

[RECORDER MALFUNCTION]

WILLIAMS: Record, Mr. Clerk.

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

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

CLERK: I have no corrections.

WILLIAMS: Are there any messages, reports or announcements?

CLERK: There are. Reference Report referring LB1086 through LB1186. Priority bill designation: Senator McKinney, LB450. Hearing Notice: Health and Human Services Committee and Appropriations Committee signed by the respective Chairs. Lobby report as required by state law and an acknowledgment of receipt of agency reports available on the legislative website. That's all that I have, Mr. President.

WILLIAMS: Thank you, Mr. Clerk. Speaker Hilgers, you're recognized.

HILGERS: Thank you, Mr. President. Good morning, colleagues. Wanted to give a brief end-of-week update as we head into the weekend. Two issues: one is on scheduling and the second is on consent calendar. Regarding scheduling, as I have mentioned before, my priority is to get through all the 2022 priority bills this year. I've told you time is tight and there's a very good to great likelihood that we won't get through everything. I've appreciated that senators have already started to identify their personal priorities for 2022 and get those bills on General. Mr. President, can I get a gavel, please? Mr. President. Thank you, Mr. President. So as I get those in these first few weeks when we don't have a lot of the 2022 priority bills on the floor reported to General File, when they do get reported to me and-- or they get delivered to me and remember, it's a hand-delivery to my office, not email, hand-delivery to my office and reported as General File and a letter to the Clerk that can be read across for the Journal. Until those three things happen, I can't schedule, but once those three things happen, I will schedule it no matter when I get it. So yesterday we had LB825 and LB723. All those-- those three things occurred and so I scheduled those on the agenda for today. It certainly is my hope to not schedule things immediately right afterwards. I want to give the body as much notice as I can, but at least for these first few weeks, as I've asked before, for your flexibility and understanding. As things come in, we want to be able

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

to get those priority bills done. So I have these two bills on the agenda for today. The-- the other bill that I anticipate will be ready for scheduling for General File that is a 2022 priority bill is Senator McKinney's LB450, which is the iHub act, which is on General File. I anticipate that will be ready to go for next week as well. In addition, I will have a consent calendar. I've identified-- I've already mentioned that to the body before. The rules will basically be the same. If you recall, last year we had multiple smaller consent calendars and we did those at the beginning of the week. We will do that again. I will start accepting letters for consent on Monday and the deadline for the first round of consent is three o'clock, February 3rd, three o'clock, February 3rd. Please don't send a letter in until your bill is actually reported to General File, not just voted out of committee, but reported. It makes it a lot easier on my staff and my team to be able to go through all of those requests and we'll start consent debate sometime in mid-February. With that, remember next week we start at 10:00 first day of the week. Next week is our-- our only five-day week of the year. We'll have floor debate every morning next week with 2022 priority bills and then if we get through those and we don't have any of those, we will go to 2021 priority carryovers. Thank you, Mr. President.

WILLIAMS: Thank you, Speaker Hilgers. We will now proceed to the first item on the agenda. Mr. Clerk.

CLERK: Mr. President, Senator Friesen would move to suspend the notice of hearing rule to LB911. The bill is scheduled for a hearing, I believe, next week.

WILLIAMS: Senator Friesen, you're recognized to open.

FRIESEN: Thank you, Mr. President. This was-- the case is Senator McDonnell approached me about a bill that had been referenced to TNT and we discussed it and decided that it was more of an appropriations type bill where they were just talking about a change in revenues. So the two Chairs agreed to transfer the bill among committees. And therefore, we had to cancel the hearing that we had scheduled. So that's basically where we stand with that. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Friesen. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. President. Good morning, Nebraskans and good morning, colleagues. I-- you know, given that we have some priority bills coming up today and we have the State of the Judiciary today at 10, I wanted to slow it down a little bit. And it feels like we've

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

been going really slow because we've been spending eight hours per bill pretty much on the last several bills that we've discussed because the bills that were introduced were really, really controversial. And we knew that we were going to start the session with some bills like that. And I think that they set a tone in this body of frustration and mistrust. And all of that has been exacerbated by the things going on environmentally here; the pandemic, which is basically out of our control. But there are things that we could have done and could be doing now to, to bring some control to that chaotic situation that we're not doing and that's frustrating a lot of people in the body. And even though we are in the early days of our session here, every time we take a vote that has consequences for people in Nebraska, I feel like we're taking a vote-- the majority is prevailing-- of people who have never personally experienced the thing that they're voting on. And they're not being compassionate and understanding of the way this is actually going to affect people because the decisions that Senators are making in this Chamber are decisions that are not going to impact any of us directly or even people very close to us. And that's why it's so important to listen to people in the body who come from a diversity of experience, who have different perspectives to share and who are aware of the consequences of the bill and not just how it will, not just how it could hypothetically affect people, but how their constituents have told them that it will. For instance, both Senator Justin Wayne and Senator John Cavanaugh gave very vivid and real examples of what the DNA bill would do to people in Nebraska and how that would impact the court system because they practice law and they can see how that's going to affect people from a legal perspective. Senator Terrell McKinney, from his own personal experience, and anecdotal and factual evidence from people in his district, shared how that would impact them. And it concerns me that I think we were more focused on compromise above everything and being nice instead of being collegial, being nice instead of being judicious about our decision making as lawmakers and responsible to the people in our districts. And the same thing happened with the convention of states bill, LR14. People don't like the bill, ostensibly. You talk to folks one on one, you know, on-- all across the ideological spectrum, whether you're conservative or progressive or in the middle or whatever, and people had really serious problems with both the DNA bill and the convention of states bill for many reasons across the political spectrum, whether it's, you know, maybe on the left, you're concerned about marginalized groups being targeted in the case of convention of states by voting rights being diminished or, you know, opening up the Constitution could, in today's political climate, lead to a lot of really wild things

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

happening that we don't want, or on from a conservative standpoint, bad things could happen to you too; things with gun rights, stuff like that.

WILLIAMS: One minute.

HUNT: Thank you, Mr. President. In the case of the DNA bill, we had these-- these contrasting problems with the bill that are-- that went hand-in-hand for me, which is on one hand, the diminish of-- the diminishment of personal liberty and personal freedom when you're taking the DNA of innocent people. And then, on the other hand, knowing that certain communities could be targeted by law enforcement for this bill and then we'd have this database of DNA on hand. And I talked to people on all sides of the spectrum, many, many people in this body, and they don't like those bills. They're smart people. They know, yeah, it is cuckoo to play, you know, three-corner hat, Founding Father role-play and think we're going to have a party and rewrite the Constitution. That's bananas. And it's also ridiculous that we are going to pass a bill taking DNA from innocent people. But we still voted it through. We don't--

WILLIAMS: Time, Senator.

HUNT: --like the idea. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Hunt. Senator Clements, you're recognized.

CLEMENTS: Thank you, Mr. President. Regarding the motion, I heard something about appropriations being involved and wondering if Senator McDonnell-- would Senator McDonnell yield to a question?

HILGERS: Senator McDonnell, will you yield?

McDONNELL: Yes.

CLEMENTS: The LB911 looks like it's being re-- rereferenced. Is it being rereferenced or what is the purpose of this?

McDONNELL: As Senator Friesen stated in his opening. I approached Senator Friesen and Senator Stinner. The-- the program has been established and this has got nothing to do with changing any part of the program. It's just an appropriations to that program.

CLEMENTS: Will this then become part of the budget bill?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

McDONNELL: It depends what happens with the vote in appropriations and the public hearing.

CLEMENTS: Well, if it's approved, an amount is approved and-- there would be a public hearing. OK and Appropriations will have a hearing on this, right?

McDONNELL: Yes.

CLEMENTS: OK. Is it ARPA dollars?

McDONNELL: No.

CLEMENTS: It's General Fund dollars, is that it?

McDONNELL: It-- it currently is a grant through the Public Service Commission.

CLEMENTS: All right. All right. We'll get into the details when the bill comes to committee. I believe that's all I had. The-- we had a presentation on this earlier so I'm understanding the content. Thank you, Mr. President.

HILGERS: Thank you, Senator Clements and Senator McDonnell. Colleagues, the Chief Justice is going to come for the State of the Judiciary so we're going to move past this motion to suspend and come back to it after he comes and makes his remarks. Senator McKinney for a motion.

McKINNEY: Mr. Speaker, I move that a committee of five be appointed to escort the Chief Justice of the Supreme Court and members of the Supreme Court to the Legislative Chamber for the purpose of delivering the State of the Judiciary Address.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. You're not next in the queue, Senator. This queue was for-- let's-- one second, Senator Wayne. We're going to clear the queue and if someone wants to speak to this motion, please then hit their light. Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The motion is adopted. The Chair appoints the following senators to the Escort Committee for the Chief Justice: Senator Friesen, Senator Geist, Senator Lathrop, Senator McCollister and Senator Vargas. Mister Sergeant at Arms.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

SERGEANT AT ARMS: Mr. Speaker, your committee now escorting the Chief Justice of the Supreme Court of the great state of Nebraska and members of the court.

HILGERS: Colleagues, the Chief Justice of the Nebraska Supreme Court, Michael Heavican.

MIKE HEAVICAN: Thank you. You may be seated. Mr. Speaker and members of the Legislature, thank you all. Thank all of you, particularly Speaker Hilgers, for inviting me to address you again this morning. As always, it is an honor for me to report on the annual accomplishments of our judicial branch and to discuss our upcoming plans with you. With me in the Chamber today are my fellow justices: Justice William Cassel of O'Neill; Justice Stephanie Stacy of Lincoln; Justice Jeff Funke of Nebraska City; Justice Jonathan Papik of Omaha; and Justice John Freudenberg of Rushville. Justice Lindsey Miller-Lerman of Omaha could not be with us today. Notwithstanding the ongoing pandemic and other challenges, we have had many successes and accomplishments in 2021 and we look forward to 2022. Today, I will highlight some of our accomplishments, including our continuing pandemic response, our response to ongoing staff shortages, our access to justice initiatives and what's new with probation, problem-solving courts, and the Office of Public Guardian. Last year, I began my presentation to you by quoting from Article I, Section 13 of the Nebraska Constitution, which states, "all courts shall be open, and every person, for any injury done him or her...shall have a remedy by due course of law and justice administered without denial or delay." As I stated then, this means our courts must remain open even when much of the rest of society is not. There are no exceptions, even for a pandemic, to Nebraska's constitutional requirement of open courts. Last year, I emphasized how important it is for the daily workings of our communities and our state that the courts are open and functioning as normal as possible. I'm reminding you again of that importance. Crime does not stop, nor does child abuse, spouse abuse, fraud, divorce and many of the other social and commercial issues that are only resolved in the courts. This year, I report to you that our courts have not only remained open, but have adapted to the realities of the pandemic. Our judges indicate that case backlogs are minimal. That assertion is supported by case management statistics. Few states have achieved such success. Keeping the courts open and accessible is an ongoing challenge, but when the going gets tough, the tough get going. Amongst the information contained in the materials you received this morning is a list of "Everyday Heroes." These heroes are individuals within our court and probation offices who were recognized by the Supreme Court during the past year for having gone the extra mile to make sure

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

Nebraskans have access to justice. As you can see, our everyday court and probation staff heroes got tough and they got going. We owe the success of our courts to this good old-fashioned work ethic of our judges, staff and practicing attorneys, but we also owe our positive accomplishments to the increased use of technology and the accompanying innovative initiatives of our court family. We are still learning the lessons of the pandemic. Hearings, specifically Zoom and WebEx hearings, are held-- were held countless times in the past year. As I speak, there are trial court judges holding virtual hearings from their homes or offices because they tested positive for pandemic-related illnesses or they were exposed to someone who tested positive. Without this technology, our courts would be crippled with delays. Surveys, both in Nebraska and nationally, have found that the majority of respondents believe courts should continue to offer hearings by video when possible, even after the pandemic wanes. Such proceedings allow the courts to hear more cases and resolve them more quickly. Proceedings conducted electronically can be more efficient for attorneys and their clients and video hearings eliminate the need, at least for some, to take time off work and/or locate childcare to travel to the courthouse. Hence, we have challenged the presiding judges in each of our judicial-- judicial districts to use remote technology to continue to use remote technology when possible and to update court rules in an effort to bring more uniformity and clarity to modified court operations. Technology in the courts also includes enhanced E-filing. As of January 1 of this year, Supreme-- the Supreme Court fully instituted an E-filing process for use by attorneys in all case types and at all court levels. This accomplishment was the result of a larger project undertaken to modernize our Supreme Court rules to reflect and reinforce the use of technology as a foundation for efficient and transparent court proceedings. With some exceptions for separate-- self-represented litigants and external third parties, our integrated E-filing system allows all documents to be delivered to the courts in electronic form, some-- something that less than five years ago would have-- have involved printing, filing, copying and mailing of court documents. Thanks to technology, those acts are now redundant and obsolete. Another way we are ensuring access to justice through technology is by helping counties across the state upgrade their courtrooms. By law, counties are required to maintain Nebraska's courthouses, many of them historic, which traditionally included the installation of audiovisual systems in their courtrooms. As noted, the pandemic has fast tracked the adoption of remote hearings. It has shown us that both the judiciary and the public can benefit in cost and timesavings. The Supreme Court wants to sustain that momentum and give our judges the ability to leverage high-quality video in their

courtrooms in whatever fashion they deem appropriate. These upgrades will enable courts to conduct high-tech proceedings without putting an additional cost burden on counties. On-site visits by technology experts began in the fall of 2021. These county-by-county visits allow these experts to talk with judges and county officials to assess their courtroom needs. We then create individualized plans to meet the Supreme Court's best practice standards by replacing or enhancing technology installed in their courtrooms. Likewise, the judicial branch wholeheartedly supports your efforts to expand high-speed Internet broadband across the state. Without a strong broadband infrastructure, our rural court users are unable to access the resources we are working so hard to provide. One of the effects of the pandemic is ongoing judicial branch staffing shortages across the state. Similar to the executive branch, we've had to implement hiring and retention bonuses for all of our court and probation officers. At the end of December 2021, out of 614 available staff positions in our county courts, there were 57 job openings. Out of 944 available staff positions in probation, there were 99 job openings. The majority of these vacancies come from Lancaster and Douglas Counties. Of these shortages, for example, there are currently 21 job openings for probation officers in Douglas County alone. However, even the one or two employee vacancies we have in Lexington, Wilber, Dakota City, Gering or Madison make a big difference when it comes to supervising a caseload or maintaining access-- accessibility to the courts. Retaining highly skilled and competent employees remains a priority for the judicial branch, as does fair and comparable pay. We have engaged the National Center for State Courts on a workload and salary assessment study for the courts, which will be followed by a comprehensive salary study plan for probation. Our county and district court judges have repeatedly pleaded for staff salary increases in order to retain longtime, trusted employees and maintain normalcy in their courts. Accordingly, we will be asking this body for an upward adjustment to our personnel spending limit. I remind you again of the good work our court family is doing to keep the courts open statewide to mitigate a speedy trial crisis, to defuse an eviction crisis, and to make sure access to justice is available to all Nebraskans. With those goals in mind, I report on our Access to Justice Commission. The Access to Justice Commission is in the final phase of developing a comprehensive five-year strategic plan. This plan centers around core principles with particular emphasis on court users who do not have legal representation. The principles provide that all court users should have access to understandable legal information, should have access to legal representation and advice when possible, should have equal access to court services and full participation in the judicial

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

process regardless of income, race, ethnicity, gender, age, ability, language, religion or geography, and should have cases resolved fairly and efficiently. Access to Justice also includes language access. In fiscal year 2021, interpreters for 25 different languages were employed across the state to provide language access in each of Nebraska's 12 judicial districts. Interpreters are involved in everything from problem-solving courts to adoptions and proceedings in serious felony cases. Again this year, the most commonly interpreted language is Spanish, but we also used interpreters for such unique languages as Ewe, Kunama, and Nepali. In another first for Nebraska's courts, an interpreter for the Afrikaans language was required for a criminal case in North Platte. I turn now to our Office of Public Guardian. As you have seen in its annual report in 2021, the Office of Public Guardian has two main missions: serving as court-appointed guardians or conservators of last resort and providing mandatory education and certification of that education for all Nebraska's private and family guardians. Our public guardians are available for pandemic-related decisions every day, 24 hours a day, seven days a week. This past year, 137 wards tested positive for COVID, necessitating intensive oversight and medical decision making to ensure the health of our wards and to protect their lives. Since the pandemic's beginning, 25 of these wards have required hospitalization. Sadly, nine of those individuals served by the office have died from COVID. The annual report contains a few select stories about clients. In one story reported to the Omaha World-Herald, our guardian relentlessly advocated for medical care for a client whose caregivers refused to enter his home after he had tested positive for COVID. Please read this story, as well as other stories as the public-- in the Public Guardian's annual report to better understand the necessity of our guardianship services. The Office of Public Guardian has a waiting list for vulnerable adults in need of its services. However, due to budget constraints, for the third year in a row, it was able to accept fewer than 25 new appointments out of the hundreds of incapacitated individuals in need of guardian-conservator services. The Office of Public Guardian also assists Nebraskans who are serving as private and family guardians. Last year, it pioneered an online option for the mandatory education and certification of guardians. As a result, approximately 2,500 individuals were able to utilize online education during the onset of the pandemic. In 2022, it will develop specialized online education for guardians of minors and children from the child welfare system, which comprise over 30 percent of individuals certified as guardians in Nebraska. Turning to juvenile probation and juvenile justice, I will emphasize four ongoing initiatives. First, Nebraska has been awarded a three-year grant to

conduct a statewide juvenile justice system review. The assessment begins by an examination of the system's strengths, as well as a review of areas that need improvement. This focus helps prioritize recommendations for further development and, and implementation. Four priority improvement areas include family engagement, positive youth development, simplification of probation court orders and reduction in juvenile detention. Second, this year marked the tenth anniversary of Nebraska's Juvenile Detention Alternatives Initiative, which we call JDAI. JDAI is a collaborative process involving courts, prosecutors, public defenders, law enforcement officers, elected officials, community volunteers and others. The goals of JDAI are to decrease the number of youth who are unnecessarily or inappropriately detained, reduce the number of youth who fail to appear in court or who re-offend pending adjudication, redirect public funds towards effective juvenile justice strategies, reduce disproportionate minority confinement in contact with the juvenile justice system, and improve the juvenile justice system overall. Douglas County became the first Nebraska JDAI site in 2011. Since that time, JDAI has expanded its services to Sarpy, Otoe and Lancaster Counties. Hall County became Nebraska's fifth JDAI site this past year. JDAI has-- has reduced juvenile detention populations by over 50 percent statewide. Third, juvenile probation also enhanced its reentry unit, which supports youth committed to rehabilitation and treatment centers. The reentry unit is comprised of a coordinator and four probation officers assigned to specific youth treatment and rehabilitation facilities across the state, including locations in Kearney, Hastings and Lincoln. The enhanced structure of the reentry unit aims to provide intensive case staffing, ongoing support and engagement with institutionalized youth, and aid in the development of stronger community transition plans. Such programs help reduce our juvenile justice recidivism rate, which for the second year in a row remains at an all-time low of 19 percent. Fourth, we have concluded an evaluation of our statewide Restorative Justice Initiative, which requires juvenile law violators to meet with the victims of their offenses. The data analysis shows that the recidivism rate for youth who participated in this restorative justice process was only 11.3 percent, compared to the 19 percent I just quoted above for those youth that did not participate in the restorative justice program. With these positive results, the Office of Dispute Resolution is working with mediation centers across the state to expand the number of restorative justice programs available to juveniles. That office is also partnering with the University of Nebraska-Omaha and the University of Nebraska-Lincoln for further program evaluation and research to understand the perspectives of interested parties related

to restorative justice. This work will be completed with the support of a three-year, \$1 million Office of Juvenile Justice and Delinquency Prevention System Reform Grant. Nebraska was one of only seven states selected as a grant recipient. I turn now to adult probation, which of course, is part of Nebraska's judicial branch. Adult probation is our state's main alternative to incarceration. On average, over 80 percent of individuals involved in the criminal justice system have substance abuse or mental health issues or both. Hence, this past year, we have emphasized improving our mental health and substance abuse treatment services by upgrading our training and technical assistance for probation field officers in all 93 of Nebraska's counties. Quality assurance of behavioral health services is also an ongoing priority. Probation has been assessing the quality of substance abuse evaluations completed by service providers registered with the judicial branch. Through our quality assurance program, behavioral health services will become more effective and further contribute to the reduction of recidivism. Our recidivism rate currently sits at-- at an impressive 18 percent for adults under supervision. Adult probation supervision costs taxpayers just over \$2,000 per person per year, which includes the cost of treatment. Intensive supervision of high-risk probationers costs taxpayers just over \$4,000 per person per year. Problem-solving courts, which provide even more supervision, cost about \$4,500 per person per year. These figures compare dramatically and favorably to the cost of incarceration, which is approximately \$41,000 per person per year. I take this opportunity to thank this body again for its support of our problem-solving courts. Similar to probation, the goal of problem-solving courts is to divert criminal offenders from our prisons and jails by offering intense community supervision and rehabilitation. Judges are involved directly in the process. Please note in your materials included in your packet materials memorializing the first drug court graduation in Nemaha County. Our problem-solving courts are finding new and innovative ways to effectively supervise Nebraska's specialized court participants. Nebraska has seven problem-solving court models, which include drug courts, family drug courts, a young adult court, DUI courts and a mental-- a mental health court, reentry courts and veteran's treatment courts. I will spotlight several of these problem-solving courts, beginning with the veterans treatment courts. Nebraska's first Veterans Treatment Court started in Douglas County in 2016. Due to its success, similar courts are now operating in Lancaster, Hall, Buffalo and Adams Counties. Recently, the Lancaster County Treat-- Veterans Treatment Court and Adult Drug Court were both selected as model courts for other courts around the country to emulate. Several of Nebraska's problem-solving court coordinators have also been recruited

and selected as trainers by the National Drug Court Institute. The Young Adult Court in Douglas County provides sentencing alternatives for those between the ages of 18 and 26 who have been charged with a felony offense. In 2021, this specialized court expanded its capacity to include even more young adults. In Sarpy County, we established Nebraska's first mental health court. This problem-solving court emphasizes a structured alternative program for chronically mentally ill individuals charged with serious criminal offenses. I began this presentation by saluting our everyday court heroes who got going when the going got tough. I close with one more example of the court family's good work. While all of us have faced challenges posted-- posed by the pandemic, some members of our communities have faced more challenges than others. As you glance to the materials provided to you today, you may notice photos that appear to be out of place. They are not. Often the obstacles faced by individuals in our court system go beyond addiction, mental illness, or the ability to care for themselves. Sometimes the obstacles come in the form of the inability to obtain basic provisions such as food and shelter. The extra photos in your material package show the collective efforts of court and probation offices that have gone above and beyond their calls of duty to help our court users. Examples include food baskets delivered at Thanksgiving, a bassinet provided to a single mother, and a clothes closet available in a probation office so that individuals can be appropriately dressed for job interviews. Thanks again to those everyday court heroes and thanks again to the members of this Legislature for the support you have given our Nebraska court system. With that support, our everyday court heroes can fulfill our constitutional mandate that the courts remain open even in the face of a pandemic. The support of this body, the Governor and Nebraska's 2 million citizens reinvigorates Nebraska's court family to continue serving Nebraska by combining Midwest work ethic with innovative ways to provide access to justice for all Nebraskans. Thank you very much.

HILGERS: Thank you, Mr. Chief Justice. Would the Escort Committee please escort the Chief Justice from the Chamber? Mr. Clerk, for items.

CLERK: I do have a few, Mr. President, thank you. New resolution: LR284 by Senator Blood. That resolution will be-- that will be laid over. Pursuant to that resolution's introduction, I have a communication from the Speaker directing that LR284 be referred to Reference for referral to standing committee for public hearing purposes. New resolution: LR285, Senator Brandt. That will be laid over. I have amendments to be printed to LB1086, an amendment to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

LB165. I believe that's all that I have at this time, Mr. President.
Thank you.

HILGERS: Thank you, Mr. Clerk. Returning to this morning's agenda and the motion to suspend the rules. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Mr. Speaker. I was in the queue before. I got out of the queue and then I just got back in the queue because of the previous motion, but I actually do have a question. It's-- I think it's a pretty simple one, but there's no fiscal note. Would Senator McDonnell yield to a question?

HILGERS: Senator McDonnell, will you yield?

McDONNELL: Yes.

M. CAVANAUGH: Thank you, Senator McDonnell. So by moving it from Transportation to Appropriations, if it's in Transportation, is it then become part of statute and an annual thing, or are we moving it to Appropriations so it's just over the biennium?

McDONNELL: Originally, when this bill was-- was placed in front the Legislature a number of years ago, it did go to Transportation because it was creating a grant process through the Public Service Commission. And now that it has been established, the only thing this bill is asking for is additional appropriations.

M. CAVANAUGH: OK.

McDONNELL: There's no language change.

M. CAVANAUGH: OK, that's-- thank you. That's an important clarification. I appreciate it. That was really it. Thank you. I yield the remainder of my time.

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

WAYNE: Thank you, Mr. President. Colleagues, I have nothing against-- I'll vote for this and I'm actually just letting everybody know that today we're going to be stuck on bills. I'm going to slow some things down. Primarily, I have no problem with the actual bills coming up after this. I actually support both of them. But the problem I have is with how fast we're moving. We are going to start spending significant dollars on bills when I think there are some significant dollars that

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

need to be placed in certain areas. And what I don't want to happen is we start spending dollars and then we look up and it's time for at least the community I represent to be left out of the process because we've already allocated so many dollars. So just no offense to Senator Briese, no offense to Senator Lindstrom. I actually support both of their bills, but I also have to do what's in the best interest of my community. And so we're going to spend a little bit of time talking today about the budget and what the budget means and the Governor's recommendations of the budget. And we're just going to spend time, or I can drop or somebody can drop a recess motion until Monday and we can just get out of here, which is fine, after we do the motion to suspend the rules. But if we get to the bills that are after that, we are going to go a full eight hours on those bills until we start slowing some things down, getting some appropriations and some committee hearings and we start prioritizing where budgets are, because Senator Briese's bill, although it doesn't have a fiscal impact this year, in a couple of years, it's up to \$200 million. Social Security, if you go back my first year, I introduced a bill to eliminate Social Security tax. My mom's probably watching. Sorry, mom. She calls me every time to make sure we're going to pass this bill, but I have to make sure we don't just keep passing things that have significant amount of spending. And when we get to the end of this, people-- other priorities are left out just by the nature of us moving so fast. So don't take offense. We'll get close to the eight hours and I promise I won't make you have to have 33, but we're going to take time to slow some things down. Or I am offering Senator Erdman, he loves to-- he's been wanting to do this. We can just drop a motion to adjourn for the day and-- and we can go. But either way, today we're not-- we're not going to get a vote on the bill. I'm just telling you that, giving you a heads up, giving everybody a forewarning. I just think we have to monitor what we're doing with the budgeting and the spending on the floor because we look up and we spent a half a billion on-- on legitimate and good things that we should prioritize, but we still have a budgeting process we still need to get through. And then just like every year, it comes down in April or March or late February and then we're on the floor trying to cut deals and arguing and being rushed and with the short session, I'd just rather slow some things down right now and start having everybody talk about what they're going to prioritize and what we're going to do. Thank you, Mr. President.

HILGERS: Thanks, Senator Wayne. Senator Slama, you're recognized.

SLAMA: Thank you, Mr. President. I'd like to yield my time to Senator Wayne, if he'd like to have it.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

HILGERS: Senator Wayne, 4:55.

WAYNE: Thank you, Senator Slama. So I guess we'll start now and then I'll let the vote go and then we'll start slowing some more things down. Colleagues, our budget is probably-- well, actually it is one of the most important things we do. It's one of the things that's in our constitution that we have to do. So it kind of goes constitution, budget, then we got bills. Somewhere in there are bills that might be important. But the reason why our budget is so important, my first year we had controversial things in our budget and I never got up and said our budget shouldn't be political and our budget shouldn't have priorities. I think the opposite. I think when we put our budget together, we are signaling to the world that these are the things we are putting our money behind and these are the things that we believe in. So whether it's provider rates or childcare, we are putting dollars behind that, those things that we believe in because we are signaling to the world that this is important and it's so important, we're going to put dollars behind it. It shows people across the country and our public in Nebraska that-- what we value. So I do think it's appropriate to have a political and a value debate on the budget because growing up, one of the things I used to always hear is put your money where your mouth is and that's exactly what a budget is. It's putting our money where our mouth is. The problem that I've been having over the last couple of years and the problem that I have with the recommendations coming from the Governor is we are prioritizing profits over people. I do think you have to have some profits, otherwise businesses can't function and therefore you can't have jobs, therefore people will leave the state or people will have bigger social problems. So there has to be something in there about profits. But too often we put profits over people. And so people are wondering why I introduced a Department of Housing and Urban Development Agency. I'm trying to create an agency this year. Here's why I'm doing that. There was an opportunity for us to apply as a state for emergency relief funds and these are typically for renters or rentees, people who are renting so they can catch up or pay their rent. And this is a federal dollars that doesn't cost the state a dime and we just decided not to apply for \$30 [million] to \$50 million. Our Governor's Office just decided not to apply. And because we don't have one agency or one person in charge of housing, nobody owns that-- that grant process. So they can contact DED, which is where some of our housing programs go. They can contact DHHS, which some of our housing programs go, which I don't really get that at all. They can contact NIFA, which is a separate kind of organization that's not underneath the Legislature or the Governor, which is a kind of outside agency. But at the end of the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

day, nobody owns our housing. Now, why does that matter? Well, that matters because every year since I've been down here, the top five things that I've heard from urban and rural, from rural Nebraska, from the Chamber, the State Chamber to Omaha Chamber to every business that I talk to across the state, they say housing is the one of their most important issues. It's always been in the top three. But as a state, we fail to appoint or at least have somebody oversee how we coordinate that. Now, how does that transfer to the budget and profit over people? Well, if you look at the Governor's budget, he's outlined \$10 million to go to retail, commercial--

WILLIAMS: One minute.

WAYNE: --renters and its commercial and retail renters that he wants to pay to make sure that landlords get rent because during COVID, they weren't paying their rent at the retail. At the same time, he refused to apply for people to pay their rent to make sure that renters and the landowners get paid. That is one example of profit over people. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Wayne. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. President, and good morning. It's kind of interesting. I was wondering if you can bracket a motion to suspend the rules? I don't know. But anyway, so the discussion this morning was, we're moving too fast and we're moving too slow, all in the same comments and we passed too many bills. I've been here all ten days, been here every, every minute we've been open. We haven't passed any bills. I don't believe we've had Final Reading yet, have we, Senator Aguilar? We haven't had Final Reading, have we? There hasn't been a bill passed yet, but we have talked about we've passed too many bills already and we need to slow things down. Well, we've taken eight hours on several bills. If we get any slower, we'll have to time us with a sundial. And that's fine because what we do here most often affects people adversely, so moving slow is fine with me. So Senator Wayne had brought up the situation we were in, in '17, when we and I came. We had a \$1 billion, \$100 million shortfall. And it was quite obvious that the budget that we were going to pass wasn't going to be enough. And there was a senator from the 47th District that put an amendment that we would have adopted the prior year's budget, which was about \$240 million less. And that motion received 19 votes and that same senator had said on the floor that we are \$250 million too high. And in October of that year, the Forecasting Board met and they said, we're projecting we're \$238 million too high. So we made an adjustment. So even though you may have a common-sense approach to how

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

we budget, in the end, it's what the body decides it counts and so they didn't listen to what I said and we had to make adjustments again later. And so if we want to slow it down, that's fine with me because as I said earlier, wasting time here is probably good for people in Nebraska. And so Senator Wayne wants to take it eight hours, more power to him. That's his prerogative. He's a elected official, a senator that can do that. And I believe that he has the ability to do that. I don't-- I don't doubt that for a minute. So welcome aboard. Now you've stowed your luggage. Buckle up because we're set to go for a long time. So if Senator Wayne would like, I would-- I would give him the rest of my time.

WILLIAMS: Senator Wayne, you're yielded 2:10.

WAYNE: Thank you. Thank you. Thank you, Mr. President. Thank you, Senator Erdman. Senator Erdman, I agree that, you know, our first year we had a, you know, a billion dollars that we had to cut. And it isn't about slowing down, it's about slowing down revenue bills. I'm going to be specific. It's about slowing down revenue bills. We pass revenue bills. They sit on Select File anyway until the budget's done, so let's just see-- and that's part of the downfall of our budgeting process. And it's not a knock on Appropriations. They do a great job. It's just how it works. Appropriations, they go into the dark room and-- and hammer out a budget and it comes to the floor. And I think because of term limits, we don't have the long-term relationships that we had before. There's an inherent distrust. It's just inherent. There's a-- it's a lot of money. So you start going line by line and you're, like, what about this, what about that? What about that? Where, if you had those 10-, 12-year relationships, you kind of-- kind of know what's going on and because we don't, it's just--

WILLIAMS: One minute.

WAYNE: --inherent distrust that we fight every budget bill on the floor because that's when we get to learn about it. And my problem is we're going to fight a budget bill, but we're already going to commit \$50 million to Social Security, which I agree with, we're going to commit in two years, \$200 million for property tax relief, which I agree with as long as the economy keeps going the way it is. But we're not having a conversation about TEEOSA. We're not having a conversation about provider rates. We're not having a conversation about SNAP. We're not having a conversation about ARPA funds. We're not having a conversation about our surplus right now and what we're going to do with it, but we're going to commit already on first round of spending dollars yet. And so it's-- it's a process issue, not-- not

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

a merit bill driven issue today. Again, I'm cosponsoring the bills. I don't have a problem with the bills. It's the process issue.

WILLIAMS: Time, Senator.

WAYNE: Thank you.

WILLIAMS: Thank you, Senator Wayne and Senator Erdman. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. President. I share Senator Justin Wayne's concern that we're going to come to some agreements about how we're going to spend these funds that we have without seeing the full picture and the top-down view of all the different proposals that we actually have. And his point that we don't debate the budget till it comes to the floor and that's when we learn about it, Nebraskans, that's unfortunately pretty true. And what we need to do is get together and talk about our different priorities and not just have all that happen on the floor. Senator Wayne is the king of having problems with the process. He and I had beef, like, eight years ago, a long time ago, and that's how he and I first met is when he was on the Omaha Public School Board and we were debating a pretty controversial issue there. And he didn't want to vote for it because he had problem with the process. And we went to Night Owl after that vote and I-- I, I'm trying to think of, like, the PG way to say it. I dressed him down. I was so mad at him. We buried the hatchet and we remembered where it's buried. I was so mad at him for his vote on that. But he took that vote because he had a problem with the process. And that's something that I've seen him be really consistent with, whether he's on a public school board or in the Legislature or whatever. And I share his concerns in this case with the same process. I also am talking about how we take votes in this body that are really consequential to Nebraskans, but basically zero consequence to anybody here in the body. We make decisions for people because we think we know best for them when they're lighting up our phones and emailing us and telling us as their representatives in many cases that these votes we're taking are going to have really adverse effects on them. And I think that we do weigh those concerns in our minds, but I don't think that they weigh heavy enough. Instead, these other kind of superficial, artificial concerns weigh more heavily, like being nice to each other, compromise, reelection, ability to raise money for a reelection. All of these things weigh way too heavily on us when we're making decisions that affect all Nebraskans. I was talking about the case of the convention of states, LR14, in the case of the DNA bill that we advanced. So many of you colleagues, you promised a vote on one of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

those, either the resolution or the bill, in exchange for something else. We did some horse-trading to move some other things along. And so you end up voting for stuff that you literally don't support. And like, maybe you're promising a vote on General File but not Select, but then you feel bad so you stay on Select and then you think at the 11th hour at 11:59 p.m. basically on that DNA bill, people are running up to me before the cloture vote saying, would you be willing to compromise? Would you be willing to work on something that helps the rape kit backlog, blah blah blah. And it's, like, at 11:59, really? After this bill's been on-- on General File for a year? And nobody came to anybody over the interim to try to fix it. Nobody brought any of their concerns to try to come to a compromise. It's at the 11th hour before a cloture vote on Select File that you're coming to me to compromise, when I can't even put my light on and you can't put your light on, we can't even talk about it on the record? How does that look to Nebraskans?

WILLIAMS: One minute.

HUNT: And between the second and final round of debate, we come to a mysterious compromise that was never-- that never got any debate that significantly changes the bill. I'm not one who thinks that compromise is necessarily always a good thing if the underlying premise of the thing we're debating isn't good. And that's not personal, that's not being mean. It's not mean to say, look, I hear you, I disagree with the premise and for that reason, I'm going to vote no. We don't have to meet 50 percent in the middle of everything, especially when it's just a bad idea. 50 percent of a bad idea is us giving Nebraskans 50 percent of a bad idea and that's harmful. And what we should be doing in here is working on mitigating harm and mitigating the bad outcomes that Nebraskans have to pay for, but nobody in this body ever ends up having to pay for. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Hunt. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Mr. President. Well, I-- first I rise, I guess, in support of the motion to suspend the rules. I went to the meeting, the presentation on the 211 service the other day that Senator McDonnell put on with the United Way. And it's quite an impressive program and they're helping a lot of people with things like finding, connecting with housing assistance. And so the reason I actually rose was to support the motion, but also to comment on Senator Wayne's comment. I think he said that we were leaving \$30 [million] to \$50 million on the table, but in reality, we are leaving

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

\$152 million on the table as it pertains to the federal-- the second tranche, second group of emergency rental assistance money from the federal government. We're one of two states that hasn't applied for this and the federal government is extending the deadline for our application to March because they would like us to apply and take that money. And we're having a conversation-- Senator Wayne and Senator Hunt are correct that sometimes we let things go a little too fast around here and we don't get to have the whole picture of the conversation. But we just heard the Supreme Court talk about the eviction crisis, if you were listening to the Chief Justice, and how the courts have been operating and how we've been improving people's access to justice and access to supportive services. That supportive services, the support people are getting in the eviction process, comes from these federal dollars that we applied for the first time and that there are \$152 million more available to us that this state has not applied for. That money could be used, it would-- over the next four years. 2026 is the spend-down deadline for that \$152 million, which means for four more years, we could give people housing, rental assistance. We could give people assistance on their utilities. We could give people assistance in rural workforce housing, I think. We could use-- so we are, one, racing to spend this federal money. We're racing to spend the-- the extra money that we've had come in, which we will probably have a conversation long-term about the fact that a big portion of this increase in our state revenue is as a result of the federal money that's been pumped into the state, which is not going to happen long-term, by the way, so we need to take that into consideration as we make these long-term permanent changes to our tax structure. But I think this is-- that Senator Wayne's comment, the judiciary, and this particular bill go nicely together in the fact that we have identified problems in the state that we have and-- and we have an identified source of revenue that we are not tapping that can help those people; \$152 million we could spend over the next four years to help people stay in their houses, to help people keep the lights on, keep the heat on. That is money that we are passing up as a state because the state itself is dropping the ball on it, as Senator Wayne correctly pointed out. That the-- we have the current ARPA money that the-- we're going to have a hearing on next week and talk about how everybody wants to spend it. I'm sure Senator Stinner can articulate better, but I guarantee you we have multiples more requests than dollars available, meaning that we have identified need for this money and people are requesting it way more than it's available. Here is another group of money, a large amount of money, \$152 million that we are passing up that we could be getting in the state to help solve some of the problems that were caused by the coronavirus crisis, by

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

this pandemic. We-- we've identified housing is a-- is a health issue. When people become unhoused, they become more susceptible to sickness, more susceptible to spreading sickness to others. It is part of the problem with the spread of this pandemic, which has caused a problem for everybody. So increasing housing stability security is a cornerstone of how we fix this problem going forward.

WILLIAMS: One minute.

J. CAVANAUGH: And we are passing up the opportunity for this \$152 million. And so if we give this money that LB991-- LB911 is asking for, which I got to give credit to Senator McDonnell for his, always, thoughtfulness about how he gets his bills numbered and named. I'm impressed that the 911-- LB911 is a 211 bill, but it is-- 211 will direct people to services. This \$152 million are those services 211 could direct people to. And so we can spend money to get more people to use 211. We can spend money to tell people that it's there. But if they call in and the services aren't available, that's on us for not asking for this \$152 million that is available to us from the federal government. So that-- everybody should be aware of that. We should be asking that question. We should be looking for that money. The state still has time to apply for it and that will be something that we can have in our toolbox going forward to fix some of these problems presented to us by the coronavirus. Thank you, Mr. President.

WILLIAMS: Thank you, Senator John Cavanaugh. Senator Friesen, you're recognized.

FRIESEN: Thank you, Mr. President. I just wanted to alert the World-Herald that we're wasting time and maybe that they could come with some more recommendations on how we might better use our time. So when we want to talk about the rest of the session, I think this is going to be a-- this is a nice start to it. We're not even into the good juicy stuff yet, fighting over the money. And so if we each want to get in all of our own silos and fight for our constituents, it's going to be an interesting fight. It's going to be hard to get 33 votes when everybody is on their own side, but I think this is a good discussion to be had. And so when we're doing this, I'm going to just say that I don't know if this body and if this Governor is the best to decide how to spend some of that ARPA money. I'm amazed, kind of, by our rush to spend it. You know, we're supposed to be this conservative state that's very thoughtful and everything, and boy, we're tripping over ourselves to see how fast we can spend and appropriate this money. And so I'm of the opinion that we really, you know, if we don't have a good project, that's-- if we only fund one or two things this

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

year, I think the next year the body might be a-- maybe it'll be a better legislative body when I'm not here to make these decisions. Maybe we'll have a new Governor that looks at things differently. Maybe something else will rise up that has a higher priority than what we're seeing today. So when we talk about having to appropriate all this money and make sure that it gets spent, maybe it's time to put the brakes on a little bit. And let's think about some of the things that are-- been thrown out there and where we might spend all this money. So again, I'm hoping the World-Herald is listening and when we do waste this precious moments, I would like them to, you know, come up with some more suggestions on what we might do. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Friesen. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President. I wanted to rise and punch in since we're taking a shift this morning to talk about states priorities and just really echo and reconfirm housing as a-- as a top need. I appreciate Senator Wayne in his efforts. I'm a cosponsor of that bill for the housing department. I appreciate Senator Cavanaugh speaking about the emergency assistance funding that the state desperately needs to apply for. It's just-- I can't even-- I don't have a good word to describe the fact that we don't-- that we're not accepting money for emergency rental assistance. Part of what I wanted to talk about is including in the spending priorities is the notion of housing. And I'm going to remind people some of the things that we have worked on as a body. If you remember, obviously, Blueprint Nebraska came out and was a significant source of priorities and suggestions and goals for the course of the state. And one of Blueprint Nebraska's suggestions was to build 30,000 to 50,000 new housing units in the state of Nebraska, 30 to 50. And that was, I believe, in 2018. Just this past last year, a report came out by the Omaha Community Foundation that suggested Omaha itself was going to need 80,000 to 100,000 units. So the demand for housing really of all types and all kinds is something the state is not going to meet, and the state-- is something the state is struggling with. We have opportunities here as a state to invest in this. We have existing programs. We are-- people are proposing new programs. We have opportunities to do this. And this could be really a win-win for the state in the sense that this is something that talking with developers, talking with some of the, you know, the businesses that develop housing, talking with nonprofits, you can get some pretty broad agreement on housing. And a lot of what we've been hamstrung in the past few sessions is simply the cost. You know, rarely do we have

opportunities where, you know, a nonprofit, the industry and all of that sort of highlighting, you know, a specific need, a specific desire, as we do in some of these, you know, funding provisions. We have the money this year or at least we have more money this year. I'm not convinced we could spend-- I'm-- sorry. I'm convinced we could probably spend the entire pool of ARPA funds, every last penny on housing and we'd still be short. I think that's the need that we're experiencing in the state. And when we talk about wanting to grow the state, when we're talking about wanting to grow our workforce, the struggle to have housing-- and it's not even necessarily great housing or the right housing, just housing, period, is so tough. One of the things that always strikes me is, is this is a need that is different across the state but has shared common threads throughout the state. It's simply that it is short. I remember at an Urban Affairs hearing, maybe 2019, having a business owner in a small town talk about they wanted to expand their business and they had to call around and make sure that one of the two apartments in town was free so that when he offered this guy from out-of-state a job, he had a place to live. And that's-- I mean, that's-- that's the level we're at. We're seeing a lot of the builders, a lot of the industry still hasn't fully recovered from the 2008 recession. There are all of these problems that have plagued it, not to mention now just the rising costs in all sorts of different lumber and concrete and other infrastructure with the supply chain issues. These are things that we as a state can incentivize. These are things we as the state can help, you know, our businesses, our communities, our cities, all of these things grow because we see this as workforce being a number one issue. And frankly, one of the biggest barriers for workforce is workforce housing and not just workforce housing, because all of the housing is connected.

WILLIAMS: One minute.

M. HANSEN: Thank you, Mr. President. You know, we see this where, you know, if there's people who want to downsize but can't, there's people who want to buy a home, but can't, when people are in the wrong housing for them, they're either overspending or underspending. They are having too much space, too little space. And part of you have that is just when the market doesn't have the ability to shift it around, you start-- you start having all these issues. We as a state have an opportunity to really make some significant investments in housing in targeted areas and across the state this year. And we really need to make sure that's a collective priority of ours and that's something I'm going to continue to fight for. Thank you, Mr. President.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

WILLIAMS: Thank you, Senator Matt Hansen. Senator Stinner, you're recognized.

STINNER: Thank you, Mr. President. First of all, I want to compliment Justin on his budget talk. These revenue bills are significant bills. I think we ought to have all the information that we can, which means passing a budget, all its adjustments, maybe even waiting for Forecasting Board, seeing what that impact is and then having a robust debate. I'm OK with passing it from General to Select, but I think we ought to have enough time to discuss those bills with all the information possible. That said, we have \$3 billion of request for ARPA in Appropriations right now. I have no idea how many other bills went to other committees that also have ARPA implications so the demand is extreme, I guess. But the one thing I really wanted to get on the-- and make you aware of is last year, if you remember, we got a qualified opinion from the state of Nebraska. Qualified opinion means that you can look at the financial statements, but you can't reach an opinion relative to the content of those financial statements. So this year again, we are writing to inform you of a delay in the issuance of the annual comprehensive financial report for the fiscal year ended June 30, 2021. Audit standards as a state state that we are responsible for communicating-- this is the State Auditor-- communicating significant matters related to the financial statement audit that are in the Auditor's professional judgment relative to the responsibilities of those charged with governance. In accordance with the Revenue Act, the Director of Administrative Services is to provide audited ACFR, which is the financial statements, at least 20 days before the commencement of each regular session of the Legislature. However, based on the current progress, the backlog of items still to be completed by the Department of Administrative Services for the Auditor of Public Accounts to audit the ACFR will not be completed by the statutory deadline of December 16, 2021. Our process for completing the audit of the ACFR involves an extensive list of items that were to be provided by DAS by certain dates to assist with meeting the statutory deadline. There are over 100 items that have-- have exceeded the communicated date and are yet to be provided to the-- to the office. When these items are provided, our office will need sufficient time to perform auditing procedures to ensure the financials are materially correct for our opinion. In addition to the delay of items provided, the audit-- the office has also encountered significant errors in these items audited to date. At this time, we have proposed 45 adjustments to the financial statements totaling nearly \$7 billion. We have also concluded that the Unemployment Insurance Fund will have to be-- have a modified opinion, as neither

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

DAS nor the Department of Labor were able to-- were able to provide accurate financial statements for the fund. Given the items noted above, we feel it is necessary at this time to communicate the situation to you and be-- make you aware of noncompliance and delay. This is-- this is serious stuff, folks. We got to get our financial statements issued where they have to be accurate. Somewhere along the line, I think we're going to spend some time on the Appropriations Committee kind of digging into these items because two years in a row is too, too many. And I don't know what the significant \$7 billion-- it's probably not a fraudulence thing, but also if you can't get-- materially get the information to the departments that are, are federal government departments like the Department of Labor, your funding may be in jeopardy.

WILLIAMS: One minute.

STINNER: The bond ratings associated with various-- of University of Nebraska, state colleges, they issue bonds. They look at our financial statements and they're going to look at a financial statement that has a qualified opinion? I'm sorry. This is not the way it needs to be. We will spend a-- an appropriate amount of time in Appropriations to dig into this and see if we can resolve the issues. But I just wanted to make everybody aware, we're out of compliance, so thank you.

WILLIAMS: Thank you, Senator Stinner. Senator Vargas, you're recognized.

VARGAS: Thank you very much. And thank you, Stinner, for making sure you let us know we're out of compliance. And you know, I just wanted to add a few things here. I appreciate the conversation we're having this morning. I hope the public is listening and for two reasons, one, next week we're going to have our ARPA hearings and-- well, not ARPA hearings, but the Governor's request for ARPA funds. For the public, this is your opportunity to weigh in. I mean, this is a reminder there's \$520 million of requests. Well, actually \$1 million of ARPA requests being requested this next week on Monday and Tuesday. If you agree with these items, you get to say whether or not you agree. If you disagree with these items, you get to say whether or not you disagree. This is your opportunity for not just any associations, groups, the public to weigh in because that is the large amount of money that we currently have for recovery. But this is also a reminder, and I think this is sort of Senator Wayne and other people that have mentioned this, which is we have a very clear line of sight on how these funds should be applied. My office will be working on trying to get some data points out, but it is to fight the pandemic

and support families and businesses struggling with its public health and economic impacts, to maintain vital public services, to build a strong, resilient and equitable recovery for investments. But that first one about public health and economic impacts for the places that have been struggling the most, if you have not seen the data on either unemployment, on COVID-19 cases and recovery, on these very important metrics for how they affect communities, you will very clearly see north and south Omaha very clearly impacted by COVID-19. We talk about the word equitable. We need to figure out and find that way to have that conversation not just through bills, but on the floor, as we've already had and we will continue to have. These metrics should be used as we're making economic impact decisions. And it's not just going to be the one time with the Governor's recommendations for in the hearing on Monday and Tuesday. It's going to be in the ARPA fund requests. But we have a real opportunity to be equitable about the way that these funds are distributed. So this is a reminder to the public. This is an opportunity to weigh in. Senator Cavanaugh made it really clear. We're talking about housing issues and federal funds that we're leaving on the floor. We're not just talking-- we're also talking about ARPA funds and federal funds. We need to think about where has the inequity been? Where have most of these issues having to do with housing instability been by zip code across the state of Nebraska? It's going to be urban Nebraska for the large most part we're going to see those numbers and so we need to figure out ways to prioritize. We're thinking about spending ARPA funds in those areas. Where we had the most housing instability or least housing options or evictions, we can look at that data. I'll be working to find and distribute this data to the best of my knowledge that we can get out by district and by zip code. In the meantime, I encourage you, the public and my colleagues, to look at that data. And when you're coming to Appropriations, really digging in to making your case on how ARPA funds should be utilized in alignment with the values that Stinner put out and the many of the characteristics, but also what the findings and the guidance that we're seeing from the Treasury. So with that, I want to thank you. This is a good conversation and it's not the last one we're going to have in regards to prioritization and the cases we need to make, but there are people that may not always have the same avenues to the lobby or senators to be able to make their case that they're hurting or have been hurting these last two years. This is our opportunity to right that ship. Thank you.

WILLIAMS: Thank you, Senator Vargas. Senator Hunt, you're recognized and this is your third opportunity.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

HUNT: Thank you, Mr. President. This morning, we're talking about boundaries that we have with each other and we're talking about using our judgment. And look what's going on out in the Rotunda right now. One of our colleagues is having a campaign event. One of our colleagues who's running for office is having a campaign event in the Capitol where we are elected to serve and represent all Nebraskans and our constituents who sent us here. What are the boundaries that we have in here? What are we doing with the norms in here, you guys? I feel like I'm losing my mind. I feel like you guys make me seem like I'm such a radical and I'm just trying to do something good for somebody. Do you think it's great to have a campaign event here in the Capitol where we all work and we're elected? Why not just have it on the floor of the Legislature? Why not have it up in the balcony? What are the boundaries and the norms that we've all agreed to and why are we eroding them so much? You know how impossible it is for me to imagine a Republican nominee for President in 2024 who believes that Joe Biden was elected President? Do you get, like, how eroded not only our political norms and our civility is? And Senator Vargas loves to talk about civility. It is not my favorite topic. So when Megan Hunt is looping around to civility, like, we've really gone too far off the rails. Civility is not agreeing to support a bad bill that hurts people because you like the introducer. And civility and political, you know, respect and boundaries and normalcy and judgment is not having a campaign event in a state government building. What on earth? Just have it in here. I see your step-and-repeat background for your photo opportunity. Move it in here. Put it up in the balcony. To me, there's no difference between the Rotunda and the balcony because this place is where state government work happens, not where we campaign for reelection. To me, it's very gauche. It's gnarly. I wanted to make a point about the convention of states LR14 resolution that we advanced to Final Reading and the deal making that was happening to make that possible from people who do not support that resolution, who know that an Article V convention of states could really, really harm our union in the United States. It could harm marginalized groups. It could harm rights that we already have in the Constitution. And what we came to, the compromise that was proposed and that was agreed upon is a five-year deal on the constitutional convention so that the call expires in five years. And I'm wondering if that amendment even has any consequence. It's probably of no consequence. I don't know and I wonder if a state can pass a call for a constitutional convention, but qualify that pledge. I don't know if a state can qualify a pledge for constitutional convention. I think that the remedy for that, if you don't want to have a convention, is that after the call happens to go into the convention, you make a motion to adjourn and you're done with

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

the convention. I don't know this, but I would think that that would be how it would work.

WILLIAMS: One minute.

HUNT: Because think how it would work here in-- in our body, in this legislative body. If we called ourselves into a special session because 33 people agreed to do so, but then somebody changed their mind and reconsidered and didn't want to go into special session anymore, the solution then is to go into special session and adjourn sine die. You don't get to just, like, write another letter and be like, never mind, we don't want to now. So why do we think that it's going to work that way with the convention of states? You guys aren't thinking. You're saying, I want to be nice. I want to make everyone happy and I want to get my little thing done so a compromise sounds good. But what does the compromise do, especially being wary of these compromises that are reached at the eleventh hour between the, the second and final rounds of debate? It's haphazard, it's irresponsible, it's poor judgment and too much poor judgment is going on in here. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Hunt. Senator Wayne, you're recognized.

WAYNE: Thank you, Mr. President. And colleagues, it's kind of interesting because I think, like, five or six steps ahead. All the time, I'm trying to think of different scenarios. And I was waiting for Senator Friesen to get up and say we should have a-- you know, we're wasting time. We should at least do something positive. So what I-- what I passed out, colleagues, is a map of north Omaha. And I know a lot of people aren't listening and that's fine because we're taking time, but there are some viewers. And what the first page is, is the redlining of a certain area. Redlining occurred when the federal government and state were not invested in certain areas that were minority owned. But the reason why this is important, the reason why I passed this out because I had a feeling Friesen was going to-- was going to speak was because I have a bill in his committee cosponsored by Senator McKinney and I believe, Mr. Cavanaugh, John Cavanaugh, about what's called a reconnect grant. But let me explain the history here. So redlining occurred. There was a lot of disinvestment. But if you go to page 2, you see pre-Highway 75, you see a vibrant neighborhood, trees, multiple housing units. You see a community that is thriving. Well, in 1956, at the federal level, we decided to increase our interstates and build out our interstates and complete highways too. And in 1979, the city of Omaha decided they were going to continue to extend Highway 75 through Omaha. And then in 1981, they

literally tore down the heart of north Omaha and destroyed it. And so if you turn-- and I want to put this in perspective. I was born in '79. This is my generation. So if you look at the last page and you compare to 2, you see a community with empty lots, lack of investment and an entire destruction as a result of Highway 75. Well, interestingly enough, last year, part of this year, part of the infrastructure grant, there is a grant called Reconnecting Communities that the state of Nebraska can apply for. And initially when Senator McKinney reached out to DO-- NDOT and myself, again we don't even have an office of grants so there's no ownership of grants. And most federal grants-- most federal grants across the country go to low, minority or poor income people and the state of Nebraska just doesn't apply for them. So after numerous of conversations with NDOT, it just didn't seem like they cared to apply for it. So we have a bill in TNT that says not only do they should-- should they have to apply to-- for Reconnect Grant, but they should have to also apply for a Mega Bridge Grant, which is also out there for the development of a bridge in Omaha. But this Reconnect Grant and what they found about in other in other cities, particularly in Minnesota, and I'm looking over to Terrell, Minnesota, Senator McKinney, in St. Paul, they had a similar situation and they ended up redoing this community and making the-- the freeway smaller, still a freeway and make it more livable, and now that community is completely starting to turn around with businesses and home development, etcetera. So essentially, this Reconnect Grant that the state should apply for that's in TNT, is-- it could be up to 100 million. What Dallas did, which is very interesting, is Dallas built a deck over their highway and put a park, an outdoor mall and part of almost like a zoo area and it totally revitalized--

WILLIAMS: One minute.

WAYNE: --that area by reconnecting the two communities. So, Senator Friesen, I'm-- you know, when I get up here to waste time, I don't waste time. I try to move things along in other areas. The purpose of slowing down today is simply from a process of budgeting process. I will say again, over and over, I support both of these bills, but I don't like writing checks without knowing what's in the bank. That's my problem. And right now, we don't know what's in the bank, so I'm not going to talk any more on this motion. I hope we can-- there might be some other people in the queue, which is fine. We can pass this motion to suspend the rules, but I am going to slow down any big expenditures to give Appropriations and other committees time to figure out what their priorities are and how much they may cost. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Wayne. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Mr. President. I just-- when Senator Wayne started talking about the Reconnect project and I appreciate-- I just want to say thank you for passing out this, the redlining. And I think everybody should look at this. I actually have seen most of these pictures. I haven't seen the pre-Highway 75 picture, which is pretty stark contrast if you look at those two pictures. But-- and I want to thank Senator Wayne for bringing that bill about forcing the department to apply for this money because it again, this is federal money that is out there. It's on the table to help us undertake a project that a lot of people probably here haven't thought about because I hadn't even really thought about it. I mean, I thought about the concept before, but I hadn't thought about it until Senator McKinney approached me about this project that Senator Wayne referenced, which is called Reconnect Rondo, which is a project in, I think it's in St. Paul. I'm not very good with the geography of the Twin Cities, admittedly, but Senator McKinney and I met with the executive director of that project a month or two ago and the energy and the passion about that project was invigorating. And the innovation that they are undertaking in that project to revitalize that community that when they tell you their story, it is the exact same story that Senator Wayne articulated here about this particular section of Omaha and Highway 75. You could look at it. The proportions are similar. The destruction of the neighborhood is similar. The timeline is similar and so it-- it is a project that, you know, you don't have to reinvent the wheel everywhere. When somebody comes up with a good idea that we should take that idea, take their lessons learned. Senator Wayne referenced Dallas as well that has done a similar project. And I think there are other cities that have begun doing these sorts of things where they are starting to reclaim these major highway scars through their community and make them livable, usable, enjoyable spaces again that bring economic benefit to those communities and revitalize those communities. And so there is more federal money on the table for that project through the-- the infrastructure bill that we should be applying for. There's, I believe-- well, there's some of this-- the money that we have that Senator Wayne and I think Senator McKinney's plan would also help us capture-- capitalize on this project. But this is another one of those opportunities where we need to really take a look at what our priorities are, what we're investing in, and this is an opportunity to make a revolutionary generational change for the positive in a community that we all talk about, that we all get-- pay lip service

to, I think. And this is the type of thing that we should be applying for. We shouldn't require-- it shouldn't require Senator Wayne to bring a bill and then have to fight about it here to apply for money that we should be applying for. We should be out there looking for every federal dollar that we can to invest in our communities across the state of Nebraska. We should have somebody that's out there affirmatively looking for these dollars because there are federal programs to help people who need the help. This \$152 million I talked about earlier, that's money out there that for political reasons, really, that we are not going after that will help people that we all agree need that help. We-- this is a project that would be-- the project itself, the result would be fantastic, but it would result in investments in creation of jobs that we always talk about. Infrastructure projects create jobs while they are being undertaken, but it would create an opportunity for creation of wealth. There is a-- the way they've structured the project in Rondo in Minnesota has an aspect where the community, the neighborhood around it derives the economic benefit. It's almost like a-- like a reverse TIF or something like that, which is a structure that I'm still working to understand and that we're--

HILGERS: One minute.

J. CAVANAUGH: Thank you, Mr. President. But there are innovations that are being done across the country that we're missing out on if we do not take the opportunity to see-- seize this opportunity to collect these federal dollars. So I appreciate Senator Wayne and Senator McKinney's leadership on this issue. I certainly appreciate them including me in-- in the process as well. And I would really encourage everybody to take a look at this pre-1975 picture. It is-- when you compare it to the way it looks now, the highway is a scar through the middle of this community and it radiates out with lack of investment, lack of-- of built-up neighborhood that was there before. So again, I think we should be looking carefully about how we're spending the money we have, but we should also be looking for more of those federal dollars and not leave them on the table. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. Speaker. Good morning, colleagues, almost afternoon. I am joining my colleagues in an effort to slow things down a little bit here. We are moving very quickly to bills that are going to be hitting our bottom line budget and we haven't even really begun the appropriations process. So I have concerns about moving bills on

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

General File that would be taking-- cutting into revenue-- current revenue without really having a full picture of where we're at. I understand that this is the process and bills have to go through three rounds of votes, but this is, at least for me, feels a bit hasty. That doesn't mean that I don't support the bills. I haven't actually had time to read them thoroughly and digest them because they were just kicked out of committee yesterday. And for people at home, if you're not on a committee, there's literally over a thousand bills you-- I-- I personally don't read a bill that's not in my committee and not on-- going to be on the floor debate necessarily because that would be a lot of bills to read in a very short amount of time. So once a bill is reported out is the time where I start to think about how I'm going to handle that bill. So I'll be taking the weekend to do that on the bills that have been kicked out. I also want to echo the significance of these photos that Senator Wayne passed out. Highway 75 north in Omaha has been a blight on our community ever since it was conceived. It is not very utilized to begin with and it is, as Senator John Cavanaugh said, a scar through the middle of this area, this neighborhood, which had so much density in it and the picture now, there's very little density because why would you want to live basically under a highway? And it really cut the core of a north Omaha community in half with very little regard for the people who live there and the generational impact that would have. How much time do I have left?

HILGERS: 2:35.

M. CAVANAUGH: OK, if she would like it, I will yield the remainder of my time to Senator Hunt.

HILGERS: Senator Hunt, 2:29.

HUNT: Thank you, Mr. Speaker. Thank you, Senator Cavanaugh. Let's point out that when we're talking about the productivity or lack of productivity in this body, it's kind of based on the calendar. It's based on the schedule and the agenda that's set by the Speaker. It's not just about the individual decisions of the Senators who are out here talking about issues. We started the session with three super controversial bills that we knew were all going to go the full distance, eight hours on General File. And now we've moved on to some budget bills that are, as Senator Wayne said, we'll be writing checks before we know how much money we have in the bank. But we have all kinds of bills on General File from last session, from last year. We have bills-- my-- my bill to allow people who have drug convictions to receive food assistance is on General File. We can talk about that.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

That's controversial too so maybe not the best example, but there are so many things that could basically be on consent calendar that we could just be moving along right now to, you know, clarify things for-- for municipalities and cities, to help people do their jobs better. Just these little fixes that we get asked to introduce by our districts and by our local elected officials, like, these are things that maybe we should just be talking about right now instead of putting things on the agenda that--

HILGERS: One minute.

HUNT: --then causes to take time and frustrates the people. It frustrates-- we get people writing articles in the newspaper saying look at them wasting the time. Nebraskans watch the TV and they think all we do is-- is waste time and spin our wheels in here. I thought that before I got elected and now that I'm in here on the inside and I can look at the sheet of all the bills that we have on General File and I can look at what these are and go, oh, these aren't bad, this one's good. This one's fine. No problem with that one. Put it on the calendar. We could talk about that stuff. So don't take issue with the people out here who are trying to make sure that something good is happening for Nebraskans. Talk about how the agenda is being put together. Is this what's affecting our productivity more than anything else? Maybe. I would think so. I have a few more points to make on my next time on the mike. Thanks, Mr. President.

HILGERS: Thank you, Senator Hunt and Senator Cavanaugh. Senator McKinney, you're recognized.

McKINNEY: Thank you, Mr. Speaker. I rise to kind of continue the conversation about the Reconnect Communities Grant that I do believe that our state should apply for. And our state should apply for it because when you look at these pictures, you see the effects of the Highway 75 and what it did to the north Omaha community. This is something Senator Chambers predicted when he fought it before the highway was constructed, but many in our state refused to listen to him and now you can see what happens when, you know, we disregard the thoughts of many that are not being listened to. But now, currently we have an opportunity thanks to the passage of the infrastructure bill to begin to right that wrong, but also redevelop the north Omaha community into a more vibrant place than it is today. This is why the Department of Transportation should apply for this and it's sad that we have to introduce a bill to get them to do the right thing. You would think a department that's in charge of transportation in a state would just apply for these type of grants and see the benefit in a

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

Reconnect Communities Grant, the benefit of building a bridge on 16th Street to boost up the economy of our state. We-- we talk about people leaving our state, our economy not being really innovative and things like that, but we're not willing to step out and be innovative and do things that would take our state into the future. We cannot be stuck in the past and not work to innovate the state of Nebraska and then stand up and say the good life is for all. If the good life is for all, we should do things to make sure the good life is for all. But currently the only innovation that is-- that is even being considered is a lake or I won't call it innovation at all, but devoting millions of dollars to a prison, which is sad. We should be looking at ways to improve the lives of Nebraskans and I think to Reconnect Communities Grant could do so for many reasons; job growth, economic growth, make the community better as a whole. So this is why it's important, but it's also important, as Senator Wayne pointed out, that we slow down this process to make sure that we really prioritize what we do this year in this body. We have to make sure that we're not just spending money to spend money, but we're intentional about where these funds are going, regardless if they coming from the Feds or from the General Fund. We need to make sure when we spend money in this body that it goes to the right places and to the right people to ensure that individuals aren't left out. That's why it's important. And I-- if you haven't, I would implore you to look at this, this sheet, and if you would like, I would share some more information about the Reconnect Communities Grant and some other information that I might-- that I have that I can share. And I would also encourage you to reach out to the Department of Transportation and encourage them to apply for these grants. How much time do I have left?

HILGERS: 1:45.

McKINNEY: Oh, OK. Senator Hunt, do you want the time? All right. I yield the rest of my time to Senator Hunt.

HILGERS: Senator Hunt, 1:34.

HUNT: Thank you, Mr. President. Listen, folks, I am a superficial person. Like, I'm not the one who's going to come and stand up here and say, don't be silly and do things for fun. It's basically what gives me the most joy when we do this work is having a little fun with you sometimes. But the superficiality cannot be inserting itself into the work that we're doing here. Do you understand what's going on in the Rotunda right now? A campaign event. What's preventing any of us from doing this too?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

HILGERS: One minute.

HUNT: What's preventing everybody from going out there and announcing their candidacy? Everybody from across Nebraska, you want to run for city council. You want to run for school board. You're thinking about coming into the Legislature, Governor, whatever, come to your announcement right in the Rotunda. Maybe you can rent out the Warner Chamber across the hall and do it in the old Nebraska Senate Chamber. Maybe you can put your signs all up in the balcony. To me, there's no difference. This is all state property and this is the house of the people. This is not a place to campaign or receive contributions or do fundraisers and it's really uncalled for and tacky that that's what people are allowed to get away with in here and it just shows how deteriorated and how superficial we really are about the role of government in Nebraska. It's not serving people. We're in here serving ourselves and it's like you're not even pretending that you're not anymore. Thank you, Mr. President.

HILGERS: Thank you, Senator Hunt and Senator McKinney. Senator Clements, you're recognized.

CLEMENTS: Question.

HILGERS: Senator Clements, we don't need your motion. There's no one else in the queue. Senator Friesen, you're recognized to close on the motion to suspend. Senator Friesen waives closing. The question before the body is the motion to suspend the rules. This is a vote that takes 30 votes. All those in favor of vote aye; all those opposed vote nay. There's been a request to place the house under call. All those in favor of placing the house under call vote aye; all those opposed vote nay. Please record, Mr. Clerk.

CLERK: 19 ayes, 6 nays to place the house under call, Mr. President.

HILGERS: The house is under call. All unexcused senators, please return to the floor and check in. All unauthorized personnel, please leave the floor. The house is under call. All unexcused senators are now present. The question before the body is the motion to suspend the rules. All those in favor vote aye; all those opposed vote nay. Senator Friesen, there's a vote that already started so we can accept call-ins or a roll call vote, requires 30 votes. Roll call vote has been requested. Mr. Clerk, please call the roll.

CLERK: Senator Aguilar voting yes. Senator Albrecht voting yes. Senator Arch voting yes. Senator Blood voting yes. Senator Bostar.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

Senator Bostelman. Senator Brandt voting yes. Senator Brewer. Senator Briese voting yes. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting yes. Senator Day. Senator DeBoer voting yes. Senator Dorn. Senator Erdman voting yes. Senator Flood. Senator Friesen voting yes. Senator Geist voting yes. Senator Gragert voting yes. Senator Groene. Senator Halloran voting yes. Senator Ben Hansen voting yes. Senator Matt Hansen voting yes. Senator Hilgers voting yes. Senator Hilkemann voting yes. Senator Hughes. Senator Hunt voting yes. Senator Kolterman. Senator Lathrop voting yes. Senator Lindstrom voting yes. Senator Linehan voting yes. Senator Lowe voting yes. Senator McCollister voting yes. Senator McDonnell. Senator McDonnell voting yes. Senator McKinney voting yes. Senator Morfeld voting yes. Senator Moser voting yes. Senator Murman voting yes. Senator Pahls. Senator Pansing Brooks voting yes. Senator Sanders voting yes. Senator Slama voting yes. Senator Stinner voting yes. Senator Vargas voting yes. Senator Walz voting yes. Senator Wayne voting yes. Senator Williams voting yes. Senator Wishart voting yes. 39 ayes, 0 nays, Mr. President, to suspend the rules and cancel the public hearing.

HILGERS: The rules are-- the motion is granted and the rules are suspended. I raise the call.

CLERK: Thank you, Mr. President. If I may, before we proceed, a couple of items to read across. I have notice of cancellation of hearing by Senator Friesen as Chair of the committee. Amendments to be printed: Senator Groene to LB568, Senator Hunt to LB1086. Also, I have a second hearing notice from the Revenue Committee, and your Committee on Enrollment and Review reports that LB496 has been reported as correctly engrossed. That's all that I have, Mr. President.

HILGERS: Thank you, Mr. Clerk. Next item on the agenda.

CLERK: Mr. President, LB685 is on Select File. I have no Enrollment and Review amendments.

HILGERS: Senator McKinney for a motion.

McKINNEY: Thank you, Mr. Speaker. I move to advance LB685 to E&R for engrossing.

HILGERS: It's a debatable motion. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. Speaker. Now people are saying that I'm being mean to one of our colleagues because I'm criticizing their decision to go out into the Rotunda of the State Capitol and have a campaign

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

event. I'm criticizing one of our colleagues while we're in session at 11:39 on January 21st, when we're all being paid by taxpayers to be here in our seats trying to do something right for them. We got nothing on the calendar today that's going to allow us to do that, actually. That colleague is taking his time to set up a campaign event outside the door here. On what planet does that seem ethical and right? What would prevent somebody from having a fundraiser in the State Capitol building? What would prevent somebody from having a fundraiser at the same time that they're getting paid by taxpayers for being here? Oh, but it's not a fundraiser. It's an event and it's endorsement, whatever, whatever. No, no, no. What is preventing somebody from giving our colleague a check out there in the Rotunda right now? What is preventing-- we got the lobby out there. I'm looking at them right now. A lot of them are my friends and a lot of them have given me checks on behalf of local businesses, on behalf of national businesses, on behalf of themselves. You get donations from constituents and regular Nebraskans, many of whom have come to sit in the balcony and watch what we do, have come to my office for help as a constituent, have come to rallies that we've had for bills that we're discussing here on the floor. Sure, they've donated online to my campaigns. They've sent me checks in the mail. I go home and I write them a little thank-you note, but I've never said come out into the Rotunda to my event where my name is emblazoned behind me on this giant sign and all the TV reporters and cameras are standing in front of me and bring me my check there. Why don't you just bring it to me at my campaign event in the Rotunda of the Capitol where I work and I'm elected to serve and I'm paid by the taxpayers? That would be convenient. Is that what's going on? I don't know. Why not? What is the line that we're drawing in terms of professionalism and judgment, respect and dignity of this office and respect to the people who put us here? I know I'm not everybody's favorite in Nebraska. They tell me every day. That's fine. I know I'm not everybody's favorite in my district, but they know I'm going to tell them the truth. And they know I've got a modicum of personal ethics and self-esteem that would prevent me from doing something like having a campaign event in the State Capitol. Even conservative Republicans who don't like the way I vote think that's pretty cool. And yeah, I am a superficial person. I'm a silly person. I don't have a lot of money and I don't make a lot of money here, but I really, really have this vice where I like to buy, like, luxury cosmetics, like not Maybelline, not CoverGirl, not the stuff at the drugstore. I like to get, like, the Chanel nail polish and the Tom Ford Lipstick and, you know, like the really expensive, nice stuff because it makes me feel kind of fancy, kind of special. Yeah, I heard you, Senator Halloran. And it's like you can

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

get a lipstick for \$30, which is a lot for lipstick, but it gives you some joy and some pleasure.

HILGERS: One minute.

HUNT: Thank you, Mr. Speaker. And the biggest bummer to me in this-- well, not the biggest. One of the big personal bummer to me in this pandemic has not been wearing lipstick because I'm wearing a mask on this floor and I don't want to get lipstick all inside my mask. Also, it's a \$40 tube of lipstick. I'm not going to put it on if no one's going to see it. We know that there are people in this body testing positive for COVID and then we see them turn up in the building. We know that there's people in this body who aren't vaccinated. And you'll ask them, are you vaccinated, did you get a vaccine? Oh, that's against HIPAA. You can't ask me about my personal health choices. Like, you don't know what HIPAA is, but OK, whatever. Just tell me yes or no so I know, like--

HILGERS: That's time, Senator.

HUNT: --what degree of danger I'm in being next to you. Thank you, Mr. Speaker.

HILGERS: Thanks, Senator Hunt. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Mr. Speaker. Colleagues, I rise and I-- maybe I'm not actually quite sure-- probably support of this bill. I-- we talked about it on General File quickly and it moved and I, because I knew we were taking time today, I pulled it up and pulled up the part of statute that we are striking. And so it kind of sparked some questions for me and I would like to ask if the Vice Chair of the Exec Board, Senator Vargas, would yield to a question. Mr. Speaker.

HILGERS: Senator Vargas, would you yield?

VARGAS: Yes.

M. CAVANAUGH: Thank you, Senator Vargas. So I'm looking at the part of the statute that we're repealing and I believe it was discussed last week or whenever we had this before that this was repealing language in statute that was no longer necessary. Is that correct?

VARGAS: That's correct.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

M. CAVANAUGH: OK. So the question that I have is do we need to? Does it matter? Isn't this sort of a record?

VARGAS: I mean, I think it does matter. I mean, we typically every year in bills like this, we repeal obsolete language; in this one, Section 95-- 90-561. We do it routinely. It's a regular part of our practice in the Executive Board.

M. CAVANAUGH: OK. So this is-- this is a regular thing that we've been doing for a long time.

VARGAS: It is, yes.

M. CAVANAUGH: Terrific. Thank you for answering my question.

VARGAS: Of course.

M. CAVANAUGH: That helps a lot. So any hesitancy I had about this has now been cleared up. I appreciate that. I am going to continue talking for as many times as I get this morning until we adjourn. I want to speak to some of the things that Senator Hunt said. I think that you're fun. I've never thought that you were silly. I think that if people are not taking you or I or any other woman in this body seriously, that that's not because we're silly, it's because they're silly. You can be fun and you don't have to be silly, but you can also be silly. I'm very silly with my kids. I also love some expensive things, not makeup. I do buy drugstore makeup and drugstore hair shampoo. And as everyone has been commenting, I apparently get my haircut once every three years. But I really like really, really, really good chocolate, like high-cocoa, low-sugar, delicious chocolate. And if it comes with a great bottle of red wine, that's even better for me. But as Senator Hunt pointed out, we are paid to be here. I would like to remind those watching at home, we are paid \$5.27 an hour, which is below minimum wage. And the only way to change our salary is for a constitutional amendment, a vote of the people. So any time people ask me, how can we get a different looking Legislature or, you know, this or that and the people in the Legislature? And I always say every single time the Legislature pays \$12,000 a year. It, despite what anyone says, it's a full-time job. And if you want to help the Legislature help make sure that your legislators are focused on the work that needs to be done, vote for a pay increase because only the people of Nebraska can give us a pay increase. I say that-- that is probably the most bipartisan thing I can say this session is that all 49 people in this room deserve more than \$12,000 a year. If not us,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

our families do for putting up with this work. I-- I think that Senator Hunt has brought up some very interesting points about--

HILGERS: One minute.

M. CAVANAUGH: --thank you-- about what is etiquette, what is collegial, what is appropriate and what is legal. A lot of things are legal when it comes to finance, time, space in campaigning in Nebraska, but that doesn't mean that they're OK or appropriate. I know that Senator John Cavanaugh has a bill this year that works towards making some changes in donations, contributions to ballot initiatives. I'm going to steal his thunder because you'll probably all forget anyways that his bill will be up in a couple of weeks. So he's got this bill that makes it illegal for foreign entities, individuals--

HILGERS: That's time, Senator.

M. CAVANAUGH: OK, thanks.

HILGERS: Thanks, Senator Cavanaugh. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. Speaker. I see we're getting close to adjourning and as you can tell, if you're watching from home, we're just wasting time. So let me say hi to Ray out there and thank you for watching and sending your information. Earlier today, we heard from Senator Stinner about our audit. That was a significant statement and because of the lack of attendance or those listening, DAS has a problem. We had a problem with DAS last year. We thought we had rectified that. Evidently, we have not and we will continue to look at that. Those are serious issues. And so we spend time here talking about what's collegial or having some kind of announcement in the Rotunda and we don't spend a lot of time doing the business of the people. So I have been asked by Senator DeBoer to bring this next subject up. In January of '19, I had done whatever I could do to influence people to paint the numbers in the parking lot and just to show you how much influence I have, absolutely nothing happened. So as I did when I was the county commissioner, I took it upon myself to fix the problem once I realized what it was. And so I bought a can of yellow paint and on January 5th of '19, I begin party-- painting the numbers in the parking lot. And I did not want anybody to know that I did that, but I realized that the State Patrol was watching me on the camera. So I went into the State Patrol headquarters and said, hey, just so you know, I'm not painting graffiti. I'm painting the numbers. And they said, OK. So I got down to like 27 and there was a car parked in 29 and I didn't realize it, but it was Senator Bolz's car and she

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

came out when I was painting number 27 and she said, hey, nice. I'll move my car so you can paint mine. Well, that became known to others that I did that. I didn't intend for that to happen, but it's the way it did. So the news-- the good news is I still have paint. The numbers are in the same position or same where as they were in '19 and we will get new people in '23 that have no clue where to park. And so unless somebody that has the wherewithal to tell someone else to paint those numbers, I'm going to have to do it again. And there's another issue that I think we need to talk about and that is the lack of access to the lounge, the Senator Lounge. And I've talked to Senator Hughes about this and I've talked to others about it and it may not have been anything they could have done, but everybody that has been here in management of this body knew-- they knew we were going to meet in January. They knew that. My opinion is they could have blocked off the hallway just north of the executive lounge. We could have used that this session. We finish April 15th. They could have then came in and finished off what they needed to do. I don't think there's too many in this body that would disagree with me because I've heard from numerous people. If there is someone that would disagree that we shouldn't be able to use the lounge, please raise your hand. That's what I thought. So who's in charge of this place? Do these people--

HILGERS: One minute.

ERDMAN: --work for us or do we work for them? Obviously, you now know that we're not in charge because if anybody would have called me and asked, what do you want to do? I would have said, well, common sense tells me that we're going to need that lounge and we need to use that till April 15th so don't do what you're going to do. But you see, I've said this before, I want to say it again. Common sense is a flower that doesn't grow in everybody's garden. And so there was no need to block off the lounge. Senator Wayne is laughing because he agrees with me. So that's history. It's over. We won't be able to use that lounge and here's the worst news of all, no ice cream. Thank you.

HILGERS: Thanks, Senator Erdman. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. Speaker. Senator Erdman, you're asking who's in charge here? I, I ask myself that all the time. One of the most unsettling things to me about-- about coming into adulthood is finding out that no one's in charge. It's like when you have a baby and then they just let you take it home and it's like-- people joke, you know, that babies don't come with a manual. They really don't and then those nurses, they just send you on your way. You grow up, you get yourself a job, you get a degree, you get some training, whatever it is you do.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

You think you're doing everything right and then you find out no one's in charge. And these institutions and these rules and these things only work and only happen because we all agree to it, because we all agree to let it happen and we all agreed to go along with it because there's no rules. And what happens here is just whatever we can get away with. If you can get away with having a personal campaign event in the Rotunda of the State Capitol, fine. No one's in charge. Someone gives you a handful of checks at that campaign event in the State Capitol where you work as an elected official currently? Whatever. You get away with what you get away with. That's how the world works. And some people get away with a lot more stuff than other people do and that's because we all agree to it. That's because we're in here making the rules and setting the norms and the more of the norms slip down the path of bending those ethics, bending that good judgment, moving hastily, not reading, not listening, no one can do anything about that because no one's in charge. I was never asking people to take me seriously. I have never in my life asked for respect from anybody. I'm not asking for more money to work here. I like working here. I'm not asking for any respect, but we have to give respect to the people we work with and we have to make sure that this is a place where the people of Nebraska can actually be represented. And if being in the Legislature doesn't pay anything, whether it's the Legislature or U.S. Congress or a school board or city council or mayor or whatever board, you know, county board, there's always going to be a barrier to regular "deregular," normal people being able to serve. And then we're not really going to have a representative, you know, group of people that's actually making decisions on behalf of everybody in the community because it's about money and power. And if you don't have those things, if you don't have any money, you don't get any power. So I'm not asking for respect. I'm just-- I'm just having fun. So what's frustrated me about not being able to wear any of my nice lipstick because I wear a mask every day and nobody sees my face anyway-- I do like a little eyebrow and sometimes I'll do mascara, but I hate taking it off at night. And so I'm in this, like, pandemic rut of minimal, minimal makeup and hair because, you know, I-- we've all spent a lot of time at home in the last three years and not had to worry about these things. And how frustrating is it, Nebraskans, to hear the news that our local hospitals are reaching capacity, that healthcare workers are quitting their jobs, that teachers are quitting their jobs because their COVID outbreaks have spread--

HILGERS: One minute.

HUNT: --in the schools, that these breakthrough cases of people who are vaccinated and are boosted and have been wearing masks are

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 21, 2022

happening so much more with this new variant and we don't-- why would we think that this is the last variant? What makes us think that this might not be a virus that we live with forever? What if there's another variant, a mega variant that's now, like, even more deadly? And I've got to sit in here with my mask on, which is also nice. It's, like, if you're not going to have the designer lipstick, we're going to get the designer masks so we have like something to look forward to in life, but many of-- we're all in here putting ourselves at risk. We got vaccinated. We got boosted. We wear the mask. We're doing our best. I don't-- I don't come in here unless I need to. I'm not in the Chamber, colleagues, unless there's something in here specifically that I'm-- that I'm engaged with--

HILGERS: That's time, Senator.

HUNT: --that I'm working on. Thank you, Mr. Speaker.

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

CLERK: Mr. President, motion to be printed with respect to LB685. Name adds: Senator Wayne, LB723; Dorn, LB773; Wayne, LB825; Brewer, LB1051; Arch, LB1080; and Gragert, LB1160. Senator Erdman would move to adjourn the body until Monday, January 24 at 10:00 a.m.

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