2017-18, learning

13 communities may levy a maximum levy for the general fund budgets of  
14 member school districts of ninety-five cents per one hundred dollars of  
15 taxable valuation of property subject to the levy. The proceeds from the  
16 levy pursuant to this subdivision shall be distributed pursuant to  
17 section 79-1073.

18 (c) Except as provided in subdivision (2)(e) of this section, for  
19 each fiscal year prior to fiscal year 2017-18, school districts that are  
20 members of learning communities may levy for purposes of such districts'  
21 general fund budget and special building funds a maximum combined levy of  
22 the difference of one dollar and five cents on each one hundred dollars  
23 of taxable property subject to the levy minus the learning community levy  
24 pursuant to subdivision (2)(b) of this section for such learning  
25 community.

26 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)  
1 of this section are (i) amounts levied to pay for sums agreed to be paid  
2 by a school district to certificated employees in exchange for a  
3 voluntary termination of employment occurring prior to September 1, 2017,  
4 (ii) amounts levied for fiscal year 2018-19 to pay for seventy-five  
5 percent of sums agreed to be paid by a school district to certificated  
6 employees in exchange for a voluntary termination of employment occurring  
7 on or after September 1, 2017, (iii) amounts levied for fiscal year  
8 2019-20 to pay for fifty percent of sums agreed to be paid by a school  
9 district to certificated employees in exchange for a voluntary  
10 termination of employment occurring on or after September 1, 2017, (iv)  
11 amounts levied for fiscal year 2020-21 to pay for twenty-five percent of  
12 sums agreed to be paid by a school district to certificated employees in  
13 exchange for a voluntary termination of employment occurring on or after  
14 September 1, 2017, (v) amounts levied in compliance with sections  
15 79-10,110 and 79-10,110.02, and (vi) amounts levied to pay for special  
16 building funds and sinking funds established for projects commenced prior  
17 to April 1, 1996, for construction, expansion, or alteration of school  
18 district buildings. For purposes of this subsection, commenced means any  
19 action taken by the school board on the record which commits the board to  
20 expend district funds in planning, constructing, or carrying out the  
21 project.

22 (e) Federal aid school districts may exceed the maximum levy  
23 prescribed by subdivision (2)(a) or (2)(c) of this section only to the  
24 extent necessary to qualify to receive federal aid pursuant to Title VIII  
25 of Public Law 103-382, as such title existed on September 1, 2001. For  
26 purposes of this subdivision, federal aid school district means any  
27 school district which receives ten percent or more of the revenue for its  
28 general fund budget from federal government sources pursuant to Title  
29 VIII of Public Law 103-382, as such title existed on September 1, 2001.

30 (f) For each fiscal year, learning communities may levy a maximum  
31 levy of one-half cent on each one hundred dollars of taxable property  
1 subject to the levy for elementary learning center facility leases, for  
2 remodeling of leased elementary learning center facilities, and for up to  
3 fifty percent of the estimated cost for focus school or program capital  
4 projects approved by the learning community coordinating council pursuant

5 to section 79-2111.

6 (g) For each fiscal year, learning communities may levy a maximum  
7 levy of one and one-half cents on each one hundred dollars of taxable  
8 property subject to the levy for early childhood education programs for  
9 children in poverty, for elementary learning center employees, for  
10 contracts with other entities or individuals who are not employees of the  
11 learning community for elementary learning center programs and services,  
12 and for pilot projects, except that no more than ten percent of such levy  
13 may be used for elementary learning center employees.

14 (3) For each fiscal year, community college areas may levy the  
15 levies provided in subdivisions (2)(a) through (c) of section 85-1517, in  
16 accordance with the provisions of such subdivisions. A community college  
17 area may exceed the levy provided in subdivision (2)(b) of section  
18 85-1517 by the amount necessary to retire general obligation bonds  
19 assumed by the community college area or issued pursuant to section  
20 85-1515 according to the terms of such bonds or for any obligation  
21 pursuant to section 85-1535 entered into prior to January 1, 1997.

22 (4)(a) Natural resources districts may levy a maximum levy of four  
23 and one-half cents per one hundred dollars of taxable valuation of  
24 property subject to the levy.

25 (b) Natural resources districts shall also have the power and  
26 authority to levy a tax equal to the dollar amount by which their  
27 restricted funds budgeted to administer and implement ground water  
28 management activities and integrated management activities under the  
29 Nebraska Ground Water Management and Protection Act exceed their  
30 restricted funds budgeted to administer and implement ground water  
31 management activities and integrated management activities for FY2003-04,  
1 not to exceed one cent on each one hundred dollars of taxable valuation  
2 annually on all of the taxable property within the district.

3 (c) In addition, natural resources districts located in a river  
4 basin, subbasin, or reach that has been determined to be fully  
5 appropriated pursuant to section 46-714 or designated as overappropriated  
6 pursuant to section 46-713 by the Department of Natural Resources shall  
7 also have the power and authority to levy a tax equal to the dollar  
8 amount by which their restricted funds budgeted to administer and  
9 implement ground water management activities and integrated management  
10 activities under the Nebraska Ground Water Management and Protection Act  
11 exceed their restricted funds budgeted to administer and implement ground  
12 water management activities and integrated management activities for  
13 FY2005-06, not to exceed three cents on each one hundred dollars of  
14 taxable valuation on all of the taxable property within the district for  
15 fiscal year 2006-07 and each fiscal year thereafter through fiscal year  
16 2017-18.

17 (5) Any educational service unit authorized to levy a property tax  
18 pursuant to section 79-1225 may levy a maximum levy of one and one-half  
19 cents per one hundred dollars of taxable valuation of property subject to  
20 the levy.

21 (6)(a) Incorporated cities and villages which are not within the  
22 boundaries of a municipal county may levy a maximum levy of forty-five



23 cents per one hundred dollars of taxable valuation of property subject to  
24 the levy plus an additional five cents per one hundred dollars of taxable  
25 valuation to provide financing for the municipality's share of revenue  
26 required under an agreement or agreements executed pursuant to the  
27 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum  
28 levy shall include amounts levied to pay for sums to support a library  
29 pursuant to section 51-201, museum pursuant to section 51-501, visiting  
30 community nurse, home health nurse, or home health agency pursuant to  
31 section 71-1637, or statue, memorial, or monument pursuant to section  
1 80-202.

2 (b) Incorporated cities and villages which are within the boundaries  
3 of a municipal county may levy a maximum levy of ninety cents per one  
4 hundred dollars of taxable valuation of property subject to the levy. The  
5 maximum levy shall include amounts paid to a municipal county for county  
6 services, amounts levied to pay for sums to support a library pursuant to  
7 section 51-201, a museum pursuant to section 51-501, a visiting community  
8 nurse, home health nurse, or home health agency pursuant to section  
9 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

10 (7) Sanitary and improvement districts which have been in existence  
11 for more than five years may levy a maximum levy of forty cents per one  
12 hundred dollars of taxable valuation of property subject to the levy, and  
13 sanitary and improvement districts which have been in existence for five  
14 years or less shall not have a maximum levy. Unconsolidated sanitary and  
15 improvement districts which have been in existence for more than five  
16 years and are located in a municipal county may levy a maximum of eighty-  
17 five cents per hundred dollars of taxable valuation of property subject  
18 to the levy.

19 (8) Counties may levy or authorize a maximum levy of fifty cents per  
20 one hundred dollars of taxable valuation of property subject to the levy,  
21 except that five cents per one hundred dollars of taxable valuation of  
22 property subject to the levy may only be levied to provide financing for  
23 the county's share of revenue required under an agreement or agreements  
24 executed pursuant to the Interlocal Cooperation Act or the Joint Public  
25 Agency Act. The maximum levy shall include amounts levied to pay for sums  
26 to support a library pursuant to section 51-201 or museum pursuant to  
27 section 51-501. The county may allocate up to fifteen cents of its  
28 authority to other political subdivisions subject to allocation of  
29 property tax authority under subsection (1) of section 77-3443 and not  
30 specifically covered in this section to levy taxes as authorized by law  
31 which do not collectively exceed fifteen cents per one hundred dollars of  
1 taxable valuation on any parcel or item of taxable property. The county  
2 may allocate to one or more other political subdivisions subject to  
3 allocation of property tax authority by the county under subsection (1)  
4 of section 77-3443 some or all of the county's five cents per one hundred  
5 dollars of valuation authorized for support of an agreement or agreements  
6 to be levied by the political subdivision for the purpose of supporting  
7 that political subdivision's share of revenue required under an agreement  
8 or agreements executed pursuant to the Interlocal Cooperation Act or the  
9 Joint Public Agency Act. If an allocation by a county would cause another

10 county to exceed its levy authority under this section, the second county  
11 may exceed the levy authority in order to levy the amount allocated.  
12 (9) Municipal counties may levy or authorize a maximum levy of one  
13 dollar per one hundred dollars of taxable valuation of property subject  
14 to the levy. The municipal county may allocate levy authority to any  
15 political subdivision or entity subject to allocation under section  
16 77-3443.

17 (10) Beginning July 1, 2016, rural and suburban fire protection  
18 districts may levy a maximum levy of ten and one-half cents per one  
19 hundred dollars of taxable valuation of property subject to the levy if  
20 (a) such district is located in a county that had a levy pursuant to  
21 subsection (8) of this section in the previous year of at least forty  
22 cents per one hundred dollars of taxable valuation of property subject to  
23 the levy or (b) for any rural or suburban fire protection district that  
24 had a levy request pursuant to section 77-3443 in the previous year, the  
25 county board of the county in which the greatest portion of the valuation  
26 of such district is located did not authorize any levy authority to such  
27 district in the previous year.

28 (11) Property tax levies (a) for judgments, except judgments or  
29 orders from the Commission of Industrial Relations, obtained against a  
30 political subdivision which require or obligate a political subdivision  
31 to pay such judgment, to the extent such judgment is not paid by  
1 liability insurance coverage of a political subdivision, (b) for  
2 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)  
3 for bonds as defined in section 10-134 approved according to law and  
4 secured by a levy on property except as provided in section 44-4317 for  
5 bonded indebtedness issued by educational service units and school  
6 districts, and (d) for payments by a public airport to retire interest-  
7 free loans from the Department of Aeronautics in lieu of bonded  
8 indebtedness at a lower cost to the public airport are not included in  
9 the levy limits established by this section.

10 (12) The limitations on tax levies provided in this section are to  
11 include all other general or special levies provided by law.  
12 Notwithstanding other provisions of law, the only exceptions to the  
13 limits in this section are those provided by or authorized by sections  
14 77-3442 to 77-3444.

15 (13) Tax levies in excess of the limitations in this section shall  
16 be considered unauthorized levies under section 77-1606 unless approved  
17 under section 77-3444.

18 (14) For purposes of sections 77-3442 to 77-3444, political  
19 subdivision means a political subdivision of this state and a county  
20 agricultural society.

21 (15) For school districts that file a binding resolution on or  
22 before May 9, 2008, with the county assessors, county clerks, and county  
23 treasurers for all counties in which the school district has territory  
24 pursuant to subsection (7) of section 79-458, if the combined levies,  
25 except levies for bonded indebtedness approved by the voters of the  
26 school district and levies for the refinancing of such bonded  
27 indebtedness, are in excess of the greater of (a) one dollar and twenty

28 cents per one hundred dollars of taxable valuation of property subject to  
29 the levy or (b) the maximum levy authorized by a vote pursuant to section  
30 77-3444, all school district levies, except levies for bonded  
31 indebtedness approved by the voters of the school district and levies for  
1 the refinancing of such bonded indebtedness, shall be considered  
2 unauthorized levies under section 77-1606.  
3 Sec. 14. Section 79-1028.01, Revised Statutes Cumulative Supplement,  
4 2016, is amended to read:  
5 79-1028.01 (1) For each school fiscal year, a school district may  
6 exceed its budget authority for the general fund budget of expenditures  
7 as calculated pursuant to section 79-1023 for such school fiscal year by  
8 a specific dollar amount for the following exclusions:  
9 (a) Expenditures for repairs to infrastructure damaged by a natural  
10 disaster which is declared a disaster emergency pursuant to the Emergency  
11 Management Act;  
12 (b) Expenditures for judgments, except judgments or orders from the  
13 Commission of Industrial Relations, obtained against a school district  
14 which require or obligate a school district to pay such judgment, to the  
15 extent such judgment is not paid by liability insurance coverage of a  
16 school district;  
17 (c) Expenditures pursuant to the Retirement Incentive Plan  
18 authorized in section 79-855 or the Staff Development Assistance  
19 authorized in section 79-856;  
20 (d) Expenditures of amounts received from educational entities as  
21 defined in section 79-1201.01 for providing distance education courses  
22 through the Educational Service Unit Coordinating Council to such  
23 educational entities;  
24 (e) Expenditures to pay for employer contributions pursuant to  
25 subsection (2) of section 79-958 to the School Employees Retirement  
26 System of the State of Nebraska to the extent that such expenditures  
27 exceed the employer contributions under such subsection that would have  
28 been made at a contribution rate of seven and thirty-five hundredths  
29 percent;  
30 (f) Expenditures to pay for school district contributions pursuant  
31 to subdivision (1)(c)(i) of section 79-9,113 to the retirement system  
1 established pursuant to the Class V School Employees Retirement Act to  
2 the extent that such expenditures exceed the school district  
3 contributions under such subdivision that would have been made at a  
4 contribution rate of seven and thirty-seven hundredths percent;  
5 (g) Expenditures for sums agreed to be paid by a school district to  
6 certificated employees in exchange for a voluntary termination occurring  
7 prior to July 1, 2009, occurring on or after the last day of the 2010-11  
8 school year and prior to the first day of the 2013-14 school year, or, to  
9 the extent that a district demonstrates to the State Board of Education  
10 pursuant to subsection (3) of this section that the agreement will result  
11 in a net savings in salary and benefit costs to the school district over  
12 a five-year period, occurring on or after the first day of the 2013-14  
13 school year and prior to September 1, 2017;  
14 (h) For school fiscal year 2018-19, seventy-five percent of

15 expenditures to pay for sums agreed to be paid by a school district to  
 16 certificated employees in exchange for a voluntary termination of  
 17 employment occurring on or after September 1, 2017;  
 18 (i) For school fiscal year 2019-20, fifty percent of expenditures to  
 19 pay for sums agreed to be paid by a school district to certificated  
 20 employees in exchange for a voluntary termination of employment occurring  
 21 on or after September 1, 2017;  
 22 (j) For school fiscal year 2020-21, twenty-five percent of  
 23 expenditures to pay for sums agreed to be paid by a school district to  
 24 certificated employees in exchange for a voluntary termination of  
 25 employment occurring on or after September 1, 2017;  
 26 (k) ~~(h)~~ The special education budget of expenditures;  
 27 (l) ~~(i)~~ Expenditures of special grant funds; and  
 28 (m) ~~(j)~~ Expenditures of funds received as federal impact aid  
 29 pursuant to 20 U.S.C. 7701 to 7714, as such sections existed on January  
 30 1, 2016, due to a district having land within its boundaries that is  
 31 federal property classified as Indian lands under 20 U.S.C. 7713(7), as  
 1 such section existed on January 1, 2016, and funds received as impact aid  
 2 due to children in attendance who resided on Indian lands in accordance  
 3 with 20 U.S.C. 7703(a)(1)(C), as such section existed on January 1, 2016.  
 4 (2) For each school fiscal year, a school district may exceed its  
 5 budget authority for the general fund budget of expenditures as  
 6 calculated pursuant to section 79-1023 for such school fiscal year by a  
 7 specific dollar amount and include such dollar amount in the budget of  
 8 expenditures used to calculate budget authority for the general fund  
 9 budget of expenditures pursuant to section 79-1023 for future years for  
 10 the following exclusions:  
 11 (a) The first school fiscal year the district will be participating  
 12 in Network Nebraska for the full school fiscal year, for the difference  
 13 of the estimated expenditures for such school fiscal year for  
 14 telecommunications services, access to data transmission networks that  
 15 transmit data to and from the school district, and the transmission of  
 16 data on such networks as such expenditures are defined by the department  
 17 for purposes of the distance education and telecommunications allowance  
 18 minus the dollar amount of such expenditures for the second school fiscal  
 19 year preceding the first full school fiscal year the district  
 20 participates in Network Nebraska;  
 21 (b) Expenditures for new elementary attendance sites in the first  
 22 year of operation or the first year of operation after being closed for  
 23 at least one school year if such elementary attendance site will most  
 24 likely qualify for the elementary site allowance in the immediately  
 25 following school fiscal year as determined by the state board;  
 26 (c) For the first school fiscal year for which early childhood  
 27 education membership is included in formula students for the calculation  
 28 of state aid, expenditures for early childhood education equal to the  
 29 amount the school district received in early childhood education grants  
 30 pursuant to section 79-1103 for the prior school fiscal year, increased  
 31 by the basic allowable growth rate; and  
 1 (d) For school fiscal year 2013-14, an amount not to exceed two

2 percent over the previous school year if such increase is approved by a  
 3 seventy-five percent majority vote of the school board of such district.  
 4 (3) The state board shall approve, deny, or modify the amount  
 5 allowed for any exclusions to the budget authority for the general fund  
 6 budget of expenditures pursuant to this section.

### BILL ON FIRST READING

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

**LEGISLATIVE BILL 225A.** Introduced by Crawford, 45.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 225, One Hundred Fifth Legislature, First Session, 2017; and to declare an emergency.

### COMMITTEE REPORT(S)

Enrollment and Review

**LEGISLATIVE BILL 478.** Placed on Select File.

**LEGISLATIVE BILL 509.** Placed on Select File with amendment.  
 ER54

1 1. On page 1, line 3, after "change" insert "and eliminate"; in line  
 2 4 after "subpoenas" insert "and compulsory process in criminal cases; to  
 3 change and eliminate provisions relating to witness fees" and delete  
 4 "and"; and in line 5 after "sections" insert "; and to outright repeal  
 5 sections 25-1225 and 25-1236, Reissue Revised Statutes of Nebraska".

**LEGISLATIVE BILL 509A.** Placed on Select File.

**LEGISLATIVE BILL 97.** Placed on Select File.

**LEGISLATIVE BILL 291.** Placed on Select File with amendment.  
 ER55

1 1. Strike the original sections and all amendments thereto and  
 2 insert the following new sections:  
 3 Section 1. Sections 1 to 9 of this act shall be known and may be  
 4 cited as the Special Economic Impact Zone Act.  
 5 Sec. 2. The purpose of the Special Economic Impact Zone Act is to  
 6 utilize the tax incentives provided in the act to encourage the formation  
 7 and expansion of businesses on reservations and trust land in this state.  
 8 Sec. 3. For purposes of the Special Economic Impact Zone Act:  
 9 (1) Department means the Department of Revenue;  
 10 (2) Federally designated or established service area means a  
 11 geographic area designated by the United States where federal services  
 12 and benefits furnished to Indians and Indian tribes are provided or which  
 13 is otherwise designated to constitute an area on or near a reservation;  
 14 (3) Indian tribe has the same meaning as in section 43-1503;  
 15 (4) Qualified business means any corporation, partnership, limited

16 liability company, sole proprietorship, or other business entity that:  
17 (a) Is subject to income taxes or sales and use taxes under the  
18 Nebraska Revenue Act of 1967;  
19 (b) Establishes a business location within a special economic impact  
20 zone on or after the effective date of this act;  
21 (c) Derives no more than five percent of its income from the sale of  
22 agricultural grain which it or one of its subsidiaries actively produced;  
23 and  
24 (d) Does not engage in Class III gaming activity authorized by the  
25 federal Indian Gaming Regulatory Act;  
26 (5) Reservation means Indian country as defined in 18 U.S.C. 1151  
27 and any lands, not covered under such section, title to which is either  
1 held by the United States in trust for the benefit of any Indian tribe or  
2 individual or held by any Indian tribe or individual subject to a  
3 restriction by the United States against alienation. Reservation does not  
4 include a federally designated or established service area;  
5 (6) Special economic impact zone means a zone established under  
6 section 4 of this act; and  
7 (7) Trust land means land held in trust by the United States for the  
8 beneficial use of an individual member of an Indian tribe or for the  
9 beneficial use of an Indian tribe.  
10 Sec. 4. (1) Subject to subsection (2) of this section, the  
11 following areas of this state are hereby established as special economic  
12 impact zones:  
13 (a) Each reservation in this state; and  
14 (b) For any Indian tribe without a reservation in this state, the  
15 trust land of such Indian tribe that lies within a federally designated  
16 or established service area.  
17 (2) Before any trust land located within a city of the metropolitan  
18 class, city of the primary class, or city of the first class is included  
19 within a special economic impact zone, the governing body of the city in  
20 which such trust land is located must first give its approval. A  
21 governing body shall notify the department of any approval granted under  
22 this section.  
23 Sec. 5. For taxable years beginning or deemed to begin on or after  
24 January 1, 2018, under the Internal Revenue Code of 1986, as amended, a  
25 qualified business may, in calculating its taxable income under the  
26 Nebraska Revenue Act of 1967, exclude the portion of the Nebraska taxable  
27 income equal to the portion of the sales of the qualified business that  
28 are sold or delivered from within a special economic impact zone.  
29 Sec. 6. (1) Beginning January 1, 2018, a qualified business shall  
30 be exempt from the sales and use taxes due under the Nebraska Revenue Act  
31 of 1967 for the first two hundred fifty thousand dollars of eligible  
1 purchases made by the qualified business each calendar year. The  
2 qualified business shall make the eligible purchases exempt from sales  
3 and use taxes using a direct payment permit issued under section  
4 77-2705.01.  
5 (2) For purposes of this section, eligible purchase means any  
6 purchase of a good or service subject to sales and use taxes under the

7 Nebraska Revenue Act of 1967 which is made by a qualified business for  
8 use within a special economic impact zone.

9 Sec. 7. Any qualified business receiving tax incentives under the  
10 Nebraska Advantage Act shall also be eligible to qualify for the tax  
11 incentives provided in the Special Economic Impact Zone Act.

12 Sec. 8. If a qualified business relocates from one part of the  
13 state to a special economic impact zone, such qualified business shall  
14 not be eligible for the tax incentives provided in the Special Economic  
15 Impact Zone Act.

16 Sec. 9. The department may adopt and promulgate rules and  
17 regulations for the purpose of carrying out the Special Economic Impact  
18 Zone Act.

19 Sec. 10. Section 58-201, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 58-201 Sections 58-201 to 58-272 and section 11 of this act shall be  
22 known and may be cited as the Nebraska Investment Finance Authority Act.

23 Sec. 11. (1) Each time applications are scored for purposes of  
24 allocating federal low-income housing tax credits, the authority shall  
25 give a bonus under its scoring system to the highest-scoring application  
26 that involves a development located in a special economic impact zone as  
27 defined in section 3 of this act. The bonus shall be equal to two percent  
28 of the total number of points available under such scoring system.

29 (2) No more than one application per calendar year may be awarded an  
30 allocation of federal low-income housing tax credits as a result of the  
31 bonus provided in subsection (1) of this section.

1 Sec. 12. Section 77-2701, Revised Statutes Cumulative Supplement,  
2 2016, is amended to read:

3 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,235, 77-27,236, and  
4 77-27,238 and section 15 of this act shall be known and may be cited as  
5 the Nebraska Revenue Act of 1967.

6 Sec. 13. Section 77-2701.04, Revised Statutes Cumulative Supplement,  
7 2016, is amended to read:

8 77-2701.04 For purposes of sections 77-2701.04 to 77-2713 and  
9 section 15 of this act, unless the context otherwise requires, the  
10 definitions found in sections 77-2701.05 to 77-2701.55 shall be used.

11 Sec. 14. Section 77-2705.01, Revised Statutes Cumulative Supplement,  
12 2016, is amended to read:

13 77-2705.01 (1) The Tax Commissioner may issue direct payment permits  
14 to (a) any person who annually purchases at least three million dollars  
15 of taxable property excluding purchases for which a resale certificate  
16 could be used or (b) any qualified business as defined in section 3 of  
17 this act.

18 (2)(a) An ~~(2)~~ The applicant described in subdivision (1)(a) of this  
19 section for a direct payment permit shall apply for a direct payment  
20 permit on a form prescribed by the Tax Commissioner. The applicant shall  
21 pay a nonrefundable fee of ten dollars for processing the application.  
22 The application shall include the agreement of the applicant to accrue  
23 and pay to the Tax Commissioner on or before the twentieth day of the  
24 month following the date of purchase, lease, or rental all sales and use

25 taxes on the taxable property purchased, leased, or rented by the  
26 applicant unless the items are exempt from taxation and the tax paid will  
27 be treated as a sales tax.

28 (b) An applicant described in subdivision (1)(b) of this section  
29 shall apply for a direct payment permit on a form prescribed by the Tax  
30 Commissioner. The application shall include the agreement of the  
31 applicant to accrue and pay to the Tax Commissioner on or before the  
1 twentieth day of the month following the date of purchase, lease, or  
2 rental all sales and use taxes that are due after the applicant's total  
3 purchases for the calendar year exceed the exempt amount provided in  
4 section 6 of this act. The tax paid will be treated as a sales tax.

5 (c) The Tax Commissioner may require a description of the accounting  
6 methods by which an applicant will differentiate between taxable and  
7 exempt transactions.

8 (3) The Tax Commissioner may issue a direct payment permit to any  
9 applicant who meets the requirements of subsections (1) and (2) of this  
10 section. The direct payment permit shall become effective on the first  
11 day of the month following approval of an application. The decision of  
12 the Tax Commissioner under this section is not appealable. An applicant  
13 who is denied a direct payment permit may submit an amended application  
14 or reapply.

15 (4) A direct payment permit is not transferable.

16 (5) The holder of a direct payment permit is not entitled to any  
17 collection fee otherwise payable to those who collect and remit sales and  
18 use taxes.

19 Sec. 15. (1) If the governing body of any federally recognized  
20 Indian tribe within the State of Nebraska presents a revenue-sharing  
21 agreement to the Department of Revenue that contains all of the  
22 provisions required under subsection (2) of this section, the department  
23 shall enter into such agreement with the governing body, except as  
24 provided in subsection (4) of this section.

25 (2) A revenue-sharing agreement under this section shall contain all  
26 of the following provisions:

27 (a) The duration of the agreement;

28 (b) The purpose of the agreement;

29 (c) A requirement that the Indian tribe impose a tribal tax that is  
30 less than or equal to the state sales and use taxes imposed under the  
31 Nebraska Revenue Act of 1967;

1 (d) A requirement that the tribal tax not be imposed on any  
2 transaction that is exempt from sales and use taxes under the Nebraska  
3 Revenue Act of 1967;

4 (e) A requirement that the tribal tax be imposed on both members and  
5 nonmembers of the Indian tribe;

6 (f) A requirement that twenty percent of the tribal tax be shared  
7 with the State of Nebraska;

8 (g) Provisions for administering, collecting, and enforcing the  
9 agreement and for the mutual waiver of sovereign immunity objections with  
10 respect to such provisions;

11 (h) Remittance of taxes collected;



12 (i) The method to be employed in accomplishing the partial or  
 13 complete termination of the agreement;  
 14 (j) A dispute resolution procedure; and  
 15 (k) Adequate reporting and auditing provisions.  
 16 (3) If a revenue-sharing agreement is entered into under this  
 17 section, then, for any transaction subject to the tribal tax, the  
 18 department shall not impose state sales and use taxes on such  
 19 transaction.  
 20 (4) If the governing body of any federally recognized Indian tribe  
 21 within the State of Nebraska presents a revenue-sharing agreement to the  
 22 department that contains more than the provisions required under  
 23 subsection (2) of this section, the department has discretion on whether  
 24 or not to enter into such agreement.  
 25 Sec. 16. Original section 58-201, Reissue Revised Statutes of  
 26 Nebraska, and sections 77-2701, 77-2701.04, and 77-2705.01, Revised  
 27 Statutes Cumulative Supplement, 2016, are repealed.  
 28 2. On page 1, line 2, strike the second "and" and insert a comma; in  
 29 line 3 after the first comma insert "and 77-2705.01,"; and in line 5  
 30 after the semicolon insert "to authorize issuance of direct payment  
 31 permits as prescribed;"

(Signed) Anna Wishart, Chairperson

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

Senator Wayne filed the following amendment to LB263:  
 AM967

(Amendments to Standing Committee amendments, AM538)

- 1 1. Strike sections 73, 74, 75, 76, 77, 78, and 79 and all amendments
- 2 thereto.
- 3 2. Renumber the remaining sections, correct internal references, and
- 4 amend the repealer accordingly.

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

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

Senator Blood name added to LB75.  
 Senator Blood name added to LB253.

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

Visitors to the Chamber were 48 fourth-grade students from Watson Elementary, Hastings; 58 fourth-grade students from Grant Elementary, Norfolk; and David Pollock from North Omaha.

The Doctor of the Day was Dr. George Voigtlander from Pawnee City.

**ADJOURNMENT**

At 5:00 p.m., on a motion by Senator Hilgers, the Legislature adjourned until 9:00 a.m., Tuesday, April 11, 2017.

Patrick J. O'Donnell  
Clerk of the Legislature