

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate April 6, 2021

FOLEY: Good morning, ladies and gentlemen. Welcome to George W. Norris Legislative Chamber for the fifty-fifth day of the One Hundred Seventh Legislature, First Session. Our chaplain for today is Senator Hughes. Please rise.

HUGHES: Good morning, colleagues. Our prayer today comes from Reverend Johnny Walker. He is pastor of the First-- West First Chapel in McCook, Nebraska. Reverend Walker has been here several times before to deliver this prayer. He always wanted to come around April 3 because that was his mother's birthday and a way to honor her, to come and give the prayer. Let us pray. Our Heavenly Father, we come to you in this session with Nebraska concerns. We ask for your presence to be in this Capitol building, that your spirit would guide each person here today with authority to determine the direction and destiny of our state. It is because of our need for wisdom that we trust you to express your guidance. Our willingness to acknowledge your presence confirms our longing to make the right choices today as we request-- as we represent our constituents. As we listen today, let our minds be without personal prejudice, and our purpose be in the best interest of our state. God bless all those who have their trust and hope in your prophetic plan. Those items of concern we lay before you and receive the hope of our future. In Christ's name, amen.

FOLEY: Thank you, Senator Hughes. I now recognize Senator Hilkemann for the Pledge of Allegiance.

HILKEMANN: Please join me for the Pledge. I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

FOLEY: Thank you, Senator Hilkemann. I call to order the fifty-fifth day of the One Hundred Seventh Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

CLERK: I have a quorum present, Mr. President.

FOLEY: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections.

FOLEY: Thank you, sir. Are there any messages, reports, or announcements?

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CLERK: Mr. President, Enrollment and Review reports LB400 and LB503 as correctly engrossed. Senator Briese, an amendment to be printed to LB561. Senator Gragert offers LR82, that'll be laid over at this time. That's all that I have, Mr. President.

FOLEY: Thank you, Mr. Clerk. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign the following two legislative resolutions: LR78 and LR79. Senator Geist would like us to recognize Dr. Rachel Blake of Lincoln, Nebraska, serving as today's family physician of the day. Dr. Blake is with us under the north balcony. Doctor, thank you for being here. Please rise so we can welcome you to the Nebraska Legislature. We'll now proceed with the first item on the agenda, General File consent calendar. Mr. Clerk.

CLERK: LB65, a bill by Senator Williams, a bill for an act relating to the Nebraska Political Accountability and Disclosure Act; it changes provision relating to a prohibited interest in a contract by an officer. Introduced on January 7, referred to the Government Committee, advanced to General File. I have no amendments to the bill.

FOLEY: Thank you, Mr. Clerk. Senator Williams, you're recognized to open on LB65.

WILLIAMS: Thank you, Mr. President. And good morning, colleagues. And I hope everyone had a-- a joyous and blessed Easter weekend.

FOLEY: Excuse me, Senator.

WILLIAMS: This morning, I'm introducing L--

FOLEY: Senator, excuse me. Members, if you can please hold the conversations down please, so we can hear the senator speaking. Senator Williams.

WILLIAMS: Thank you, Mr. President. This morning, I'm introducing LB65, at the request of Frank Daley and the Nebraska Accountability and Disclosure Commission. The bill proposes to amend Section 49-14,103.01 of the Nebraska Political Accountability and Disclosure Act as it relates to locally elected officials having an interest in a contract with their own governing body. LB65 removes subsection (6) of the statute because it conflicts with subsection (4). It also replaces the awkward phrase "direct pecuniary fee, or commission" found in subsection (4) with "payment, fee, or commission." Section 49-14,103.01 essentially provides that elected officials in certain

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political subdivisions may not have an interest in a contract with their own political subdivision unless they jump through certain hoops and take certain precautions. The steps are: the contract has to be an agenda item; the public official has to make a public disclosure of his or her interest in the contract; and the public official cannot vote to enter into the contract or make any payment under the contract. None of these change under LB65. In addition to-- Section 49-14,103.01 also describes what constitutes an interest in a contract with an elected official's own governing body. Under current law, in subsection (4), the elected official has an interest in the contract if they receive some sort of payment or their parents, spouse, or child receive some sort of payment. Also, if a business is essentially owned by an elected official, their parents, spouse, or child will receive a payment, they are deemed to have an interest in the contract and they have to jump through all of those hoops in order to have a legal interest. However, two subsections later in subsection (c)-- excuse me, subsection (6), it states that the public official not only has an interest if they or their business will be paid. Importantly, this subsection is silent on the parent, spouse, or child consideration delineated in subsection (4). There is no way for the Accountability and Disclosure Commission to reconcile subsection (4) and subsection (6). Therefore, when a public official comes to the Commission for advice, the Commission emphasizes subsection (4), which includes the parent, spouse, or child because that's the safe harbor, meaning if the public official follows that provision, they are OK. But if the citizens come to the Commission with complaints about how an interest is being handled or about a public official's interest in a contract, the Commission has to point out that subsection (6) essentially says-- says the financial interest doesn't extend to the public officials, parent, spouse, or child, so there would not be a violation. This discrepancy can only be resolved with legislation. It is the feeling of Frank Daley and the-- the Accountability Commission, they would like to stay with the higher standard. So LB65 removes section (6) and leaves in play section (4). This bill was heard before the Government Committee, was advanced on an 8-0 vote, there was no opposition testimony, and I would encourage your advancement of LB65. Thank you, Mr. President.

FOLEY: Thank you, Senator Williams. Is there any discussion of the bill? I see none. Senator Williams, you're recognized to close. He waives closing. The question before the body is the advance of LB65 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 41 ayes, 0 nays on the advancement of the bill.

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FOLEY: LB65 advances. LB105. Mr. Clerk.

CLERK: LB105, a bill introduced by Senator Friesen. It's a bill for an act relating to county clerks; it changes dates for certification of unpaid claims of the county. Bill was introduced on January 7, referred to the Government Committee, advanced to General File. I have no amendments to the bill, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Friesen, you're recognized to open on LB105.

FRIESEN: Thank you, Mr. President. LB105 fixes an oversight from a bill that was adopted last year. In 2020, I introduced LB1407 [SIC--LB1047] which, once amended into LB781, changed publication requirements when county treasurers publish semiannual statements. These statements reflect what funds were collected and dispersed by the county treasurer over a six-month period. After the adoption and approval by the Governor, it was brought to our attention that while LB781 amended Nebraska Revised Statute 23-1605, we neglected to also amend 23-1302, which contains a reference to filing dates of semiannual statements. This piece of legislation before you today simply amends 23-1302 so that the dates the county treasurer is required to file the semiannual statements are the same as they are in 23-1605. LB105 received a hearing before the Government, Military and Veterans Affairs Committee on February 4, where there was no opposition testimony, and was advanced from the committee with no amendments. And I would urge the body to advance LB105. Thank you, Mr. President.

FOLEY: Thank you, Senator Friesen. Is there any discussion on LB105? I see none. Senator Friesen, you're recognized to close. He waives closing. The question before the body is the advance of LB105 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 42 ayes, 0 nays on the advancement of the bill.

FOLEY: LB105 advances. LB224. Mr. Clerk.

CLERK: LB224 was a bill originally introduced by Senator Aguilar. It relates to county surveyors; it changes provisions relating to appointment of a county surveyor in certain counties. Introduced on January 11, referred to the Government Committee, advanced to General File. I have no amendments to the bill, Mr. President.

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FOLEY: Thank you, Mr. Clerk. Senator Aguilar, you're recognized to open on LB224.

AGUILAR: Thank you, Mr. President. I rise today to introduce LB224, a bill addressing a slight fall in the statute covering the appointment of county surveyors, which was brought to me by the Nebraska Association of County Officials. LB224 corrects an issue with 23-1901.01, which dictates that counties with population under 150,000 shall appoint a county surveyor from outside of the county, should one not be elected. LB224 removes the requirement that an appointed county surveyor must reside outside of the county, and permits counties to appoint licensed Nebraska surveyors to the positions, regardless of their county of residence. Under current law, even if the most talented surveyor in the state lives within your county, the county would not appoint him-- him to be your surveyor. Our counties need to be able to appoint the best talent who is willing and able to do the job; and LB224 lets them do that. From what I am told and my staff was able to tell, this issue is an unforeseen consequence that arose when an amendment to the legislation that last changed the statute in 2014. When the bill was proposed and amended into the package bill put forward by the Government Committee, the original language used was "may employ." The amendment proposed changed this to "shall appoint." In review of the transcripts, the introducer of the amendment put this amendment forward to be consistent with the requirement that counties must have a surveyor. But in the process, they unintentionally created the requirement that an appointed surveyor must be from outside the county. Although this has not been an issue yet, there is always the possibility that one of the 88 applicable counties will be limited in their ability to appoint the best qualified individual to the position of surveyor by the current language. LB224 very simply removes that barrier. LB224 has no opposition in committee, and advanced with the unanimous vote of those present in a simple, intuitive change. With that, I'd ask for your support in advancing LB224 to Select File. Thank you, Mr. President.

FOLEY: Thank you, Senator Aguilar. Is there any discussion of LB224? I see none. Senator Aguilar, you're recognized to close on the advance of the bill. He waives closing. The question before the body is the advance of LB224 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 42 ayes, 0 nays on the advancement of the bill.

FOLEY: LB224 advances. Proceeding now to LB414. Mr. Clerk.

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CLERK: LB414, a bill by Senator Wishart. It's a bill for an act relating to Political Subdivisions Construction Alternatives Act; it redefines a term; it requires a determination statement in a resolution adopted by the governing body of a political subdivision; it changes provisions relating to projects included or excluded. Introduced on January 14, referred to the Government Committee, advanced to General File. I have no amendments to the bill, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Wishart, you're recognized to open on LB414.

WISHART: Thank you, Mr. President. Good morning, colleagues. I rise today to introduce LB414. This bill marks the latest step in a multiyear effort to continue providing the option of design-build for certain public entities in the state of Nebraska. Design-build is a method of project delivery in which one entity, the design-build team, works under a single contract with the project owner to provide design and construction services-- one entity, one contract, one unified flow of work from initial concept through completion. The goal is to save money and time through a more efficient process. The purpose of LB414 is to expand the design-build tool to allow political subdivisions other than Omaha, who already has this authority, to use this tool in the construction of water, wastewater, utility, or sewer projects. This will mainly help with the water infrastructure-- with water infrastructure product-- projects. Helping with flood prevention, any overhauls of well fields, the preparation for a new water source, should Lincoln need to move forward in the future, are examples. This bill has no fiscal impact and was voted out of committee unanimously, with one member absent. With that, I would encourage you to vote in support of LB414. Thank you.

FOLEY: Thank you, Senator Wishart. Is there any discussion of LB414? I see none. Senator Wishart, you're recognized to close on the advance of the bill. She waives close, and the question before the body is the advance of LB414 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 41 ayes, 0 nays on the advancement of the bill.

FOLEY: LB414 advances. Proceeding to LB265. Mr. Clerk.

CLERK: LB265 is a bill by Senator Blood relating to the Property Assessed Clean Energy Act. It provides an annual report exception.

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Introduced on January 12, referred to the Urban Affairs Committee, advanced to General File. I have no amendments to the bill.

FOLEY: Thank you, Mr. Clerk. Senator Blood, you're recognized to open on LB265.

BLOOD: Thank you, Mr. President. Good morning, and thank you to Speaker Hilgers on selecting LB265 for the consent calendar. Mr. President, fellow senators, friends all, today I bring forward LB265, which amends 13-3211, the Property Assessed Clean Energy Act, otherwise known as the PACE Act. This isn't a remotely difficult bill, so I'll keep this opening very brief. The PACE Act was originally created so municipalities that create a clean energy assessment district also report the total dollar amount of energy projects, the total dollar amounts of outstanding bonds, the total dollar amount of annual assessment collected under PACE, and how many energy products in total are undertaken. However, the bill is written in a way that, if a municipality is not undertaking projects under PACE, it still has to send a letter saying it's not doing so, meaning the yearly response in their letter is zero, zero, zero, zero, and zero. That might be great if you write in binary code, but pretty useless if you have to constantly utilize valuable staff time to complete a form where it's quite obvious you aren't participating in PACE, since you aren't submitting your energy projects. The bill is not going to set the world on fire. It's not a revolutionizing process. LB265 would simply grant an exemption of municipalities that don't want to take advantage of the PACE Act. It would change the statute so that only those who actually partake, who have real numbers to report, must declare how they engaged. If they didn't participate, they don't have to send a letter. This doesn't change any other policy relating to what is a very important program. With that, I stand ready to answer any questions, should there actually be any. Otherwise, I would ask for your green vote on LB265.

FOLEY: Thank you, Senator Blood. Any discussion of LB265? I see none. Senator Blood, you're recognized to close on the advance of the bill. She waives close and the question before the body is the advance of LB265 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 39 ayes, 0 nays on the advancement of the bill.

FOLEY: LB265 advances. Proceeding to LB312. Mr. Clerk.

CLERK: LB312 is a bill by Senator Sanders. It's a bill for an act relating to cemeteries; it changes cemetery association membership

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eligibility and record-keeping requirements. Introduced on January 12, referred to the General Affairs Committee. There are General Affairs Committee amendments pending, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Sanders, you're recognized to open on LB312.

SANDERS: Thank you, Mr. President, Lieutenant Governor. Good morning, colleagues. Today I am introducing LB312 to expand the qualifications to serve on cemetery association. LB312 does two things. First, it expands the eligibility to serve on a cemetery association to include owners of a lot within the same cemetery. Residents of the county in which the cemetery is located would remain eligible under this bill. Second, LB312 changes reporting requirements by requiring the clerk of such association to deliver record of meeting proceedings to the clerk of the county which the cemetery is located. Previously, law required these records to be delivered to the clerk of the county in which the meeting was held. I'd like to thank the Fairview Cemetery board for bringing me this bill. I'd like to thank my cosponsors: Senator Aguilar, Albrecht, Blood, Clements, and Senator Slama. We worked with Mr. Green [SIC] Stoltenberg of Papillion, the Fairview Cemetery board president, who told us it is increasingly difficult to find people to serve on a cemetery board. He and I also found the county reporting requirement odd because the natural first place to look for minutes on a cemetery board meeting would be the county in which the cemetery resides, not in a different county. This bill was heard in the General Affairs Committee on January 25, and it was advanced from the committee on an 8-0 vote. The bill has no opposition testimony, and I thank you for your time and attentiveness. And I ask you to vote green on this bill.

FOLEY: Thank you, Senator Sanders. As the Clerk indicated, there are amendments from the General Affairs Committee. Senator Briese, you're recognized to open on the committee amendment.

BRIESE: Thank you, Mr. President. Good morning, colleagues. I rise to present AM277, and AM277 expands the list of eligible individuals for these positions to include immediate family members, which are defined as parents, spouses, siblings, and children. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Any discussion on LB312 or the pending committee amendment? I see none. Senator Briese, you're recognized to close. He waives closing on AM277, General Affairs Committee amendment. Those in favor of the amendment vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

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CLERK: 35 ayes, 0 nays on adoption of committee amendments.

FOLEY: AM277 committee amendment has been adopted. Is there any further discussion on the bill as amended? I see none. Senator Sanders, you're recognized to close on the advance of the bill. She waives close, and the question before the body is advance of LB312 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 38 ayes, 0 nays on the advancement of the bill.

FOLEY: LB312 advances. Proceeding to LB180. Mr. Clerk. Senator Linehan-- it doesn't appear that Senator Linehan is on the floor. Is anyone authorized to speak for Senator Linehan on LB180? Oh, Senator Lindstrom. OK, we'll proceed then. Mr. Clerk.

CLERK: Mr. President, LB180 is a bill by Senator Linehan. It relates to revenue and taxation; it changes provisions relating to certain public statements of the Tax Commissioner and certain estimates of the General Fund receipts. Introduced on January 8, referred to the Revenue Committee, advanced to General File. I have no amendments to the bill.

FOLEY: Thank you, Mr. Clerk. Senator Lindstrom, you're recognized to open on LB180.

LINDSTROM: Thank you and good morning, Mr. President. Colleagues, as Vice Chair of the Revenue Committee, I am introducing LB180 in Senator Linehan's absence. The bill advanced from committee on an 8-0 vote, and there was no-- there was one proponent written testimony submitted. The bill addresses some frustration with the monthly General Fund tax receipt statement issued by the Tax Commissioner. Those reports compare monthly net tax receipts to the certified forecast. Unfortunately, the Forecasting Board may have revised their forecast, but that revision is not the same as the certified forecast. We want to be able to compare actual net receipts to the most recent forecast, not just the certified forecast. It is important to note that the certified forecast, which is done by the Tax Commissioner and the Legislative Fiscal Office by July 15 of each year is not revised unless the Forecasting Board lowers its forecast. If the board increases the forecast, no change is made to the certified forecast. In addition, the monthly reports do not show a comparison to the same month of the prior fiscal year. This is something that we would like to see. LB180 would require the Tax Commissioner to show these comparisons in the monthly report, as well

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as the fiscal year-end report. Thank you, and I'd be happy to answer any questions. And I would encourage you to vote green on LB180.

FOLEY: Thank you, Senator Lindstrom. Any discussion on LB180? I see none. Senator Lindstrom waives closing. The question before the body is-- is the advance of LB180 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

CLERK: 37 ayes, 0 nays on the advancement of the bill.

FOLEY: LB180 advances. Members, we are now going to proceed to the Select File consent calendar. This will involve a number of voice votes. Please be attentive to Senator McKinney's motions. First of those bills is LB41. Mr. Clerk.

CLERK: Mr. President, Senator McKinney, LB41. I have no amendments to the bill.

FOLEY: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB41 be advanced to E&R for engrossing.

FOLEY: Members, you've heard the motion to advance the bill. Those in favor say aye. Those opposed say nay. LB41 advances. Next bill is LB461. Mr. Clerk.

CLERK: LB461, Senator. I have no amendments to the bill.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that LB461 be advanced to E&R for engrossing.

FOLEY: The motion is to advance the bill. Those in favor say aye. Those opposed say nay. LB461 advances. LB78. Mr. Clerk.

CLERK: LB78, Senator. I have no amendments to the bill.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that LB78 be advanced to E&R for engrossing.

FOLEY: The motion is to advance LB78 to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB78 advances. LB405.

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CLERK: Mr. President, Senator, I have E&R amendments to LB405.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that the E&R amendments to LB405 be adopted.

FOLEY: The motion is to adopt the E&R amendments. Those in favor say aye. Those opposed say nay. The E&R amendments have been adopted. Mr. Clerk.

CLERK: Nothing further on the bill, Senator.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that LB405 be advanced to E&R for engrossing.

FOLEY: The motion is to advance LB405 to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB405 advances. LB252. Mr. Clerk.

CLERK: LB252, Senator. I have no amendments to the bill.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that LB252 be advanced to E&R for engrossing.

FOLEY: The motion is to advance LB252 to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB252 advances. LB70.

CLERK: LB70, Senator. I have no amendments to the bill.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that LB70 be advanced to E&R for engrossing.

FOLEY: The motion is to advance LB70 to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB70 advances. LB70A.

CLERK: LB70A, Senator. I have no amendments to the bill.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that LB70A be advanced to E&R for engrossing.

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FOLEY: You've heard the motion to advance LB70A to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB70A advances. LB5.

CLERK: LB5, Senator. I have E&R amendments first of all.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that the E&R amendments to LB5 be adopted.

FOLEY: The motion is to adopt the E&R amendments. Those in favor say aye. Those opposed say nay. The E&R amendments have been adopted. Mr. Clerk.

CLERK: I have nothing further on the bill, Senator.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move that LB5 be advanced to E&R for engrossing.

FOLEY: The motion is to advance the bill. Those in favor say aye. Those opposed say nay. LB5 advances. Proceeding now to General File, the 2021 Speaker priority bills. Mr. Clerk.

CLERK: LB497 was a bill originally introduced by Senator DeBoer. It's a bill for an act relating to the Nebraska Crime Victim's Reparations Act; it provides for compensation for healthcare providers for costs incurred or examine-- examining or treatment victims of sexual assault or domestic assault. Introduced on January 19 of this year, at that time referred to the Judiciary Committee. The bill was advanced to General File. There are committee amendments pending, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator DeBoer, you're welcome to open on LB497.

DeBOER: Thank you, Mr. President. Good morning, colleagues. I rise today to introduce LB497, a bill to provide compensation under the Nebraska Crime Victim's Reparations Act for healthcare providers treating victims of sexual assault, domestic violence, or child abuse. First, I would like to thank Speaker Hilgers for designating LB497 as a Speaker priority bill. LB497 was heard before the Judiciary Committee on February 5, and received no opposition testimony. The bill was passed out of committee on a vote of 7-0, with one member absent. LB497 builds upon the existing Nebraska Crime

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Victim's Reparations program and provides a mechanism to allow healthcare providers to seek reimbursement for medical costs associated with domestic or sexual assault and child abuse directly from the existing CVR program, with the victim's permission. The Nebraska Crime Victim's Reparations program was created in 1979, and provides compensation to innocent crime victims for expenses related to the criminal act. This bill does not-- does not add any new eligibility category of victims or reimbursements to the crime program. Victims of domestic and sexual assault and child abuse are already eligible for reimbursement for medical costs associated with their victimization through the CVR program. This bill simply provides a more efficient mechanism to provide that support for victims. As it is now, a victim of domestic or sexual assault or child abuse must wait until they receive a bill from the healthcare provider before they can begin the process of seeking reimbursement. The victim must then apply to the CVR program, gathering and providing all relevant medical bills and information, and have their application notarized. Once they have submitted their notarized application, they may wait for up to 180 days for the hearing officer to make a decision on the application before they can finally receive reimbursement. At this point, if a victim does not have the available resources to pay their medical bills up front, they are now potentially as much as six months delinquent on their obligations to the medical provider. This existing process creates financial stress for a survivor, and delays payment to providers. LB497 provides a more direct process, allowing a hospital to apply directly to the CVR program for reimbursement of costs that would otherwise be billed to the victim. It is important to note that the language of the bill ensures that the CVR is a payer of last resort. It specifies that the healthcare provider can only seek reimbursement for costs not otherwise caused-- covered by private insurance, Medicaid, or any other entity. And because this bill does not provide new eligibility or new reimbursements, there is no fiscal impact associated with the mechanism change. This bill was supported by the Nebraska Attorney General's Office, healthcare providers, and advocates for victims of child abuse, domestic violence, and sexual assault. Once again, it had no opposition in the hearing. LB497 provides an opportunity for our existing CVR program to better support victims of domestic and sexual violence and child abuse by reducing the burden on them when seeking reimbursement for medical care. Again, I want to stress this. This doesn't change what the program will pay for or for whom the program will provide reimbursement. It simply changes how this program helps survivors navigate the medical costs that resulted from the crime committed against them. We can make the CVR program work better for survivors

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of domestic and sexual violence and child abuse, as well as the healthcare providers who care for them through LB497. Thank you and I encourage you to vote green on LB497.

FOLEY: Thank you, Senator DeBoer. As the Clerk indicated, there are amendments from the Judiciary Committee. Senator Lathrop, you're recognized to open on the committee amendments.

LATHROP: Thank you, Mr President and colleagues. LB497 was heard by the Judiciary Committee on February 5, 2021. The committee voted to advance LB497 with AM132, on a 7-0 vote with one member absent. AM132 makes three changes to the original bill. First, the amendment would require a healthcare provider to obtain permission of the victim before applying for reimbursement from the victim for the victim's healthcare costs. Second, the amendment would add child abuse to the list of offenses that are eligible for reimbursement of costs. And third, the amendment would make a nonsubstantive change to harmonize language related to the offense of domestic assault. And with that, I would encourage your support of AM132, as well as LB497. Thank you, colleagues.

FOLEY: Thank you, Senator Lathrop. Debate is now open on LB497 and the pending Judiciary Committee amendment. Senator Hunt.

HUNT: Thank you, Mr. Lieutenant Governor. Good morning, colleagues. Good morning, Nebraskans. I rise in support of AM132 and LB497 because one thing that I consistently hear in my work, my day job, and when I talk to constituents, and from-- from observation from the hearings that we have here in the Legislature and our committees, is that Nebraska really can do more to support survivors and victims of sexual assault. We know that so many survivors of sexual assault in Nebraska are under the age of 18, and that we need to give them the support that they need in order to recover from that experience and go on to-- to get their life back on track the way it was before, you know, these tragic things happened. One thing I wanted to talk about on this topic was that emergency rooms are often the first place that survivors of sexual assault go to receive care, to report what happened to them, and to get on the track to-- to moving past that and recovering so they can continue their life. In Nebraska, many people are surprised to learn that our emergency rooms are not required to give survivors of sexual assault information about emergency contraception. Emergency contraception does-- does not cause abortion. It's basically just a big dose of birth control that prevents a pregnancy from happening if the survivor is not already pregnant. It doesn't disrupt an existing pregnancy. There are years of research in scientific and medical journals on this, yet it

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remains a very controversial thing because of people's views about reproductive justice and contraception, particularly in Nebraska. So when we're talking about justice for survivors and justice for sexual assault survivors especially, part of that justice means making sure that they're receiving medically accurate, research-based, standard-of-care treatment. And colleagues, you need to be aware that that is not what we have in Nebraska. I introduced a bill this year, and the previous year, and the previous year-- and I will continue to introduce it-- to require emergency rooms, when they're processing-- the rape kit is what it's called colloquially. When they're processing survivors who do, quote, everything right, unquote. They report the assault, they go to the emergency room, they get the treatment and the procedures that they need in order to, you know, possibly open a criminal case and make sure that their health is going to be OK. In Nebraska, we are not offering them the complete standard of care because we are not informing them about emergency contraception. And when somebody survives a violent sexual assault and they do everything right, they go to the emergency room, we don't want the standard of care that they get in Nebraska to be dependent on which emergency room they go to. There are hospitals in Nebraska that will tell them about emergency contraception, and there are hospitals that won't. So depending on where that ambulance takes them, depending on which emergency room a survivor walks into, that can determine the course of the rest of her life, in many cases, if she doesn't get the care that is the standard of care which includes information about emergency contraception. I had the votes to get that bill out of HHS this year. Somebody changed their vote, so it's-- it remains in committee. But I want to continue to discuss this as a body. And I want to see if there's an amendment or a-- a way to reword that, that we can agree on. Maybe saying something about a medication that does not disrupt an existing pregnancy or like whatever language that you people need so that you can live with this type of legislation. Because my goal, when we talk about supporting survivors of sexual assault, is to make sure that we're giving them complete support, which includes the standard of care. Somebody's recovery from sexual assault shouldn't depend on if they live in Iowa or if they live in Nebraska or if they live in New York or Wyoming or Florida or what have you. Every survivor that goes into an emergency room to report an assault should expect that they're going to get the best standard of care. And it's really not the business of politicians like us to infringe and-- and speak over medical consensus, which says that when someone survives sexual assault, they should receive information about emergency contraception, and they should also be able to take that pill if-- if that's what they want. Once again, this isn't something--

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FOLEY: That's time, Senator.

HUNT: --that causes abortion. Do you say time?

FOLEY: That's time.

HUNT: Oh, I didn't get my one-minute warning.

FOLEY: You could--

HUNT: Thank you.

FOLEY: --push your light again, if you care to.

HUNT: I'm good. Thank you so much.

FOLEY: Thank you, Senator Hunt. Is there any further discussion of the bill or the, or the committee amendment? Senator Groene.

GROENE: Thank you, Mr. President. I stand in full support of this bill. I've said-- I've said on this mike-- and I appreciate what Senator DeBoer has done-- that we tend to, since I've been here, create criminals and make them into victims. And I've heard very little on this floor about what-- how do we help the victims? This bill does. They were harmed, they have cost and expenses due to something they had no control over, and it's time we start refocusing on the victims of crime more than we do the criminal. So this is a good bill. I just-- I did have a question for Senator DeBoer, though.

FOLEY: Senator DeBoer, would you yield to a question, please?

DeBOER: Absolutely.

GROENE: Just a question on the fiscal note. Maybe you said it in your opening and I wasn't paying attention, but it says there's no fiscal note. So what is the money generate-- generated from?

DeBOER: So this is already-- this is already in the Crime Victim's Reparation fund, so it doesn't actually give anybody who wasn't already eligible for the fund new money. It simply changes the mechanism by which they get that money, so--

GROENE: So where does that money from that-- just out of curiosity, where does that money show up from the Crime Victim's fund?

DeBOER: You know what? I don't know that answer. I'll find that out. I-- it's a-- it's a cash fund that I think--

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GROENE: Well, that's fine. I don't want to-- don't-- don't put it on the record if you don't know. But yeah, I would appreciate that answer.

DeBOER: OK.

GROENE: Just out a curiosity. So I would love to see it expanded. I'm sure it does. I haven't read the legislation that any victim of assault or crime, that they need medical help, that they're not hung with a doctor's bill. So I appreciate the bill, and I'll support it. Thank you.

FOLEY: Thank you, Senator Groene and Senator DeBoer. Any further discussion? I see none. Senator Lathrop. He waives closing. The question before the body is the advance-- excuse me-- the adoption of AM132, the Judiciary Committee amendment. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 42 ayes, 0 nays on adoption of committee amendments.

FOLEY: AM132 has been adopted. Any further discussion of the bill as amended? I see none. Senator DeBoer, you're recognized to close on the advance of the bill. She waives closing. The question before the body is the advance of LB497 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

CLERK: 44 ayes, 0 nays on the advancement of the bill.

FOLEY: LB497 advances. Proceeding to the next bill. Mr. Clerk.

CLERK: LB527 is a bill introduced by Senator Walz. It's a bill for an act relating to schools; it changes provisions relating to transition services. Introduced on January 19, referred to the Education Committee. The bill was advanced to General File. I have no amendments to the bill, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Walz, you're recognized to open on LB527.

WALZ: Thank you, Mr. President. And good morning, colleagues. LB527 is a simple bill, but it is one that is very important to over 1,000 families within the special education community. Before I go into what this bill does, I want to give you a little bit of background. Every student begins to prepare for their life after high school at different points in their educational career, whether it's in middle

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school or at the start of the senior year. Transition planning for the next stage of life is important, particularly-- particularly for individuals with disabilities. The more preparation that can be done ahead of time, the greater chance someone will experience success in whatever they decide to do. This transition planning is currently required to begin at age 16 for individuals with disabilities in our schools. LB527 would change that to the age of 14. Those two years can make all the difference in creating meaningful individual transition plans. In fact, most school districts already start planning at age 14. Those that aren't are primarily in the rural areas of the state. Nebraska schools are doing a good job serving these students right now, which is why I know we are up to the task. There's a fiscal note to this bill, roughly \$140,000 the first year and \$146,000 the second year, which would come out of General Funds to hire eight FTEs to cover additional populations. That investment would then bring down \$572,000 the first year and \$740,000 the second year in federal funds. Currently, we are not taking full advantage of the federal tax dollars available to us, and with this small investment, we could greatly improve the lives of special needs students in our rural areas. This bill had no opposition and was advanced out of committee on an 8-0 vote. I would appreciate a green vote on this bill. Thank you, Mr. President.

FOLEY: Thank you, Senator Walz. Any discussion on the bill? I see none. Senator Walz, you're recognized to close on the advance of the bill. She waives closing. The question before the body is the advance of LB527 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

CLERK: 37 ayes, 0 nays, Mr. President, on the advancement of the bill.

FOLEY: LB527 advances. Next bill, please.

CLERK: LB664 is a bill by Senator Groene, a bill for an act relating to the Mutual Finance Assistance Fund; changes distribution from the fund. Introduced on January 20, referred to the Government Committee, advanced to General File. There are Government Committee amendments pending.

FOLEY: Thank you, Mr. Clerk. Senator Groene, you're recognized to open on LB664.

GROENE: Thank you, Mr. President. I'm going to go off the cuff; my staff didn't bring my book up yet. But I've been working on this. Let me explain to you what an MFO is, a mutual finance organization. Back

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in 1998, this body created a-- aid for rural fire departments. There's a 1 percent tax on all insurance policies that we pay-- fire, life insurance. There's a couple of derivatives from that, but they're small on certain policies, but it's generally one cent. And 10 percent of that-- the tax is collected by the banking department-- 10 percent of that is taken off, put into a cash fund for the mutual finance organization. It is managed by the Department of Revenue and Sen-- and Mr. Murante. And then what the goal was, and is, and it works very well, is that if all the fire districts in a county get together and create a mutual finance organization. They all agree to a tax levy, a certain tax levy, and then they work together. They share equipment, they buy equipment together, and they fight grass fires and house fires. It works very well in my county. I got North Platte and 10 rural-- 10 or 11 rural fire districts. And then we got the interstate running through, so they work with the ambulance calls. But it was funded. Originally, it only brought in \$3 or \$4 million. In the original language, it-- you got \$10 per capita in your county to split up between the fire districts, or the fund and the mutual fund decided how to spend it. Well, guess what's happening in rural Nebraska? Population has been continuing going down instead of it hasn't followed inflation. The fund has reached over \$10 million now from its original \$3 to \$4 million. And they are only claiming about \$3.5 to \$4 million of the-- of the \$10 million that was intended for those rural fire districts. So how did we fix it? Two years ago, you folks helped pass where, instead of having to have the same tax levy every year, when one district might not need to be whatever the levy was, we changed the statute that said you have to have a three-year contract and you have to have the same levy, at least one of those three years. You have to have that max levy-- not all the same year, one out of those three years. So it gave fiscal responsibility back to the Fire Board, and it also held down the higher taxing entity, because they couldn't go for 6 or 7 cents, because the other fire districts wouldn't agree for it-- or 8 cents or 10. It works well. It's bringing more counties into the-- into the-- the MF-- mutual finance organizations. And then-- but the problem was also with the depopulation. My little Wellfleet, Nebraska district covers 20-- 30-- 40,000 miles of grassland. They only have 90 people or so living in that district. They're all ranchers, very small town with about 50 people in it. They kept getting less money. So they're getting \$900, North Platte was getting \$250,000. So how do we fix that? So we decided to go with a base, working with the fire districts. If you're a part of an MFO, you will now receive \$10,000 as a base. Each fire district will get that to get new boots, coats, put new tires on their fire truck. And then the \$10 a head is still there, and that will help the larger districts with extra funding.

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And now we're going to get closer to the-- to the intent of the MFOs, the-- we did some research with the help of the fire districts' organizations. It's actually 340-- 384 districts that are part of MFOs. So we take that times \$10,000, it'll be-- they'll-- we'll disperse another \$3,840,000 to rural Nebraska, plus the \$3 to \$4 million that comes with the \$10 a head. But we're still well under the \$10 million. And what was happening became a tradition here. In the statute, it says if it isn't dispersed by the Secretary of the-- the Revenue Department on June 30-- maybe 20th, it is swept back into the General Fund. It is swept-- not back into, it was never in the General Fund-- back into the-- back to the General Fund. Somehow around here, it started being that it was appropriated. This money should have never been appropriated. It should never have been a considered appropriation. The money that came in on June 20 should have been considered a revenue source for the-- to be spent by the General Fund, but it got confusing to the small fire districts. After the hearing on-- on LB664, the fire districts came up to me and said: We didn't know it was our money. We thought we had to beg the Appropriations Committee and the Governor to appropriate for us to-- how much we needed funded for; and it should've never have been that way. So what this bill will do will disperse fairly across the state. Those volunteers, and what I call my real heroes who go, show up for work at 8:00 in the morning after they've been out on a grass fire all night, that it's going to help them buy some equipment and help them fund their rural fire district. It's a good bill. It's-- just catches up to the intent of the-- of the mutual finance organization plan. And it's fair. It takes out that-- that negative effect of depopulation in rural Nebraska, 'cause let me tell you, the grass is still there, the acres are still there, the fires are there, and the volunteers are less and less. This is the least we can do for those rural fire districts, is to get that money out to where it belongs. So I'd appreciate your green vote on LB664. And any questions you-- would gladly answer. Thank you.

FOLEY: Thank you, Senator Groene. As the Clerk indicated, there are amendments from the Government Committee. Senator Brewer, you're recognized to open on the committee amendment. Senator Brewer, you're recognized.

BREWER: Yeah, the-- AM303, I do not have a copy of it here.

_____: There isn't-- Mike doesn't think there's one either.

BREWER: I don't think there is one.

CLERK: There is an amendment, Senator. It's AM303.

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BREWER: All right.

CLERK: Yeah, I'd like it back though, please.

GROENE: Do you want to yield it to me?

BREWER: Yeah. Mr. President, I'm going to yield to Senator Groene on AM303.

FOLEY: Senator Groene, would you care to introduce AM303?

GROENE: Thank you. I-- I-- my mind has been jarred. I understand what this is. This amendment actually does what the original language did. This-- the Department of Revenue came to the committee and to us and said: We don't understand exactly what you're saying here about the \$10,000. So committee clerk-- not committee clerk, but committee counsel reworded, moved the words around so it was clearer for Senator Murante and anybody-- I mean not Senator Murante, anybody knows-- Revenue, Mr. Murante, you understand we need to make it clearer for him. That was an inside joke. He's a good man, but he wanted clarity in how to [INAUDIBLE]-- his department to understand it. And that's all this amendment does, says the same thing, but in a clearer way, has the original language in the bill. I hope I was clear. Thank you.

FOLEY: Debate is now open on LB664 and the pending committee amendment, AM303. Senator Dorn.

DORN: Thank you, Lieutenant Governor. I'm in support of the amendment and the bill that Senator Groene brought along. There just came a handout 'cause I was going to ask some questions about the mutual fund assistance, that the amount of money in there, the amount of money they are-- I call it collecting each-- each year has been over \$8 million. It's been \$9 million a year currently, and Gage County is part of this MFO. Each of the fire districts in the county do a three-cent levy. That is part of their agreement that they will all do that same three-cent levy. I know Senator Groene mentioned that some of the other counties, they may be at a different rate, but Gage County, each of the fire departments is required to do that three-cent levy, except for the bill that was passed two years ago, which now they could maybe one year less. But in one time in the three year, they do need to do the three-cent levy. This will help the county fire departments or those fire departments in the rural areas. One of the things that's happening with the fire departments is the amount of manpower they are getting, especially in some of the rural areas. Part of the thing that I-- when I visit was some local

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squads, they usually do a fundraiser or two a year, a fire department does. But when they need to purchase new equipment, new air packs, new clothing or new fire trucks or anything like that, they are usually doing fundraisers for that, or at least part of that funding. And when you talk to fire department people, it's-- it's-- it's challenging enough to get-- I call it volunteers in a lot of the rural fire departments to come forward and volunteer to help. And then when you tell them that they need help with fundraising to help with their department, some of them-- I guess that's a challenge that they sometimes question or whatever. So this-- this proposal that Senator Groene has brought forward will definitely help a lot of the rural squads. And you-- I always tell people you don't realize how important a fire department is until the day you need them, and then you find out how important they are. You need a department that has good equipment. You need a department that has-- I call it people around to serve. I know in our area during the day, it is a challenge to the people that work in town or around. But many of the people that belong to that volunteer fire department, during the day, if they have jobs, are outside of the area or whatever. So one other quick comment on it. I know in the-- this spring we've had here in Nebraska, we've had-- I call it the red flag warnings. We see that quite often on TV. And you think-- well, you don't think much of that. We've had several days where we've had 40-plus mile an hour winds, a cigarette along the interstate, a cigarette thrown out of a car. We even had an individual that burned a brush-- brush pile, got all of his permits to do that. Three weeks later, that started up and started a fire that they had to go put out. Our department this-- two weeks ago, saved some structures that had millions of dollars of value for them because of what they did. So very thankful for Senator Groene bringing this forward. Some of the fire chiefs in my district did reach out and are very supportive of this bill. Thank you.

FOLEY: Thank you, Senator Dorn. Senator Brandt.

BRANDT: Thank you, Mr. Lieutenant Governor. Thank you, Senator Groene, for bringing this bill. This is huge for our rural areas. This doubles the amount of money going out there. I'd like to take today to thank all of our firefighters and EMTs out there. The volunteers in the rural areas, these people have full-time jobs. When the phone goes off, they drop whatever they're doing. And it could be a fire in a ditch, it could be a traffic accident, it could be an alarm at the school. And they run toward the danger. I would encourage those of you that are watching this, please apply to be a volunteer firefighter. We need you. We need your help in these rural areas. Our-- our volunteers are getting older. Even though they

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retire from the fire department, we still get people that are willing to drive the fire truck or drive the ambulance. They may not fight the fire. We need-- we need younger people to step in and help on this. Senator Groene's point, as to the cost, is well made. The cost of an air-- air pack for the Swanton Fire Department is the same or probably more than the cost of an air pack for the Omaha Fire Department. And this funding will go a long way to helping those departments out. All of our departments, at least in District 32, run fundraisers. These are a lot of soup suppers, it could be Santa Claus, it could be street dances. To me, it just doesn't make a lot of sense that-- that first of all, you're going to volunteer for something and then you have to spend a lot of time raising funds for that organization. So with that, I would encourage your green vote on AM303 and LB664. Thank you.

FOLEY: Thank you, Senator Brandt. Senator Pahls.

PAHLS: Thank you, Lieutenant Governor. Senator Groene, I have a question. I'm reading here, in 1998, the Legislature did comprise an act that gave state aid. My question is, as I read a little further down, the source of the funding is 10 percent of the total insurance premium tax. I'd like to ask you a question, Senator.

FOLEY: Senator Groene, would you yield, please?

GROENE: Yes.

PAHLS: Again, I totally support this because I came from a-- my dad also was a volunteer fireman in a small community. But I'm trying to make it clear. This-- the source of funding is from the insurance premium tax. What-- what is the insurance premium tax?

GROENE: Well, every single insurance policy, if you-- I don't know if it's on your statement or not, but there's a one percent tax, paid by the-- I think it's paid by, actually by the insurance company. And it's paid to the Department of Banking. And-- and like I said, there's a-- there's an exception to every rule. There's a-- there's a couple of fire insurance premiums. I think it's a half percent or something.

PAHLS: Right.

GROENE: But yeah, that money then is paid to the Department of Banking. They collect that tax on all insurance policies. It's collected by the insurance companies, and then it's-- and then it's sent in to the Department of Banking.

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PAHLS: Right. And that money eventually does make its-- its way into the General Fund.

GROENE: Excuse me, let me make a correction there-- Department of Insurance.

PAHLS: Right.

GROENE: Right, not the Banking.

PAHLS: Yes, I-- but the--

GROENE: The committee is Banking and Insurance, but there's two different departments.

PAHLS: Yes. Right. And I do realize that because the banking also has tax that goes into the General Fund, and this money from the insurance comes in from the General Fund. But this is from insurance sold--sold all over the state of Nebraska. Am I clear on that?

GROENE: Yes.

PAHLS: OK. And again-- and I thank you. And like I say, I do support the bill. But the point I'm trying to get across, this insurance is sold all over the state of Nebraska. That is one reason why I think this is a good bill, and this tax that's going, this premium tax that goes for this particular issue is an example how we can work together as a state, because that insurance comes from many metropolitan areas, but it needs to be shared throughout the state. That's the intent I'm trying to get across here. We need to keep looking as a state, helping each other out. And I do thank you for bringing this bill, Senator. Thank you.

FOLEY: Thank you, Senator Pahls. Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you, Mr. Lieutenant Governor. And good morning, colleagues and Nebraska. I hope everybody had a good little break. I did. We went across the western part of the state; it was awesome. I have a couple questions for Senator Groene, if he wouldn't mind.

FOLEY: Senator Groene, would you yield, please?

GROENE: Yes.

PANSING BROOKS: Senator Groene, you mentioned something about Treasurer Murante. And I just wanted to hear and have on the record

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what it is that-- that Treasurer Murante is going to be doing with this money, and that-- how is it safeguarded so it doesn't become part of a pool in the Treasurer's Office?

GROENE: Yes, I'll answer.

PANSING BROOKS: Thank you. Did you hear my--

GROENE: So that was the question.

PANSING BROOKS: I'm sorry. I can ask--

GROENE: If you read the original statutes on insurance tax, and it goes to-- split off by the Department of Insurance, it goes into a separate fund. It don't go into his General Fund, the Revenue Department's. It goes directly into the Treasurer-- excuse me, I'm getting my numbers mixed, names mixed up-- the Treasurer. He's the Treasurer. It goes in that fund. All he is, is the person who sends it out. He collects the-- the forms and the documents from each mutual finance organization. And then he calculates the numbers, and he sends them a check. That's the only access he has to that fund. Any money left over after June 20-- I believe that's the date-- is swept back into the General-- is swept into the General Fund.

PANSING BROOKS: Into the-- into our General Fund.

GROENE: Yes.

PANSING BROOKS: OK.

GROENE: If it is not appropriated, if it is not sent out by the-- the Treasurer's Office for claims against the fund by the fire district, the money is returned-- is given to the General Fund.

PANSING BROOKS: OK.

GROENE: So it doesn't accumulate over time. And there is an interest on it that he receives. The interest goes back into the fund.

PANSING BROOKS: OK. What-- just one more question. So does that money then-- what if-- what if a municipality requests the money and it's denied, is there an appeal process for the municipality?

GROENE: Well, it's an organization, not each municipality. It's an organization, and then they-- it's-- it has to follow certain guidelines. And it could be rejected or sent-- not rejected, but sent

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back to the-- to the MFO for clarity on there-- on there, that they didn't fill in the information. But yeah, it could happen.

PANSING BROOKS: OK.

GROENE: And you'll see-- I sent out a list-- you'll see a couple-- Cheyenne County, they just didn't read-- get their information back in to continue it. It's every three-- we changed it a couple of years. It's a three-year contract. It used to be a burdensome thing; it had to be every year. So now it's three years. But apparently they did not get their paperwork in, in time, and they lost a year.

PANSING BROOKS: OK.

GROENE: There is some-- there is some personal responsibility of these fire districts to make sure they-- they apply for it.

PANSING BROOKS: OK. Is there a chance that maybe somebody on your staff would give me the statute to which this relates?

GROENE: He's supposed to be looking it up right now.

PANSING BROOKS: OK.

GROENE: I've read it all a couple, three times, but I don't have it in front of me.

PANSING BROOKS: OK, that sounds good. Well, thank you; that's all I have for Senator Groene. Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Pansing Brooks and Senator Groene. Senator Groene, you're next in the queue.

GROENE: Thank you. That insurance tax, here's how it's split up right now, 40 percent of the tax is deposited in the General Fund and 10 percent to the Mutual Finance Assistance Fund. The remaining 50 percent is deposited in the Insurance Tax Fund and distributed as follows: 10 percent to the counties and distributed based on population; 30 percent to the Municipal Equalization Fund; and 60 percent to school districts through equalization aid under TEEOSA. So the easier way to say it is 40 percent goes to the General Fund, 10 percent goes to the Mutual Financial Assistance Funds, 5 percent goes to the counties, 15 percent goes to the Equalization Fund, Municipal Equalization Fund, and 30 percent goes to TEEOSA. That's how it's split up now. As far as the statute, the word I was looking for earlier-- all the Treasurer is, is the custodian of this service. They can-- they look over the money and they make sure it's

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dispersed. But it's a very good program. I don't see any way anybody can play with it. The fact that the money's always been accounted for-- I mean, what's been dispersed-- there's a couple of times where there's been an error, where what was appropriated by the Appropriations Committee ended up we had a conflict. There wasn't enough to-- to fulfill the MFO requirements. So actually, that was wrong. That shouldn't have been done. It should never be an appropriation-- a line in the budget of Appropriation. What's left over should be considered a revenue for the-- for the next fiscal year. So anyway, it's a good bill. Sorry about-- I didn't think it would come up this quick. We've been all getting along very well today. And I wanted to say something about the confusion on AM303. We all know what Senator Brewer has been through and-- and the warrior he is with the health issues he's had. And so it was not his fault that he was-- he wasn't-- can't use-- he-- he was on leave for a little bit-- I guess the best word-- during all of this happening. And-- and I had forgotten about the amendment in it. But it's-- it's just a clarity amendment. I think Senator Blood could address it. She had some concerns about an amendment coming. And then we worked on-- on the amendment that the Treasurer wanted. And-- and but that amendment was written by the committee counsel. And I thought he did a very good job, so thank you.

FOLEY: Thank you, Senator Groene. Senator Moser.

MOSER: Thank you. I was wondering if I could ask Senator Groene a couple questions.

FOLEY: Senator Groene, would you yield, please?

GROENE: Yes.

MOSER: I'm looking at the sheet that you handed out here with the organizations that have gotten money through this fund. And there are a number of counties that are missing here. And what does it take to be qualified to be an organization that could be awarded funds? And why do some counties not get funds?

GROENE: Thank you. I guess I'll take a question. I touched on it a little bit earlier-- conflict. You got a big town with a paid fire department. You got these volunteers out there, and previously they all had to have the same tax levy. Well, Columbus or North Platte needed a higher tax levy to exist. You had to have a tax levy, but your-- but your general-- but your-- your community, like a Columbus, could add more money to the fire department. The little rural ones that I am not going to have-- I'm-- I'm-- for property tax relief,

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I'm a farmer. I'm not going to charge my neighbor five cents levy, so they couldn't get together. I believe what we did two years ago by saying it's a three-year contract and you have to have that agreed-upon levy only one year out of three. So you think two cents is enough. I'm trying to think Humphrey or something, and I believe that's-- well, that might be Colfax County, but--

MOSER: Humphrey is in Platte County.

GROENE: All right. So they could say: Now all right, we'll agree with you, Columbus. We'll-- we'll do this at six cents, but we're going to be one cent for two years and six cents one year. We'll balance our budget over three years. This helps with property tax relief also. Those smaller fire districts might be only raising \$20-- \$50,000, and-- and property taxes are less, some of them are even less. Now they can lower their levy a little bit more because they're getting state aid, if they have enough funding for-- but the big hurdle was that levy. And the other hurdle was why should I go along and help-- help a bigger community like a North Platte get \$250,000 and I'm going to get \$1,200, 'cause I only have 120 people living in my ranch district. So why would I even go through the paperwork? Now because they'll get \$10,000, it will-- it will-- it will help influence those districts, say, hey, this is worth it to me now to be part of this district.

MOSER: So let me interrupt you there for a second. The reason that some of these bigger counties and cities don't qualify is because the levy is not correct?

GROENE: No, no. It's just because they couldn't get along with the smaller districts. The bigger town wanted a higher level than the smaller district was. You have to agree county-wide to-- to have a very similar or the same tax rate.

MOSER: Well, I was just looking at it--

GROENE: And the funding and--

MOSER: --like--

GROENE: --the other--

MOSER: --the Omaha and Lincoln--

GROENE: No, they don't.

MOSER: --areas don't qualify?

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GROENE: No, they don't qualify. It's-- it was meant to help the rural fire districts out there buy a new pickup sprayer.

MOSER: OK, all right. Well, that-- thank you. That answers my question. I appreciate that. Thank [INAUDIBLE] Governor.

FOLEY: Thank you, Senator Moser and Senator Groene. I see no further discussion. Senator Brewer, you're recognized to close on AM303, committee amendment.

BREWER: Thank you, Mr. Lieutenant Governor. Again, this bill had no opposition in committee, but after we took a look at the bill, it was decided that there were a couple of issues that we needed to clarify. One was who was entitled to the money, and the other one was that the-- the distribution timeline on the money. So again, it's to help the rural fire departments. And I just ask that you vote green both on AM303 and LB664.

FOLEY: Thank you, Senator Brewer. Members, you've heard the debate on AM303. The question before the body is the adoption of the amendment. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 39 ayes, 1 nay on the adoption of the committee amendment.

FOLEY: The committee amendment, AM303, has been adopted. Any further discussion on LB664, as amended? Senator Bostelman.

BOSTELMAN: Thank you, Mr. President. I just want to thank Senator Groene for bringing this bill, for what this does for our rural firefighters. Two days ago, I think it was, there was a grass fire up by Schuyler, and Schuyler had to have mutual aid come in, support from David City, from North Bend, from Morse Bluff. A lot of times what we have out in our rural areas are-- we depend heavily on our volunteers. And the equipment they need, the services that we-- that they provide us is extremely valuable when we have our fires, and when we have high winds and grass fires. This does help us across-- across my district, Saunders County. The population is growing, and the calls for our fire departments is increasing. So the costs for our fire departments, our volunteers, and others across my district is increasing; so the need is increasing. So I thank Senator Groene for bringing this. This will help all of those departments and those volunteers. Every penny counts because, when that call goes in, we need them there to respond. And we-- I'm very thankful that they do, and respectful for what they-- for what they give to their communities and-- and our communities and our district throughout

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the-- throughout the state, because it is a vital-- a vital service that they provide, both in fire and on the EMS side. When you-- well, if you're driving across the state of Nebraska, and you make that call, and you need someone to respond, they're going to be there. This helps them to do that. So I ask for your support-- and I want to thank Senator Groene for LB664-- and a green light on this bill. Thank you.

FOLEY: Thank you, Senator Bostelman. Further discussion? Senator Gragert.

GRAGERT: Thank you, Mr. President. I just felt I needed to get up. I wasn't going to visit on this, but LB664 is a very important bill. I find-- stand in full support of this bill. After serving 30 years on the volunteer fire department, I'm well aware of the small towns out there in the rural area that this bill will tremendously help. And there's not a fire probably much today that mutual aid isn't-- isn't needed where multiple towns have got to come into the fires because of a lack of firemen. So I sure hope that-- yeah, and especially young guys out there will think long and hard about volunteering for these fire departments. Thank you, Mr. President

FOLEY: Thank you, Senator Gragert. I see no further discussion. Senator Groene, you're recognized to close on the advance of the bill. He waives closing. The question before the body is the advance of LB664 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 42 ayes, 0 nays on the advancement of the bill.

FOLEY: LB664 advances. Next bill, please.

CLERK: LB423 is a bill by Senator Lathrop. It's a bill for an act relating to home inspectors; defines terms; requires registration with the Secretary of State; provides for a fee; provides for proof of financial responsibility. Bill was introduced on January 15, referred to the Urban Affairs Committee, advanced to General File. There are Urban Affairs Committee amendments, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Lathrop, you're recognized to open on LB423.

LATHROP: Thank you, Mr. President and colleagues. Before I introduce LB423, I want to thank the Speaker for prioritizing this, and the Urban Affairs Committee, and the Chair in particular, for moving this from the committee to the floor for your consideration. LB423 creates

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a registry for home inspectors within the Office of the Secretary of State. The goal is simply to provide a minimum level of accountability for home inspectors and provide Nebraskans with some protection when making what is often the largest purchase of their lives. As part of most home purchases, a home inspection takes place. The home inspection identifies for the buyer any repairs or upgrades that are likely to be needed in the near future. Without a reliable home inspection process, buyers may be surprised with significant, unforeseen costs. While the vast majority of home inspectors are done in a professional manner and include a thorough inspection and report, there are times when buyers are left with costly repairs due to defects that should have been discovered. LB423 places the Home Inspector Registry within the Office of Secretary of State. The Secretary of State serves on the Nebraska Real Estate Commission, and it's the logical place to manage this registry. The committee amendment, AM433, which was introduced at the committee hearing, makes several small changes to the original bill. First, it sets the maximum fee for registration. As reflected in the fiscal note, the Secretary of State's Office has determined that setting up the registry will have an initial cost of \$30,000. To offset this cost and costs associated with ongoing administration of the registry, the amendment sets the fee at no higher than \$300. It also has language ensuring the fees will go to the Secretary of State's general fund. Finally, the amendment adds language that allows the home inspectors to list any national certifications on the registration, a provision which was requested by the home inspectors themselves. LB423 would require home inspectors operating in the state be registered after January 1, 2023. As part of the registration, home inspectors must provide a certificate of insurance with no less than \$250,000 of general liability coverage, and would need to provide the Secretary of State updated information regarding their business within 30 days of any specified changes. LB423 was unopposed in the hearing before the Urban Affairs Committee. Groups testified in support, included the Nebraska Realtors and the Nebraska Real Estate Commission. The Greater Omaha Chapter of the American Society of Home Inspectors testified in a neutral capacity. The bill was unanimously voted out of committee, and I would appreciate your support of LB423. Thank you, colleagues.

FOLEY: Thank you, Senator Lathrop. As the Clerk indicated, there are amendments from the Urban Affairs Committee. Senator Wayne, you're recognized to open on the committee amendment, AM433.

WAYNE: Thank you, Mr. President. Members of the Legislature, Senator Lathrop pretty much explained it, the first-- the amendment sets the

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maximum registration fee for the home inspector at \$300. Second, the amendment clarifies the registration fee be remitted to the Secretary of State cash fund. And third, the amendment provides that registration shall include any national certification relating to home inspection currently held by the home inspector. The committee amendment was adopted 7-0. I would ask for a green vote on AM433. Thank you, Mr. President.

FOLEY: Thank you, Senator Wayne. Discussion on-- on LB423 and the pending Urban Affairs Committee amendment. Senator Erdman.

ERDMAN: Thank you, Lieutenant Governor. Good morning. I was wondering if Senator Lathrop would yield to a question or two.

FOLEY: Senator Lathrop, would you yield, please?

LATHROP: I would be happy to.

ERDMAN: Good. Thank you, Senator Lathrop. Senator Lathrop, what do they currently have? Do they have any kind of-- they have a certification they have to pass. Is that correct?

LATHROP: So there is a-- there is a voluntary organization that people voluntarily join, but there is no requirement at all, which is really what we're trying to get to right now. Anybody can hang their shingle out and claim to be a home inspector.

ERDMAN: I think I read in the committee statement that the \$300 is the registration fee, and then it went on to say that they had to be-- had passed the certification, the national certification. Is that correct? Did I read that right?

LATHROP: No, I don't think they have to pass a national certification, or maybe I misunderstand it. Senator, what they can do and what the amendment says is, if they have a certification from an organization, they may place it in the registry. And then when someone does a search, or most oftentimes what happens is a realtor will make a referral, it will be-- they can choose someone who is certified.

ERDMAN: OK. All right. I'm looking at the committee statement here, and the last bullet point says: Provides for registration shall include a national certification relating to home inspection currently held by the home inspector. So--

LATHROP: That's something. Yes.

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ERDMAN: Go ahead.

LATHROP: I-- I-- you're-- that's in the committee statement. What that means is they can list their certification so that the consumer can look in this registry and find someone who's certified. But--

ERDMAN: OK.

LATHROP: --we don't make anybody do that.

ERDMAN: OK. So is that an annual fee of \$300?

LATHROP: No, it's not. I don't-- I believe that-- that it is \$110 once you have registered initially.

ERDMAN: So the initial registration is \$300, and then the subsequent years are \$110?

LATHROP: That's my recollection.

ERDMAN: OK. All right. So we don't have anything in that regard now. Right? Is that the purpose for the bill?

LATHROP: That's the purpose of the bill.

ERDMAN: Did someone have an inspection that wasn't adequate or something? What-- who brought you this bill?

LATHROP: So what I understand, from the realtors, is that the fly-by-nights are a problem. They can-- they can come up with things that don't need to be fixed or miss things that should be. We don't make them do anything, but we allow them to indicate their certification by a national organization in this registry, so that realtors can have confidence when they make a referral or a consumer can know that they've chosen someone who is certified.

ERDMAN: OK. Is the \$300 registration fee, is that similar to other registration fees that we charge in the state?

LATHROP: That one I'm unable to answer for you. I can't tell you. It seems reasonable to me, but-- but I can't tell you where that ranks in relationship to plumbers or anybody else.

ERDMAN: So where does the registration fee go?

LATHROP: It goes to the Secretary of State, who administers this registry.

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ERDMAN: OK. All right. Thank you very much.

FOLEY: Thank you, Senator Erdman and Senator Lathrop. Any further discussion? Seeing none, Senator Wayne, you're recognized to close on the committee amendment. He waives closing. The question before the body is the adoption of AM433, committee amendment. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

CLERK: 43 ayes, 0 nays on adoption of committee amendments.

FOLEY: AM433 committee amendment has been adopted. Further discussion on LB423, as amended? I see none. Senator Lathrop, you're recognized to close. He waives closing. The question before the body is the advance of LB423 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

CLERK: 41 ayes, 0 nays on the advancement of the bill.

FOLEY: LB423 advances. LB81. Mr. Clerk.

CLERK: LB81 was a bill introduced by Senator Hilkemann. It's a bill for an act relating to sanitary and improvement districts; provides powers related to public parking facilities. Introduced on January 7 of this year, referred to Urban Affairs. The bill was advanced to General File. I have no amendments to the bill at this time, Mr. President.

FOLEY: Senator Hilkemann, you're recognized to open an LB81.

HILKEMANN: Thank you, Mr. President. Colleagues, LB81 is a bill that relates to sanitary improvement districts commonly referred to as SIDs, and will allow an SID to acquire, purchase, lease, own, erect, construct, equip, operate, or maintain an off-street parking facility. Existing Nebraska statutes follow-- allow for an SID to develop within its boundaries certain infrastructures, such as electric service lines and conduits, a sewer system, a water system, an emergency management warning system, a system of sidewalks, public roads, streets, and highways. It also allows for acquiring, improving, and operating public parks, playgrounds, and recreational facilities. SIDs are used for both residential and commercial development. However, current law does not allow SIDs to construct parking structures in support of new development. Parking structures are an essential investment to support dense urban environments that drive employment and service. It is a developmental tool that will be beneficial to developments that have public parking needs that are outside the corporate limits of a city, but within the corporate

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limits of an SID. I would like to thank Senator Hilgers for naming LB81 a Speaker priority this year, and I urge your support for LB81. Thank you.

FOLEY: Thank you, Senator Hilkemann. Discussion on the bill? Senator Matt Hansen.

M. HANSEN: Thank you, Mr. President. And good morning, colleagues. Colleagues, if you note in the committee statement, I was present not voting on the advancement of LB81. I actually have no problems with the bill as itself or the bill as Senator Hilkemann proposed. I just do kind of see and agree with the need to support density by allowing for more park-- parking structures. Part of the reason I was present and not voting-- and this is something that I don't necessarily think we'll get to in my tenure-- but I do think the body needs to take a-- an examination on sanitary improvement districts, or SIDs, in general. There's been lots of concerns from a variety of different folks about the impacts of sanitary improvement districts to the extent of how coordinated they are in a development plan for a city, whether or not they are helping or hurting the access to affordable and workforce housing, and on and on down the list. And I bring this all up, not to talk about things that I [INAUDIBLE], but just in full disclosure, I had a bill to basically eliminate the creation of new sanitary improvement districts on the same day Senator Hilkemann had his bill. And for me, when I am so skeptical of the underlying institution, I didn't necessarily feel comfortable supporting the bill. But if we, as a state, are choosing to have sanitary improvement districts, parking garages and allowing for off-street parking makes sense. So those are my thoughts on the issue. And I just couldn't let the issue go by without-- without sharing. Thank you, Mr. President.

FOLEY: Thank you, Senator Matt Hansen. Senator Moser.

MOSER: Thank you, Mr. Lieutenant Governor. I was wondering if I could ask Senator Hilkemann a question.

FOLEY: Senator Hilkemann, would you yield, please?

HILKEMANN: Yes.

MOSER: So authorizing SIDs to build parking structures, it sounds like a-- a reasonable request. However, what's the check and balance on that so that the members of the SID don't wind up paying for something that they know that they don't want to pay for? Is there a vote required or how does that work?

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HILKEMANN: SIDs have their own board to-- that manages the SID.

MOSER: So it-- it's only-- it's up to the board to decide whether to build a parking structure?

HILKEMANN: I think that that's correct. As I-- as I understand the SIDs, that's correct.

MOSER: 'Cause typically, SIDs are used to develop properties that are outside the city, and they want water, sewer, paving, and those sorts of things. Correct?

HILKEMANN: Right. But each SID has-- has a board that oversees the SID as-- as an entity.

MOSER: Are those board members elected? Or--

HILKEMANN: Yes, they are. I think that-- that initially, developers start off with, as the on-- as officers, and then as the-- as the SID develops, people within the development can be elected to the SID.

MOSER: What I would be concerned about is whether an SID might make a foolish decision or an over-ambitious decision to build a parking garage. And then the members of the-- the people who live in the SID wind up paying for it for a long time. And they may not-- they may be taxed without proper representation, is what I was worried about. You're not concerned about that?

HILKEMANN: I'm-- I think the SID structure, certainly the ones that-- that-- that I'm aware of in-- in the Omaha area, this has not been-- this is obviously the-- the first time that they were doing it. We have several large developments right now that are being developed with SIDs. And there's not-- there's not going to be enough street parking that-- for employees or-- or taking up a lot of-- of additional land and space just for parking, that they would be better off if they would build-- build a structure. It would make them, as these developments become more densely populated and, also, as they become more densely with-- with employees, that it would-- it would be actually more beneficial to the SID to--

MOSER: Well, if you could-- if you could get some information back to me, please, on how this is controlled so that the SID boards don't get carried away, because SID fees can be, you know, pretty high. When you're buying a-- a house and it's outside of the city, but close to it, the SID fees can be very substantial. You know, they can get up to be comparable to-- well, not necessarily comparable-- but

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they're certainly nothing to overlook when you're buying a home or property that's just outside the city. And sometimes cities won't annex certain areas because the SIDs have gotten, you know, so deeply into debt that the city can't collect enough tax to pay back what the SID owes. So that's a-- a good clue there, that the SID was clearly out of, you know-- I don't want to say out of control, but, you know, they've got expenses that the city doesn't want to assume because they can't levy the tax they levy everywhere else in the city and pay off those fees. So I think we want to be careful not to make those properties "unannexable" because they're too expensive to annex. Thank you.

FOLEY: Thank you, Senator Moser. Senator Pahls.

PAHLS: Thank you, Lieutenant-- Lieutenant Governor. My experiences with SIDs-- this may be an unusual-- I'm assuming it isn't an unusual SID-- but my association-- I was set on an SID board, and there were a number of us who lived in the SID who had a vote. The interesting factor, the developer who owned many lots could outvote us. So we could say we want this, but that person had enough votes because that developer had ownership of a number of lots. Now later on it was a different story. But initially we sat around a table, we agreed-- we agreed. But we had to have the one person who bought into what we wanted to do. So maybe between now and Select File we can see whether this SID is a different way of doing business. But I do know we try to get some things done. But one person had more lots, more votes. Now that may have been then, but it would be nice to know between now and Select what the answer is. Thank you.

FOLEY: Thank you, Senator Pahls. Senator Moser.

MOSER: I think Senator Pahls's comments there hit the nail right on the head. Same thing, same question that I was asking. The developer could include these costs in the sale of lots, but then the lots may not, you know, be cost effective. So they kind of hide the costs in the SID and finance them with the SID. And then the owners of properties have to pay off those payments to the SID over many years. So you want to be darn sure that you have this under control so you don't build some \$10 million garage that helps the developer sell lots in the development, but-- and he makes money based on the value of the-- of the parking garage as being an-- an amenity that people want. But then people don't realize that over 20 years or 10 years or whatever the length of those payments, they're actually going to be paying for that parking garage. So Senator Pahls hit it right on the head. Thank you.

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FOLEY: Thank you, Senator Moser. Senator Matt Hansen.

M. HANSEN: Thank you, Mr. President. And I won't belabor the point, but listening to Senator Pahls's remarks that the-- the dichotomy between the developer having a vote for the SID board and the actual residents voting for the SID board is one of the issues that I think we are ultimately going to have to look at and resolve on SIDs. I had brought legislation in the past attempting to work on this, and that was held off pending a Nebraska Supreme Court case that kind of just punted the issue on a technicality as of Friday. So again, something that's probably going to extend beyond my tenure, but that does appear to be active litigation in the state of Nebraska for just that issue. You have a development that didn't necessarily come to fruition in the hopes and dreams of the developer. And you have a kind of minority group of, you know, residential property owners, you know, owner-occupiers. And then you have the voting interest of the, you know, investor who lives elsewhere, who controls a significant portion of the SID, which is a political subdivision which does have, you know, authority for taxes and special assessments. So that is something that I do think we are going to have to look at, and one of the concerns that I know have-- people have. I understand why we have to have a role for the developer in setting it up. It is a pretty interesting situation since they can-- are intended to basically take completely undeveloped land, including where nobody lives potentially, or in many cases where nobody lives. So in order to authorize the first round of bonding, you need some sort of structure to create the board, which is why you have the owner and the developer of the vacant lots have a say. But again, this is something that I do think is probably pretty worthy of the body's time at some point. Again, I'm not going to try and hold up Senator Hilkemann's bill here today. I appreciate the parking garages in their own attempt to provide for more parking and the ability that adds to density. But I do think SIDs is something that we've certainly heard many, many times over my seven years in Urban Affairs. And we've done some fixes and some tweaks. But it is something we're probably going to have to look at and overhaul, as a body, at some point, hopefully in the near future. Thank you, Mr. President.

FOLEY: Thank you, Senator Hansen. Senator Blood.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I raise in full support of LB81. And I want to make sure that we aren't going to continue to go off into the weeds. What this bill is about is allowing a developer who wants to be responsible and do things the right way. They need to build a parking garage or a parking facility

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in reference to the development that they've created. They can't do that under existing statute. We're allowing them to do so by changing the statute through LB81. That's responsible, that's good for the development that they're trying to create, and that allows people in the future to be able to do the same thing. I don't necessarily agree with-- with Senator Hansen in reference to his perception of SIDs. I'm sure Senator Sanders would have a lot to say on this, as well. Bellevue wouldn't be Bellevue without SIDs, period. And Bellevue is nothing but affordable housing in the vast majority of the community, and it served its purpose and served it well. I-- it's my understanding that larger municipalities have not necessarily used it in the way that Bellevue did, and that there are concerns about whether that affected affordable housing. But I can tell you that, in Bellevue, it did the opposite. So I just want to make sure that as we move forward to discuss SIDs, that we look at all aspects involved and that we're not throwing the baby out with the bathwater. But with this bill, it isn't a discussion of whether you think SIDs are a good thing or a bad thing for Nebraska. It really is giving a developer another tool so they can move forward with the development that they have going on right now, and allowing that tool to be utilized by other developers in the future. With that, I would yield back any time to you, Mr. President.

FOLEY: Thank you, Senator Blood. Senator Hilkemann, you're the only member in the queue. You can either speak to the bill or make your closing on the advance of the bill.

HILKEMANN: I will speak to the bill, and then I'll make that also my close.

FOLEY: Very good.

HILKEMANN: I wanted-- I wanted to just point out to you that if you look at the bill, it's very clear that these structures are to be built for the purpose of business. This is where I think we got into the weeds a little quicker with-- with housing and so forth, that-- that-- that out there. So these are for business. But we have a-- I have a wonderful development that's happening out around the Boys Town area, over 400 acres of development that's going on. They're building some first-class office space. One of the situations that they have is if-- as they increase-- increase their employees, that is parking for those employees. And they don't want to have their employees have to walk from south of Pacific Street, for example, to almost Dodge Street in order to-- to work so they can build a parking structure. That's the purpose of this. I think that-- that-- and Senator Moser and Senator Pahls, I will get you the information that

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you requested for the-- how these are structured and how they will function and still protect the members of the SID. And with that, I will close, Mr. President.

FOLEY: Thank you, Senator Hilkemann. Members, you've heard the debate on LB81. The question before the body is the advance of the bill to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 31 ayes, 0 nays on the advancement of the bill.

FOLEY: LB81 advances. Items for the record, please.

CLERK: Mr. President, amendments to be printed: Senator Hughes to LB507; Senator Briese to LB2; Senator Flood to LB51, LB466; Senator Friesen, LB247; Senator Morfeld, LB271. Senator McCollister would like to add his name to LB428. Mr. President, Senator Hunt would move to recess the body until 1:30 p.m.

FOLEY: Members, you've heard the motion to recess. Those in favor say aye. Those opposed say nay. We are in recess till 1:30.

[RECESS]

HILGERS: Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber. The afternoon session is about to reconvene. Senators, please record your presence. Roll call. Mr. Clerk, please record.

CLERK: I have a quorum present, Mr. President.

HILGERS: Thank you, Mr. Clerk. Do you have any items for the record?

CLERK: I have nothing at this time, Mr. President.

HILGERS: Thank you, Mr. Clerk. We will proceed to the first item on the afternoon's agenda.

CLERK: Mr. President, LB274, a bill on Select File. A bill originally introduced by Senator Lowe. Bill has been discussed. Enrollment and Review amendments have been adopted. An amendment from Senator Lowe was adopted when the Legislature left the issue last week. Senator Hilkemann had pending AM646 as an amendment to the bill.

HILGERS: Thank you, Mr. Clerk. Senator Lowe, do you want to refresh us on the bill and then we'll go to Senator Hilkemann for a refresh on the amendment?

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LOWE: Sure. LB274 is another step in the multiyear effort to improve our special designated liquor licenses. An SDL is a process that allows certain groups to sell and serve alcoholic beverages in special situations or in another way that it is different than it is normally served. Examples of this are churches selling beer at a fish fry, craft breweries getting together for a beer festival, a bar wanting to celebrate St. Patrick's Day, or a farm winery attending a local farmer's market. At the most extreme end of this, there are farm wineries who apply to over 100 SDLs for a farmers market each year. That's 100 documents that they need to file, 100 documents that the liquor commission must process, and at least a handful of public hearings that must be attended. LB274 addresses this issue by allowing a farm winery, craft brewery, or microdistillery to apply for an annual promotional farmer's market special designated license. This license is good for one year and cost \$15. It's an add-on to their other licenses. Thank you.

HILGERS: Thank you, Senator Lowe. Senator Hilkemann, would you like to take a minute to refresh us on AM646?

HILKEMANN: Thank you, Mr. President. I had introduced AM646 to return the rate that RTDs will be taxed to the same level as liquor and spirits. I believe that alcohol is a public health problem, particularly regarding DUIs, underage drinking, binge drinking. And I appreciate being allowed the opportunity to express those concerns here on the floor. I also believe it is always worth discussing the health risks and public safety concerns regarding alcohol consumption. I would like to take this opportunity to thank Senator Clements for his math, which enlightened me on how this new rate actually works. And after reviewing his information, and I want to thank the committee for doing their homework, and along with Senator Vargas, that working together they have adjusted this rate, which is acceptable to RTDs. And therefore, I will be withdrawing my amendment, AM646. Thank you, Mr. President.

HILGERS: Thank you, Senator Hilkemann. The amendment is withdrawn. Mr. Clerk, for an amendment.

CLERK: Mr. President, Senator Groene would move to amend AM870.

HILGERS: Senator Groene, you're recognized to open on AM870.

GROENE: Thank you, Mr. President. AM670-- or AM870 is basically our bill, LB415. It was-- Senator Vargas brought a similar bill, so did Senator Hughes. And the committee ended up with-- basically because I'm on the committee, there's privileges to being on a committee,

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advanced our bill. All it does is for microdistilleries, they have a limit of 10,000 gallons of production. And there's one for sure, one in Senator Vargas' area that reached that production limit of 10,000 early last year and had to shut down their production and lay off individuals because they did not want to reach that threshold where they became a manufacturer. And a manufacturer at that point, you lose a lot of the privileges of a microbrewery, such as having tastings, selling your product out your door of your facility without going through a distributor. So we really needed to up, up the limit because it's a growing industry instead of bringing whiskey from Kentucky, we're buying products locally and supplying jobs. These distilleries are. So I talked to Senator Lowe and Chairman Briese and they-- it's a friendly amendment. We had originally planned on doing it as a consent calendar item. We had all our ducks lined up, but then a letter was found later of opposition. So there was one opposition from the, from the distributors who have a captive market in the state of Nebraska. And you can't blame them, they want to protect it. But it's a simple little bill, changes 10,000 to 100,000. And it's an amendment now, quit using the word bill. But-- and it fits into this legislation, Senator Lowe's LB274. So I'd appreciate your support for AM870 to LB274. There are-- there's a growing industry out there and we need to fix this issue so that they can grow. Thank you.

HILGERS: Thank you for your opening, Senator Groene. Debate is now open on AM870. Senator Lowe, you're recognized.

LOWE: Thank you, Mr. Speaker. This is a friendly amendment, AM870 by Senator Groene. Senator Groene was right, we discussed this in General Affairs Committee and we thought it was going to come out as a, just a, a Speaker, a priority bill, or just an easy bill to pass. And it did not get added in. So we want to add it into LB274, which is the committee liquor bill coming out of General Affairs that also has Senator Geist's bill in and Senator Vargas' bill and Senator Wishart's bill in it. So this is a good amendment and a good bill. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Lowe. Senator Vargas, you're recognized.

VARGAS: Thank you very much. First, I want to thank Senator Groene for bringing this amendment. As he mentioned, we had a similarity of a couple of bills. Originally, Senator Hughes and mine and his. Part of that is because we all have some connection to distilleries across our state. Just a little context. Yes, this, this bill came out of committee unanimous and had broad support. We need to increase this so that we're not hindering the growth and success of Nebraska

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businesses, specifically our large and growing state distillery industry as a whole. This piece is important not only to the state, but also for growing businesses. And in my community, we have Brickway Brewery and Distillery, which is the largest distillery in our state, and they are hitting their production cap and will at some point this mid-- this year. And given the fact that they'll be hitting the production cap, it's more important than ever because this \$10,000-- 10,000 gallon cap is one of the lowest in the country. The bill would increase the cap to 100,000, which is still very low in comparison to other states, but would facilitate the growth in the successful industry and specifically supporting a Nebraska small business and hopefully eliminate the need for some of these limitations on their business. We worked with-- thankful for Senator Groene on this bill. This was a bill that was worked on by a lot of different individuals. But I appreciate his work in the committee on this and Chairman, Chairman Briese and Senator Lowe for this friendly amendment. Again, this is a good bill. The pandemic has been a challenging time for many people. And in one-- and this instance is challenging for our business owners. And this is an opportunity to be able to give them a chance to grow. And with that, I want to ask for your support for AM870, and for the underlying bill, LB274. Thank you very much.

HILGERS: Thank you, Senator Vargas. Senator Hughes, you're recognized.

HUGHES: My apologies, Mr. President. I, too, want to be on the record in favor of Senator Groene's AM870. This was a bill that I did consider bringing. It was very similar to Senator Vargas' bill. So I did sign on to his bill. I've got a small distillery in my district in Moorefield, Nebraska, not Morfeld, Moorefield, a population of less than 50 and a grandfather, father, and son just uncovered great-uncle Charlie's white lightning recipe and they began distilling whiskey. And it's pretty darn good stuff. I will do a shameless plug for the Lazy RW Distillery in Moorefield, Nebraska. Many of you have sampled their product and I would certainly encourage this body to adopt that amendment because they are doing a great job of increasing production and they do need the ability to distill more gallons per year. So moving from 10,000 to 100,000 is a good thing. Thank you, Mr. President.

HILGERS: Thank you, Senator Hughes. Senator McCollister, you're recognized.

McCOLLISTER: Thank you, Mr. President. Wonder if Senator Groene would yield to a few questions?

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HILGERS: Senator Groene, would you yield? Senator Groene, would you yield to a question?

GROENE: Yes.

McCOLLISTER: Senator Groene, going from 10,000 gallons to 100,000 gallons is a big jump. Do you know how many microdistilleries need that kind of exclusion?

GROENE: Well, of course, the one in Omaha has already reached that. The one in Senator Hughes's district, the reason I'm involved, too, is that, that one in Moorefield, they ferment their corn. It's 100 percent corn whiskey. They ferment their corn in, in a little town in my district and then take it to Moorefield and distill it. But I think there was six or eight of them. Ours-- just long story short, ours in our area is reaching that point rapidly. And I don't know-- and I talked to Senator Brewer, I think he has one that's growing rapidly, too. So it needs to be done. And Senator Vargas mentioned we're the lowest in the country. I believe we match that 100,000, that matches the federal level, too.

McCOLLISTER: Thank you. Is that pretty well square with what other states are doing with these exclusions?

GROENE: Most of them are way ahead of us than they've had-- they're at 50,000 to 100,000 gallon. We're just way low at 10,000 gallon.

McCOLLISTER: Thank you, Senator Groene. Thank you, Mr. President.

HILGERS: Thank you, Senator Groene and Senator McCollister. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. Speaker, and good afternoon. We had-- I had spoken on this bill before when it was up. Senator Wishart's bill is included in this that would allow one to order groceries and alcohol at the same time. And I don't know whether I should ask Senator Wishart or Senator Lowe a question. Maybe I'll start with Senator Wishart. Would she yield to a question?

HILGERS: Senator Wishart, would you yield?

WISHART: Yes.

ERDMAN: Senator Wishart, your bill is included in LB274, correct?

WISHART: Correct.

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ERDMAN: So if I order a bag of peanuts and a quart of whiskey, would that be a grocery order that I could pick up out of my car?

WISHART: Yes.

ERDMAN: So shouldn't there be a requirement or a minimum grocery purchase before it can be considered a grocery list?

WISHART: No.

ERDMAN: And why would you say no?

WISHART: Why do I say no?

ERDMAN: Yes.

WISHART: Because people are currently doing this right now and the sky has not fallen.

ERDMAN: People are currently being what?

WISHART: People are currently doing what my bill would allow us to do in perpetuity now. And we have not seen any impacts from that.

ERDMAN: So then you were, you were following up on the initiative the Governor put in place when we had the pandemic, correct?

WISHART: Correct.

ERDMAN: So we have to make a decision on this bill whether we think that was appropriate, that what the Governor did was appropriate. So I don't have any more questions. Thank you for answering that. So we are making it far much easier for people who are driving to pull in and get alcohol. And as Senator Hilkemann has suggested several times, alcohol is a problem, especially when it's on the road when you're driving. So I don't know why we want to make it very, very-- what shall I say, very easy for people to drive up and get alcohol. I-- I'm having a heck of a time feeling-- figuring out why we need to do this, and I, I probably won't be supporting either one of these. Thank you.

HILGERS: Thank you, Senator Wishart and Senator Erdman. Seeing no one in the queue, Senator Groene, you're recognized to close.

GROENE: Thank you and I appreciate Senator Lowe keeping his word and working with me on this, and it's not us, it's never us. It's, it's those individuals who ask us to bring these bills. And Senator

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McCollister and I had a conversation off the mike, LGJ, whatever it is, Beam or Kentucky Bourbon, they didn't worry about us during the pandemic and make hand sanitizer for the people in Nebraska who were shortage of it. The little distiller in Moorefield and in Brady, they stopped production of alcohol and switched to hand sanitizer and donated a lot, a lot of it to, to local hospitals and stuff in our area. That's the difference between Nebraska made and imported whiskey makers. So it's a good bill. It encourages entrepreneurship. It encourages growth. And thank you for support of AM870, vote, please vote green.

HILGERS: Thank you, Senator Groene. Question before the body is the adoption of AM870. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk.

CLERK: 40 ayes, 0 nays on the adoption of Senator Groene's amendment.

HILGERS: AM870 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HILGERS: Senator McKinney for a motion.

CLERK: I have nothing further on the bill, Senator.

McKINNEY: Sorry.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move to-- that LB274 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB274 is advanced. Next bill.

CLERK: LB274A, Mr. President, I have no E&Rs. Senator Lowe would move to amend with AM818.

HILGERS: Senator Lowe, you're recognized to open on AM818.

LOWE: Thank you, Mr. Speaker. AM818 makes it an emergency clause. Senator Vargas' bill, LB578, had an emergency clause incorporated into it already. And so this just brings it to the whole bill. We'll carry the emergency clause just to make it a little copacetic across the board. Thank you, Mr. Speaker.

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HILGERS: Thank you, Senator Lowe. Debate is now open on AM818. Seeing-- oh, Senator Groene, you're recognized.

GROENE: I stand in full support of AM818 and LB274, but I did want to say something about LB274, just to have it on the record. I was going to ask Senator Lowe a question related to AM667. Just so these practitioners who sell this have a record somewhere. Senator Lowe, in, in your amendment it says: the alcohol liquor is placed in the trunk of a motor vehicle or the area behind the last upright seat of such motor vehicle if the area is not normally occupied by the driver or passenger and the motor vehicle is not equipped with a trunk. My question to you, Senator Lowe, is who is putting the liquor in the trunk? Who's the who?

HILGERS: Senator Lowe, would you yield?

LOWE: Yes, I will.

GROENE: Who, who is putting the liquor in the trunk? Is it the driver or is it the clerk? You got one clerk at a convenience store and some kids are in there eyeing the candy aisle. Does that clerk have to go out and put the alcohol in the trunk or does the customer get it out the window and he has to get out of his vehicle and put it in the trunk? It's just a curiosity question I have. Could you explain what, what is the intent?

LOWE: Well, the, the intent is right now we have a whole bunch of grocery stores across the state that are able to-- they have drive-through groceries. You order online. You just drive through, pick everything up. And currently at this time, alcohol is included in on that. So the, the clerk at the, at the grocery store will bring it out, place it in your trunk or in the furthest back portion of your vehicle.

GROENE: All right. That's fine. Thank you. That answers my question. Now, the next question is, is the intent of this amendment only grocery stores?

LOWE: No, it can be convenience stores also.

GROENE: But what about a liquor store that sells beer nuts?

LOWE: It, it could be a liquor store that sells beer nuts, too.

GROENE: All right, that's--

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LOWE: But it'll have to be a business decision by that business to do this.

GROENE: I appreciate that change that you and Senator Geist made that they have to be when they're relicensed, or new license, they have to put an intent in there. And then the local entity could probably object to that part of the license. It's just isn't very clear who, who's involved here. I fully understand the grocery stores. But I don't believe the Governor's-- I was told by the lobby that the Governor's emergency included liquor stores. It was grocery stores. And but anyway, I'm going to support the bill. That battle was lost a long time ago. I can remember as a younger person the fight over drunk driving. And we're going to let the place you fill up with gas, also sell them beer. But we lost that argument a long time ago. So anyway, I'm in full support of LB274. It's been fixed, what Senator Cavanaugh has fought for, about local control has been added. So it's, it's a, it's a sausage. It has too much baloney in it for me. But I, but I'll still eat it. Thank you, Senator Lowe.

HILGERS: Thank you, Senator Lowe and Senator Groene. Seeing no one in the queue, Senator Lowe, you're recognized to close. Senator Lowe waives closing. Question before the body is the adoption of AM818. All those in favor vote aye; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk.

CLERK: 38 ayes, 0 nays, Mr. President, on the adoption of Senator Lowe's amendment.

HILGERS: AM818 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB274A be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB274A advances. Next bill.

CLERK: LB322, I have Enrollment and Review amendments first of all, Senator.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB322 be adopted.

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HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

CLERK: Senator Williams would move to amend AM718.

HILGERS: Senator Williams, you're recognized to open on AM718.

WILLIAMS: Thank you, Mr. President. And good afternoon, colleagues. A reminder, the underlying bill, LB322, is my personal priority bill. This was a bill that was heard in front of the Education Committee, had no opposition testimony, and was voted out of committee on an 8-0 vote. LB322 creates the Safe2HelpNE, which is an anonymous reporting system for students, school staff, parents, and community members to share information about concerning behavior so some type of intervention can take place before the unthinkable happens. The goal is to enhance school safety by interrupting concerning behaviors and getting help to the people who need it most. The report line which is proposed under LB322 would be manned 24/7/365 with trained professionals. A-- as you might remember, a pilot program was conducted this past year in Douglas County and Boys Town provided the-- the call-in line that was very successful there. The report line is offered free to the public and private schools, and training is also provided on a free basis. This bill was brought to me by the education associations and is fully supported by the Department of-- Department of Education. You may remember on General File we had a great deal of discussion about a number of topics that are all being addressed with AM718. The issues that were raised were concerning the funding, whether there should be a sunset provision in the bill, and whether there should be some language requiring parental involvement. I would like to draw your attention to AM718. The funding issues are addressed, first of all, on page 1 in Section 2. And that paragraph reads: The Legislature finds that COVID-19 pandemic has impacted the health and well-being of students throughout Nebraska, resulting in the need for a scalable support system and report line to enhance the safety and well-being of students in each elementary and secondary school. That specific language is in there so that the funding for this can qualify for federal stimulus funding that we have all talked about. Then I would draw your attention to page 4, Section 6. Under Section 6: It is the intent of the Legislature that federal funds shall be used to implement the School Safety and Security Reporting System for fiscal years 2021-22, 2022-23, and 2023-24. The Commissioner of Education shall electronically report data, a cost-benefit analysis, and a funding recommendation regarding the continued viability of the Safe2HelpNE report line to the Appropriations Committee of the Legislature and to the Education

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Committee of the Legislature on or before January 5, 2024. These two provisions that I just read to you clearly show that the concerns about funding it is all now being proposed that it would be federal funds, not any state General Funds, and it would be for a three-year period of time at which the end of that, the Department of Education, through the reporting that's required under LB322, would have to prove up that it's worthy of continuing the program. The third issue that is addressed by AM718 is the issue that Senator Groene and I talked about concerning parental involvement. And I would like to specifically thank Senator Groene for working with me and others on language to tighten this up and make it better. Other people that worked on this language were the Boys Town people themselves that deal with these things, the safety people at the Department of Education, the school associations, several school attorneys, and of course, Bill Drafters. I would draw your attention to page 3 beginning at line 9 and the bill now reads: Each alert that is not referenced to emergency services, law enforcement, or Child Protective Services shall be assessed by the threat assessment team receiving such alert. If a threat assessment team decides a report regarding a student is credible, a representative from the school administration shall, within a reasonable period of time, attempt to notify a parent or guardering-- guardian, excuse me, of the student except when such notification could reasonably be believed to contribute to the endangerment of the student or others. Such notification or attempted notification shall be documented in the manner prescribed by the department. Those are the only changes that are included in LB718 [SIC--AM718]. As you may remember, 78 or LB322 was passed very handily on General File. We have an issue here. We have a demonstrated need for this type of report line in Nebraska. Based on solutions that have been found around the country, this is now the national model and this is a proven solution to this issue. And now through the work with AM718, the cost is all borne by federal dollars, no General Fund impact for the state of Nebraska, and we have the parents' involvement. With that, Mr. President, I would ask for everyone's support and green vote on AM718. Thank you, Mr. President.

HILGERS: Thank you. Senator Williams. Debate is now open on AM718. Senator Groene, you're recognized.

GROENE: Thank-- thank you, Mr. President. Don't worry, Nebraska, I won't be doing this every day. It must be Groene day or something today, but told my staff we get through this today, I take-- go fishing the rest of the week because we're getting a lot of our bills done and taken care of. It just so happened that it was scheduled

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that way. But no, I do appreciate Senator Williams for working with me. He did work studiously with us, with trading back and forth ideals for our section of this parental-- that our concern on the parental notification. Of course, it's not what I-- everything you want in life, but I do have some concerns about the whole concept of the bill that we are going to start anonymously reporting each other with no consequences, that we might have libeled somebody or we might have slandered somebody by making an anonymous call. The parental thing was important to me because as Education Chair and Education Committee last six years, every time one of these came up, I was concerned that at the end of the day, they're somebody's children and they're not the government entities we call public schools' children. These individuals who work there are trained in English and math and a lot of things. But the one thing that I still did not like about this amendment was the guard-- it says "attempt to notify a parent or guardian of the student except when such notification could reasonably be believed to contribute to the endangerment of the student or others." That's a pretty wide judgment call by an employee at a public school to make that decision. So, you know, maybe I'm paranoid, but so Johnny calls in and said, Dad spanked me this morning. Where does that fit in today's society? Does that fit under family violence, physical or sexual abuse? Is dad or mom automatically suspect because they follow the cultural about disciplining your children? And it seemed to work for my family through generations. But that-- that's the kind of boogeyman I see in the closet. And-- but it is a lot better than what it was. I like the fact that he did take-- Senator Williams did take a listen to Senator Erdman's, I believe, concerns about the fiscal note and funding is three years. And then some of you might still be-- some of you will still be here. There will be a bill come about continuing funding for this procedure and maybe there will be enough complaints about it that it won't happen or maybe because of that hammer at the end of three years, they might really not try to social engineer and actually try to help children. I am also concerned about they say it's anonymous, but how can it be anonymous? My cell phone pops up a phone number, pops up a name most of the time about who's calling me. So I'm trying to-- and how do you anonymously do it over the Internet? Your email address is there. So what is the definition of anonymous in today's society? It's pretty hard to do unless you slide a letter under the door that make sure your fingerprints aren't on it. Anonymous communication in this country pretty much doesn't exist. So that's another concern I have. You pick up that cell phone, you report something, somebody on the Internet will see my name pop up. That's not anonymous. So I was going to sit on this bill, I'm not filibustering--

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HILGERS: One minute.

GROENE: --or anything like that. I do really appreciate Senator Williams the way he worked with me. Thank you.

HILGERS: Thank you, Senator Groene. Senator Lowe, you're recognized.

LOWE: Thank you, Mr. Speaker. Would Senator Williams answer a couple of questions?

HILGERS: Senator Williams, would you yield?

WILLIAMS: Yes, I would.

LOWE: Thank you, Senator Williams. And this bill intrigues me. Can you give me a scenario of what might-- this might take place, a child calls into to the hotline?

WILLIAMS: I certainly can. There are a number of things listed in the bill that could be concerning behaviors. Those could be suicide attempts, bullying, guns, drugs, a threat against a student, threat against the school property itself, any of those kind of things are covered as concerning behavior. And-- and I would add it's not only a student that can call in and use a hotline, it's parents, community members, and-- and staff at the school also.

LOWE: OK. The scenario Susie calls in on Johnny because Johnny didn't take her to the dance and she says that I think he's suicidal and may have home problems. Now, Johnny's father's gone to work and so is he confronted at work by authorities? And is Johnny pulled out of school and questioned?

WILLIAMS: Well, the thing all starts with the call that goes into trained professionals. And let's assume that Boys Town handles this like they handled the-- the pilot program in Douglas County. They are set to de-escalate any situation and determine the-- the on the front end what all the circumstances are. Then if it is warranted, it is reported to the threat assessment team at the school where the circumstance with-- where these people would be students in-- in your example. The threat assessment team is a group of a minimum of five people led by the school administration and other people that have all had specific training, which is provided on a free basis from the Department of Education. So they would weigh that entire circumstance before a decision was made as to what would be the idea of going forward. Now when you have the threat of a suicide, everybody is going to take that very seriously. So I would suspect there would be

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some movement forward to be sure that there was not a-- an attempted suicide going on.

LOWE: Thank you, Senator Williams. I appreciate those answers and some clarification. You know, I'm still worried. This is almost a nanny state of where we're asking people to spy on other people. I appreciate the Boys Town hotline. I-- I appreciate all that. But having people look into our lives and may have affect in our lives, even though it has to get cleared through an assessment team when nothing really is going on. It frightens me. It-- it's just wrong, I guess. And I-- I appreciate the 911, I appreciate everything else, and I appreciate what the Boys Town hotline is doing. And we do-- we may save lives by doing this, but may we also damage other lives by doing this is what I question? Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Lowe and Senator Williams. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. Speaker. Good afternoon. So I-- I spoke on this bill the last time it came up. I have-- I have concerns about how this is going to work. But I first have a couple of questions I would like to ask Senator Williams if he would yield.

HILGERS: Senator Williams, would you yield?

WILLIAMS: Certainly.

ERDMAN: Senator Williams, let me just say this. I appreciated your explanation of the amendment. That was very thorough and I appreciate that. But I noticed in there it says they will attempt to contact the parents. What-- what does attempt mean? Make one phone call, leave a message or what-- what do you think the word attempt means as you expect it to be used?

WILLIAMS: Well, I think when-- when Senator Groene and I worked on this, the fact was, you know, you-- you-- it-- you can attempt to con-- excuse me, contact someone. But if they are not home, it's in the middle of the night, they're on vacation, there can be circumstances where it can be impossible to get a hold of them. So I-- I think it's clear that they need to make a valid attempt to-- to make that contact.

ERDMAN: So I conclude from that you're just saying they won't call one time and leave a message, but they'll make sure they try to do it in a manner that they're accessible so they make sure they understand it.

WILLIAMS: That's correct.

ERDMAN: OK. So what did the pilot project cost when Omaha did it?

WILLIAMS: The pilot project, as I'm understanding it, cost in the \$560,000 range, somewhere in-- in that level.

ERDMAN: OK, so--

WILLIAMS: And that was-- that was funded with a federal grant.

ERDMAN: All right. And I see you're going to fund this with federal funds. And then in-- in three years when that runs out, then the Legislature will have to fund it. Is that correct?

WILLIAMS: It would be up to the Legislature to make a decision. What I would hope would happen, Senator Erdman, is that the success of this would prove itself and the Department of Education, who is very strongly behind this, would find additional funds to fund it at that time themselves.

ERDMAN: All right. I get that. Thank you. I'll just say this, that my opinion I have very seldom, if ever, seen a project that has been put in place like this ever not get funded going forward. So I appreciate that. Now I'm going to read to you something that I got from a constituent of mine. And in this article I'm going to read I name names. And the reason I do that is because these people were affected by this, said that they don't appreciate have anonymous phone calls and-- and turning them in that way. So they're going to use their names. So this happened in the Kimball Public Schools in 2019-20 school year, an anonymous incident reporting system. They had one of those. During the volleyball season of '19, there was an anonymous complaint filed through the online system stating the volleyball coach, Jeri Ferguson, was out of control. The complaint claimed Coach Ferguson was slamming and throwing volleyballs and other items around the gym and her classroom during the team meeting. The superintendent took the complaint to the athletic director. The athletic director, who has worked with Coach Ferguson for nearly 20 years, assured the superintendent that the complaint did not reflect how he has seen Coach Ferguson work and was it-- was-- and it was not accurate. A week later, a second anonymous report was filed. This time an anonymous reporter was claiming to be a player of the volleyball team. Based on the time stamp the report was filed, the school administration could tell that it was not filed by the player. It was done while the team was on a bus heading to a volleyball match. This report was similar to the first report in how it described what was

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happening. And the verbiage seemed-- used in this report was very similar to the first one, leading the administration to believe the two anonymous reports were actually filed by the same person. Because two separate reports had been filed, the athletic director had to open an investigation. For his investigation, he called in four volleyball players individually and asked about the environment of the volleyball team.

HILGERS: One minute.

ERDMAN: Each athlete defended Coach Ferguson, saying she was a good coach and that they enjoyed playing for her. When asked if they ever felt like Coach Ferguson had ever gone over the top with yelling, criticizing during practice, each player said no, and some even noted they probably deserve more. This was clearly a singular attack on Coach Ferguson by the player or parent that was unhappy with the way the season was going or the amount of playing time a certain player was getting. I don't have time to finish this so I'll put my light on and finish it the next time. Thank you.

HILGERS: Thank you, Senator Erdman and Senator Williams. Senator Friesen, you're recognized.

FRIESEN: Thank you, Mr. President. I wonder if Senator Williams would yield to some question.

HILGERS: Senator Williams, would you yield?

WILLIAMS: Certainly.

FRIESEN: So, Senator Williams, when I'm-- when I'm reading through this, are these-- if someone calls in, are they truly anonymous or will they be able to retract their identity from some method or other? Or is it truly an anonymous phone call?

WILLIAMS: Well, I think certainly the attempt is that it's anonymous. But as has been pointed out with caller ID, there could be some-- some amount that is-- is there. But I don't think it is Boys Town intent, if they are the contractor here, to keep those names.

FRIESEN: OK. Have you ever heard of the term swatting?

WILLIAMS: No.

FRIESEN: Where kids in or people in large cities calling the police department saying that someone's being held hostage and the SWAT team gets sent out and there have been some, I think there have been some

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deaths resulting from that because they're sent out to just random houses. They just pick someone and it's just a prank. Adults are doing it. Kids are doing it. They're talking about an adult in the home with a gun and SWAT team goes there and it's a totally prank call. That's what swatting is. So when I think of an anonymous call and I think back to my high school days and I see mischief here where somebody can call in something about maybe people have guns in a household they don't like. And-- and if they can anonymously report this, how do we-- is there any penalty for someone calling in and-- and making a false report, kind of like a false police report?

WILLIAMS: Is that a question?

FRIESEN: That would be a question, yes.

WILLIAMS: Is there-- would you rephrase it then?

FRIESEN: Well, if-- if somebody is pranking someone and they make a false call with absolutely no basis, just wanting to get a reaction, prank call, but they report someone as being unstable and there's guns in the home and suddenly the red flags go up and they go there and they find out none of it is true. Is there any repercussions for the prankster that called in?

WILLIAMS: I-- if it's anonymous, they would not have any record of that, Senator Friesen. That was certainly not the cases that happened in the pilot program in Douglas County. The listing of the calls that came in, the 480 of them, I don't know that there was one prank call in that whole bunch.

FRIESEN: And I-- and I believe that. I mean, I just-- but I see the-- as this was rolled out, I see that's a possibility. So thank you for answering those questions. And that's, I guess, that's one of my concerns is that if this is truly anonymous and a prankster calls in and it can have some long-lasting consequences if they claim someone is unstable and-- and it just gets a little out of hand and goes too far. And suddenly a prank turns into labeling someone over a longer term period that is totally unwarranted and is a prank. And so I-- I'm concerned about that. And there are no ramifications for the person calling in a prank call. I mean, if you call in a fake 911 call and-- and do the swatting, if they can track you down, there is a penalty for that. But here there is no penalty. There is no-- people are encouraged to, if they see something, say something. But again when there's no ramifications for, I guess, these prank calls, that-- that bothers me a little bit. And I think it could have some unintended consequences on people. So I, and I also realize that if

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it's not a totally anonymous call and-- and the name is leaked out of who made that call, that can have some consequences too. So this is-- I'm having a little trouble with this bill. And-- and I worry that it's a-- it's a step too far. Thank you, Mr. President.

HILGERS: Thank you, Senator Friesen and Senator Williams. Senator Blood, you're recognized.

BLOOD: Thank you, Mr. Speaker. Fellow senators, friends all, I rise in support of both the amendment and the underlying bill. I really hadn't planned on speaking on this bill, but it's hard to sit and hear some of what we just heard in the last hour. And I want to unpack some of this, because I really find it hard to believe that everybody in this body wouldn't want to support this bill and this amendment. I do want to briefly touch down on the swatting on what Senator Friesen was just talking about. I want to make it really clear that the issue is that people are using technology to make these calls in a way that cannot be traced. Yes, it is against the law, should they be caught. But it's very, very hard to catch these people. And it is pretty much always in reference to first responders so ambulance, fire, police. So I don't understand how the two are even connected. One is for bored computer geeks or fan boys or fan girls that are-- are trying to bring attention to their favorite celebrity. What we're talking about is mental health. And two thirds of the people that we serve are going to tell you that mental health issues are a priority in Nebraska. It's a bipartisan issue. To approach this as being part of a nanny state, I think is actually insulting to the people that have come to us and asked us for help. That's what Senator Williams is doing, is providing help. You know, any time a bill is loved to death here in the Legislature, I notice that people come up with a lot of what ifs. What if this happened? What about this unintended consequence? You know, we could do that on any bill, no matter how good or how bad the bill actually is. This is a good bill. If indeed your child is in a school and somebody is threatening to be violent and hurting the other students, as a parent, would you be unhappy to know that you had senators in this body that were unable to pass a bill that could have protected your child? I would be a really angry parent if I found out that a bill like this was loved to death on the floor where supposedly people weren't filibustering it. But, boy, they sure were going to drag it out. What's the purpose? Either vote for it or don't vote for it. It's a good bill. Don't bring words which are very divisive, by the way, like nanny state into this conversation. Let's talk about what this bill is really about. It's about helping people. It's about bringing resources to somebody who may not know where to reach out

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for those resources by people who are trained professionals. Right? They're not recruiting people at minimum wage to do jobs like this. These are people with education. These are people that have been trained to facilitate a call and to find the resources to find the help for these individuals that might have a concern. So if my child hears in the locker room at school that somebody is angry and they're going to bring guns to school the next day and they're going to blow everybody away, why shouldn't they have a hotline that they can call? And why couldn't we have a response to that call? If we're worried about prank calls, I mean, with all due respect, that's been going on before there was probably even phones. I mean, we all know the old jokes, you know, hey, Joe Blow, is your refrigerator running? People are going to make prank phone calls, some funny, some dangerous, because that's just the nature of human beings, because they get bored and they get stupid. But that's not what this bill is about. This bill is about helping people. We're going off into the weeds again. It hurts my heart to hear some of the--

HILGERS: One minute.

BLOOD: --stupidity I've heard on the floor today. Can we please vote on this amendment and vote on this bill? If you don't like it, don't vote for it. But I'm guessing Senator Williams has the votes to move this forward so maybe we can do our job and move on to the next bill. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Blood. Senator Groene, you're recognized.

GROENE: Thank you, Mr. President. I wanted to bring up another point on that amendment. And actually, in defense of what Senator Williams did, the-- oh, I wish I can find it. Got to find the amendment. Anyway, at the end of the amendment that he brought, AM718, it says they must document, they must keep a record of-- of when they attempted to or when they finally contacted the parent. So as far as they can't claim they tried and nobody answered the phone, there will be a record. The parents can go back or their attorney if they want to sue the school or something, can go back and say, well, I want to know the record. I want to see when you tried to contact me and when I was, you claim I was finally contacted. But that record has to be-- Senator Williams did keep that in his bill, which I asked for. And so that is part of it. But listen, right now without this bill, I can pick up a phone and call the superintendent of school, the principal of the school and say, my child or somebody I seen being bullied. I seen a kid walk into school flashing a gun. I can do that right now. This bill doesn't fill any holes. I can call the police. I can go next door and talk to the kid's parents. That's how it used to work.

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That's how it should work. So, Senator Blood, there's a reason some of us think we don't want anonymity for people to just make accusations. This is a free country. You can talk to anybody you want to. You can go to the school principal and you can make a complaint about your child being bullied. A teacher can notice a-- a problem with a child. They've already taken suicide training. I was part of passing that. I believe Senator Davis back then brought it. We do these things. This is I mean, where's-- where's the American Civil Liberties Union on this thing? Are they for this? Are they for anonymous false accusations against people? Where are they? Senator Williams has a good heart and he's trying to help people, but how far do we go when we do these things? I don't-- I couldn't see ever picking up a phone and anonymously making an accusation against somebody or about somebody's child and then walking away thinking I did my public service. That isn't how it's supposed to work in this country because that stigma of an accusation is there. I don't care how long-- if the kid ever did anything wrong, in the back of the mind of those school employees, that kid is suicidal. That kid is dangerous. That kid was abused and maybe it wasn't. It's a false accusation or he got popped on the butt by his dad the day before. It used to be common in this society and it works. I was comparing those notes with a couple other senators. How'd your kids turn out? Well, they're fine; they're married; been married for a long time. They're raising their kids. They got a job. Did you pop them on the butt? Yeah, it works. It works. At least it has, but is that assault now? Is that physical abuse? I don't know. Where is that definition at and who's in the mind's eye? Whose mind's eye is it that they call and make an anonymous accusation against somebody?

HILGERS: One minute.

GROENE: That's what bothers me about this. It's good-hearted. It's well-meaning. How far do you want to go? Do we start prejudging and saying, I think that person thought that way, it's the look of him? I think he's guilty. I think he did something. His kid's behaving too well. Something's funny here; that kid's hiding something. Let's call. Let's make an anonymous call. Anyway, I can go here, but I do appreciate when it passes, which it will probably here, Senator Williams made it a lot better bill with AM718. Thank you.

HILGERS: Thank you, Senator Groene. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. Speaker. Let me continue with the example that I had started to read. So as I said, it was clearly a singular attack on the Coach Ferguson by a player or a parent that was unhappy with

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the season, how that was going or if the player wasn't getting enough time. Then what actually happened during this reporting incident was Coach Ferguson acting the way any coach would who desires their team to win and be competitive. The effort that was given by the players that week in practice could be considered lazy at best. In an attempt to motivate her players, Coach Ferguson had an intense moment, something you see in every gym across the state during any sports practice. During that season, Coach Ferguson's son, Michael Ferguson, had just graduated from college and would be helping out during practice. When the season began in August, Coach Ferguson pulled the team together and informed them that Michael would be helping out. And if any of the players had an issue that they should tell her and he would not be helping. She did not want to put any of the players in an uncomfortable situation-- situation. She also asked each player to discuss Michael helping with their parents and if any of the parents had an issue to let her know and Michael would not be helping. No student or parent contacted Coach Ferguson stating that they had an issue. At the end of September, there was a third anonymous complaint by phone call in the superintendent's office. This parent stated that he or she was uncomfortable with Michael being at the gym for practices and wanted to know if the superintendent was aware that Michael had been charged with sexual assault when he was in college. This was a 100 percent lie. No such charge or even accusations were ever made against Michael while he was in school. Again, this was a personal attack. And I have gotten to know Michael, and I would say confidentially that this action I know for sure was false. This anonymous reporting system can be used to get revenge or settle vendettas. Kimball is proof of that. A single person attempted to destroy the reputations of two people who were well-respected in the Kimball community. The anonymous person could have ruined the career of a well-respected teacher/coach and a young member of the society just starting his adult life. So don't tell me that these people are going to call up anonymous and it's not going to be any big deal. That's not the case. And so when you do anonymous, you say a lot of things that you wouldn't say if you have to put your name there. Just as it is today when people send things out on Facebook, they would never say those things to your face, but they do it on Facebook. And so Kimball had taken it upon themselves to have a-- a source for someone to complain to or-- or turn in people or-- or a-- a hotline, basically, and people used it. So what happens in those cases? The coach and Michael are both guilty until proven innocent. And so when it is anonymous, they can say whatever they want and ruin everybody's reputation. And Senator Groene said it correctly. Once that thought is in their mind, it's really difficult to get it out that they were actually-- to get it out of your mind

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that they were innocent. So Senator Lowe is on the same track. So I don't think that this is an opportunity for us to protect any of these young people, because currently the school may do their own website like Kimball did, or you can call 911. But you need to make sure that those people making accusations against somebody, somebody knows who they are because anonymous means exactly that. And that's not a good situation to be in. So I won't be supporting LB322 or AM718. Thank you.

HILGERS: Thank you, Senator Erdman. Senator Williams, you're recognized.

WILLIAMS: Thank you, Mr. President. I'd like to say that LB322 is designed to save lives. We get off in the weeds and talk about the what ifs an awful lot. If you had heard the testimony of Mark Adler, who happens to be the superintendent at the Ralston school, whose 16-year-old son committed suicide, you would understand the need for LB322. As part of the testimony, mental health issues have been on the rise across our country. Suicides among young students aged 10 to 24 has risen 57 percent in the past 10 years. And that doesn't include what's happening during the pandemic. Many of the people that are talk-- have talked about this are the ones that say, I want to see the statistics. Well, listen to these. In over 80 percent-- these are statistics provided through Boys Town and the Department of Education, by the way, in over 80 percent of the violent school incidents, someone leaked information prior to the actual incident. This means four out of five times someone knew what was about to happen. Those are the people that we are providing this for. Next statistic, nearly 99 percent of the 6,225 students surveyed in the Nebraska school security assessment indicated they would be more likely to report a gun brought to school if they could do it anonymously, if they could do it anonymously. Safe2Help will fill the gap, providing a safe way for someone to do that before something tragic happens. In the bill itself, if you would care to read the bill, on page 2, paragraph (3), beginning at line 21, "Except as otherwise required by law, the identity of any individual who contacts the Safe2HelpNE report line shall be confidential and shall not be revealed." It's right in the bill. Again, this was brought to me and is supported by all of the education associations in our state, the large schools, the small schools, the middle-size school. It's also supported by the police officers of Omaha and many others. It's supported because it's a proven fact that it works. It will save lives as we go forward. We can always find ways and reasons to poke holes at things. This isn't one of them. I would ask for your support of AM718 as we move forward and your support of saving lives with

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kids in Nebraska. And remember, this is entirely voluntary. If a school district doesn't want to participate, it's up to them whether they do that or not. Thank you, Mr. President.

HILGERS: Thank you, Senator Williams. Senator Erdman, you're recognized and this is your third opportunity.

ERDMAN: All right. Thank you, sir. I appreciate that. You know, I-- I find it kind of amusing that when we ask questions about a bill and we don't agree with the introducer, we're getting down in the weeds. I thought that's what we're supposed to do here is ask questions, figure out what the bill does, try to make a bill better. But if I was in support, they would thank me for my comments. But when you ask questions that are in opposition or you're trying to figure out what it means or to make it better, you're down in the weeds. Call it what you want, down in the weeds. I give you a true life example of how one's life can be ruined by an anonymous phone call, an anonymous website. Those are real things, I'm not making this up. The Fergusons didn't allow me to use their name lightly. They understand the ramifications of it. They wanted to point out to you that it can be abused and this is an example. And if someone calls in the hotline this week and calls in next week and the week after that, it's anonymous. So what are you going to do about it? So don't say to us when we're asking questions about your bill, we're getting down in the weeds because I won't stop asking questions. Thank you.

HILGERS: Thank you, Senator Erdman and that was your third opportunity. Senator Groene, you're recognized.

GROENE: As I said, I'm not filibustering this. It's going to pass. I understand that. I just have questions, as Senator Erdman does. Senator Williams, could-- would you answer a question?

HILGERS: Senator Williams, would you yield?

WILLIAMS: Certainly.

GROENE: You mentioned testimony. I would like to see it. I'm hoping you're correct and I'm wrong. But of the-- have they done a study of those youths who have committed suicide that they can trace that that youth attempted to call a suicide prevention line?

WILLIAMS: They had several suicide calls on the-- the pilot project. None of those ended up in suicides. But you-- you don't know for sure what you don't know about that.

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GROENE: Well, but you could. Is there a study out there, if somebody wanted to commit suicide, really wanted to commit suicide, that no matter how many hot numbers, numbers out there, they could call, did they call and then still commit suicide?

WILLIAMS: Well, it's not the question of the person that calls. It's the 80 percent of the times that someone else knew about it, that those calls can be made.

GROENE: Thank you. I just wanted some evidence that somebody who was really intent on committing suicide usually is despondent and doesn't get on a phone call and call somebody for help. But you're correct, there might be somebody out there who's a best friend of somebody and they think they're suicidal, think they're suicidal and call it in. And maybe one out of five or one out of ten of those was somebody actually suicidal and the other nine had a bad day. But you can't protect us from life and the decisions we make. Where does government stop? That's my concern. But nobody's trying to be mean or anything here. It's about protecting individuals. Most of you haven't lived in a small town. Those teachers out there are part of the community. They talk to their neighbors, they talk to their friends. They get a call. Johnny's suicidal. Johnny got beat by his parents. Johnny, we heard him call today and they're having-- sitting in the backyard with some friends and a rumor starts. Johnny's being abused, Johnny's suicidal. I don't care who you are. In a small town, there's nobody but maybe the priest who keeps a secret. And then that haunts that kid for the rest of his school career, and he never was suicidal, never planned on bringing a gun to school. That's what I don't like about anonymous. What happens in small towns now is Mrs. Dole said somebody was being mean to her son or somebody reported that they thought somebody was suicidal. And then we measure it and we say, yeah, that person accuses everybody of everything. Oh, that person, if they made an accusation, it's probably true and it better be and we better look into it. That's how small towns work. We don't do it anonymously. So if you want to start down this road, that we're reporting each other, fine. Let's do it. And it's already done. You can call the police officer now and talk about what you've seen or heard. This institutionalizes it. This makes it OK to do stuff. This makes it OK to make accusations. Save a life or two, I'm sure it will. Will it destroy a life or two? I'm sure it will. But anyway, you do what you want to do and you pass it. But I have some serious questions--

HILGERS: One minute.

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GROENE: --about freedoms that we have, accountabilities that we have in a free society, personal responsibilities that we have. When we make an accusation, we-- we stand up and own it. That's what a free society does. There are some boundaries that we have to follow to protect all our freedoms. We don't start making accusations anonymously. It's basic-- basic truths to me. So, no, as I said, Senator Williams worked with us, with me at least, and I'm not filibustering it because of it. And when it passes, it passes. But don't accuse anybody of not liking kids or not wanting to save somebody's life. Oh, gosh, let's just stay up 24 hours a day, all of us, and worry about each other and empathy for everything. Let's not live life anymore. You want to go there? That's where we're headed.

HILGERS: Thank you, Senator Groene, and that was your third opportunity. Seeing no one in the queue, Senator Williams, you're recognized to close.

WILLIAMS: Thank you, Mr. President. And I certainly appreciate the discussion that we've had on this amendment that is an attempt to improve, which I think it does significantly, LB322. There's been a lot of talk about the concern about what happens to a child after some kind of anonymous call and all of that. Again, I would draw your attention to a reading of the bill, page 3, Section 7, beginning on-- on line 24, "Any information or material in the possession of the threat assessment team shall remain separate from educational records and shall be considered security records." Again, LB322, the underlying bill was brought by the education associations and is fully supported by the Department of Education. In fact, they worked extremely closely with-- with me and others to get the language right. We do have situations that are mounting where our school is faced with situations, be-- be it the concerning behaviors that are talked about in the bill. Those concerning behaviors could be suicide, bullying, stalking, cyber electronic harassment, bomb threats, family violence, physical or sexual abuse, threat to property, all of the kind of things that-- that we should be concerned about as policymakers. Again, we have this demonstrated need. LB322 is a product of the pilot program which proved very successful with the Douglas County schools and is now the national model that other states are adopting. With AM718, we have no cost to our General Fund and it is limited to three-year period of time. Again, this is available on a voluntary and free basis to any public or private school in our state at no cost to them. And the training is also free through the Department of Education. I would urge your support to save lives, AM718. Thank you, Mr. President.

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HILGERS: Thank you, Senator Williams. Question before the body is the adoption of AM718. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 41 ayes, 0 nays on adoption of the amendment.

HILGERS: AM718 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB322 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB322 is advanced. Next bill.

CLERK: 3-- oh, excuse me, LB487. Senator, I have no amendments to the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB487 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say. Opposed say nay. LB487 advances. Next bill.

CLERK: LB83. There are Enrollment and Review amendments, first of all, Senator.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB83 be adopted.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

CLERK: Senator Flood would move to amend with AM750.

HILGERS: Senator Flood, you're recognized to open on AM750.

FLOOD: Thank you, Mr. President. Good afternoon, members. Following our discussion about SIDs earlier in the day, this is along the same lines. This amendment is drafted to the E&R amendments to provide technical and clarifying amendments as well as address the issue

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Senator Clements raised on General File relating to sanitary and improvement districts. Reminder, this is the bill that deals with the Open Meetings Act, the Open Meetings laws. AM750 amends Section 31-727.02, which requires SIDs to provide notice seven days in advance of all meetings to the clerk of either the city or the county, whichever zoning jurisdiction the SID is located. Due to this notification requirement, which has been in statute for years, some attorneys have questioned the authority of SIDs to hold a, quote, unquote, emergency meeting as authorized by current law in Section 84-1411(5) of the Open Meetings Act. That same statute, number (5) authorizes emergency meetings without reasonable, advanced, publicized notice to deal with issues that only pertain to the emergency. This amendment would amend Section 31-727.02 by providing an exception to the notice requirement for these emergency meetings authorized in current law under Section 84-1411(5) of the Open Meetings Act. I encourage you to adopt AM750 to the E&R amendments and advance the bill as amended to Final Reading. Thank you, Mr. President.

HILGERS: Thank you, Senator Flood. Debate is now open on AM750. Senator Clements, you're recognized.

CLEMENTS: Thank you, Mr. President. I want to thank Senator Flood for working with me. This amendment came about because I have an attorney for an SID who said their reporting requirements were slightly different than other entities and that they would like to be included in being able to have an emergency meeting without prior notice there. Otherwise, they have to give a seven-day notice upfront. This will help them out. So the SID could have an emergency meeting like they needed to do in 2019 when they had flooding. This SID is right on the Platte River and they needed emergency meeting. This will, in the future, help them out to be able to meet in an emergency if they need to. And I thank Senator Flood for working with me and this will help people out in my district. Thank you, Mr. President.

HILGERS: Thank you, Senator Clements. Seeing no one else in the queue, Senator Flood, you're recognized to close. Senator Flood waives closing. The question before the body is the adoption of AM750. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 41 ayes, 0 nays on the adoption of the amendment, Mr. President.

HILGERS: AM750 is adopted.

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CLERK: I have nothing further on the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB83 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB83 is advanced. Next bill, Mr. Clerk.

CLERK: Mr. President, Senator McKinney, LB371. I have no amendments to the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB371 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say. Opposed say nay. LB371 advances. Next bill, Mr. Clerk.

CLERK: LB324. Senator, I have E&R amendments pending.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB324 be adopted.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

CLERK: I have nothing further on that bill, Senator.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB324 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB324 advances. Next bill.

CLERK: LB324A. Senator, I have no amendments to the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB324A be advanced to E&R for engrossing.

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HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB324A advances. Next bill, Mr. Clerk.

CLERK: LB40. Senator, I have no amendments to the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB40 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB40 is advanced. Next bill, Mr. Clerk.

CLERK: LB40A. Senator, I have no amendments to the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB40A be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB40A advances. Next bill, Mr. Clerk.

CLERK: LB544, I have Enrollment and Review amendments, first of all, Senator.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB544 be adopted.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

CLERK: Senator Wayne would move to amend with AM747.

HILGERS: Senator Wayne, you're recognized to open on AM747.

WAYNE: Thank you. Thank you, Mr. President. This was just a correction in the definition of taxpayer that cleans up what Senator Erdman had caught on General File. So that's all it does, is matches the definition of taxpayer to what's currently in the Imagine Act. There was just a small typo in the General File, so that corrects it. So I'd ask you to vote green. Thank you.

HILGERS: Thank you for your opening, Senator Wayne. Debate is now open on AM747. Seeing no one in the queue, Senator Wayne, you're

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recognized to close. Senator Wayne waives closing. Question before the body is the adoption of AM747. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 39 ayes, 0 nays, Mr. President, on the adoption of the amendment.

HILGERS: AM747 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB544 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB544 advances. Next bill, Mr. Clerk.

CLERK: LB544A. Senator, I have no amendments to the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB544A be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB544A advances. Next bill, Mr. Clerk.

CLERK: LB92, no E&Rs. Senator Clements would move to amend with AM835.

HILGERS: Senator Clements, you're recognized to open on AM835.

CLEMENTS: Thank you, Mr. President. LB92 is the bill that I brought to help home stu-- home school students get residency tuition, in-state tuition at the university, public universities. And there was a question about Section 2. It was fairly broad and we've narrowed the language so that it still protects these students for their residency status and scholarship status for the home school students. I worked with the senators who had questions about that section, shared this amendment with them. I sent it to Heath Mello with the university. I did not receive a ply-- a reply. I have had no objections, opposition shared with me. So I think this does what still the home schoolers were interested in and does calm the

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objections that were thinking that the language is fairly broad originally. Just in Section 2 regards to residency and scholarship eligibility, it retains that and narrows the language. So I'd ask for your green vote on AM835. Thank you, Mr. President.

HILGERS: Thank you, Senator Clements. Debate is now open on AM835. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President, and good afternoon, colleagues. I'll be real brief, but I was one of the senators, Senator Clements was courteous enough to work with. I rise in support of the amendment and thank Senator Clements and his staff for his willingness to work on these concerns. I think this tightens up and clarifies the language to the point where it's what Senator Clements intended and the language is written in a way that makes sense and is clear and concise. So with that, I'll be supporting the amendment and the bill. Thank you, Mr. President.

HILGERS: Thank you, Senator Hansen. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. President. I also rise in support of AM835 and I thank Senator Clements and Senator Matt Hansen and Heath Mello at the university and others who weighed in to make sure that this bill is doing what it is intended to do, to make sure that students who are home schooled in Nebraska have the opportunity to attend our state universities and our state colleges as in-state students and get those in-state tuition rates. I appreciate my colleagues for being willing to work on the language on that and for being open-minded to improving the bill. Thank you, Mr. President.

HILGERS: Thank you, Senator Hunt. Seeing no one else in the queue, Senator Clements, you're recognized to close. Senator Clements waives closing. Question before the body is the adoption of AM835. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 34 ayes, 0 nays, Mr. President, on the adoption of Senator Clements' amendment.

HILGERS: AM835 is adopted.

CLERK: I have nothing further on the bill.

HILGERS: Senator McKinney for a motion.

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McKINNEY: Mr. President, I move that LB92 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB92 is advanced. Next bill, Mr. Clerk.

CLERK: LB390. Senator, I have E&R amendments first of all.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB390 be adopted.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

CLERK: Senator Hilkemann would move to amend with AM753.

HILGERS: Senator Hilkemann, you are recognized to open on AM753.

HILKEMANN: Thank you, Mr. Speaker. I, too-- the amendment is that we would pull the podiatry profession from this bill. We are limited licensed physicians of the foot and ankle. If you remember when this bill was first addressed, I raised the question of why did the physicians oppose this bill? And I learned that their concerns were very much the same that I had as a practicing podiatrist. And so I went to Senator Murman and asked if-- if we were to have our profession pulled from this, if he would agree to that and that has been done. And therefore, I ask that you support this amendment. Only thing it does is it, the podiatrist would be eliminated from this bill. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Hilkemann. Debate is now open on AM753. Senator Murman, you're recognized.

MURMAN: Thank you, Mr. Speaker. Yes, I did have consultation with Senator Hilkemann on this bill and the doctors have been-- not included in the reciprocity process. So I agree with Senator Hilkemann that podiatrist, of-- I'm OK with them not being included also. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Murman. Seeing no one in the queue, Senator Hilkemann, you are recognized to close. Senator Hilkemann waives closing. Question before the body is the adoption of AM753. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

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CLERK: 31 ayes, 0 nays on adoption of the amendment.

HILGERS: AM753 is adopted.

CLERK: I have nothing further on the bill.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB390 be advanced to E&R for engrossing.

HILGERS: Colleagues, you heard the motion. All those in favor say aye. Opposed say nay. LB390 advances. Next bill.

CLERK: LB197. I have Enrollment and Review amendments, Senator.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB197 be adopted.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

CLERK: I have nothing further on that bill, Senator.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB197 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB197 advances. Turning to General File 2021, senator priority bills. First bill, Mr. Clerk.

CLERK: Mr. President, LB260 was a bill introduced by Senator Hunt. It's a bill for an act relating to the Employment Security Law; it changes provisions relating to good cause for voluntary-- voluntarily leaving employment and employers' experience accounts. Introduced on January 11, referred to the Business and Labor Committee. The bill was advanced to General File. At this time, I have no amendments to the bill.

HILGERS: Senator Hunt, you're recognized to open on LB260.

HUNT: Thank you, Mr. President. Good afternoon, colleagues. Good afternoon, Nebraskans. Today I am presenting LB260, a bill to allow

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family caregivers to be eligible for unemployment. I'm proud to have 25 cosponsors on this and a broad base of bipartisan support and I'm really hoping that this is the year we can get this done. I selected LB260 as my personal priority bill this year because after everything we have been through in the past year, I wanted to do something that would have a tangible impact for Nebraskans who have experienced financial hardship because of the COVID-19 pandemic. Of course, the ways in which the coronavirus have impacted us all are much more far-reaching than just financial. And I'd like to take the moment to acknowledge that we have all been through an incredibly traumatic time in the past year. I don't think we will know for some time just how deep and long lasting this trauma will be for people in Nebraska. The loss of life, hundreds of thousands of grandmothers, grandfathers, parents, aunts and uncles and even children gone too soon is the greatest tragedy of all. At this point in the United States, we've had 555,000 deaths, 2.79 million worldwide, and 2,289 just here in Nebraska. So these are lives lost and that's a very tragic thing. And to everyone who has lost someone to this virus, I'm holding you in my heart and I'm sorry. I can only imagine your pain. And I'm sorry that the government wasn't able to do more to help you. It's important to acknowledge that all of these deaths did not need to happen. Apart from the great loss of life however, all of us are experiencing and will continue to experience for some time other effects that are very, very real and impactful on the trajectory of our lives. The mental and emotional toll this virus has taken on us as a society, even if we didn't lose somebody, even if we had our health throughout the past year, I think these effects will ripple for years to come. The loss of our cherished rites of passage, graduations, weddings, proms, babies born and grandparents passing in the hospital without the comfort of visitors, these things are all tragic. For those of us who have been lucky enough to avoid major tragedy coming out of this pandemic, the loss of other things, things that seemed insignificant before, like hugging a grandparent, time with friends at school, seeing friends and family over the holidays, canceled vacations, all of these things take a toll, too, because we're collectively experiencing a grief over the loss of normalcy that we've had over the past year. As we begin to see the light at the end of the tunnel and vaccines are getting into arms-- I'm very excited, I got vaccinated yesterday and I'm not feeling very well today, but I know that I'm going to feel better going forward because I'm going to be protected from the virus and I encourage everybody else to get vaccinated, too, of course. It's my sincere hope that we don't forget the most important lesson that this tragedy has taught us, which is our human connections with each other. Our relationships are the most important thing, not our job or our achievements or

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belongings or our wealth, it's really about quality time with our loved ones. And after this year, I would never trade that for anything in the world. To that end, after that long preamble, I selected LB260 as my priority bill this year, because while we will never be able to make up for the terrible loss suffered in the past year, we have to do whatever we can to put in place policies that will provide real, tangible relief to our constituents who are suffering from this past year. Many of our constituents lost loved ones, lost livelihood, or have had to take care of a sick, loved one in a time when our healthcare system is stretched so thin and the availability of skilled care is so sparse. With LB260, we're allowing workers who have earned unemployment benefits throughout their years in the workforce a temporary safety net of unemployment eligibility while they care for a seriously ill family member and seek to get back to work. Some of you will recognize this bill as the former LB306 from the 2019 legislative session, which was introduced by Senator Sue Crawford. That bill passed unanimously out of committee and made it to Final Reading on the floor, where it ultimately failed because of a disagreement about the definition of domestic partner, which was in the bill. Colleagues, LB260, my bill this year, that totally removes that piece. So that controversial part that was in the bill last year, it's not included in this bill at all. The bill also incorporates language from the committee amendment, which was a compromise to neutralize opposition from business groups by adding language to specify that the employee who's seeking unemployment must have made all reasonable efforts to preserve their employment. So that means they will have had to talk to their boss, ask for different hours, do everything in their power to try to keep that job before they file for unemployment. And LB260 had no opposition in committee. To explain what this bill does, the bill simply adds, caring for a family member with a serious health condition to the list of existing reasons that constitute good cause for voluntarily leaving employment under our Employment Security Law. Under current Nebraska statute, employees who leave work due to family caregiving demands are not able to collect unemployment benefits that they have earned through their years in the workforce. Caregiving usually involves taking time off work to provide hands-on care for an elderly, ailing or disabled family member, such as help with bathing, eating or giving medications. To be clear, in order to collect unemployment in Nebraska, no matter what reason you're filing for unemployment for, you have to be ready, willing, and able to work. The provisions in this bill require that the person has made all reasonable efforts to preserve their employment, but has had to leave employment to care for a family member with a serious condition. You're only eligible for unemployment under this bill if you're

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seeking a new job, and these individuals would be subject to the same job search requirements as any other claimant. So really what we're covering with this bill are situations where someone has had to leave one job, but they're looking for another job. That's when you would qualify for unemployment under this bill. Our Employment Security Law is an insurance program designed to serve those with a strong work history who become unemployed through no fault of their own. This bill supports people who have likely worked the majority of their lives, but who were forced to have a temporary lapse in employment while caring for a seriously ill family member. For example, an employee may have a parent that suddenly and seriously becomes ill. It may take weeks for the employee to make suitable arrangements for the patient's long-term care or until their parent might be admitted into a care facility. So this bill is just providing a safety net for workers who cannot leave their current job otherwise because their current job is not compatible with the caregiving needs of their family. Under this bill, it works just like every other type of unemployment. Benefits are paid from the unemployment compensation fund, which each employer already pays into now. This bill would not affect any individual employer or charge them for benefits paid out. Applicants would draw unemployment compensation from the fund like every other unemployed worker today, which is a pool of money funded by employers across the state as well as the federal government. This bill would not cause benefits to be counted against any individual employers' experience or reserve account and the Department of Labor has previously stated in discussions around this bill that the changes anticipated under this bill would not be substantial enough to require an impact on any individual employers' experience account. It won't cost anything to businesses, small or large or whatever. A worker may have to quit their job to care for a patient or a spouse with a terminal illness, Alzheimer's, dementia, and they may not have enough funds to fall back on until they find another job. This can be particularly devastating for low-wage workers who are less likely to have savings enough to withstand periods away from work or to be able to afford professional care for a family member. Additionally, the sacrifices associated with caring for a family member disproportionately fall upon women who tend to live longer and provide informal care in multiple roles, sister, daughter, mother, grandmother. We women know that-- that we are often the caregivers, and it's us who fall to fill that role. For low-wage workers, particularly women who can't afford to pay for care for a loved one with substantial caregiving needs, this may require the difficult choice of having to leave a job--

HILGERS: One minute.

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HUNT: --to take care for a sick family member. Providing this temporary safety net will allow these caregivers some security while they seek to return to the workforce and find a job that's compatible with their caregiving responsibilities. Another thing to think about with this bill is, many jobs don't grant workers the flexibility to take off the time they need. And when we talk about long-term care facilities, closures, capacity restrictions, and fear of infection has caused a huge strain on the availability of skilled care. And so this is a bill that will also save money to the state because people who would sometimes be putting their relatives in a skilled care facility will be able to keep those relatives at home. This is a bill that had no opposition at the hearing. It has 25 cosponsors of all political stripes. It's not a free handout. It is a bill in the spirit of encouraging continued workforce participation while demonstrating understanding about temporary gaps in employment. I would encourage your green vote on the bill. And thank you, Mr. President.

HILGERS: Thank you, Senator Hunt. Debate is now open on LB260. Senator Moser, you're recognized.

MOSER: Thank you, Mr. Speaker. I rise with the same concerns with this bill as we talked about the last time it was brought. How unemployment insurance works is that the employer pays a tax on the wages he pays into the unemployment fund, and then if he has a layoff, his employees can collect unemployment insurance and those benefits are charged against that balance that the employer has paid into the fund. And under normal situations, if the employer has seasonal workers that get laid off a lot, they're going to have to pay a higher rate into that fund, a higher percentage to cover those frequent lapses where they have to lay off their workers. So it's not something that the workers-- they're not benefits that they have earned, they're taxes that their employer has paid into the unemployment fund. And if you allow people to quit and take care of, which is a worthwhile cause, don't don't get me wrong, to help family members, it's going to increase the amount of losses or benefits paid out in the unemployment fund. And if you don't charge the individual employers for those funds, then the whole fund balance is going to go down, and either the state has to pay into that to keep it solvent or they have to raise rates on everyone, every employer to get that balance up so that it's-- it's solvent. So this is something that should be negotiated between the employee and the employer. Many employers do allow family leave. And if it was important where you could see yourself possibly needing time off to take care of a family member, I would especially look for a job that has family leave so

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that it's-- it's available. But here, you're going to take it out of the unemployment fund, the unemployment fund balance is going to go down, the state is going to have to put money in it, or you're going to have to raise taxes on everybody, all the employers to make that fund solvent. So I think it should be negotiated between the employer and the employee and it shouldn't be forced upon the employers that don't want to offer that benefit. Unemployment insurance is to help people who get laid off seasonally or through no fault of their own. And I think trying to provide a social purpose for that is the wrong place to-- to look to fund that. I think it should be funded some other way through grants or-- or negotiated between the employee and the employer. Thank you.

HILGERS: Thank you, Senator Moser. Senator Arch, you're recognized.

ARCH: Thank you. Thank you, Mr. Speaker. I have a question for Senator Hunt if she's willing to yield.

HILGERS: Senator Hunt, would you yield?

HUNT: Yes.

ARCH: You-- you referenced on-- on page 3, line 17, you referenced this phrase, reasonable efforts. "An individual has made all reasonable efforts to preserve employment." Could you-- could you go back and-- and make your comments again on that in-- in specifically. I'm assuming there is no place in statute that defines what that reasonable efforts is, but how would-- how would-- how would an employer determine whether reasonable efforts have been used?

HUNT: Certainly, Senator Arch. The determination about reasonable effort would be made by the Department of Labor and they set all of the rules and regulations around that currently. The Legislature has historically decided to give the department the latitude to determine how best to decide this, if reasonable efforts have been made without being super prescriptive so that we can allow for case by case determinations. There are already other 11 good cause reasons for leaving employment, which are included in the white copy of the bill and the same findings for good cause and all reasonable efforts applies to those 11 reasons for leaving as well.

ARCH: OK.

HUNT: So for the department would not be a change.

ARCH: They de-- they determine.

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HUNT: Yeah.

ARCH: OK, thank you. The second question, and that is the interface of this with Family Medical Leave Act, FMLA now. I understand with FMLA that-- that that is not paid. The employee-- the employee does not have to quit their job, but that there is-- do I understand that correctly? Perhaps you have some knowledge of it that-- that there is provision in there for-- for taking time away from work, unpaid, to care for sick relatives?

HUNT: I will have to get back to you on that. And I know that that provision does not apply to all employees.

ARCH: OK, thank you. Thank you. Yeah, I-- I-- I-- I have questions. Obviously I-- I'm-- I'm also concerned, as-- as Senator Moser has expressed, how this-- how this impacts. I-- I think I would be with Senator Moser in-- in indicating that-- that these discussions between an employer and employee are-- are best solved on that basis, but I'll continue to listen to the debate. Thank you.

HILGERS: Thank you, Senator Hunt and Senator Arch. Senator Halloran, you're recognized.

HALLORAN: Thank you, Mr. Speaker. Good afternoon, colleagues. I certainly understand the intent and the intent is-- is obviously well-grounded, well-founded, good intent. Just a little bit of background, a little history. I fully understand the hardship of taking care of a loved one and-- and how it might impact your-- your relationship with your job. My mother had a stroke a number of years ago. She's deceased now. She had a stroke a number of years ago and my wife and I decided to sell our home in Billings, Montana, and move back to our hometown of Hastings, Nebraska, and take care of my mother in her home. And that was both a hardship and a privilege. It was a hardship more on my wife than it was on me because she was moving into another woman's home to take care of her mother-in-law, along with my-- my help. Good fortune was that I had an employer that was very flexible in that regard. And it's to Senator Moser's point, that relationship or that negotiation with an employer should be something that the state should not interfere with or at very least interfere with very little. And so part of my concern here, too, is that businesses aren't cookie cutter businesses. Some businesses are large enough and they have a large employee force and so they have the capability of shifting some of their employees around who are cross-trained to do multiple jobs and they-- they can fill those positions in the absence of someone that takes off for this purpose. But not all businesses are that fortunate. A lot of businesses are

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very small, very few employees, and obviously don't have the luxury of cross-training employees to-- to offset someone that has to leave for this purpose. So this covers a broad brush and I think it covers too broad a brush, including businesses that are too small to be able to accommodate this kind of circumstance. And so with that, I'm not sure how to improve the bill to make it acceptable to me, but to me, it's too broad a brush for this purpose and I would stand opposed to LB260 as it is. Thank you.

HILGERS: Thank you, Senator Halloran. Senator Brandt, you're recognized.

BRANDT: Thank you, Mr. Speaker. Thank you, Senator Hunt, for bringing this bill. Would Senator Hunt be open for a question?

HILGERS: Senator Hunt, would you yield?

HUNT: Yes.

BRANDT: Senator Hunt, I guess I always sort of look for what the cost is to the state of Nebraska. Do you have an idea of what scope or how many individuals would this effect on an annual basis?

HUNT: Well, it makes sense that the department based their estimate on claims for last year, which we know in 2020 the claims were sky high beyond what's typical. Typically, in what we can predict to happen in future years is about 100 claimants per year under this law and under this bill and we know that not all of them will be approved. So we're not talking like 5,000, we're talking 100.

BRANDT: And do you know how many claimants the agency has on an annual basis total?

HUNT: Oh, that's not in the front of my mind. But working on so many unemployment claims over the summer, I know it was-- it was just very high last year, but I can get that number for you.

BRANDT: OK.

HUNT: The average.

BRANDT: With that, I would yield the rest of my time to Senator Hunt.

HILGERS: Senator Hunt, 3:50.

HUNT: Thanks, Senator Brandt. To be clear about the impact of this bill, you know, I think that some people are sort of conflating this

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idea with the idea of paid family leave, which this bill is not. And so, like erase that from your memory, because that's not what we're talking about at all here. This bill would not make employers have to do anything new. It wouldn't make them have to give anything extra to employees. It wouldn't make them have to make special accommodations that would be onerous for small businesses. It-- it just allows people who have made all reasonable efforts to preserve their employment and who have to leave their job to care for a sick family member to claim unemployment benefits if they are eligible and if they are meeting all of the other requirements that the state of Nebraska requires of them. That includes being ready and willing to work. That includes searching for work. And you have to have a certain number of job applications done every single week. It's really not easy to claim unemployment in Nebraska, and it's not easy to draw down a lot of employment funds because we put a lot of checks on-- on that process. To Senator Moser's point, nothing in this bill will draw down out of employers' experience accounts and so-- or reserve accounts. All contributions paid to an employer are credited to their experience account, and so the unemployment trust fund is a reserve of funds that are both federally and state funded and so it's not reasonable to assume that this is going to cost more to employers. Thank you, Mr. President.

HILGERS: Thank you, Senator Hunt and Senator Brandt. Senator Hunt, you're next in the queue.

HUNT: I would just say I understand philosophically that many people are against unemployment in general, that they want people to get jobs in the first place that provide benefits. I mean, that sounds amazing. I've never had a job like that. And it's not because I'm uneducated or because I don't try. And I think that experience is very common across Nebraska, especially when we talk about, you know, people who are working class and middle class. And, you know, folks do get their college degrees and they do everything right, but they still aren't able to find jobs with benefits. In Nebraska, we already allow the provisions of this bill if an individual has accepted a voluntary layoff to avoid bumping another worker. And I'm reading from the bill, this is page 3, line 8. If they've left their employment as a result of being directed to perform an illegal act. That sounds good, that sounds like a good reason to be able to leave your job. Because of unlawful discrimination. Sounds good. I think we'd all agree with that. Because of unsafe working conditions. If they've left to attend school and if they've left because their employer required the employee to relocate, da da da. There's 11 different reasons in Nebraska that you can voluntarily leave

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employment and it's considered good cause and you can then file for unemployment benefits and maybe you get them, maybe you don't. That's for the department to determine. And this bill gives the authority to the Department of Labor to determine that. This bill just adds caring for a sick family member to that list of reasons and it's very narrowly tailored. A lot of bipartisan and multipartisan cooperation and compromise went into this bill and I want to thank everybody who's worked with me on the bill and I encourage you to vote green. Thank you, Mr. President.

HILGERS: Thank you, Senator Hunt. Senator Moser, you're recognized.

MOSER: Thank you, Mr. Speaker. The question about what this will cost. If you look at the fiscal note, the explanation there said that 180 claimants stated on their unemployment that they quit their job to take care of a family member. So they took that time to the average claim amount and the number of weeks, and they came up with 750-- \$749,927. And that's based on 180 people who quit their job knowing they weren't going to get unemployment. Now if I was working and I had a family member that needed help and I knew I was going to get unemployment, that number of 180, I think would be much larger. If you look at the handout that Senator Hunt passed out, it said that nearly one in five noncaregivers expect to become caregivers within two years. I would say it's likely that that is going to be pressure on there and it's going to cost a lot more than what the fiscal note says. But nonetheless, the general unemployment fund will take a \$749,927 hit from-- that's their estimate, from this bill. So either you have to raise rates on all employers to shore up that fund or you have to put an appropriation into that fund from the General Fund and it's going to cost the state. So, again, I think this is something that should be negotiated between the employer and the employees and not forced upon the employers who in this state are trying to make a profit and be successful in Nebraska. And we don't want to put an extra burden on them. Every good-intended thing we do that costs extra money adds up, and we don't want it to be a case of death by a thousand cuts. Thank you.

HILGERS: Thank you, Senator Moser. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. Speaker. I appreciate it. Listening to the comments that Senator Moser made, I-- I would agree with that. Senator Hunt, I wonder if you'd yield to a question.

HILGERS: Senator Hunt, would you yield?

HUNT: Yes.

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ERDMAN: OK, Senator Hunt, following up on Senator Moser, I was just reading that same part of the committee statement and it said 180 employees for 14 weeks at 297 equals \$749,000. But the end of that paragraph it says "The additional benefits paid out are not chargeable to the employer"--

HUNT: Sorry, I can't hear you. Can you guys pipe down? What is it?

ERDMAN: OK, let me try it again. So Senator Moser said that they estimated 180 people would file for this, 14 weeks of unemployment at 27-- \$297 is \$750,000, basically. So at the very last sentence says: additional benefits paid out are not chargeable to the employer, but to be paid out of a pool account. Now is that what Senator Moser was alluding to, that everybody is going to have to pay a little more to keep the pool funded?

HUNT: The estimation from the Department of Labor is that people will not have to pay more to keep that funded. In 2020, 180 claimants quit their job to care for a family member. But in 2020, we had a global pandemic. And so if you look at the fiscal note from LB306, which was Senator Crawford's bill, that might be a more accurate representation of what kind of cost we can see going forward.

ERDMAN: How many was that? Do you know?

HUNT: A hundred.

ERDMAN: A hundred? OK. But anyway, so irregardless of that, whether there's 100, 180, the trust account has to be replenished by somebody who, who, who fills that out? Who finishes paying the trust account so each employer doesn't have to pay individually?

HUNT: Trust account-- the unemployment trust account is filled by contributions from employees that usually gets taken out of their paycheck, which is a great reason to expand jobs in Nebraska. And we also get funds from the federal government for that account.

ERDMAN: OK. So one last question for you, then if I'm a-- an employee that quits to take care of a sick relative, do, do the-- does the employer have to hold that job for me that I can come back to?

HUNT: No, they do not have to hold it open.

ERDMAN: So they're not liable at all for the job. Their, their job is basically given to someone else. They don't have to hold it.

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HUNT: That's right. And of course people can negotiate one on one with their employer. Maybe they can come to an agreement on an individual basis. But this bill does not require that the employer keep that job open.

ERDMAN: OK, thank you.

HUNT: Um-hum.

HILGERS: Thank you, Senator Hunt and Senator Erdman. Senator Dorn, you're recognized.

DORN: Thank you, Mr. Speaker. Senator Erdman asked some questions that got me to thinking a little bit, too. I, I don't, I don't see Senator Moser. Oh, yeah, there's Senator Moser. Would Senator Moser yield to some questions?

HILGERS: Senator Moser, would you yield?

MOSER: Yes, I would.

DORN: You, you have a business that you, I assume, pay some unemployment tax into-- I call it the trust account.

MOSER: Yes.

DORN: Yes, OK. Help me understand a little bit, because as a-- I know Senator Brandt and I are both farmers. We've never paid unemployment insurance into anything like that. When we don't work, we don't get paid. But this when you pay in there and as long-- the state sets a rate for you and I'm going to use a dollar for an example, as long as you don't pay any claims that rate over time or there aren't any claims requested of the unemployment, that rate will slowly go down. If you have to or you have an employee that pays claims out of your account at the end of the year or every so often they send you out a new rate what you pay in for the next year or whatever, don't they?

MOSER: Yes.

DORN: So if, if, if somebody, for example here in this equation, if somebody took off for the family leave and that was now a draw on your account, your rate maybe was at a dollar, but now to slowly refill that account, you might be at a dollar one or a dollar two the next year.

MOSER: I think that that was removed from the bill so that the individual employer's experience wouldn't be charged for that

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unemployment. I believe it was just charged to the, the general balance, the unemployment--

DORN: OK.

MOSER: --trust account, so. And that trust account in this estimate would cost about \$750,000.

DORN: Thank you very much for that clarification. Would Senator Hunt yield to a question?

HILGERS: Senator Hunt, would you yield?

HUNT: Yes, certainly.

DORN: Well, thank you. I see you're shaking your head or looking up stuff. And maybe I didn't ask the question right, but I was trying to-- the little bit I know about unemployment. Explain that correlation or what happens.

HUNT: The corr-- which correlation? Sorry.

DORN: Well, Senator Moser just said in this bill it was taken out that now your rate wouldn't be adjusted up or down yearly based on someone taking this family leave. This would come out of the general trust fund itself and not be a-- I call it a mark on your--

HUNT: That's right.

DORN: OK.

HUNT: That's right. Yeah, it doesn't come out of your experience account and it wouldn't be a mark against you. It comes out of the unemployment fund. And of course, not all employees who pay into the unemployment fund ever end up drawing unemployment. So the fund is there that everybody pays into. It works just like insurance to support people who end up needing it. And I'll also add that our fund right now is over \$500 million. And also, let's use common sense, we cannot base the unemployment claims of 2020 and say that that's what it's going to be going forward. So when we talk about the cost of this bill, consider that all, all employees are paying into this fund already. All employers are paying into this fund. It's solvent. We have plenty of money. And there's no concern from the department about being able to fund this.

DORN: Well, thank you. Between you and Senator Moser, thank you for that clarification. And yeah, in-- when we were talking, I believe in

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one of the first years I was here, the amount we had \$430 million or something in there. Now with COVID, that fund has changed. And then we've been able to use some CARES funding and also support that back or whatever, so. But thank you very much, both of you, for the clarification there. Yield my time.

HILGERS: Thank you, Senator Hunt and Senator Moser and Senator Dorn. Seeing no one else in the queue, Senator Hunt, you're recognized to close on LB260.

HUNT: Thank you, Mr. President. Again, in light of the COVID pandemic that impacted so many Nebraskans over the past year, this bill is even more important. I'd guess that almost all of us now know someone who has either become seriously ill from COVID or were close to somebody who knows someone who has lost someone. And we know that most jobs, many jobs don't grant workers the flexibility they need to take the time off to provide for a sick loved one. Senator Arch talked about FMLA and asked if that provides possible unpaid time for caregiving. Federal unpaid FMLA does not apply to all employees. It only applies to companies with 50 or more employees. And so all of those companies that-- all of those workers who work for a company with 50 or less employees are left out of that, of that benefit. So this is a safety net for those employees who may fall through the cracks. Closures, capacity restrictions, and fear of infection has caused a strain on the availability of skilled care. With high infection rates at long-term care facilities, it's understandable if some people may choose to keep a sick loved one at home. Further, vulnerable individuals may have lingering health impacts that require increased care at home long after the need for hospitalization due to COVID has passed. At the hearing for the bill, we had no opposition and we heard from the AARP many facts and figures about the prevalence of caregiving in Nebraska and the value that they provide to our society and economy. We heard stories about the difficult choices working Nebraskans have had to make when a parent or spouse falls ill and they are unable to hire someone else to provide the level of care that that person needs. While this has been heightened during the pandemic, this is a situation that any of us could face one day if we have not already. And we know that there are many people in this body who have. The reality is that we have a shortage of available long-term care in Nebraska, which has been severely exacerbated by the pandemic. No one wants to quit their job because a loved one is ill, but sometimes those are the cards that life deals us. This is a bill that had no opposition at the hearing and it has 25 cosponsors of all political backgrounds. And again, it's not a free hand out. It's a bill in the spirit of encouraging continued

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workforce participation. It is in the tradition of, of our practices here in Nebraska. And it allows for people to have temporary support while they have a temporary, unavoidable gap in employment. Twenty-four states have modernized their unemployment laws to recognize compelling family reasons as good cause for quitting a job and Nebraska should be next. We talk a lot about Nebraska Strong and taking actions to support the most vulnerable among us. So let's advance LB260 to help our constituents get by during a temporary crisis so that they can get back on their feet and into the workplace when the crisis is over. Let's show those that have made the greatest sacrifices to care for their families that their government cares about them. Thank you.

HILGERS: Thank you, Senator Hunt. Question before the body is the advancement of LB260 to E&R Initial. All those in favor vote aye; all those opposed vote nay. There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 27 ayes, 4 nays, Mr. President, to place the house under call.

HILGERS: The house is under call. All unexcused senators, please return to the floor. Unauthorized personnel, please leave the floor. The house is under call. Senator Morfeld, please check in. Senator Pahls, Senator Hughes, Senator McDonnell, please return to the floor, the house is under call. Senator Hunt, we're waiting on Senator Pahls, but he has left the building. How would you like to proceed? Go ahead, is that Senator Hunt-- would you-- a roll call vote in regular order has been requested. Question before the body is the advancement of LB260 to E&R Initial. Mr. Clerk, please call the roll.

CLERK: Senator Aguilar not voting. Senator Albrecht voting no. Senator Arch not voting. Senator Blood voting yes. Senator Bostar voting yes. Senator Bostelman not voting. Senator Brandt voting yes. Senator Brewer not voting. Senator Briese not voting. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting no. Senator Day voting yes. Senator DeBoer voting yes. Senator Dorn voting yes. Senator Erdman voting no. Senator Flood voting yes. Senator Friesen voting no. Senator Geist. Senator Gragert voting yes. Senator Groene voting no. Senator Halloran voting no. Senator Ben Hansen not voting. Senator Matt Hansen voting yes. Senator Hilgers voting yes. Senator Hilkemann voting yes. Senator Hughes voting no. Senator Hunt voting yes. Senator Kolterman voting yes. Senator Lathrop voting yes. Senator Lindstrom voting yes. Senator Linehan voting yes. Senator Lowe voting no. Senator McCollister voting yes. Senator McDonnell voting yes. Senator

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McKinney voting yes. Senator Morfeld voting yes. Senator Moser voting no. Senator Murman voting no. Senator Pahls. Senator Pansing Brooks voting yes. Senator Sanders not voting. Senator Slama voting no. Senator Stinner. Senator Vargas voting yes. Senator Walz voting yes. Senator Wayne. Senator Williams voting yes. Senator Wishart voting yes. 27 ayes, 11 nays, Mr. President, on the advancement of the bill.

HILGERS: LB260 is advanced. I raise the call. Next bill, Mr. Clerk.

CLERK: Mr. President, may I read a couple of things, please?

HILGERS: Yes.

CLERK: Thank you. New A bill, LB131A by Senator Wayne. It appropriates funds to implement LB131. Matt Hansen offers LR83. That'll be laid over. And I have an Attorney General's Opinion (LB561) of Senator Lowe. Mr. President, next bill, LB451, a bill introduced by Senator McKinney. It's a bill for an act relating to Nebraska Fair Employment Practice Act; it defines terms; changes provisions relating to racial discrimination and unlawful employment practices. Bill was introduced on January 15, referred to the Business and Labor Committee, the bill was advanced to General File. There are committee amendments pending, Mr. President.

HILGERS: Senator McKinney, you're recognized to open on LB451.

McKINNEY: Thank you, Mr. President. Colleagues, LB451 acknowledges natural hair discrimination in the workplace can affect how a person's job performance is perceived, what advanced opportunities are given, and what additional measures may be expected overtly or covertly to fit in with corporate grooming standards. In an age where employment discrimination rarely presents itself in policies that explicitly exclude employees based upon their race, LB451 addresses harmful practices that appear neutral but actually work to deny job opportunities for reasons that have nothing to do with their qualifications and ability to do the job. This bill intends to address this vital issue by clarifying language to expand protections for natural hair texture and protective hairstyles. Moreover, this bill, this bill clarifies that natural hair and protective hairstyles can be an extension of race. According to the Equal Employment Opportunity Commission, race is a social construct that isn't strictly limited to immutable or unchangeable characteristics. Race can also include cultural characteristics related, related to race and ethnicity, including natural hair and protective hairstyles. It is vital that we acknowledge that this cultural distinction because it takes a great deal more work and effort to care for and maintain

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natural hair. Therefore, many black women don their hair with protective hairstyles such as braids, updos, and locks in custom with their culture to preserve the health of their natural hair. The aesthetic of these styles can vary, but the connection to race hair texture and styling remains. Bans or restrictions on natural hair or hairstyles can often be rooted in white standards of appearance and perpetuate racist stereotypes that black hairstyles are unprofessional. Such policies exacerbate antiblack bias in employment, at school, while playing sports, and in other areas of daily living. To illustrate locks alone, braids have been banned from workplaces for being unprofessional, unkept, distracting, or messy. However, it is unlikely that black women who chooses to wear their hair-- who chooses to wear hair extensions that are long and straight will, will be subject to similar reprimands, although the process of acquiring the same style is similar. The difference is the aesthetic and how society has been groomed to perceive them. As I advocate for this bill, I ask that you-- I ask of each of you, have you ever felt that, that the trajectory of your career, your ability to make a living, take care of your family, or pay your bills depended upon you altering the way you wear your hair in a way it grows out of your scalp. While I could expound upon numerous harms of hair discrimination for days, I must recognize that the effect of this bill would allow employers, businesses, and individuals alike to really think through and be intentional about the rules and standards that are essential to our workplaces without implementing ones that are merely arbitrary and capricious. Does it matter what a man or woman-- does it matter that a man or woman wears dreadlocks? What casual connection does this have to the work being done or to the education or professional merit of an employee? It, it should always be the goal of the Legislature to keep Nebraska's workforce diverse to assist with employers in acquiring and retaining the best talent. This task is made all the more easy when we have systems in place that allow individuals to be able to show up, show up confidently and be their whole authentic selves. This notion of intention is something that my office in partnership with community organizations and the Governor's Office has worked diligently to bring about. The language used in this bill which is included in the handout I provided to each of you last week-- I thought we was going to get to the bill, you may have it, you may not, was drafted in, in conjunction with the Governor's Office to reflect modern concerns as it pertains to hair discrimination. It is this language that we are hoping will provide those who are the most vulnerable to hair discrimination have a basis of full recovery that won't simply allow employers and entities with higher bargaining power to circumvent the law in their favor. One thing I hold in the, in the highest regard is

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the feedback and concerns of my constituents. To this end, I'd like to share some sentiments from some of the comments we got online. One comment, this bill is necessary. To be judged by one's appearance or natural state of hair as opposed to the job performance and skill is a type of hurt that is incredibly painful and long lasting. I dealt with discriminatory practice at the, at the workplace and was denied an opportunity and told that my protective hairstyle was the cause. Yet, I was highly qualified. I was highly qualified-- yet, I was highly qualified and wouldn't see my hair and, and, and yet-- I was highly qualified, yet he wanted to ensure that people wouldn't see my hair before they saw me. I was highly qualified, yet he wanted my, he wanted my hair to be out of the way and, and not get in the way of my job. I'm convinced that it had nothing to do with my credentials but had everything to do with my hair. My skills or lack of was never mentioned. My hair was how we spent the latter part of this interview. When, when you search, when you search professional hairstyles and search engines, people of color are-- aren't what you see. Legislation is necessary to step forward for equality in the workplace and the stress I experienced learning to walk in my authentic-- walk in my authenticity [INAUDIBLE] isn't fair and not just. When you apply for a job or work at a company, you experience-- at a company, your experience should do the talking for you. Another comment. Sorry. One more comment. I'm writing as, as a supporter to LB451. I was recently fired from a job that I was promoted after two weeks of being there to run an entire line of 25 people on my own. Due to me standing up to the racist remarks and treatment at said employment, I was fired. I was at this job for two months and this was the longest two months of my life. I endured endless racist remarks and comments about my hair, the way I dressed, and even my cultural diet. I lived in fear, anxiety-- and anxiety every day preparing myself to handle these, these things which should be forbidden in the workplace. When I finally gained the courage to report what was happening, I was in turn fired and left in the dirt. No one should have to endure treatment like this in any form, especially in a place of business. I support LB451, and I hope that you will too so that we can all live, live in this world comfortable as those that condemn these things ourselves. Also, I, I, I would like to speak on this bill just as a father of a young black girl who, who will be turning eleven next week. One day she'll probably enter the workplace and she wears her hair natural. And I want her to be able to do so without feeling undervalued or dehumanized. I, I, I think it's important to point this out. I would love for my daughter to stay and work in, in our state in the future. But if we don't have something like this on the books, it would be hard for me as a father to say, hey, stay, stay in Nebraska, stay home and not tell her not

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to go somewhere else if she doesn't feel welcome. I have nieces as well, and, and younger cousins. I also have sisters and, and a mother and friends and family. And this, this is something that I think was important. We worked out the language with the Governor's Office to be intentional, to make sure once it got to the floor, it was worked out to avoid any unnecessary things that may happen. I would ask for your green vote and I'm open to any questions. Thank you.

HILGERS: Thank you, Senator McKinney. As the Clerk noted, there are committee amendments from the Business and Labor Committee. Senator Ben Hansen, as Chair of the committee, you're recognized to open on AM550.

B. HANSEN: Thank you, Mr. Speaker. Good afternoon, colleagues. AM550 makes two material changes to the underlying bill, LB451. Senator McKinney did touch on this a little bit in his opening. First, it makes clear that the intent of the underlying legislation is to protect characteristics inclusive of race like hair texture and protective hairstyles, such as braid, locks, and twists while removing original language that included with racial characteristics, characteristics associated with religion and national origin. Secondly, it allows entities like the Nebraska State Patrol and Nebraska National Guard to impose its own dress and grooming standards without needing to adhere to Section 1 of LB451. AM550 is a result of great work and communication between Senator McKinney and the Governor's Office. It was adopted by the Business and Labor Committee unanimously. And as Chairman of the committee, I would ask for your green vote on AM550 and look forward to Senator McKinney providing further information on the underlying bill. Thank you, Mr Speaker.

HILGERS: Thank you for your opening Senator Hansen. Debate is now open on AM550. Seeing no one in the queue, Senator Hansen, you're welcome to close. Senator Hansen waives closing. The question before the body is the adoption of AM550. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 32 ayes, 0 nays on the adoption of committee amendments.

HILGERS: Committee amendments are adopted. Turning to debate on LB451. Seeing no one in the queue, Senator McKinney, you're recognized to close.

McKINNEY: I would just say I hope to continue to get you guys' support on this bill. I think it's important for our state to be a

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place that is welcoming to all and also to, to make sure we, we are retaining our talent. We have an issue with brain drain in our state right now. And a lot of, you know, black young professionals are leaving because they don't feel as welcome. And I think this is something, this is something that takes our state into the right direction. And I would appreciate, appreciate all your support. Thank you.

HILGERS: Thank you, Senator McKinney. Question before the body is the advancement of LB451 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 38 ayes, 0 nays on the advancement of the bill, Mr. President.

HILGERS: LB451 advances. Next bill, Mr. Clerk.

CLERK: LB644 is a bill introduced by Senator Ben Hansen. Its bill for an act relating to revenue and taxation; adopts the Property Tax Request Act; to change certain dates relating to tax levies. Introduced on January 20, referred to the Revenue Committee, advanced to General File. There are committee amendments, Mr. President.

HILGERS: Senator Ben Hansen, you are recognized to open on LB644.

B. HANSEN: Thank you, Mr. Speaker. So again, good afternoon, colleagues, and everyone listening at home. Today, I bring you my priority bill, LB644. LB644 is called the Property Tax Request Act, or better known as a Truth-in-Taxation initiative. Or as some other people have been calling it on the floor the postcard bill. A little history of Truth in Taxation, it was originally enacted in Utah in 1985 at the request of a variety of individuals and organizations to help with tax transparency. At the behest of the taxpayer unrest and Utah Taxpayers Association and tax commissioner, along with the Association of Counties, they came up with a solution. They were the first state to enact Truth in Taxation. The law requires a process that notifies the taxpayers of certain local political subdivisions who are intending to raise property taxes. And for clarification, according to this bill, a political subdivision means any county, city, school district, or community college. In essence, this is an informed consent bill, informed consent in that it provides an avenue for the taxpayer to get something tangible with the details spelled out as to why their property taxes are going up, how much they will increase, which entity is doing it, and here's where you can go to voice your concern. There are two ways in this bill that allow for the information to reach the taxpayer. One is the political

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subdivision must post a meeting date and details on their website. Second, a postcard will be sent to each taxpayer affected by the tax increase with easy to read information about what their taxes were the previous year and what they'll be raised to if the proposed budget passes. I've handed out an example of what this postcard will look like. When we brought this bill forward last year, I heard the concerns from NACO and the municipalities about the timeline of events in the budgetary process and about when this hearing would take place. One of the concerns was that there wasn't enough time to accomplish the hearing and notification process in such a short window. We have resolved this concern in two ways. We allowed for an extra week to fit the hearing into the calendar, and we eliminated the need for a notification in newspaper, which was costly and took time to accomplish, plus, not too many people read the newspaper nowadays. One other concern we heard was that certain school districts and community colleges were spread out over more than one county, which would require them to attend multiple hearings in multiple counties. To settle this issue, we would only require the school districts and community colleges to attend the hearings in the county they're headquartered in. Now while Truth in Taxation does not directly lower property taxes, it does, in my opinion, make elected officials and the public more accountable, the elected officials, and that they now have to think harder about raising taxes due to the fact that when they do every constituent in that community will get direct and blunt notification of that decision. They will have to answer to the taxpayers in a special hearing, at a special time, in a special place with recorded votes. And the public will be held accountable because now they have much less of an excuse for not being able to exercise their right to voice their opinions and concerns to their elected officials to hopefully change their mind about raising their taxes. All too often, political subdivisions hold public hearings on their budgets with little to no attendance because those hearings are publicized minimally and they're almost treated like some clandestine meeting. Well, it's time to shed some light on exactly how our property taxes go up every year and expand the transparency between our political subdivisions and the taxpayers, which I'm hoping to accomplish with LB644. Before Utah passed its Truth in Taxation bill back in 1985, they were ranked 24th in nation for lowest property taxes, now their 14th. There are other states that are taking up this measure as well, including Texas, Minnesota, and Illinois. And actually, as a side note, last week, Kansas just passed this bill with bipartisan support and the governor signing it on last week. Now I'm not saying this bill will solve all our problems, but I'm hoping we can keep our fellow taxpayer informed and with that information comes power and power in the right hands of the

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citizens leads to change. LB644 came out of the Revenue Committee on a 7-0 vote with one present not voting. Americans for Prosperity, the Platte Institute, ALEC, the Tax Foundation, Nebraska Chamber of Commerce, Nebraska Bankers Association, and the Nebraska Federation of Independent Businesses all came out or wrote letters of support for this bill. And OpenSky Institute actually came out in neutral position. I encourage your green vote on this bill and look forward to hearing any comments and questions that you might have. Thank you, Mr. Speaker.

HILGERS: Thank you for your opening, Senator Hansen. As the Clerk noted, there are committee amendments from the Revenue Committee. Senator Linehan, as Chair of the Revenue Committee, you're recognized the open on AM755.

LINEHAN: Thank you, Mr. Speaker. Ben Hansen has done a great job of explaining the provisions of LB644 and the reasons for bringing this bill. AM755 is the committee amendment and becomes the bill. AM755 was amended into LB644 by 7-0 vote. LB644 as amended was moved to General File by a 7-0 vote with one senator present and not voting. I want to thank Senator Hansen for coming to the Revenue Committee Executive Session and answering questions on LB644 and AM755. AM755 changes the political subdivisions that are affected by this bill to be the county, the city, the school district, and community colleges. If the public subdivision includes area in more than one county, the county in which the principal headquarters are located will be the location of the joint public hearing. The information required to be published on the postcard that is mailed to all affected property taxpayers found in Section 4 will now require the date, time, and location for the joint public hearing, a listing of each public subdivision that will be participating in the joint public hearing, a telephone number for each political subdivision, and the amount of each participating political subdivisions property tax request. Additional information on the postcard will be the names of the county that will be holding the public hearing, the parcel number, and the name and address of the property owner, the prior year and current year assessed valuation, the amount of property taxes due in the prior year, and the amount of property taxes due in the current year, and the change in the amount of property taxes due. The due date for filing the budget with the Auditor of Public Accounts for all political subdivisions is moved to September 27. The operative date remains January 1, 2022. Thank you and I would appreciate a green vote on AM755 and a green vote on LB644. I'd be happy to answer any questions. Thank you.

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HILGERS: Thank you, Senator Linehan. Mr. Clerk for an amendment.

ASSISTANT CLERK: Mr. President, Senator Halloran would move to amend LB644 with AM854.

HILGERS: Senator Halloran, you're recognized to open on AM854.

HALLORAN: Thank you, Mr. Speaker. AM854 is amending my bill LB189 into LB644 and I'll give you a little background on that bill. LB189, now AM854, would require property tax refunds owed by a political subdivision to be included in their next budget be paid in full and at a rate of 9 percent. Nearly four years ago, a company by the name of Mid America Agri Products/Wheatland, LLC, filed a protest of the 2017 valuation by the Perkins County assessor of their ethanol plant in Madrid, Nebraska. Not only did the Tax Equalization and Review Commission, TERC, rule in favor of MAAP/W's protest, in 2018, TERC found that the Perkins County assessment of the ethanol plant was more than double the proper valuation of the ethanol plant. Perkins County then chose to appeal the TERC ruling to the Nebraska Supreme Court, which also ruled in, in MAAP/W's favor. Nearly two years later, in January of 2020, the Nebraska Supreme Court ruled that Perkins County owed nearly \$110,000 in property tax refunds to Mid America Agri Products/ Wheatland. Currently, state law allows that a political subdivision owing a property tax refund can declare hardship, which extends the repayment time to five years after the final order or other action and imposes no interest on the payments until after those five years, at which time the interest is minimal. The political subdivisions are not required to provide any evidence or reasoning for declaring a hardship. Since, since three of the political subdivisions in the instance that we're talking about declared hardship, over \$85,000 is still owed to MAAP/W. Under this amendment, political subdivisions would be required to include the repayment in their next budget, making sure that the repayment happens in a timely manner. Additionally, this would require an interest rate of 9 percent to be paid where currently no interest is assessed. If an individual does not pay their property taxes, they are required to pay an interest rate of 14 percent. This would bring the political subdivisions more in line with this requirement. Colleagues, this, this is an inequity that I think is need of correction. In this case, this ethanol plant was overcharged, overvalued-- overvaluation on their property, and the political subdivisions were able to carry that for five years with no penalty, no interest. This amendment will force or will cause those political subdivisions to pay 9 percent interest for, for the time period that

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they are not repaying for the overvaluation. So I encourage your approval of AM854. Thank you.

WILLIAMS: Thank you, Senator Halloran. Debate is now open. Senator DeBoer, you're recognized.

DeBOER: Thank you, Mr. President. I'm going to speak not to the Halloran amendment, but to the underlying bill and the Revenue Committee amendment. I like the idea of this. I think that one of the things that we face here in Nebraska is that sometimes our constituents don't understand that we at the state level do not levy the property taxes, but that's done through various local taxing entities. I do have a couple of questions, though, and I was wondering if Senator Ben Hansen would yield to some questions?

WILLIAMS: Senator Hansen, would you yield?

B. HANSEN: Sure.

DeBOER: Thank you, Senator Hansen. Senator Hansen, will the, the postcard triggering event be triggered by just a levy increase or is this if valuations go up but the levy remains the same, we will still have the entity send out a postcard?

B. HANSEN: Well, see the levy stay the same and it technically is a property tax increase because they are getting more money because the land valuation increases. So when they lower it down and they want to raise it back up, yes, that will trigger the postcard.

DeBOER: So even if the--

B. HANSEN: If it--

DeBOER: --even if the levy stays the same, they'll trigger the postcards so long as the amount they're getting in total property taxes is higher than it was the previous year?

B. HANSEN: Yes, if assessments go up and they keep levy the same, yes.

DeBOER: OK. So then-- so for example, if a taxing entity, let's say it's a very small one, gets \$100 in property taxes one year and the next year they get \$101 because some valuation went up, that would trigger the, the postcards to everyone in that jurisdiction?

B. HANSEN: If they increase their tax by a dollar?

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DeBOER: If the tax went up by-- if the, the total taxes, which they're going to be collecting, will now be \$101 as opposed to \$100.

B. HANSEN: Yes, according to this bill, yes.

DeBOER: OK. So then how often do cities, counties, or other taxing entities in Nebraska go down or stay exactly the same? I imagine stay exactly the same would be a, a pretty big accounting coincidence. So how often do you think that they go down or stay exactly the same?

B. HANSEN: Their levy?

DeBOER: No, the, the total amount, the amount that they're, they're collecting.

B. HANSEN: I don't know. I can't answer that. There's a lot of different taxing entities that I don't know the average or what it is.

DeBOER: So you don't have a sense of how often this would be triggered, this provision would be triggered?

B. HANSEN: It all depends if they want to increase their revenue. Yeah.

DeBOER: I would suspect that it would be almost universal that they would at least go up \$1.

B. HANSEN: They could. I don't really know for sure. Yeah.

DeBOER: OK. So--

B. HANSEN: I can try to find out if you want.

DeBOER: Yeah, I would really like to--

B. HANSEN: Yeah.

DeBOER: --I'd really like to have that information. How much will it cost the Nebraska taxing entities to send out postcards to all of the individuals in their jurisdictions?

B. HANSEN: Sure, that's a good question. And a lot of it comes down to (a) who's raising their taxes, right? So this gets divided out between the four political subdivisions. So, for instance, like, you might have got an email from Sarpy County. Right? And so Sarpy County sent an email saying, look, if, if, if we increase our taxes, it's

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going to cost us \$26,000 to send out these postcards. That's if they're the only person raising their taxes. Now if all four, like you said mainly do, it would get divided out into four. So we divide out that cost between the four political subdivisions, which is your school, your community college, your city, and your county, and that would equal somewhere around \$6,600.

DeBOER: Is there any provision within this bill for inflation? So if the reason that my taxing goes up is similar to an inflationary increase of the real value of money, would there be any change in this bill for that?

B. HANSEN: I believe not, no.

DeBOER: Would you be open to considering between General and Select doing something on an inflationary change? I'm just afraid what we're going to end up with is everybody sending postcards out every year with two problems. One, people get them every year. They think, all right, I get this every year and it doesn't have the same impact that you want it to have. And two,--

WILLIAMS: One minute.

DeBOER: --that we're just going to be sending out lots of postcards at cost to the taxpayers for something that, you know, is going to happen every time. So those are the two concerns I have, particularly around inflation. So if you could work with me on that between General and Select, I'd be happy to talk to you.

B. HANSEN: I definitely-- yeah, I would have no problem talking with you about that. I've been in communication quite a bit with NACO and the city, the community colleges, and the school boards actually quite a bit between now and, and Select File about some possible amendments that might help ease a lot of their concerns as well. I can address later.

DeBOER: All right. Thank you, Senator Hansen. Thank you, Mr. President.

WILLIAMS: Thank you, Senator DeBoer and Senator Ben Hansen. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. President. I appreciate it. I am support of AM854. I had, had discussions with Senator Halloran about that. There was a person who came in and testified when I had my TERC bill in front of the Revenue Committee that, that he has been owed \$300,000

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since 2013. So this is an issue that needs to be dealt with. And Senator Halloran, I appreciate you bringing that. The other, the other thing that I wanted to, to speak to, Senator Hansen passed out this pink postcard. And I'm going to bring your attention to the fact that I believe that those numbers on that postcard are real, actual Lancaster County increases in property tax. And if you'll take a look at that, Lancaster County went up \$342. Do the math on that, that's 35 percent. All right. Lincoln Public Schools went up \$1,270. That's 20 percent. A little more than that. It's almost a fourth. The Southeast Community College went up \$113. That's about a third almost, 25 percent. And the city of Lincoln went up \$140, and that's about 15 percent. So this card is very obvious and it points out exactly what these local, local units of government are doing. And so I appreciate that. I've gotten several responses from those people who are in county and city government about this is going to cost a lot of money to send this out because our focus continues to be wrong. And by that I mean we always focused on the tax collector and we're not focused on the taxpayer. And I think that's what this does. But obviously, if you see that and my taxes went up in Lincoln about this much as well. And so if you don't get a notice telling you it went up, you can be surprised when you open your tax notice. And so I, I appreciate that Senator Hansen. And Senator Halloran, I appreciate you bringing that bill. I think it makes sense that when your taxes are due, they don't say pay that in a couple of years if you feel like it. They give you until, most counties, until May 1, September 1, then they start charging you 14 percent interest. And so it ought to work both ways. And so I appreciate that. I'll be voting for all three of these. Thank you.

HILGERS: Thank you, Senator Erdman. Senator Blood, you're recognized.

BLOOD: Thank you, Mr. Speaker. Fellow senators, friends all, I stand in opposition to Senator Halloran's amendment. I stand in support of Revenue Committee's amendment, but not in support of the underlying bill. And there's so many things I want to unpack here. I'm going to try and be as concise as possible. I'm going to start with Senator Halloran's amendment. I remember that both NACO and the League of Municipalities came out against that bill, I think, in the hearing. And I'm guessing it's because it's a fiscal mandate to our counties, right, this 9 percent interest on property tax refunds. And so the question I would have and I don't see that it is addressed in the amendment and we always talk about unintended consequences. What's going to happen in the TERC appeals? What happens to the TERC appeals process? I'm not going ask the question because I have other things to unpack, Senator Halloran. So those are one of the things that I'm

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concerned about. And I think the counties are concerned about that as well. Then the more I read through this, the more it rang true that we'd seen some of this before. And I think it was-- might have been Senator Groene had a bill last year and it was passed and signed by the Governor in the last biennium, and that required a minimum of three copies of the budget be made available to the public. It required that public bodies record methods and dates of meeting notices in its minutes. It required that a budget hearing must be held separately from a regular scheduled meeting and can't be limited by time. Any member of the public that desires to speak on the proposed budget can do so to address the governing body and give a responsible time-- be given a responsible amount of time to do so. And a presentation must be given outlining by provisions of the proposed budget, including, but not limited to, a comparison with the previous year's budget. So we weren't worried when this got passed about additional costs. But whether we liked it or not, it did pass on additional costs. It was a mandate to our governing bodies at the local level. You know, we're always worried about mandates until we decide that we want to tell our counties and our municipalities what they need to do. And I know Senator Moser is going to tell you that is a Dillon state and we were all aware of that. But where does it stop? Where does the government overreach stop? Because in our attempt to try and lower property tax and make things more transparent, what we are doing is actually creating more work and potentially more costs to local government. That is not good governing. So the bill without the amendment calls for a joint hearing of all county subdivisions after 6:00 p.m. in the evening. And I certainly understand why you would want to do that. But again, I look at my county. There are five cities, of course, Sarpy County, eight school districts, fire districts, NRD. The list is really long. I don't understand how we can simplify something that is actually quite complicated and how we think we know better than our local governments. And I am concerned that we are trying to slide Senator Halloran's bill in when there was opposition to complicate a bill that is already complicated. We can't keep pandering and saying that we're doing things to lower property taxes and to make government more transparent to our voters by continually bringing these bills that pick, pick, pick away at our municipalities and our counties. They don't like it. That's really not our job. Our job is to create better government at our level. You know, it's funny, you guys all get on the mike and talk about being a nanny government when it comes to things you don't like. Well, what are we doing now? We're trying to tell people--

HILGERS: One minute.

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BLOOD: --how to run their local governments, their elected officials that were elected to run their government locally the way they see fit. But we seem to think that we know better. And quite frankly, unless the, the First Amendment goes away, I'm going to take a lot of time on this bill. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Blood. Senator Linehan, you're recognized.

LINEHAN: Thank you, Mr. Speaker. I rise in support of all three, including Senator Halloran's. I think it's worth noting here that if we owe property taxes to a taxing entity, our interest rate is 14 percent. So if I owe-- if I'm a day late on my property taxes, they start charging me 14 percent annual rate. So it seems to me that it's more than a little reasonable if they're not going to pay me back money they owe me that they would pay me interest. Right now, what's going on is you have counties, cities who are sitting on \$50 or \$60,000 in taxes that they don't, they don't belong to them, but they don't have to pay them back for years and they don't have to pay any interest. It's ridiculous. So I really want you to-- I mean, I don't know how one could vote against Halloran's amendment. The postcard, why is the postcard important? I have for several years now watched taxing entity after taxing entity have their meetings, come out and tell the press they didn't raise the levy. It's like the trick they all use. So when I'm not in the Legislature and I'm just a homeowner and I've got a job and my husband has a job and we're raising three kids, when I see didn't raise my levy, I hear you didn't raise my taxes. And that's what they want you to hear. Let's don't pretend they don't know what they're doing. The other thing that goes on, it's, oh, because the valuations went up, a good reporter will include that maybe it's \$200 on a \$200,000 house for your city. And then a few days later, there'll be a story, it's only \$125 on your house for the county. And then maybe three or four days later, it'll be it's only \$250 from your school. But see, they're all in different meetings, so they don't talk to each other. So when you get your bill, you have \$1,000 increase in your property taxes. Wasn't never in the paper, so unfortunately, what a lot of people think is somehow they got-- they're unique that they got-- they listened to everybody, everybody said they didn't raise their levy. Why would their property taxes go up \$1,000? They read all the stories in the paper. We know that people are confused about this. We collect-- how much would it cost to send out the postcard? It's an insulting question, in my opinion. We collect as a state over \$4 billion a year in property taxes, \$4 billion. So we're really going to complain about a 28-cent postcard. I don't think so. This for the first time, people will get

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ahead of time where they can actually do something about it, how much the valuation went up, and what that means for their taxes. And it'll be totaled up. And all of a sudden, besides getting it on December 20, when mine usually comes right before Christmas, when I think I have money, then I realize I don't, they'll know ahead of time and they'll actually have an ability to go and talk to these-- to their elected officials, all of them together. So this example has Lancaster County, Lincoln Public Schools, Southeast Community College, and the city of Lincoln all in the same room, all telling the homeowner or the property owner or the farmer, ag producer that your taxes are going up by X number of dollars next year, not a few hundred over here or a couple hundred over here, but the--

HILGERS: One minute.

LINEHAN: --total. If we had this in place, we might not have to be spending almost a billion dollars in property tax relief. We have a messed up system and this is a great step in the right direction. Thank you.

HILGERS: Thank you, Senator Linehan. Senator Groene, you're recognized.

GROENE: Thank you, Mr. President. First off, Senator Blood, I must be getting daft because I don't remember ever bringing a bill like either one of these. I did bring LB148 that passed where they had to clearly define two different pairings, one for the regular meeting and they had to have a separate hearing for to-- on their budget hearing. And they had to put the notice in the paper separately with two separate notices. But let me give you an example why this would work, mail-in ballots. Nobody seems to complain about a postcard sent out to every registered voter that they can receive a mail-in ballot. And guess what? People take note. People have requested it. Voter turnout has vastly increased. So what's wrong with reminding taxpayers, the people who pay for the bills, by sending them a postcard that said, hey, just like on Election Day, you have there's a public hearing and we're reminding you and this is why your taxes are going up or your taxes are going down, whatever. And the hearing is today. And here's a reminder as, as what a government should do is inform and be accountable and, and transparent and say if you show up on this date, you can comment about your property taxes. What's the difference? It's OK to send the postcard out with who worries about the cost on, on absentee ballots, but it's not OK to inform the taxpayer of a hearing, same thing. It's good policy, it's good government and excuse me, I don't elect anybody, I vote for anybody and give them a free pass and say, well, do whatever you want. I

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contact him, I, I ask them why they voted a certain way. I ask-- we get it every day. But according to what I've heard on the floor here, once we're elected, we're supposed to just do whatever we want and the public shouldn't be contacting us. They shouldn't be involved. We just trust us. Well, I heard that one before. Just trust me. I don't trust them. I don't trust them because the school board is surrounded by the administration and they get influenced daily about how they need to spend more money. The county commissioner is influenced daily by the Roads Department and other government and bureaucrats about how they need to spend more money just as we are. So when does the public get their two bits in besides Election Day? Senator Hansen is trying to change that, trying to help more public comment. That's a good thing. As Senator-- as far as Senator Halloran's amendment, this is a no-brainer, folks. You overtax somebody, you absolutely overtax somebody, they shouldn't have to wait five years to get their money back. There's no hardship for these taxing entities. They have taxing authority. All right, so you got a, a-- an assessor that's out of control and picks on one person because they don't like them or whatever. And I've seen it happen and they overvalue their land and then they lose at TERC and they lose it to Supreme Court. Folks, if you elected that assessor and your levy goes up the next year to make that payment back to that taxpayer, guess what you do? You don't elect that assessor again. But that poor individual who overpaid on taxes should get their money back and they should get it back today, not tomorrow, not five years from now. And they ought to have a return on their money if, if a taxing authority says I can't afford to pay you back.

HILGERS: One minute.

GROENE: If they had the money in their pocket, they would invest it, they would get a return on their money. If you were a farmer, you would buy more land or buy inputs for your land because inputs for your, for your output and you're paying interest at the bank on that money and your money, the county has it, not the county, but the school is the biggest shareholder. That's just common sense. How did we-- how-- I don't know how we ever gave them this free pass in the first place. Government confiscates something from that should scare everybody and then keep it, they get to keep it for five years or more. And then I believe after five years, they can still keep it and pay you, what, 3 percent or whatever it was, and not still pay you back. This is just good government common sense. Government isn't an entity. It's us. It's us, and when you take your neighbor's goods in overtaxation and you agree to that.

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HILGERS: Time, Senator.

GROENE: Thank you.

HILGERS: Thank you, Senator Groene. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Mr. Speaker. Good afternoon, colleagues. I'm going to give a little tax lesson to everyone. It's not often that I get to give a tax lesson, but I'm going to give a tax lesson. I'm using this opportunity to talk about property tax credit as we are reaching April 15 and people are filing their income taxes. And this body passed LB1107 last year. It has come to my attention mostly because it wasn't part of my intention prior that people don't know how to apply for the property tax credit that was passed in this body in 2020. It was brought to my attention because the Revenue Committee had a hearing on March 16. It was AM501 to LB181. And this is what happens when I don't have a meeting over lunch and there's a hearing, I watch the hearing, and there were CPAs coming to testify about how complicated the process was. And I realized, because I do the taxes for my family and I had already filed my income taxes for this year, I realized that I, even being in this Legislature, did not file or apply for my property tax credit. And so I have since gone in to look into it. So this is my public service announcement for the body and for those listening at home. If you haven't already filed your taxes, you can do this. And if you have, you can file for an amended-- amendment to your taxes. You have to go to the Department of Revenue's website to get these materials. So if you don't have Internet, I apologize, I'm not entirely sure how you get these materials, I'm assuming, but you know what they say about assuming, but I am assuming that you can get them from the post office. That's generally where you can get most of your tax forms is from the post office. But if you have already filed your taxes, you are going to want the Amend Nebraska Individual Income Tax Return Form. Now in order to file your income, your income tax property tax credit, you're going to need to know your county parcel ID. The Department of Revenue does have a link to your county parcel ID search so you can find that number and then you're going to take that county parcel ID number and you're going to go to your Nebraska school district property tax lookup tool. I'll say that again, your Nebraska property tax district-- your Nebraska district school district property tax lookup tool. That's where you'll enter your parcel ID and you'll put in other pertinent information relating to your property taxes. And then you will go to-- let me find the right form, Form PTC. This is the Nebraska Property Tax Incentive Act Credit Computation. So this

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is how you're going to compute your property taxes. So you go-- you get the Form PTC 2020, Nebraska Property Tax Incentive Act Credit Computation, and there you will take the information that you got from your county parcel ID search and your parcel ID lookup and you'll input that information there, and then you can file that form with your Amend Nebraska Individual Income Tax Return. Easy peasy, lemon squeezy. I'm getting a hundred bucks back. So that was-- well, since I make \$5.27 cents an hour, I guess that is a pretty good return on my investment of time. But to the point of the CPAs that came and testified about the confusion for how to get your property tax credit for your income tax return, they said that it oftentimes wasn't worth the time. It would cost them more to do that for you than you would get in your return. So they skipped doing it. Which brings me to a question and I'll just put this question out there, because I know we have plenty of time to talk about tax in debate. What happens when people don't fill out these forms and claim their property taxes? Where does that money go? I hear us--

HILGERS: One minute.

M. CAVANAUGH: --talking about people getting back taxes paid to them. Is that what's going to happen if you don't fill out these forms? Is the government going to fill them out for you? Figure it out for you? I want to speak to the postcard. I like the idea of notification. I think that's wonderful. I do feel like this is picking a particular topic which kind of concerns me and the costs associated. If we complain about the cost for voting, then I think there will be a complaint about the cost for this. But I think that this is a really good conversation to have. Also, there's a lot of talk about TERC. TERC is the, the last step. We're missing a step, the Board of Equalization, which we can talk about more, I know I'm almost out of time, but the Board of Equalization is where you go in your county and you are noticed of tax increases, and you can contest them at the county level at the Board of Equalization. I think we have some former county commissioners here that can probably speak to that in depth. But I do know that there are multiple avenues--

HILGERS: Time, Senator.

M. CAVANAUGH: --already. Thank you.

HILGERS: Thank you, Senator Cavanaugh. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Mr. Speaker. And colleagues, the first time I'm talking today. Feels like a long day of listening. I appreciate

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the conversation we're having here. And I, I just want to focus my discussion on Senator Halloran's amendment because I'm kind of learning about it as we go. And so I've had a couple of conversations with him. If Senator Halloran would yield for a question?

HILGERS: Senator Halloran, would you yield?

HALLORAN: Yes.

J. CAVANAUGH: So, Senator, just to clarify what kind of we've talked about, so your amendment would address when somebody has had their rate, their assessment has been increased, they've contested it, and then they go through this entire appeals process that the other Senator Cavanaugh kind of just addressed, and then there's a ruling in their favor. Does that sound right?

HALLORAN: That's correct. Yes.

J. CAVANAUGH: And after there's a ruling-- that, that ruling, I guess, for my clarification, would be as to a specific value of the house-- I'm going to take my-- sorry, take my mask off here, or the value of the property, or would it just be a ruling that the previous assessment is incorrect? Do you know the answer to that?

HALLORAN: Well, if there was an appeal to TERC that the valuation was improper, was over valuated, and TERC ruled in favor of that appealing party's judgment that it was overvalued, then that's the-- that overvaluation is what we're talking about would have to be paid back by the subdivisions.

J. CAVANAUGH: And so somebody-- this currently happens, my understanding. And so there are instances where people have won these rulings and they can't get their judgment essentially.

HALLORAN: That's the issue that we're talking about, exactly. In this case, the ethanol plant appealed to TERC, TERC agreed with them. Perkins County then appealed to the Supreme Court to overrule that. And the Supreme Court agreed with TERC's decision that they were, they were over valuated. And, and, and so this, this bill would cause Perkins County to have to make that up, recover that overvaluation back to the ethanol plant in this case.

J. CAVANAUGH: After the TERC ruling, or would they be able to stay that payment until after it goes to the Supreme Court?

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HALLORAN: After the TERC ruling. This was an extraordinary case where they took it all the way to the Supreme Court and Supreme Court agreed with TERC.

J. CAVANAUGH: And you have this example of the one instance of the ethanol plant. Presumably, this has happened to other places and maybe it's happening to other people who are having trouble recovering their judgment.

HALLORAN: Correct. This is an example that's a really large figure. But I think that's, you know, that's, that's, that's not relevant how large the figure is. If someone's owed money back, overpaid, they should be reimbursed for that.

J. CAVANAUGH: Thank you. Colleagues, I'm still trying to figure out what, what exactly my position on this is, but I, I guess I would say most of my conversations with Senator Halloran and generally my reading, I, I would ask anybody who is against this to tell me, I guess, why, why we shouldn't have a mechanism by which people can recover a judgment when it's been ruled in their favor. So I, I guess with that, I would yield the remainder of my time back to the chair. Thank you.

HILGERS: Thank you, Senator Halloran and Senator Cavanaugh. Senator Brandt, you're recognized.

BRANDT: Thank you, Mr. Speaker. I would like to thank Senator Hansen, Linehan, and Halloran for bringing these issues forward today. Would Senator Hansen yield to some questions?

HILGERS: Senator Ben Hansen, would you yield?

B. HANSEN: Yes, I will.

BRANDT: Senator Hansen, I've got a school district, Meridian School District. It sits equal distant on four counties. So all four of my counties, one-fourth of the school district is in Fillmore, one-fourth in Thayer, one-fourth in Jefferson, and one-fourth in Saline. So if one of those counties, if-- let's say, Fillmore County decides to adjust their ag values, this is predominantly a rural district, and the other three counties do nothing and the school district leaves their levy the same, does a card have to be sent to everybody in the school district?

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B. HANSEN: It would be sent in the county, the county separately in which school district is located where the tax-- where the taxing increases.

BRANDT: So it would just be sent to the Fillmore County people where the, where the valuations changed?

B. HANSEN: Well, pretty much what it comes down to, if the school increases its property tax asking, it's going to go to everybody in the school district. But then the county, each county will separately will, will deal with the assessed land value change.

BRANDT: OK. So the second question is, who researches, develops the card, and makes the labels?

B. HANSEN: Sure. So the, the, the school, for instance, will provide the information to the county. The county puts it on the postcard and it's produced and the county distributes it to the appropriate taxpayer.

BRANDT: So underneath this scenario, all four counties would have to develop a card if that was the only thing that changed that year in that county for that school district, would that be correct?

B. HANSEN: Yes, they'll do it separately, yes.

BRANDT: So then who stands the cost and what is the cost?

B. HANSEN: Each cost would be separated per county. And it's-- again, like I mentioned with Senator DeBoer, it gets distributed based on the amount of taxing authorities that are included on the postcard. So if it's one it's one, if it's four it's four. It all depends on who raises their tax asking for that year.

BRANDT: So the last question is you're going to get invited to go to a meeting. So what kind of meeting is this? Is this a hearing? And who runs the meeting?

B. HANSEN: It's a meeting run by the county. It's not a hearing. So it's not, it's not-- doesn't fall under Open Meetings Act. So it's more of a meeting.

BRANDT: So basically, taxpayers could just show up and voice their opinion.

B. HANSEN: Yes.

BRANDT: OK.

B. HANSEN: And the taxing authority is there as well. So they actually have good communication. They can both be in a room together. I think that's one of the biggest things is so one of the problems that I'm hearing from constituents and people in Nebraska is that they have so many taxing authorities because we have a lot of taxing authorities in the state of Nebraska. I think one of the most per capita in the United States. And so then you get all these different entities that are increasing their property taxes and they all have separate hearings or separate meetings about their budget. And it's hard to go to nine different meetings, your school board, your ESU, your SIDs, your NRDs, your county, your city. And so we're just trying to collectively put them together into one kind of location where the taxing authorities can explain why they're increasing their taxes and the taxpayer can then talk about, you know, their concerns as well. So we have good communication and sometimes it might actually cut out on some of the animosity that we hear from taxpayers.

BRANDT: OK. Thank you, Senator Hansen. I guess, as one of my final points, I would say that this postcard is addressing a symptom and not the root of the problem. The root of the problem is the way Nebraska values, particularly ag land with a market valuation. No other major ag state does it this way. And so when we sell one farm in a neighborhood at a very high value, we revalue 100 farms at that high value. The same thing happens to our houses in our towns. When you sell one house in a neighborhood, all the houses come up to that one value--

HILGERS: One minute.

BRANDT: --even though you aren't going to sell it. With that, I'd yield the rest of my time to Senator Linehan.

HILGERS: Senator Linehan, 54 seconds.

LINEHAN: Thank you. Since I've got a short amount of time here, I'm just going to clear up something, and I'm sorry I didn't give Senator Machaela Cavanaugh a heads up on this, but the hearing she was talking about, there was only one CPA there. There might have been a couple other witnesses, it was over the noon hour, they were not confused. That's not what that was about. They understand how it works. Where they were running into issues was the timing and the number if you had an LLC or a partnership and they had to-- they-- the partnership had several pieces of property and then they had to

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figure out, instead of just having it go back to the partnership, the income tax and divvying it up, it had to go back to each parcel. So there actually is a bill, hopefully it'll come to the floor soon where we fix that problem. And we worked with the--

HILGERS: That's time, Senator.

LINEHAN: --Department of Revenue and the CPAs. Thank you.

HILGERS: Thank you, Senator Linehan, Senator Hansen, and Senator Brandt. Senator Flood, you're recognized.

FLOOD: Thank you, Mr. President. Obviously, I think radio is the most effective form of advertising available. But I want to thank Senator Ben Hansen for bringing this. All the time, I hear from taxpayers about property taxes, property taxes, property taxes. And, you know, I'll hear taxing authorities say, well, no one came to the meeting. Well, there's five different meetings to go to. There's an NRD meeting. There's a, a school district meeting. Quite frankly, there's a, a NRD meeting. There's a community college meeting. How many people in here could name every taxing authority that's on their bill? There's a lot of them, and we're not doing all of them here. We are providing the taxpayer another opportunity to become aware of what's going on. And I've never seen a problem get worse with more transparency. I've never seen a government taxing problem get worse with more transparency. And one of the things that I think has happened in the last ten years is that the Legislature has taken on its shoulders the property tax burden of which we do not levy \$1, nor can any of those dollars be used for a state purpose under the Nebraska Constitution. And we have, you have, this body has provided hundreds of millions of dollars in property tax relief. And yet property tax levies have gone up and up and up. Well, I shouldn't say that, valuations have gone up and up and up and a lot of the levies have remained the same. You're going to hear a lot about it this session. If you look at how much the community colleges collected from 2009 to 2019, just in my district alone in Northeast Community College, they went from receiving \$19 million a year to \$34 million a year, ten years later. Central Community College is the same thing. What Senator Ben Hansen's doing here is he's helping to provide an opportunity for the citizens to become more engaged with the property taxes, with the taxing authorities that we hear the most about. Nobody should be surprised that steps like this are being taken. And quite frankly, this is one of about five steps we need to take this session to help remediate the problems that we're hearing from all of our constituents about. The other thing I want to talk about, Senator Halloran brought a bill that's been amended into this Revenue

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Committee amendment that deals with a situation where a taxpayer pays their taxes as they're supposed to and ordered by law, goes through a system that's-- that ultimately the Nebraska Supreme Court in one case ruled once, twice actually, that the taxpayer was due money back. And the county can claim this thing called a hardship. If we're in charge of making sure that we're a nation under laws and rules, those laws and rules mostly exist to protect us from the government. And here the Legislature has given the government the chance to declare a hardship and pull the parachute. And the taxpayer who's done everything right, wins at the court, ends up having to go to court, is allowed-- the county is allowed not to pay what they owe. This is more than fair. It's the right thing to do. And one of the things we talked about at the hearing is that it's not the county's money anymore. When a court enters a judgment against you and you're a political subdivision and you can use some escape hatch provided by some wayward Legislature years ago, whatever this came in, that's not fair to the taxpayer. And it breeds disrespect for the law and it breeds disrespect for the judgment of a competent court of jurisdiction. And so there's two things I like about this bill today. One is this, I like the transparency that comes with postcards like this. I don't think it's asking too much. I don't think that maybe even all of us can-- you know, I pay my taxes on my house through my escrow. I don't run a farm, but I can't imagine having to write the size of checks out just to do business May 1 and September 1--

HILGERS: One minute.

FLOOD: --because I own real estate that I farm. I think that this is fair. I think that this sends people to the place where they should take it to their government. And we should never apologize for telling the taxpayers what's happening. And if this transparency bothers us, I think there's bigger issues that we're missing. And the second point I want to just reiterate is that if a court awards a judgment, it shall be paid by the county, it shall be paid. And if you want to start eviscerating judgments, well, then let's err on the side of the taxpayer first and the government second. But what this does here, it stops the escape hatch. And I support the Revenue Committee amendment. I support Senator Halloran's AM854 and I support LB644. Thank you, Mr. President.

HILGERS: Thank you, Senator Flood. Senator Erdman, you are recognized.

ERDMAN: Thank you, sir, I appreciate that. So Senator Halloran's bill says they shall pay back at a 9 percent interest rate. And has been alluded to several times, when we don't pay our taxes, they charge us

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14 percent. So I think maybe we ought to do a floor amendment on Senator Halloran's bill and make it 14. But that pink slip that I-- that, that Senator Hansen passed out, I added up the numbers on that. And currently that \$407,000 property in Lancaster County is going to pay about \$6,500 a year. And after they get done with the increase this year, it winds up being \$8,500 and \$8,600. That's only a 31.6 percent increase only. And I would guess that probably at those public hearings when they had their budget hearings, not one person showed up. And so this is an opportunity for those people that are paying the taxes to be advanced-- have advanced notice of what's going to happen, and it'll alleviate that issue that Senator Linehan was talking about when she said we didn't raise the mill levy. So when I became county commissioner of Morrill County in 2005, our mill levy was 49.7 and the county can only go to 50. So we had to do a recount evaluation because the assessor was doing incorrect things with our valuation. When our valuation went up, we lowered the mill levy. When I left county government in 2016, the mill levy was just over 33 cents. And so we adjusted the mill levy when the valuation went up. And not everyone does that. So I would say that Senator Halloran's bill makes sense. Senator Flood made a lot of sense when he made the statement once a government has been told by a court to reimburse you, they should not have the opportunity to pull a golden parachute and say it's a hardship for us. And so, Senator Halloran's bill makes sense. It's time for us to be transparent. And as has been said, transparency is the best way to go. And if it cost 28 cents to send out this postcard, so be it. But I would think that Senator Hansen will be able to describe to you that if you have eight parcels, ten parcels in the same taxing district, they'll send you one postcard and not ten of them. And so that's what happened when we got that property tax relief little yellow card about six, seven years ago. But this will be one postcard for any of those, any of those properties you own in one certain tax, tax district. So it will be an issue that the government agency or local units of government have to deal with and so be it. Our focus should be on those who pay the taxes and not those who collect it. Thank you.

HILGERS: Thank you, Senator Erdman. Senator Blood, you're recognized.

BLOOD: Thank you, Mr. Speaker. Fellow senators, friends all, my opinion has yet to change on Senator Halloran's amendment. I'm still in support of the Revenue amendment, but not necessarily in support of the underlying bill. I've been listening to Senator Flood and Senator Linehan, Senator Halloran, and there's some questions I want to pose to people that are actually paying attention to the debate. I agree that transparency is paramount and there's absolutely no reason

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that we should not be transparent. And that is why I brought up Senator Groene's bill, because I felt like it put a lot of things into place that this bill is for some reason oddly trying to do and duplicate. I think it's redundant. So the question that I pose is that if we charge interest against taxpayers, we know that that's true, right? We charge interest against the taxpayers. However, we've never previously charged interest against the state and its political subdivisions. So if we're going to be transparent and we're going to stand behind the words we're saying on the mike today, why are we not going to charge the state like we do the political subdivisions? Because if we aren't going to do that, then how powerful are the words that say that there's a need for this. So this bill is supposedly going to inspire assessors to keep valuations low, is what I'm hearing people say. So the Nebraska Supreme Court ruled that valuations are only good for one year and they're not dispositive, not dispositive evidence of that value for the next year. So believing that we can kind of twist the county's arms when it comes to assessments at raising valuations is really contrary to that notion. So I find that really concerning. I understand, especially for people that are getting close to their election cycles, that you want to show that you fight for the taxpayers. And I don't think there's anybody in this body, regardless of party, even though that is framed so differently on campaign mailings, that doesn't want transparency or doesn't want to control taxes and be watchful of property taxes. But with that said, if we do this, why is the first place we always go to the budgets of our local government, to our school boards, to our counties, to our municipalities? We blame them for property taxes. So we don't care what mandates we hand down to them, we just expect them to try and find a way to handle it. Well, guess what happens when we hand a mandate down that they can't handle and they need additional staff or they need additional products or they need additional things to make that task happen? Their budgets are going to go up likely and the taxpayers are still going to get screwed. I just-- I don't understand the reasoning behind this bill. I understand the emotions behind this bill, but I'm not seeing the facts that tell me that we're truly being transparent in a way that is not already happening. And I'm not saying that the taxpayers don't deserve transparency. But again, if we're going to charge interest against the taxpayers, which is unfair, why are we not going to charge interest against the state? Seems pretty logical to me, maybe I'll go ahead and work on an amendment over the evening and bring that back tomorrow because I have a feeling we're going to adjourn here shortly. And why do we believe that we can fool assessors into lowering valuations with this trick? So, again, I'm not--

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HILGERS: One minute.

BLOOD: --against transparency. I'm not against lowering taxes. I'm against bills that are more about talk than actual action and I have concerns about Senator Halloran's bill and the fact that it's not descriptive enough in the process for people to understand. And that's something we can talk about between now and when the bill comes back up tomorrow. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Blood. Senator Ben Hansen, you're recognized.

B. HANSEN: Yes, thank you, Mr. Speaker. I'll keep this quick here because I know everyone is ready to get out of here, but I appreciate all the conversation that everyone's been having. And I did want to kind of make one quick mention that I have been working extensively with, with NACO and the cities and the community colleges and the, and the school boards about some potential amendments that we will be bringing on Select File to help address some of their concerns as well. Some of them has been some just some of the language that we have in there. Also, they might have been under the misunderstanding that the whole school board had to go to this whole meeting that we're having and when actually is only one representative from each taxing entity so the school can pick one person just to go here to explain why they're raising their taxes and hear from the constituents and same with the community colleges and the, and the cities. And so that really helped alleviate, it sounded like a lot of the concerns from the community college and from the schools about only having to send one representative. So we're just going to make that clear in an amendment coming up here on Select File. So, again, I look forward to some more of this discussion when it comes up again next. And one other thing I would like to mention is I think if anybody would appreciate a bill such as this, it'd be people living in Douglas, Sarpy, Lancaster County, Hall. Your land valuations and assessments have gone up the most out of anybody. Your taxes have gone up proportionally more than anybody else in the, in the state. And I think it's beholden upon us to make sure that your constituents know how much they're going up, how much they were last year, how much they are this year, and exactly how much they're going to go up. Because these, these are the constituents in these counties that are getting hit the most. And they want somewhere to voice their opinion. And this gives them the opportunity to do that. And this gives the opportunity for the taxing entities and the authorities to listen to them as well. This bridges that gap. Right? And I think this actually does help not just address the symptom. I think it actually does help

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correct the, the, the, the underlying problem. There's a lack of communication. Senator Flood was just talking about this. There's a lack of communication between the tax-- the taxing entity and the taxpayer. Yeah, you might be surprised, we hear from all of our, from, from all of our constituents that, man, I'm sure upset about our school raising our property taxes again. Because all they see is a number that gets sent to them or they see it on their tax bill. But when they actually go to a meeting and someone from the school is there and says, you know what, man, we really needed a new air conditioner. Ours went out and the kids were sweating. So we had to actually increase our levy to help pay for this new air conditioner. Yeah, it might for, for the constituents and for the taxpayers to understand that, I think that might actually kind of help a little bit. You know, I mean-- and so information is important here, right? And that's what we're trying to, that's what we're trying to accomplish with this bill. The cost is minimal, OK, especially when spread out between different authorities. So with that, I'll yield the rest of my time. Thanks, Mr. Speaker. Appreciate it.

HILGERS: Thank you, Senator Hansen. Mr. Clerk for items.

CLERK: Thank you, Mr. President. Senator Flood, an amendment to LB307 to be printed. Announcements: see a reminder, the Appropriations Committee will hold their briefing tomorrow morning at 8:15 in the Warner Chamber. Appropriations 8:15 in the Warner Chamber for a budget briefing. Senator Ben Hansen announces that Business and Labor will meet upon recess tomorrow in Room 1524. That's Business and Labor tomorrow at recess. Senator DeBoer would like to add her name to LB501. Senator Lindstrom would move to adjourn the body until Wednesday, April 7, at 9:00 a.m.

HILGERS: Thank you, Mr. Clerk. Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. We are adjourned.