

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate January 10, 2022

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

AGUILAR: Please assume an attitude of prayer. Heavenly Father, you have blessed our founders with the wisdom to divide our country into individual states and have empowered our governors and state legislatures to make laws and decrees that manage our daily lives. Please make our lives safe and protect us. We pray for our Governor and for our state senators. Please give strength and wisdom to us and guide our decisions. And may we always put love first. Surround us with people from all walks of life and many backgrounds. Bring us people of high morale, moral character and spiritual maturity. Among the many voices that speak to us every day, may we hear your voice above all others. As we look to govern and inspire for the people of Nebraska, please speak through us by the power of your Holy Spirit. In Jesus's name, amen.

FOLEY: Thank you, Senator Aguilar. I recognize Senator Halloran for the Pledge of Allegiance.

HALLORAN: Please join me with the Pledge. I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

FOLEY: Thank you, Senator Halloran. I call to order the fourth day of the One Hundred Seventh Legislature, Second Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

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

CLERK: I have no corrections.

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

CLERK: Mr. President, I have Reference reports. We're referring LB793 through LB792-- I'm sorry, LB685 through LB859. In addition, priority bill designation, Senator Ben Hansen selected LB906. And I have the

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report of registered lobbyists as required by law, Mr. President, to be inserted in the Journal. That's all that I have.

FOLEY: Thank you, Mr. Clerk. Members, Senator Machaela Cavanaugh would like to recognize Dr. Joe Miller of Omaha, Nebraska, who is serving today as family physician of the day. Dr. Miller is with us under the north balcony. Doctor, if you could please rise so we can welcome you to the Nebraska Legislature. We'll now proceed to the first item on the agenda, General File 2022 senator priority bills. Actually, before we proceed to that, we'll take up the introduction of some new bills, put them in the record. Mr. Clerk.

CLERK: Thank you, Mr. President. New bills: LB907, by Senator DeBoer, it's a bill for an act relating to community property; it adopts the Uniform Community Property Disposition at Death Act. LB908, Senator McDonnell, a bill for an act relating to Open Meetings Law [SIC--Act]; provides additional requirements for virtual conferencing. LB909, Senator McDonnell, a bill for an act relating to mental health; authorize mental health professionals and licensed independent mental health practitioners to take persons into emergency protective custody as prescribed. LB910 is a bill by Senator McDonnell; a bill for an act relating to state government; adopts the Nebraska Volunteer Service Commission Act. LB911 is by Senator McDonnell; it's a bill for an act relating to the 211 Information and Referral Network; it amends Section 75-1101; it changes the amount of the grant to be awarded. LB912 is a bill by Senator Morfeld; it's a bill for an act relating to education; provides for mental health first aid training; changes provisions relating to the use of lottery funds. LB913, Senator Bostelman, it's a bill for an act relating to highways; it defines terms; it changes provisions relating to highways and roads; and provides for duties. LB914, Senator Bostelman, a bill for an act relating to Public Service Commission; defines terms; requires the commission to create and maintain a location fabric broadband access map and broadband data repository. LB915 is by Senator Wayne; it's a bill for an act relating to the Middle Income Workforce Housing Investment Act; it provides a requirement for grant eligibility; and repeals the original sections. That's all that I have at this time, Mr. President.

FOLEY: Thank you, Mr. Clerk. Now, members, we'll move to General File 2022 senator priority resolution. Mr. Clerk.

CLERK: Mr. President, LR14, originally introduced by Senator Halloran and others, it proposes that the state of Nebraska apply to Congress

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under the provisions of Article V of the constitution for the calling of a convention of the states. Resolution was introduced in January of last year. Action was in May of last year, including a reconsideration of a suspension motion that prevailed. Subsequent to that action, the Government, Military and Veterans Affairs Committee reported the resolution to General File-- or reported it to the floor for further consideration-- I'm sorry, reported to General File; that was done on May 27. I do have an amendment to the bill, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Halloran, before I recognize you to speak, I do have a note here that you've got a number of guests up with-- up in the north balcony, got a Convention of States of Nebraska, all across the state. If those citizens could please rise so we could welcome you to the Nebraska Legislature. Senator Halloran, you're recognized to open on LR14.

HALLORAN: Thank you, Mr. President. Good morning, colleagues, and good morning, Nebraska's second house. Well, here we are again. The debt clock continues to tick. I have handed out my opening so that you can read along kind of in a closed caption fashion; if you have difficulties following, at least my opening is in front of you. The federal debt is spiraling out of control. America is now reaching a tipping point. For years, the CBO, Congressional Budget Office, has described the excessive spending of Congress as, quote, un-- unsustainable, unquote. Newly updated forecasts now show that the federal debt is accelerating and will soon reach \$33 trillion. Those are the facts. According to the U.S. debt clock, the debt is inches away from the \$30 trillion mark and Congress just keeps piling on debt. Projections from the Congressional Budget Office have the budget deficit exceeding \$1 trillion annually for years to come. Those are the facts. Sadly, deficit spending isn't a new problem, and it isn't solely partisan, either. When George W. Bush was President, the federal debt went from \$5 trillion to \$10 trillion. When Barack Obama was President, the federal debt went from \$10 trillion to \$19.6 trillion. President Donald Trump did not resist adding to the debt, and now President Biden is proposing massive deficit spending to contribute his share. Those are facts. The current debt of nearly \$30 trillion amounts to \$89,338 for every man, woman, and child in America, or \$237,812 for every household. The debt today is 126.98 percent of our nation's GDP, gross domestic product. Put in other words, our nation's debt is nearly 127 percent of our entire economy. Put another way, the debt is more than 7.7 times the total of all the revenues that comes into the federal government annually. Those are facts. Condensed to a personal scale, it would be like an individual

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making about \$40,000 a year carrying \$310,000 worth of unsecured credit card debt. They would be borrowing money just to pay their interest payments and continuing to spend more each year than they actually earned. If that was a family member or a friend, we would have an intervention to get their spending and debt under control. Likewise, the federal government needs an intervention. It needs a constitutional amendment to control its irresponsible spending. We all must live within our means. Why not Congress? Every state in America but one has some sort of a requirement in their state constitution for a balanced budget. Local governments have to maintain balanced budgets. Small business and other employers have to balance their books. Families and individuals all across the country must balance their budgets. So why doesn't the federal government balance its budget? Because they are not obligated to. Twenty-five years ago, when our federal debt was only \$5 trillion, a Nebraska initiative petition successfully passed, 58 percent for, 42 percent opposed, which placed Article XVIII in our State Constitution, directing our State Legislature to propose an amendment to our National Constitution to impose term limits on Congress. Twenty-five years later have passed since that communicated directive from Nebraska voters. The Nebraska State Legislature has ignored the second house and our State Constitution by not proposing a call for an Article V convention of states. It's in our constitution. For the Nebraska State Legislature's consideration, I'm proposing adopting LR14, which calls for the state of Nebraska to call for a limited Article V convention of states, which would discuss and potentially propose amendments to the U.S. Constitution. This call will be limited to the following areas: (1) imposed fiscal restraints on the federal government; (2) limit the power and jurisdiction of the federal government; and (3) limit the terms of office for individuals-- off-- officials and members of Congress. For those of you familiar with Article V and our National Constitution, two-thirds of the states, that's 34 states, will be required to call with matching resolutions to LR14 to successfully meet the constitutional requirements to convene a convention of states. Fifteen state legislators [SIC] have thus far called for utilizing the opportunity the constitutional authors purposely vested in the states to call for a convention through adoption of resolutions identical to LR14, and an additional 26 states had this call for convention under consideration. Bear in mind, for any proposed amendments resulting from a convention of states to officially become an amendment to our constitution, it would be necessary for three-fourths of the states, that's 38 states, to ratify said proposed amendments. Only after reaching that high threshold of three-fourths approval of-- by states

will it become an amendment to our constitution. To set the tone for this conversation, I wish to make it perfectly clear that neither Congress nor a convention of states can amend the U.S. Constitution. Let me repeat that. Neither Congress or a convention of states can amend the U.S. Constitution. Article V makes that abundantly clear. That is a fact. Both Congress and the convention of states have only the constitutional authority to propose amendments. Put in other words, both are merely suggestion boxes with only the authority to suggest or propose amendments, nothing more, nothing less. That is a fact. The framers of the constitution made it abundantly clear that only after a proposed amendment was ratified by three-fourths of the states would it officially be an amendment to our constitution. Only the states ultimately have the constitutional authority to add an amendment through the ratification process. Congress cannot do it by itself; a convention of states cannot do it by itself. The states have to ratify it. So when opponents of LR14 express fear of a runaway convention, they are making a misguided and misleading argument against a convention of states because a convention of states cannot amend. They can only propose amendments. The states must ratify. Consequently, when the opponents of an Article V convention of states introduces fear, uncertainty, and doubt, they should shift their argument to a fear of a ratification process. There is only one notable historical record of the states making a ratification misjudgment: by ratifying the Eighteenth Amendment, Prohibition. After a brief era of Prohibition, Congress proposed the Twenty-first Amendment repealing the Eighteenth Amendment. Over three-fourths of the states then ratified the Twenty-first Amendment. This should be comforting to see that there is a means of making a correction as the country opposes a new amendment. There have been 33 proposed amendments to the U.S. Constitution; 27 of those proposed amendments have been ratified by a minimum of three-fourths of the states. Six proposed amendments were not ratified. The ratification process works. I look forward to a productive, factual debate. I will attempt to answer questions factually, diving into the history of what motivated the framers of the constitution to give states equal footing with Congress in proposing amendments to the constitution through Article V.

FOLEY: One minute.

HALLORAN: My goal is to present arguments based upon facts, not speculation. A friend of mine recently introduced to me a new acronym, FUD. For the transcribers, transcribers, that's F-U-B-- excuse me, F-U-D-- I-- I "fubbed" up-- which stands for fear, uncertainty, and doubt. He explained to me that people who have few

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or no facts to defend their argument will instead introduce FUD: fear, uncertainty, and doubt. I would prefer those who wish to oppose LR14 to also debate with facts and not present arguments based upon hypothetical speculation of what might or might not happen if convention of states is called. In closing, Congress needs to have constitutional guardrails to keep our spiraling debt in balance with our economy's ability to pay for it.

FOLEY: That's time.

HALLORAN: Colleagues, I ask for your support of LR14. Thank you, Mr. President.

FOLEY: Thank you, Senator Halloran. Mr. Clerk.

CLERK: Mr. President, first amendment to the resolution, Senator Morfeld, AM1545.

FOLEY: Senator Morfeld, you're recognized to open on AM1545.

MORFELD: Thank you, Mr. President. Colleagues, I rise in opposition to LR14, but I do ask that you support AM1545. I'll talk about my opposition here, just to refresh everybody's memories, and respond to Senator Halloran's arguments that he just made now. But first, my amendment, AM1545, ensures that the scope of this resolution and this convention, if it can actually be limited, which I don't believe it can be, actually-- and we'll get into that in a minute. This will make sure that the limited scope of this cannot touch our precious Second Amendment gun rights. So this amendment will state, and I'll just actually read for it. Line 2, Section 2: The Legislature reaffirms its commitment to protecting the gun rights of Nebraskans. The convention of states shall not propose amendments that could in any way result in the restriction, disempowerment, or elimination of the Second Amendment. So this will make sure that if Senator Halloran is correct and if you decide to pass this over a filibuster, that this will truly be limited, if Senator Halloran is right, which I don't believe is, that this will truly be limited to all the other topics he discussed and not our gun rights. So I urge you to amend, AM1545. I urge you to do it because, if this is passed and if Senator-- Senator Halloran is actually right about this being able to be limited, then I think that we should be prudent and we should make sure that we exclude the things that we hold dear, such as gun rights, among many other rights, from the call of this convention. I will tell you, though, that even if this passes, it does not alleviate my concerns that this will be a runaway convention, and

I'll talk about that for just a little bit here. So let's step back for a second. Senator Halloran first says we should not be worried about things that are merely hypothetical. Colleagues, how this constitutional convention would run is merely hypothetical. One has not been called before. And if you look at the language, which I'll read in a moment, if you look at the language of Article V, it is incredibly broad. It does not state that states may limit the call to a constitutional convention. And in fact, colleagues, the last time that we had a constitutional convention, it was a runaway convention. It completely got rid of the Articles of Confederation. Now, I think that they ended up with a better document in that case, a better constitution, one that was stronger, but there were a lot of people very upset with how that convention went and how it strengthened the centralized power of federal government. So not only since that constitution has passed have we not had a constitutional convention to have any precedent to support Senator Halloran's statements that this could be limited, but the only time that we've had a constitutional convention on the federal level, it has been a runaway convention. So the only precedent that we have, colleagues, is our current constitution, which went far outside the bounds of the original call to amend the constitution, for the delegates to come and, and talk about changes to the constitution to strengthen the power of the federal government. So, colleagues, when Senator Halloran says we shouldn't get concerned about hypotheticals, one, I don't actually think it's a hypothetical; but two, if you look at everything that has happened since we passed our current constitution-- or ratified, I should say-- all it is, is hypotheticals. There is no precedent. And let's just read from the constitution real quick, Article V: The Congress, whenever two-thirds of both houses shall deem it necessary, shall propose amendments to this constitution or on the application of the legislatures of two-thirds of the several states, so what we're talking about here, shall call a convention for proposing amendments, which in either case shall be valid to all intents and purposes as part of this constitution when ratified by the legislature of three-fourths of the several states or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by Congress, provided that no amendment shall be made prior to the year-- that's not relevant to this part, but it's very broad. There's nothing in there that says that you can narrow the call for this convention. And, colleagues, these bodies, once they are formed and once there is no precedent for them, they can operate however they want, and in fact some Supreme Court justices have said that they cannot, as a Supreme Court, interfere with a constitutional convention. So we

don't even know if the court will be able to provide boundaries other than making sure there's enough states that have actually called them. This is a very dangerous proposal. It's a very dangerous proposal, and you've heard from many people, both conservative and liberal, because I've gotten all of the messages you've gotten, phone calls and all of that, of people that are very concerned, and with good reason, because there is no specific language in our constitution that allows states to limit the scope of a constitutional convention. That is very dangerous, colleagues, and not only that. We talk about, well, hey, look, if we all have the same call to a constitutional convention, it says it's clearly, it's clearly confined to these, to these different subjects. But yet our own body suspended the rules of this body to be able to address this issue. The Legislature suspended our rules to pass a convention call, promising a convention will follow the rules. We are case in point that we have the ability to suspend our own rules and be able to take on different topics, different subjects. And how do we know that a constitutional convention that's convened, in Washington, D.C., I'm assuming, will not do the same? Because we all know we can go through the mental gymnastics of, well, it's just limited to balancing the budget, but in order to balance the budget, we have to tweak these other few amendments to get there. And then somebody says, well, I-- that doesn't seem very germane to the call. The call is narrowed to this. Well, I'm sure that there'd be a procedure within that convention where they would be able to overrule the ruling of the chair, or maybe the chair would actually agree with them, and then suddenly we have a new constitution that has impacted all kinds of rights that we hold dear. Colleagues, this is a dangerous proposal. Don't just take my word for it. Take the word of all the legal scholars across the political spectrum-- and I've got them all right here, I'm happy to show you them, I'm going to talk about them today at length-- that have indicated serious concerns, the same concerns that I am talking about. If you can show me definitive language from somewhere, whether it be Supreme Court precedent or somewhere in the constitution-- maybe I'm misreading the one paragraph of Article V-- that indicates that we can limit the scope of this once the convention has been called and there's some kind of way to enforce that, then I'm all ears. But I've been working on this issue, or working against it, rather, for the last four or five years, maybe even longer, and I'll tell you that I have not seen any of that, and I don't think you'll find any of it either, other than some language in state resolutions that aren't going to have jurisdiction once this clause of the United States Constitution is invoked. And I know many

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of you might be sitting here going, well, listen, I mean, this doesn't seem like a big deal--

FOLEY: One minute.

MORFELD: --you have to get so many state-- supermajority of states to actually call a convention, and maybe it'll happen, maybe it won't. I'll tell you this, though, if it does happen, if it does happen, it's going to be very real and it's going to impact people in a very real way, and their constitutional rights, and the only precedent that we have is the constitutional convention that went rogue the last time that we had one that created this constitution. That's the precedent you should be worried about. That's the precedent that we should all be looking to as an example of when we convene a constitutional convention. That convention has broad authority. And there is nothing in our current constitution that limits the scope of that authority. And given the supremacy clause, it doesn't matter what we put in the state resolutions. Colleagues, I urge you to oppose LR14 and, at the very least, pass AM1545.

FOLEY: That's time, Senator.

MORFELD: Thank you very much, Mr. President.

FOLEY: Senator Morfeld, you're actually first in the speaking queue. You may continue for five additional minutes.

MORFELD: Thank you, Mr. President. I'm going to yield my time to Senator Blood.

FOLEY: Senator Blood, you're recognized, 5:00.

BLOOD: Thank you, Mr. President, and thank you, Senator Morfeld. Fellow senators, friends all, I stand in support of AM1545 and in opposition of LR14. And I want to approach this differently because I do have constituents who are in favor of this, but I also have constituents who are against this. And so I always like to get outside of the rhetoric and the smoke that's being blown up my skirt and do my own research. And you can tell by how there's a lot of people not paying attention to the debate, how some of them are already going to vote, because they already know. But one of the things that always concerns me is when I hear that there was vote trading on a bill. And I know for a fact, Senator Halloran, that there were several people that traded votes for you to get you support where you needed it. And I don't fault people for vote trading. I personally don't do it. But to me, it's always a red flag

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if someone's having trouble getting a bill over the finish line. One of the things I found in my research is that, since 2016, seven states have rescinded previous applications to call for a convention of states, seven states: in 2016, Delaware; 2017, New Mexico, Maryland, Nevada, Texas; South Dakota in 2019; Colorado in 2021. Since 1988 to 2021, 23 states adopted legislation to rescind previous legislative measures for a convention of states. Then, 12 of those states changed their minds back. So if they can't even make sense as-- they can't make decisions based on, yes, we want to belong to the convention of states, no, we don't want to belong to the convention of states, if they can't even decide that, why should I believe that, when they come together, they can decide on anything as a group? That's a red flag for me. But I really liked what I found in the transcripts for Colorado, South Dakota, and I'm going to share some of those with you. And I won't get to finish on this opportunity to speak, but I will get to finish on my next opportunity-- opportunity to speak. So the speaker of the, the house in Denver for the state of Colorado, he talked about how Colorado has not made a request for a constitutional convention in over 25 years, and that was one of the reasons they rescinded it. And then he said: In that time, our population has nearly doubled and our state has changed drastically. Passing this resolution today gives Colorado a clean slate, ensures our state has no part in prompting a massive wide-open revamp of the United States Constitution. This is about ensuring that we maintain a high standard for amending our country's foundational document and protecting the rights and liberties we hold dear. And then a representative, Mike Weissman from Aurora, Colorado, said: Amending our constitution should be no easy feat. While the constitution is certainly a living document, we cannot allow it to be put on the operating table and left to be tinkered with. There's a reason we haven't had a constit-- constitutional convention since 1787. It could threaten the core rights and freedoms that are foundational to our democracy. If changes need to be made, the framers gave us another more targeted mechanism, through Congress and the state legislatures, that has been used successfully many times to ensure our constitution meets the needs of the times. Friends, we keep being told how many states have come on board, but it's funny, not once has anybody who's come to my--

FOLEY: One minute.

BLOOD: --office or emailed me to talk to me about this, have they told me about the states that are rescinding their ability to participate in the convention of states. I think it's very telling, if you read the transcripts from the states that are leaving as to

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why they're leaving and why they do not support convention of states. We always hear a very biased, one-sided effort when it comes to COS. And quite frankly, if you do the research, it's quite clear that, even though we're told differently, all Nebraskans do not want conventions of states. All people in United States do not want convention of states. What they want are for people to be responsible that when they take the pledge to do what's best for this country, that they follow that pledge. And when we don't like it, that's why we get our butts to the polls and we vote against those people who continue to ignore our wishes. Constitution-- the con-- excuse me, the convention of states is not the way that we do this.

FOLEY: That's time, Senator Blood. But you're next in the queue. You may continue.

BLOOD: So I'm going to read, friends, some information from South Dakota, and this was in reference to their recent rescission for the convention of states, and constitutional scholar Robert Brown spoke out against the resolution, noting that the first convention of states in 1787 didn't have the jurisdiction to create a constitution, but those who attended felt the need to proceed anyway, which you just heard, for those who were actually listening, Senator Morfeld say on his presentation. Those who attended declared it-- it was a runaway convention, Brown said, adding that there were no guarantees that the convention called for wouldn't make unforeseen changes to the constitution. Leah Southwell, who came to speak to this group in South Dakota, represented the John Birch Society, called on her experiences in Chile, where protesters thought that changing their constitution would ease their problems. She said there are no guarantees on amending the constitution; enforce the constitution, not amend it. And I think that that's an important sentence that we need to discuss. We are always looking to change things instead of enforcing what is currently existing in statute and in, in federal law. We don't like it, so we're going to change it even though we've not tried to enforce it. I know, when people have come to my office about convention of states, that they say they're really unhappy with what's going on at the federal level. And I ask them, so did you vote for those same people? Well, yeah, I voted for them because they have all this money and they're running and nobody's running against them. Well, that doesn't solve anything. It solves nothing. You can't keep doing the what-ifs. What if we just change the constitution? Wouldn't this be better? Would it be better or would we still have big money in elections? Heck, Senator Halloran, you won't even vote my dark money bill out of the Government Committee. You talk about big money and you talk about people getting funded that shouldn't be in office,

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but yet I have a dark money bill here in the Nebraska Legislature, in the Government Committee, that you won't vote out. That's kind of hypocritical, in my personal opinion. Reading on: Senator David Johnson from Rapid City said convention of states has spent millions of dollars in dark money-- oh, gosh, that's kind of redundant-- in an attempt to change the constitution. In the past ten years, only \$3,000 of that money has come from South Dakota, though, he did say. Our constitution is not the problem. The problem is big money in campaigns, special interests, partisan interests. I mean, you have to look at our body. We know there are people that are in here that, without some of the big partisan money, would probably not be here. We know there are people that are in here that were purposely put up for an election because certain folks weren't happy with how the previous, and in this case it was Republicans, were doing in our body. And so those people were basically run out of town, and some of them were really good senators, senators that were nonpartisan and believed in the beautiful, bipartisan spirit of the Nebraska Unicameral. I'm really confused, really confused why we're trying to change the constitution based on the fact that we want to see effective change, but yet we see the same things going on at the state level. They're obviously never going to change. We're going to see the same things going on, whether you change the constitution or not, at the federal level because there's always going to be dark money until people are brave enough to vote bills like that--

FOLEY: One minute.

BLOOD: --out of the hearing, Senator Halloran. And again, the fact that there are people on this floor that are voting today because they traded votes kind of makes me sick to my stomach. Either a bill is a good bill or is a bad bill. If you can't get your bill pushed forward and you don't have enough votes to push it forward, then you need to amend your bill or you need to try again the next year. But to trade votes means that something's defective, and I'm not sure what that is, but I am going to continue to talk on this. Thank you, Mr. President.

FOLEY: Thank you, Senator Blood. Senator Briese.

BRIESE: Thank you, Mr. President. Good morning, colleagues. I rise to support Senator Halloran and applaud his efforts and his relentless pursuit in an application for an Article V convention of states. I, I believe that the burgeoning and out-of-control federal debt is one of the greatest threats to our future and the future of our children and the future of our grandchildren and so on, and I believe in term

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limits. I believe in term limits for us. I believe in term limits for Congress. And if you believe, as I do, you have to ask yourself, how else are you going to get this done? How else are you going to curtail out-of-control federal spending? How else are you going to get term limits in Congress? Senator Halloran is on the right track here. And as far as Senator Morfeld's amendment, I don't really think it's necessary. But anytime we can take a step that will help ensure that we are protecting Second Amendment rights, probably ought to do it, so I'm going to support AM1545 and I'm going to support LR14. And with that, I would yield the rest of my time to Senator Halloran. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Senator Halloran, 3:50.

HALLORAN: Thank you, Senator Briese. Well, you know, since we're, we're, we're wanting to hypothetically suggest there's skullduggery going on, let's, let's talk about, let's talk about an unfriendly amendment. OK? We've heard of that before. Unfriendly amendment kind of kills the bill, kills the resolution. This body is typically in favor of the Second Amendment, right? So what's the unfriendly amendment that this resolution provides? These resolutions, when they're put before Congress as a call for a convention of states, have to be identical. Senator Morfeld knows that. You know, he should run for, he should run for office like Lancaster County Attorney or something. He's a smart man. So by putting this amendment up there, something that we're, conservatives, all in favor of, for example, puts us in that spot, right? Oh, gosh, let's put them on the spot. Let's put them on the spot where they have to say they're against the Second Amendment if they vote against this. But if they vote for it, it kicks this one out. It kicks this call out for a, a convention of states, call for a convention of states. Pretty sneaky there, Senator Morfeld, but I don't think you should be able to pull this one off. This, this AM1545, this, this belongs in what I call a faithful delegate bill. L-- LR195, right? LR1-- LB195, excuse me, is a faithful delegate bill that is designed by this body, or would be designed by this body, ultimately, to define to the commissioners or the delegates that go to this convention what they can and can't do. And if they don't abide by that fateful delegate bill, then they're yanked home in disgrace. That's the way it's supposed to work. That's the way it's designed. Now, you know, I'm sure-- I guess my opening statement fell on some deaf ears, but a convention of states cannot amend the constitution. Point out to me, Senator Morfeld, where that-- it takes place. Point out to me in the-- in, in Article V where it indicates that a convention of states can amend the constitution. I'll let you do it on your next time up. That's fine.

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It doesn't happen. It's not prescribed in Article V. It's not prescribed anywhere in the constitution, nor can Congress do it. Congress cannot amend it. The only party that can amend it-- amend the constitution is the states. That was the framers' desire to make sure that the states had the opportunity to--

FOLEY: One minute.

HALLORAN: --address-- time? One minute? The founders had anxiety about one thing, primarily. They had anxiety that this federal government that they were designing, and they knew they needed a federal government, the federal government that they were designing, their overriding fear was-- is that it would be overreaching. Why was there a fear of that? Well, they had just won a Revolutionary War against a country that, that was, was tyrannical in that case. That's why, that's why they fought the Revolutionary War, but they didn't want to return to that type of government style. Right? So they put Article V in to give the states equal footing with Congress to propose amendments, to put some sense of control back into the states for an overreaching federal government. That's all it is, no more, no less. But I look forward to Senator Morfeld finding in the constitution where it says that a convention of states can amend the constitution. It cannot.

FOLEY: That's time. Thank you, Senator Halloran. Senator Hunt.

HUNT: Thank you, Mr. Lieutenant Governor. Good morning, colleagues. Good morning, Nebraskans. For me, on LR14 and any other convention of states bill that we've had come through the Government Committee or that we've discussed over my time here, there's nothing really inherently scary about it to me. The gut check is kind of there, right? Yes, I believe that spending is out of control. Yes, I believe that the people don't have as much of a voice in Congress as they should. Yes, I agree that Congress is broken. There are lots and lots of problems going on in our federal government. And something like a convention of states, once you learn about it the first time, it's like, OK, well, that makes some sense. It's really cool that we have this little like escape hatch, trap door in the constitution that will allow us to put this check on government, this check on Congress. And I agree with Senator Briese that Senator Halloran is on the right track. But in policymaking, in lawmaking, especially when you're dealing with things that are so consequential, you can't just stop at it's a good idea. You have to keep following through the logical conclusion and the policy implications and what the law actually says before you decide it's a good idea to move forward

with. It's definitely a good idea, and I really enjoy listening to Senator Halloran talk about the convention of states, as I've learned a lot from him and I've heard him talk about it for many years here and I do think it's an interesting idea. I'm just not convinced that it's a good idea. I don't-- I'm not convinced that it's a good idea outside of a philosophical exercise or some founding fathers role play or something like that, because in practice, in today's political climate with the division that we have, with the special interests that we have that are putting dark money and, you know, all kinds of endless funding into different special interests, I don't think that a, a convention of states in 2022 or '23 or '24, any time in the modern era, would be anything the same as what they were doing in the 18th and 19th centuries. It just wouldn't go that way. I agree that our system is messed up. I agree that something needs to be done about it, and I completely understand the righteous anger of the people who are calling for a convention of states. But given the current political climate that we have in this country, it's highly racialized. Voting rights are under attack. We're on the brink of authoritarianism. We have serious threats of fascism at the state level and at the federal level, and we're still slowly walking back some really wild stuff that happened in the last four years with President Trump. Something like this, I think, is not going to go well for the American people. I particularly don't support a convention of states under the framework that we have today. Not, not saying that there isn't some way that I could support it in the future, that there could be some kind of scenario where it would be a good idea, but I can't support LR14 because it opens the door for special interest groups, all kinds of money, all kinds of nefarious actors, you know, people don't-- who don't really have the best of intentions for our democracy and our country, to make wholesale changes to the U.S. Constitution and to-- if, if not changes to the U.S. Constitution, OK, then getting deep into the minds and the brains of the policymakers who have the potential to do that for real. And if you have a problem with money in politics now and in Congress and dark money influencing the law and the society that we live in, if we open up the U.S. Constitution to be influenced by these groups--

FOLEY: One minute.

HUNT: --thank you, Mr. Lieutenant Governor-- you know, there's nothing in Article V saying that, you know, Acme conglomerate ABC can't be the official corporate sponsor of the convention of states. And what would that mean for our democracy? Would it really end up in the needs of the people being represented or would it go back to

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corporate interests? Well, I'll tell you, the people don't have millions of dollars to spend lobbying for this kind of thing, so we know who's going to end up being in charge of it. And that's sort of the bulk of my opposition. I think I, I will continue to listen to the conversation because I'm also continuing to learn and this is a very fascinating topic. Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Hunt. Mr. Clerk, new bills and other items for the record.

CLERK: Thank you, Mr. President. First of all, let me remind, the Referencing Committee will meet upon recess, Mr. President, in Room 1525, Referencing, on recess, 1525. New bills: LB916, Senator Wayne, it's a bill for an act relating to municipalities; adopts the Rural Municipal Broadband Access Act. LB917, Senator Wayne, relates to revenue and taxation; provides an income tax deduction for certain wages paid to individuals convicted of a felony. LB918, Senator Wayne, it's a bill for an act relating to crimes and offenses; it changes dollar amount thresholds for criminal penalties for certain offenses. LB919, Senator Lindstrom, a bill for an act relating to Sports Arena Facility Financing Assistance Act. LB920, Senator Lathrop, a bill for an act relating to criminal justice; it changes provisions rel-- regarding problem-solving courts, mandatory minimums, penalties and provisions relating to controlled substances, theft and burglary, sentencing, set-asides, restitution, pretrial diversion, and parole. LB921 is by Senator Lathrop; it's bill for an act relating to crimes and offenses; it changes where certain im-- sentences of imprisonment are served. LB922, Senator Lathrop, relates to courts; increases the number of district judges in the 4th Judicial District. LB923 is Senator Cavanaugh, a bill for an act relating to Nebraska County and City Lottery Act; changes provisions relating to the game of keno. LB924, Senator Brewer, relates to water reduction and recycling; include cities of the first class as grant recipients for certain reimbursement costs. LB925, Senator Gragert, relates to Department of Natural Resources; adopts the Resilient Soils and Water Quality Act. LB926, it's a bill for an act relating to revenue and taxation; provides an income tax credit for rent paid on dwellings. LB927, Senator Pahls, relates to the Convention Center Facility Financing Assistance Act; it defines and redefines terms; it changes provisions relating to the use of state assistance. LB928, Senator Sanders, relating to Nebraska Political Accountability and Disclosure Act; it provides for closed captioning or transcripts of certain campaign advertisements. LB929, Senator Wishart, it's a bill for an act relating to the Medical Assistance Act; it amends Section 68-911; requires the submission of a state plan amendment to expand

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postpartum coverage. LB930, Senator Hunt, relates to the Accountability and Disclosure Act; it authorizes certain committee expenditures. LB931, Senator Hunt, relates to Employment Security Law; changes provisions relating to disqualification for benefits. LB92-- or LB932 by Senator Hunt, relates to state wards; authorize the Department of Health and Human Services to screen children for Social Security benefit eligibility. LB933, Senator Albrecht, relates to abortion; adopts the Nebraska Human Life Protection Act; provides a penalty; provides for severability of provisions. In addition, Mr. President, amendment to be printed, Senator Hunt to LB781. New resolutions: LR272CA, Senator Pahls, proposed constitutional amendment to Article VIII, Section 1. LR273 is by Senator Day; that will be laid over. And, Mr. President, Senator DeBoer would move to recess the body until 1:30 p.m.

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

[RECESS]

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

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

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

CLERK: I have a Reference report, Mr. President, referring LB860 through LB906. I have a notice of hearing scheduled by the Urban Affairs Committee.

FOLEY: New-- new bills, please, Mr. Clerk.

CLERK: Mr.-- Mr. President, new bills: LB934 is a bill by Senator John Cavanaugh; it's a bill for an act relating to Motor Vehicle Registration Act; it makes certain license plate and validation decal provisions secondary violations. LB935, Senator Bostar, a bill for an act relating to counties; adopts the County Minimum Wage Option Act. LB936 is by Senator Bostar, a bill for an act relating to revenue and taxation; it changes provisions relating to taxation of nonresident income. And I have an amendment, a motion to be printed with respect to LB933 from Senator Hunt. That's all that I had, Mr. President.

FOLEY: Thank you, Mr. Clerk. Members, we're going to pick up with the debate on LR14 right where we left off. The speaking queue has been kept intact. Senator Matt Hansen, you're first in line.

M. HANSEN: Thank you, Mr. President, and good afternoon, colleagues. Colleagues, I rise today in opposition to LR14. I've opposed this concept in the past. I've opposed this particular legislative resolution last year as well. And rather than talking about my opposition, which I think has been-- we might have more time for that later. But rather than talk about my opposition broadly that's been on the record over multiple years, I want to talk about specifically what has been happening today and some of the terms that would have been used so far. In his opening, Senator Halloran talked about the acronym of FUD, or fear, uncertainty, and doubt, and accused anybody who was working to oppose LR14 as taking apparently a crystal-clear concept and using unnecessary or unneeded uncertainty and doubt to oppose it. Colleagues, any fear, uncertainty, and doubt I have about LR14 is baked into the document as it exists, as it's introduced, as it is available for us to vote on, and here's why. We have been told that this can be a limited convention, that the subjects, the matters, the options, what the potential delegates can do can all be limited. And shortly thereafter, we proposed an amendment to limit the delegates, to limit the convention, and we were told that if any changes happened to LR14 at all, it would be null and void. So we were told inherently that this is going to be limited, but that we ourselves cannot limit it in any form, shape, or way today because that undercuts and will automatically be a poison pill. If we as the state legislatures are going to have some limits on what this convention proposes, how are we to do that if we cannot amend the document here today that Senator Halloran and others are asking us to vote on? You'll note that LR14 is itself already broad. I actually don't think many of my concerns to LR14 relate to a runaway convention because the charter in charge of LR14 is so broad, it could be just about anything. I believe the line is the convention can propose any sort of restrictions on the powers or jurisdiction of the federal government, any restriction on any power or any restriction on any jurisdiction of the federal government. Colleagues, about everything would be germane there as long as it is a restriction. You pick a department out of the hat, you pick an agency out of the hat, can eliminate it, can ban it; you pick a topic out of the hat, you pick a subject matter, you can ban the federal government from doing it. Just about the only thing that's safe is-- is expanding the powers, and I understand why we're not interested in desiring to do that either. So while this gets pitched as a balanced

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budget-focused thing, we're worried about the national debt, we're worried about, you know, out-of-control spending, the actual language that we're being asked to vote on would enable people to propose to eliminate any portion of the federal government, like propose, you know, eliminating the House, the Senate; propose eliminating, you know, the Department of Education, the Department of Transportation, what have you, Department of Justice; propose eliminating whole classes of crimes; propose eliminating whole classes of aid to states; propose on eliminating all sorts of different things as long as it is restrictive. That's the uncertainty we're walking into, is really anything could come out of this convention without it being a runaway convention. And I think it certainly is possible for it to be even a runaway convention on top of that because if something--

FOLEY: One minute.

M. HANSEN: --arguably doesn't fall within those bounds, there's no clear mech-- or challenge to do that other than us as the state legislatures, and I get that. But when we talk about, you know, don't inject doubt, don't inject uncertainty to the process, we can't even necessarily get a straight answer about how or if or where we can limit this convention. It's been simultaneously said we can limit it, but we can't limit it by proposing amendments here today, which makes me question whether or not that's an actual sincere thought that this could be limited. We are going to have to keep working on this. I certainly will not support anything that puts voting rights or other things at risk in today's political environment, so that's why I have my continued opposition to LR14. Thank you, Mr. President.

FOLEY: Thank you, Senator Matt Hansen. Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Mr. Lieutenant Governor. Welcome to 2022. This is my first time speaking as well. Well, first off, I just want to say that I join in several people's questions and concerns about this resolution, and I think it's important that we have a deliberative conversation about this. But I wanted to make sure everybody saw I had circulated what would be considered a comic strip about the constitution, and I just want to make sure everybody knew that the-- I guess I had some questions about where it came from, so I'll hold up for everybody this book called Fault Lines in the Constitution: The Graphic Novel, which I just picked up at the comic book shop Legends Comics in District 9 in midtown Omaha, which is a great shop that's moving, and I would encourage anybody to shop there or at their new location. But I circulated this because it was-- I thought it was very apropos for what we're discussing today, where

the founders, framers back in 1787 are discussing ways to amend the constitution and one person suggests proposing an amendment process that relies on legislatures calling for another convention. And then they say: But the delegates might get carried away and undo all of our hard work after we completely overturned the Articles of Confederation, and then-- or after all, we completely overturned the Articles of Confederation. And the guy says: It could happen, fair point, so-- or it could happen again. So that's kind of what Senator Morfeld mentioned. That's what Senator Halloran has addressed as people have raised as a concern of-- and as Senator Hansen just mentioned, is what's considered a runaway convention. But Senator Halloran did a very nice job in his introduction talking about a lot of concerns up-front. And I was sitting there. I was listening to your address, and I was writing down my comments and my notes and my thoughts that I've got about questions. And I am not going to be able to get to all of my questions right now, but I do think it is important. You hit the nail on the head when you talked about amending the constitution is a difficult process, where you talked about the fact that this convention cannot itself amend the constitution, it can make proposals to amendments to the constitution, and that it would take three-fourths of the states to ratify that. This is a purposefully difficult process. It would require-- or the other amendment process, aside from the convention of states, is by an act of Congress, where two-thirds of the members of Congress would propose an amendment that then, again, would have to be ratified by three-fourths of the states. And so my point in reiterating all this is it is meant to be a difficult, deliberative process, and it is incumbent upon us to ask those questions that sort of suss out why-- why we're doing this, whether this is the right action, whether this is the right way to proceed. Senator Hunt did a nice job of pointing out the places where we agree about this resolution. The resolution asks-- calls for imposition of fiscal restraint on the federal government. I've gotten a lot of emails from my constituents who have expressed that shared concern. I share that concern. Senator Halloran circulated the federal budget, the U.S. debt clock here, and I would just draw your attention to about the middle of the page, defense spending, \$720 billion. That number is, I think, from last year. The new budget number is 700 and, I think, 68 billion. Someone could correct me. But they-- so the defense budget has essentially gone up-- going up another \$42 billion. The \$42 billion difference between the previous defense budget and the new defense budget is a relatively small portion of the federal deficit as listed, and I believe it's \$2.8 trillion on this clock. But my point is that we can probably all have an agreement that there's

money being spent by the federal government that we would rather they not spend. But the question becomes, when you get to this, how is that fiscal restraint going to be im-- imposed? What--- what is it that we agree is a reasonable fiscal restraint? So I think I might have a different interpretation of where I want it restrained or how I want it addressed than some other people--

FOLEY: One minute.

J. CAVANAUGH: --and I think it's important that we have that conversation. I'm sorry, was that one minute, Mr.-- I'll push my button again to get back in. But I think it is important to recognize that the comments and concerns raised here, though some maybe are not all in-- in constructive criticisms, I would tell you that I hope you take my questions and my concerns as constructive because I do agree with the out-- the-- the objectives set out here in this and I might-- as articulated. I might disagree with them as expanded upon, but I agree with them in principle that we should be looking for further restraints on federal spending and that we should be looking for further restraints on the exercise of fed-- of federal power. But the question is, what spending, what power? I'm probably not really going to agree on the term limits, but we can have a conversation about what exactly those term limits would be. But the question, I think, and the reason I have my questions, is whether this is the mechanism to do that--

FOLEY: That's time, Senator.

J. CAVANAUGH: Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator John Cavanaugh. Senator DeBoer.

DeBOER: Thank you, Mr. Lieutenant Governor. Good afternoon, colleagues. Happy New Year, Nebraska. I was wondering if Speaker Hilgers would yield to a question.

FOLEY: Speaker Hilgers, would you yield, please?

DeBOER: Speaker Hilgers, I'm just trying to sort of understand what the procedure is this morning-- well, it's not this morning anymore-- this afternoon as we're going through this because this is an LR and we have different procedures sometimes for LRs than we do for bills. So can you tell me, is this motion for debate today on this LR, is this General File and then there will be Select and Final, or is this a one-round debate sort of thing?

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HILGERS: No, it's a good question, Senator-- Senator DeBoer. This is-- this is an LR, but it is treated as a bill given the subject matter, which means, among other things, there will be three rounds of debate.

DeBOER: OK, thank you, Senator Hilgers. So the next question I have is for Senator Halloran.

FOLEY: Senator Halloran, would you yield, please?

HALLORAN: Yes, certainly will.

DeBOER: Senator Halloran, you and I had a conversation, I believe it was last Thursday, about your LR, and I told you I was considering things within it, and we had a discussion about the three--

HALLORAN: Subject matters?

DeBOER: --areas of the call-- subject matters, thank you, Senator Halloran. So I understand the term limits one. I think that's pretty straightforward. The fiscal restraints on federal government, you and I had a conversation that you, rather than saying balanced budget, you wanted to do fiscal restraints. Can you-- I'll give you a second to say why you wanted to phrase it that way.

HALLORAN: Just a second?

DeBOER: All right--

HALLORAN: OK.

DeBOER: --you're done. No, I'm just kidding.

HALLORAN: Thank-- thank you, Senator DeBoer, for the question. Yeah, you know, the-- the fiscal restraint, the language is broad for a reason, because we don't want to tie the hands of the commissioners at a convention of states to such specific language that they can't move away from that to-- to open up-- to open up their creativity on how to do it. On restraint, fiscal restraint, I admire what the Swiss are doing to control their national spending. The Swiss have what they call a debt brake, b-r-a-k-e, debt brake, and the concept behind a debt brake is simply limiting the amount of debt that their nation has relative to their gross domestic spending or their gross domestic product. And the purpose for that is, and it's-- and they've been quite successful at it. The purpose of that is, is that it allows the debt to be relative to their ability to pay for it. Economies go up

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and down. We've seen that here, seen it everywhere, but that's the concept for that.

DeBOER: OK, so then the last one, this is the one that gave me pause over the weekend, I'll tell you, the last of the three. And I want to read it to make sure I get it: limit the power and jurisdiction of the federal government. That's the one that gives me pause because it is so broad. When we're talking about we're going to have a limited convention, that one seems to me the-- limit the power-- limit the power and jurisdiction of the federal government, I don't see how that limits anything. It could just about be anything under the "limit the power and jurisdiction of the federal government." Do you have any response to that?

HALLORAN: I think the underlying guidelines for that subject matter will be the 10th Amendment. The 10th Amendment narrowly defines what the authority is of the federal government. It-- it's in our constitution now, and all other authority belongs to the states. So it's an effort for the states to look at this and say, OK, what did-- what-- what rights have we for-- relinquished to the federal government? And should we-- should we pull those back as sovereign states, and under the Constitution, under the enumerated rights and authority, pull that back to the states for some of that authority?

DeBOER: So when you say that there's-- there's a certain amount of sense and maybe--

FOLEY: One minute.

DeBOER: --maybe a little-- thank you-- there's a little bit of guidance to that, but that isn't what it says. It is-- is it-- so with the thing with the 2nd Amendment and all of that, is it true then that we cannot-- we have to take this or leave it, we can't change it in any way?

HALLORAN: Well, as I spoke with Senator Morfeld on the-- on the floor, these-- these proposals for a call for a convention of states have to be identical. If there's any differences in the calls for a convention of states, they will not be counted towards that 34 states. Now we could do an amendment such as Senator Morfeld is proposing. We could do that in a faithful delegate bill, which would need to be done so that we give guidance to the commissioners. We could do that in that kind of a bill so that we give a directive to those commissioners about what they can and can't do.

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DeBOER: OK, I'll have to look into that second aspect some more. Thank you, Senator Halloran.

HALLORAN: Thank you.

DeBOER: Thank you, Mr. President.

FOLEY: Thank you, Senator DeBoer and Senator Halloran. Senator Machaela Cavanaugh.

M. CAVANAUGH: Thank you, Mr. Lieutenant Governor. Good afternoon, colleagues, and good afternoon, Nebraska, and welcome to 2022. I am just reading over the resolution and AM1545, and I am certainly going to vote to adopt this amendment. Senator Morfeld's amendment reaffirms its commitment-- the Legislature's commitment to protecting the gun rights of Nebraskans, which is something that I think is important for us to continue to maintain as a priority as legislators. I know that if we didn't, that our constituents would feel that we were failing them in our job, so I appreciate this amendment. I do have some concerns about LR14. When we've had previous debate here on bills that are interstate compacts, it kind of reminds me of this LR. And when we've had those interstate compacts, that's basically the state of Nebraska joining with other states that have signed up to do the same thing for the same area of practice. So it could be teachers. We make our education requirements for teachers and the training requirements for teachers. We have our standards in Nebraska. If we were to enter into a compact with seven other states, or however many were required to enact the compact, we would then be beholden to the regulations of that compact. When people come into our state, we have to have-- we have to take them and certify them in our state without them going through the certification process because of the compact. And when we do these compacts, we've put a lot of guardrails into the legislation that we pass about we will-- what we will and will not agree to. And I'm sure Senator Blood would be able to explain this so much better than me because she's done so many of our compact bills, but that's what comes to mind. And when I see amendments like Senator Morfeld's that makes sure that things that are really essential to Nebraskans are maintained, I think that that's something that is really important for us to add to this resolution. I-- I understand from Senator Halloran that adopting this resolution would not be-- adopting this amendment to the resolution would do damage to the resolution itself and its effectiveness. However, without guardrails, I don't have faith in our federal system to abolish our-- our constitution and let our federal people rebuild it as it is. I think that it's better for

them to have more limited authority and just amend the constitution instead of rebuilding the constitution. I do have a question-- how much time do I have left?

FOLEY: 1:55.

M. CAVANAUGH: OK. Senator Halloran, if you would yield to a question?

FOLEY: Senator Halloran, would you yield, please?

HALLORAN: Yes, certainly.

M. CAVANAUGH: Thank you so much. I actually am a little confused on this point, and I was trying to read through your speech again to see if it was there. And I'm sorry if I missed it, but who would represent the state at the convention? How is-- how is that selected?

HALLORAN: It would be selected in the same fashion that it has been selected historically in the past. Conventions of states are not a new concept. Before and after the signing of the constitution, conventions of states were very common, and I'll get into that in more detail later.

M. CAVANAUGH: OK.

HALLORAN: But they're chosen-- the commissioners are chosen by their state legislatures.

M. CAVANAUGH: And how many commissioners does each state have?

HALLORAN: A state can choose as many as they like, but each state will only have one vote. It's not proportioned by population.

M. CAVANAUGH: And what is the requirement in the State Legislature--

FOLEY: One minute.

M. CAVANAUGH: --for appointing somebody? We as a Legislature appoint someone or does the Governor put forth a nominee and then we accept that nominee?

HALLORAN: We in the state would do it. Again, that would be something that would be and should be spelled out, and we can spell it out, in what I referred to as a faithful delegate amendment. It would spell out all these-- all these questions that we might have about how they're chosen, how many are chosen, what they're being held

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accountable to, and what happens if they don't hold to the call of the convention and so forth.

M. CAVANAUGH: So we-- we can put a faith-- faithful delegate motion in-- or language into this?

HALLORAN: It has to be a separate bill--

M. CAVANAUGH: Oh, OK.

HALLORAN: --right?

M. CAVANAUGH: I see.

HALLORAN: Yeah, the purpose, the reason I called it a poison amendment by Senator Morfeld, was that because all of these calls for a convention of states, an Article V convention, have to be precisely identical. We've been very careful about every state having the same language so that when--

FOLEY: That's time.

HALLORAN: --they're counted-- that time?

FOLEY: That's time.

M. CAVANAUGH: Oh. Thank you.

FOLEY: Thank you, Senator--

M. CAVANAUGH: Thank you, Senator Halloran.

FOLEY: Thank you, Senator Cavanaugh and Senator Halloran. Senator Friesen.

FRIESEN: Thank you, Mr. President. I rise in support of LR14 and opposed to the amendment of Senator Morfeld. You know, sometimes you may try to box me into a spot, but I don't get boxed in very easily because this is very spelled out and-- and we have to stick with the-- the script here in the LR, and I think everyone knows this. And so the political theater that we do by trying to put something like this in front of us is just-- it makes for good entertainment, but we are talking about a very serious subject here. I've been a part of a mock convention of states and I've followed this for a number of years. And if any of you here right now feels that our federal government is not broken, then I-- I'd like to talk to you because, I don't care which side of the aisle you're on, they're not capable of

doing anything. They shovel money out the door like it's fast as the printing presses can run it. They don't seem to have a longer-term plan. They're unwilling to address immigration issues. They're a system that doesn't work until the states finally take back some of the power that we've given them over the years. We have handed them that authority. When they dangled that carrot in front of us, we reached out and we grabbed it and we said, OK, let's let the feds do it, let's let the federal government handle this, it's too hard for us. And now, when they're broken, what do we do? To me, when we talk about legislation in the state of Nebraska, we pass things here in Lincoln that probably don't work out in Grant or North Platte or Scottsbluff. It's not a one-size-fits-all. And so when I look at what the federal government tries to do sometimes, I mean, sometimes they just need to send money out to the states, if they have money, and let us figure out what's best for Nebraska, what's best for California. But instead, we're starting to let them dictate everything we do. And I think that makes for a-- longer term is going to be a failure. And if you look at the debt that we're servicing right now and if interest rates double-- I remember when I started farming interest rates were 9.5 percent and went to 18 percent-- if something like that happens to our interest rates, our federal budget deficit is going to be so large we'll have to start cutting programs or eventually the bond buyers will tell us that we're broke. No one will want to buy our bonds anymore. It's happened in other countries. It happened in Greece. And if we don't start saying no, it'll just continue to happen. So when they dangle a bag of cash in front of us and say, oh, let's start these programs, let's start that program, and then later they pull the rug out from under us and we're the ones ending up with the bag. And if you watch how the federal government is working right now, it is so partisan up there, there is-- nothing comes out of there. We've got to find a way to wake them up and to say that out here the people still care about what you do and we want you to fix it or we will. And I think the time has come when we have to say we're going to fix it. I think that's the only one they're going to listen to is when we finally say, look, you're overreaching in your regulations, you're spending too much. And I'll be the first one to say I'm not a fan of the balanced budget amendment. I probably wouldn't support that if I was there, but I think it needs to be talked about, I think it needs to be addressed, and I think there is probably some solution. But, no, I don't think I'd support a balanced budget. It doesn't work for everyone. But again, we have to at least have the conversation--

FOLEY: One minute.

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FRIESEN: --so that the federal government finally realizes that the states are-- are sincere about this. We're tired of their games. It's time to get to work, and just shoveling money out the door does not make it work. We're on the verge of bankruptcy if they don't straighten up, and yet they continue to want to shovel money out that door with no guidelines and just let us, to me, waste dollars. We've got to come up with long-term plan on how to fix some of these things like infrastructure and things like that. It can't be a "here's a billion dollars, get it done by 2025," doesn't work that way. We need to take control again. The states can do a better job of deciding how some of these programs should be implemented and done, so, therefore, I'm a very strong advocate of states' rights, and we need to take some of that power back. Thank you, Mr. President.

FOLEY: Thank you, Senator Friesen. Senator Halloran.

HALLORAN: I'm up.

FOLEY: You are.

HALLORAN: All right. Thank you, Mr.-- Mr. President. There's a lot of consternation about this concept of a convention of states. What is a convention of states? Was it something that was fabricated for just this purpose, right, to call a convention to gather states together to discuss and propose amendments? No, a convention of states was quite common in the pre- and post-constitution signing in Philadelphia. There were at least 34 conventions that were-- were held in the early years. These conventions were called between the states to solve issues. They were-- they were called to solve territorial issues, boundary issues, issues with the Indians, issues with Canada. They were-- they were drawn together to deal with commerce between the states. Conventions of states was common at that time. It was a common means of-- of-- of answering and addressing these questions and issues. So when the founding fathers did Article V and they used the term, the concept of a gathering, convention of states, it was something quite common to them. They understood that it worked, that they were formed for a purpose, they were formed by the call that they were called for, and there's 34. There's 34 conventions of states that have been-- were held before, split differently, the difference between before and after the constitution was written. And there's no his-- history-- no history of all, that any one of those conventions ever went beyond the call of their conventions. And so the protocol for those conventions-- I think I'm addressing some of Senator Cavanaugh's questions and maybe some of Senator DeBoer's questions. Those conventions were called with

specific calls. They had a specific protocol. They had a history of having how many commissioners were from each state and-- and they had a-- they had a protocol of keeping those commissioners to the call of the convention and addressing the issue at hand. And when they-- when the convention at that time, whatever purpose they were held, solved their issues, or to the satisfaction of the convention solved their issues, they were dissolved, right? They had solved the problem at hand. So they-- so the concept, the instrument of a convention of states was typical protocol-- was typical-- typically used very commonly in and around the time of forming the constitution. So the founding fathers saw no reason to go into great length. Maybe that's bad on them. Maybe they should have, but they saw no reason to go into great length in detailing what a convention of states was. They were very familiar with it. That's in the history books. I would encourage you all to become more familiar with the history of the-- of the constitution and that period of time. So I can understand the consternation about what is this convention of states. Was it fabricated out of whole cloth just to do proposing amendments? No, it wasn't. It was a-- it was an instrument that was commonly used at the time. Now another example-- another example of what's stated in the constitution that they didn't give a great deal of detail about is writ of habeas corpus, right? If you look up in the constitution where they-- where they indulge in-- in agreeing that a writ-- writ of habeas corpus was important and it should be in the constitution, they did not go into a definition of what habeas corpus was. They all got it. They all knew what it was. They didn't have to define it. And maybe they were making a broad assumption--

FOLEY: One minute.

HALLORAN: --that in the future-- that in the future all Americans would understand what habeas corpus is and why it's important. Well, the same holds true for a convention of states. Time has lapsed, and we're not familiar with that instrument of using a convention of states, but they did, they understood it, they knew it worked, and they knew that there was protocol for it. They were not concerned about a runaway convention. Thank you.

FOLEY: Thank you, Senator Halloran. Senator Morfeld.

MORFELD: Thank you, Mr. President. Colleagues, I'm glad that Senator Halloran brought up habeas corpus because habeas corpus has been defined by the Supreme Court and its constructs and contours have been defined by the Supreme Court in Opinions subsequent to the passage and the ratification of our constitution. So it's not true

that everybody just woke up the next morning and knew exactly what the constraints, or lack thereof, of habeas corpus contained. People generally knew what the concept was. It was applied in court and precedent was made. There is no Supreme Court precedent on an Article V convention. You cannot find it. That is why many prominent jurists and Sup-- members of the Supreme Court have stated that they have concerns, for instance, Supreme Court Justice Antonin Scalia. Quote: I would not want a convention. Whoa. Who knows what would come of it? Former Supreme Court justice Warren Burger: There is no way-- quote: There is no way to effectively limit or muzzle the actions of a constitutional convention. The convention would make its own rules and set its own agenda, much like this body does itself. Harvard Law School Professor Laurence Tribe, quote: What you were doing is putting a whole constitution up for grabs, end of quote. Colleagues, this is not just a theoretical exercise. In fact, there's not much theory behind it because there's no precedent behind it. Senator Halloran brings up instances of states informally meeting to address issues before the constitution was ratified, and that is not precedent. That's a group of states that got together to address a group-- a bunch of issues informally and come up with solutions. It was not a formal call and convention. And I'm fully aware that the convention is called, that they come up with a proposed constitution, and then the states have to ratify it. But the first step is to have this convention, and that was the first step when we created the current constitution that we have now, is they created this constitution and then the states had to ratify it, and after a period of time they did, and it was a pretty radical document at the time, quite frankly. A lot of people at that time, if you look at the commentary, didn't think that enough states would sign on to actually pass the constitution at that time, but they did. And I think that everybody knows that with the political upheaval that we have now across all ideological spectrums of our country, there's a very real possibility that a similarly radical document could be ratified by the states as well. That's not outside the realm of reality. It certainly could. And we all know that when we come down in a deliberative body, in a legislative body, which is what this convention of the states would be, that people will start making deals to get things done. And there will be things in that document that comes out that some of us will like and there will be things that some of us do not like, and in the end the states are going to be put in the position of determining whether or not you accept the lesser of the evils. And if you think for a minute that people will not be tempted to vote for a proposed constitution that has a balanced budget amendment but might have a few other things they

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don't like so much, but they're really passionate about the balanced budget amendment, you're wrong because we do that every single day. We do a cost-benefit analysis of legislation. Many of us have bit our tongue a little bit from time to time and gone, man, I like 75 percent of that piece of legislation, I don't like that 25 percent, but I really like that other 75 percent--

FOLEY: One minute.

MORFELD: --and I've had a lot of constituents call me and say, you should vote for this even if you don't like this part. People are going to start making those cost-benefit analyses when this comes back before us, after a constitutional convention. Colleagues, this is a dangerous path. It's a dangerous path. And not only have myself and others recognized it, other states like South Dakota, our neighbor South Dakota, have rescinded it because they had seen how dangerous of a path it is. We need to tread carefully and lightly. And AM1545 is a reasonable amendment that protects rights that I know a lot of Nebraskans, including myself as a gun owner, holds dear. So if Senator Halloran is correct that we can limit the scope, then we should at least pass that safeguard before this advances. I urge you to vote green on my amendment and no on LR14. Thank you, Mr. President.

FOLEY: Thank you, Senator Morfeld. Senator Brewer.

HALLORAN: Thank you, Mr. President. I want to stand in support of LR14 and in opposition to AM1545. But with that said, I probably need to give a little justification why I would stand in opposition to a bill that supposedly is supporting the 2nd Amendment. First off, I was sitting here a little bit in shock when it was presented this morning. Keep in mind that I may not be the best champion in this Legislature for the 2nd Amendment, but I think I would be among those. And the one person who has generated hundreds of people into this building to defend their right to have the 2nd Amendment is the very person who proposed AM1545. So forgive me if I felt like I was in the movie *The Exorcist* and the devil just walked into the church and the holy water started boiling. This is a ruse and nothing else. It is not to support the 2nd Amendment. It is to derail LR14 and that's it. But let-- let's just for a second stop and think about the comments by Senator Friesen and Senator Halloran. I kind of follow with what I want to say, and I'm not going to repeat that, but I think if we don't stop for a moment and just think about the fact this is the sixth time up that I have stood in support of this bill. I haven't changed my view. I maybe better understand the bill more

than I did years ago when we started this process. But the fact is that from \$20 trillion to \$30 trillion, just while we have been in this body, should scare folks to death. You would have to be willing to say that there is no limit, we can spend and go in debt as much as we want, print it, come up with it however you want, and it will not have any consequences. That's the mentality you have to say if we're going to say we're not going to do anything different. That's what we said six years ago. That's what some want to say now. And if we do that, you cannot help but sit back and realize the train is running off the tracks and the future for your children, your grandchildren, are going to be very bleak. Now you can argue that if you want, but show me how we contin-- continue to spend like we are. The issue of term limits is a factor because it's the same people making the same decisions about the same issues that have put us in this fix. So our decision here today is real simple. We either continue to do what we're doing and accept a fate that I don't want to accept or we make change. It is that simple. Thank you, Mr. President.

FOLEY: Thank you, Senator Brewer. Senator Hunt.

HUNT: Thank you, Mr. Lieutenant Governor. It's not that simple. It's not that we either continue to do what we're doing or we make no change at all, and it's not that LR14 is the only way for us to make any change. We have elections. We have all kinds of opportunities for people to become civically engaged in their communities, and these are really important ways to exercise change. These are really direct ways to affect what's happening in Congress. And it says something about the erosion of our democratic rights and system that the people feel like something like LR14 and a convention of states is the only effective way to make any change. This is the mindset that makes people say we've got to overthrow the government, which happened last year on January 6. So we need to think more realistically, with a cooler head, about what procedures and framework we already have in place, thanks to our framers and thanks to our founding fathers, to make the change that seems to be so important to everybody here. The reality is that this is not the same world that the framers lived in when the founding fathers were conceptualizing Amendment V. The truth is, most of the founding fathers would be out of their minds to find out that America decided to free the slaves or that women are voting or, for that matter, that we've closed our borders off and that there's people from Immigrations, Custom and Enforcement [SIC] that are chasing down migrants for doing nothing. There are a lot of things about our world today that would really shock the founding fathers, but none of us can know in 2022 what they would think about what we were doing. All we can know in 2022 is what policies that we

pass today are going to do to affect our future, what outcomes they might have. And I'm one of the first people to stand up and say I support experimental policy. That's what I love about small government and state government is that in a city-- or in a state like Nebraska, or in any of our cities through city council, we can try things and we have the-- the mobility and the nimbleness to change course. There's lots of policies that-- that we've gotten together as a body to pass with the caveat that, you know, we're going to reevaluate this in three to five years and put a sunset on it and if it's not working, we'll change our minds. That's actually when government is at its best. What was typically done at the time of the framing of the constitution is just not interesting to me in terms of what we should do about policy in 2023, and it's not relevant to very much at all of what's happening in 2022. It's fun to learn about history. It's fun to romanticize what these men did. It's very important to, you know, the history of the world and the direction that we've gone on as a democratic republic. But ask yourself, you know, look around for real and ask yourself how much of the-- the vision of freedom and independence is actually reflected in our government today in 2022. Look at the proponents of LR14 and look at some of the legislation that they're introducing. A lot of that does not do a lot to expand freedom or expand independence or protect the minority. So don't play mind reading, you know, what the founding fathers would have wanted, whatever. Like, that's not knowable. We literally can't know that. All we can know is what people are suffering with today, what our constituents are asking of us today, and what the real problems are in 2022, and that we-- all of us have a very small slice of life to be in here and do something about it. In the big picture, maybe we're all here for eight years. Maybe we come back and do 16 or-- or 12 or something, but this is a really small portion of your life.

FOLEY: One minute.

HUNT: And I think that something like LR14 is really a missed opportunity to spend time in the State Legislature telling Congress what to do. Congress is never going to give any-- they're not going to give a care about what Nebraska is telling them to do. But in Nebraska, in the Legislature here, we have a lot of individual power to make change that's going to affect people on an individual level, and that is the power of democracy. That's federalism. That's the right that we have here in this body. So let's stop asking Congress to do something and figure out how to fix things here in Nebraska for the people who live in our state. Thank you, Mr. Lieutenant Governor.

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FOLEY: Thank you, Senator Hunt. Senator Lindstrom.

LINDSTROM: Thank you, Mr. President, and good afternoon, colleagues. Good to be back with you here on the first day of floor debate. I guess I don't understand quite the level of fear that exists with going down the road of LR14. This is an issue that we've talked about for years. We-- we--Senator Ebke was one of the first people that started this process years ago, long before many of you were here. And as a veteran of the Legislature, a few of us, myself and Senator Friesen, had the opportunity to participate in the mock convention of states. This was four or five-- or five, six years ago. We traveled out to Williamsburg, Virginia, and I-- I-- I actually went out there because I was more curious than anything. I wasn't that familiar with the convention of the states. But after going through that process and-- and watching how this was going to take place if we do pass LR14, my fears were eliminated on what would be deemed as a runaway convention. One, with LR14-- and I-- and I appreciate Senator Morfeld's parliamentary amendment there to kind of gum up LR14. But this has to be clean, so LR14 needs to stand alone so that it matches the rest of the states currently. But when you go out there and you start talking about these, these issues that we have to agree upon, not only from the standpoint of 34 states but in the case of ratifying the constitution in 38 states, it would be very, very difficult to have a runaway convention. Let's take the opposite side. Let's say that Oregon, as an example, wanted to start to mess with the 2nd Amendment. Well, I highly doubt that the states in the Midwest or in the South would go along with that. It would be very difficult to find 38. What can we agree upon? I think term limits, we could have that discussion, maybe less so, but I do think when Senator Brewer and some others mention with the spending at the federal level. And this idea that we weren't built on states' rights, that we aren't federalist government, the notion that-- that somehow we're centralized and that's how our founding was, this is in Article V. This was put in in the founding document because of such an issue that when the federal government gets out of control, it is incumbent upon us, not only as legislators but as-- as citizens of the state that we represent and citizens that are in this crowd today, that we step up and push back against federal government and federal overreach. It is there for a reason. And we're coming to a point here where people are frustrated, not only with mandates that are coming down but the overreach that has been continually perpetuated, not only in the last year but for-- for some time now, and citizens are fed up. And to me, LR14 is one of those things. And as legislators, we can send a message to the federal government that we've had

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enough. And if you believe in states' rights, which I do, then vote for LR14. You know, I appreciate the conversation that we'll have today, and I know Senator Halloran has some more to speak on, so I'll yield the rest of my time to Senator Halloran. Thank you, Mr. President.

FOLEY: Thank you, Senator Lindstrom. Senator Halloran, two minutes.

HALLORAN: Thank you, Senator Lindstrom. I just want to make a clarifying-- clarification. Senator Morfeld, probably very innocently, made a statement that is absolutely wrong. South Dakota has not rescinded this resolution because it's never been passed there yet. South Dakota did pass a call for a convention of states for a balanced budget amendment, and they have not rescinded that. Have they rescinded some calls for a convention, a convention of states? Yes, they have, for various subject matters. One was polygamy. They felt that wasn't necessary anymore. So a broad statement suggesting that they've rescinded Article V calls for a convention of states does not include this one, nor does it include the call that they have made in the past for a balanced budget amendment. Thank you, Mr. President.

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

M. HANSEN: Thank you, Mr. President. Good afternoon again, colleagues. I want to talk a little bit more about the history of this because, when I bring up some of my concerns and some of my fears and some of my doubt based upon the plain text of LR14, because I want to make it incredibly clear, despite what some of the proponents have been saying, this isn't just a balanced budget amendment. This isn't just a balanced budget or fiscal restraint proposal. It's a proposal to any restriction or any prohibition on powers or jurisdiction on the federal government, could be anything on any branch for any topic on any avenue. It's more than just fiscal restraint. And the reason I bring that up is people talk about, oh, we've had national conventions, we've had state conventions, we've had other things in the past, and, yes, we have and we've had some surprising and unprecedented results from them. You know, we talk about-- Senator John Cavanaugh mentioned that the constitutional convention, the famous one in Philadelphia, threw out the Articles of Confederation. That convention proposed a new ratification that actually contradicted the Articles of Confederation. Articles of Confederation required unanimous consent and the constitution that we currently have just had a supermajority. But that convention stemmed from an earlier convention that wasn't very successful, and the

delegates there sought to leave and get more people to attend to the ultimate constitutional convention, the Philadelphia Convention. The prior convention was the Annapolis Convention, and the Annapolis Convention was to talk about trade amongst the states, to talk about trade rights amongst the states, and pretty much most specifically to hash out shipping and fishing rights along the Potomac and Chesapeake Bay between Maryland and Virginia. And I bring all this up, and I bring all of this up as relevant, because we went from a dispute over fishing rights, really a dispute over the charter of who owned which part of the Potomac River, and within a few short years that dispute evolved into us completely abolishing our system of government, inventing the bicameral legislature of Congress with the Great Compromise, with proportional representation in the House, equal representation in the Senate, and all of these things because Maryland and Virginia couldn't figure out fishing. And I bring all of this up to say that anytime LR14 gets glossed over as being straightforward or simple or predictable, we know from our history that that is not the case. We know from our history that when somebody has the opportunity to have the floor and propose drastic changes to our government, they will. And, sure, you know, we can debate about how likely each relevant provision is to be ratified. But why would you even want to say, oh, if it goes haywire, which I concede it might, we can stop it later? Why-- why would you want to start that motion to begin with? And again, I'm not necessarily making a slippery slope argument or I'm not worried about a runaway convention because, for me, the plain text of LR14, the any restriction on the federal government, opens up subject matters that I would like to just take off the table. I would like to know that, say, for example, voting is going to be secure. I would like to know that some of the amendments protecting voting rights are not going to be up for discussion. I would like to know that some of the protections we have for our elections are not going to be on the table because ostensibly all we've really talked about, the two specific proposals we've really talked about, are term limits in Congress and a balanced budget or some other fiscal levers and balance.

FOLEY: One minute.

M. HANSEN: Those are clear, those are ones people can conceptualize, and I understand when people hear those two, why they might be appealed to it. But if we're talking about, you know, changing voting rights, if we're talking about restricting voting in some way, if we're talking about any of these other things that we've had to sort out through constitutional amendments in the past, and we've had to

have multiple constitutional amendments to sort out, I would like to know those aren't on the table. And as I understand it, there's simply no way to do that through the context of LR14. It's being presented as a take-it-or-leave-it. I have to take it as it's whole because we can't amend it. If it's take it or leave it, I'm going to stand and leave it and continue my opposition to LR14, and hopefully have a chance to talk about voting rights and some more things in the future. Thank you, Mr. President.

FOLEY: Thank you, Senator Matt Hansen. Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Mr. Lieutenant Governor. Well, I rise again to continue on my questions, and I haven't-- I appreciated the history lesson from Senator Matt Hansen. It's been a while since I studied the conventions and I did not recall the Annapolis Convention, so that was a good frame of reference for us. I wrote down, as I said to Senator Halloran, and he and I talked off the mike a little bit, some of my questions. I know he's-- looked a little preoccupied, so I just thought I'd start listing off what my questions are and if-- oh, there he is. Senator Halloran, would you yield for a question?

FOLEY: Senator Halloran, would you yield, please?

HALLORAN: Would be pleased to.

J. CAVANAUGH: Thank you, Senator Halloran. So, well, my first question is in terms of who-- what would be the composition of the convention itself, and by which I mean, who would be the delegates from the several states and from this state? And I know you addressed to Senator Morfeld earlier LB195, which is the faithful delegate. I guess my question is, on what basis are we presuming that the Legislature of the State of Nebraska would get to appoint the delegates to this convention?

HALLORAN: It's-- it's-- well, we don't have-- that may be an assumption. The alternative would be to have a-- have a statewide convention to propose people to go to this convention of the states and have them elected, which would be-- and that may have to be on the ballot to do that, which-- which is-- which makes it very difficult. The beauty of having state legislators be the-- the-- the delegates or commissioners is they've already been vetted, right? They've been vetted to be here by our constituents to represent us in the Legislature, so we've gone through a vetting process. Whether that's good or bad, we've gone through a vetting process and here we

are. To-- to call for random people to be chosen from the state would be difficult for people to know who they are, what their background was, what they stood for and so forth.

J. CAVANAUGH: Well, so I guess I have two questions or concerns about that particular-- your answer. I appreciate the answer, by the way. But my one concern is this is a convention of the states and not a convention of the state legislatures. And so I have a concern where the legislature is the one that would be appointing or would be the electors when in reality we-- my, I guess, philosophical interpretation is that though we are the legislative body of the state of Nebraska and we're acting in the people of the state of Nebraska's stead, when it comes to a national convention, the state of Nebraska should be represented in a different way than the legislative body. And LR-- or, I'm sorry, LB195 specifically sets out the faithless electors with the oversight of the Executive Board and those sorts of things, where it really keeps the control in the hands of the Legislature, which is a twofold concern because (1) it puts the Legislature directly in control of the electors; but (2) it does make them essentially just an arm of the Legislature and not necessarily of the state of Nebraska. And so that, I guess-- and I don't have an answer to you. I'm just telling you the-- like I said, this is a sincere concern. So I guess I'll just give you that opportunity to answer that.

HALLORAN: OK, one answer to that question is, is historically, as I mentioned before, there's 34-some, historically, conventions of states that were held before and after the Philadelphia framing of the constitution. It was a common practice at that time. At that time, those conventions of states were-- were represented by people in their-- in those-- those 13 states' or the Colonies' legislators at that time. So that's been-- that's been the history of how that's-- that's been-- that's occurred.

J. CAVANAUGH: OK, and that-- and that kind of goes back to one of the things you said earlier. And I thought about it when you said that the-- about habeas corpus and how everybody understood that to be what it meant at the time. And I thought for-- in terms of process, I'm not sure that we should use-- I don't know if "anachronistic"--

FOLEY: One minute.

J. CAVANAUGH: --is the right word, which is we're running out of time, speaking of, but anachronism means, I think, something out of time, which in this instance we're drawing from something which is

rightfully an exercise of our-- our authority. But the question is, should we rely on how people 250 years ago understood something to-- to be sure that (1) that's the way it's going to happen, and (2) whether or not that is the best way for something to proceed? And those are questions I'd like to, I guess, continue to suss out as we go forward. I know I'm running out of time here, and I'd be happy to continue the conversation, but I just wonder-- I-- I have reservations about specifically the structure of how the delegates are going to be appointed and-- and the reliance upon how-- how many are going to get apportioned to Nebraska in the first place. I believe that-- I would guess Congress will get to decide how many we get. And I can-- I'll pick up the questions after--

HALLORAN: OK.

J. CAVANAUGH: I think we're out of time, probably.

HALLORAN: OK.

J. CAVANAUGH: Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Cavanaugh. Senator Halloran.

HALLORAN: Thank you, Mr. President. To carry on the conversation with Senator Cavanaugh, Hamilton made it very clear, and I can-- I'd have to search through a far-too-confused state of affairs I have here with my paperwork, a quote from Hamilton, and I can get that to you personally off the mic, a quote from Hamilton that specifically-- specifically detailed and said that Congress would have no say in the-- the choosing of delegates or commissioners or, for that matter, location. They can recommend a location, but it's up to the states ultimately to decide where it's going to be. Otherwise, with-- Hamilton pointed out that if you allow Congress to make all those decisions, what you've effectively done is you've-- you've-- you've mooted the-- the purpose of the states being on equal footing with Congress to call a convention of states. You've let Congress intervene and do things that-- that will affect or impact that convention of states. So he made it very, very clear that, no, once a convention is called, that's the only obligation that the Congress has is to count. You know, they have to keep record of all these calls for a convention of states. They count the convention of state calls, make sure that they are all precisely the same before they call for a convention of states. Anyway, I would like to ask Senator Morfeld to yield for a question if he would.

FOLEY: Senator Morfeld, would you yield, please?

MORFELD: Yes.

HALLORAN: Thank you, Senator Morfeld. I'm-- I'm thrilled, thrilled to see by AM1545 your heartfelt support of the 2nd Amendment. And I guess I-- I would like to ask you on the mic if you would then be supportive of Senator Brewer's LB773, which will be coming up this session, dealing with constitutional carry.

MORFELD: I have not reviewed that legislation and we haven't had a hearing on it yet, so I want to hear back from my constituents and other individuals before I take a position on that.

HALLORAN: So that's a maybe in support of the 2nd Amendment. Senator Machaela Cavanaugh--

MORFELD: I suppose it depends.

HALLORAN: --is she here?

FOLEY: Senator Machaela Cavanaugh, would you yield, please?

M. CAVANAUGH: Yes.

HALLORAN: Thank you, Senator Cavanaugh. The same question I have for you. I appreciate your support of the 2nd Amendment. I-- I would like to ask you on the mic very pointedly whether you would supp-- support Senator Brewer's LB773 for constitutional carry.

HUNT: I have not read Senator Brewer's bill yet, so I can't give you an answer on that. But if it is similar to his bill previously, it's not likely that I will be supporting it. But I like to keep an open mind.

HALLORAN: So you're-- OK, thank you, Senator Cavanaugh. So your support of the 2nd Amendment is frail at last-- at least, and I'm sorry that you have to bring that up as a means of subduing or subverting LR14 as a poison-- poison amendment. Again, this-- this is-- I don't know how to say it. Let me throw one more thing out. The debt, right? We've talked about the debt being \$30 trillion, significant. Hard to wrap our arms around \$30 trillion, right? What the heck is \$30 trillion? We've seen analogies of how many times you could go to the moon and back if you stack dollar bills or \$100 bills or whatever. Ah, you still can't grasp it; none of us can. Well, let's knock a few zeros off of there. The interest on the debt,

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right? We have to pay the interest. Congress has to pay the interest. I think Senator Friesen pointed out the bondholders become very upset if we don't pay the debt-- or the interest, excuse me. And if we don't pay the interest, guess what-- what happens to our credit, credit rating? Plummet. We're-- we're sucking air. So we're obligated to pay the interest. So what does that amount to? It's still a large figure to wrap our arms around. It's a billion dollars a day--

FOLEY: One minute.

HALLORAN: --a billion dollars a day. Where might that money go to for other programs that are near and dear to our hearts, rather than going to interest? There are some bankers here in this body, God love them, I love them, but, you know, interest is a price you pay for a service. But does it get you much value other than getting you in debt or obligating you to a debt and paying the interest? No, it doesn't. It's a-- sorry to the bankers here. It's a waste of money in regard to what you and I might want for programs to be funded by, a billion dollars a day out-- out the window. Thank you, Mr. President.

FOLEY: Thank you, Senator Halloran. Senator Lowe.

LOWE: Thank you, Lieutenant Governor. Judging by the queue, we're coming up on a-- on a quandary here. By the way, I support LR14, and, amazingly, I do not support AM1545 because AM1545 is a ruse. I think it's been said-- called a ruse. What it says is the Legislature reaffirms its commitment to protecting the gun rights of Nebraskans; the convention of states shall not propose amendments that could in any way result in the restriction, disempowerment or elimination of the 2nd Amendment. It is brought by one of the senators here who has tried to disman-- dismantle the 2nd Amendment for Nebraskans and we're going to have to vote-- those that support the 2nd Amendment will have to vote against a 2nd Amendment amendment. But those who don't support the 2nd Amendment may have to vote for the 2nd Amendment amendment unless this amendment was-- is withdrawn. So those that wish to have political aspirations, that wish to stand on their morals, may have to vote against what they want to really have happen. It's a predicament, but it is a good predicament because we will have record. You will have me voting against a 2nd Amendment amendment because it is a ruse, and I totally support the 2nd Amendment. I totally support our Nebraskans' gun rights. But this is a way to draw this out because after this amendment, there will be another amendment. It'll be a way for it to go the eight hours. So we need 33 votes to get this passed. I believe Senator Halloran has

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right at 33, maybe 34, maybe 35 votes to get this passed, get it past the filibuster. I congratulate him. We're making headway on this. I am not in favor of AM1545, and I don't think anybody else here should be either. Even those that don't support the 2nd Amendment, if you don't support the 2nd Amendment, you should not have record on it. Thank you, Mr. President.

FOLEY: Thank you, Senator Lowe. Senator Linehan.

LINEHAN: [RECORDER MALFUNCTION] Mr. President. Good afternoon, colleagues. I have to admit, I'm kind of sitting here thinking it wasn't that long ago we were here. I-- but-- so welcome back. Great New Year. I rise in opposition to AM1545, in support of LR14. I'm going to turn most of my time back to Senator Halloran because he's prepared for this. He's far more informed than I are [SIC]. But I've heard a couple of things this afternoon that-- that concern me. And I-- I'm not sure what we're afraid of on LR14. Are we saying that we don't-- we don't-- we're afraid of the people? Are we-- I mean, are we so smart that we should be-- we think we're smarter than the people that sent us here? Or are we saying we're afraid of states' rights? And if we're afraid of states' rights, that's a huge concern because that really takes away any authority we have. So I-- I'm not sure what we fear here. I think it's abundantly clear, over the last few years, that D.C. is broken, that Congress is broken, that they are-- they are not acting with the maturity that you could expect from them even a couple decades ago. We have a national debt that is a crisis. And I know some of you don't remember Senator Friesen mentioned this morning when he was starting farming. When I bought my first-- when we bought our first house, I think interest rates were something like 18 percent and inflation was 20 percent. This can go sideways very, very fast, and we need to figure out every way we have, everything in our power to make sure that Congress knows we're serious. And to the point that we don't know what our founding fathers were thinking, that's just not true. There are reams and books and the Federalist Papers. We have a very good-- if we read, if we study, we have very good insight into what the founding fathers were thinking. The founding fathers were protecting states rights, but, more important, individuals' rights. That's why we have the Bill of Rights. So I-- I think we gotta re-- I think it's important for us to remember we need to trust the people who sent us here and we need to trust the states. You think that 38 states are going to upend the constitution, really? Do we really think that's going to happen? Senator Halloran, I would yield the rest of my time to you.

FOLEY: Senator Halloran, 2:15.

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HALLORAN: Thank you, Senator Linehan, and-- and my answer to your question, do-- do I think that the states in a ratifying process would overthrow our whole constitution? No, that's stupid, as-- as-- as are many of the suggestions of what might happen. I-- I repeat-- I'm going to ask the question a few more times. Would Senator Morfeld yield to a question, please?

FOLEY: Senator Morfeld, would you yield, please?

MORFELD: Yes.

HALLORAN: Know there's been a lot of angst and concern and anxiety expressed about a runaway convention. And I pointed out earlier in my opening, I repeated it twice and then I asked-- then I made the comment during one of my presentations-- a question to you, and you've had time to research this: Where in the constitution does it say that a convention of states can amend the constitution?

MORFELD: It says that it will propose amendments and the amendments then will be taken to the states. So I understand what you're saying. It's a procedural issue, yes.

HALLORAN: So you're confirming that a consti-- a convention of states cannot amend the constitution, neither can Congress, right?

MORFELD: No, no, I'm-- I'm actually--

FOLEY: One minute.

MORFELD: --not saying that, to-- to clarify. I am saying that whatever amendments the convention of the states comes up with, they have to be ratified by the separate several states after that. So they can amend the constitution; they just have to be ratified for them to go into effect after that.

HALLORAN: They cannot ratify. They-- they cannot ra--

MORFELD: No, no, no. The states have to ratify.

HALLORAN: No, they-- they cannot amend the constitution, Senator. I'm sorry.

MORFELD: No, the convention of the states proposes amendments--

HALLORAN: They can propose--

MORFELD: The convention of the states--

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HALLORAN: They can propose--

MORFELD: The convention of the states proposes amendments--

HALLORAN: They can propose--

MORFELD: --and then the states ratify it.

HALLORAN: Right.

MORFELD: But they come up with the amendments that have to be ratified, so they create the amendments. If you want to go into a mental gymnastic exercise, we can do that, Senator, but you're not going to get it past me.

HALLORAN: No, this isn't-- this is really-- thank you, Senator. Morfeld.

MORFELD: Thank you.

HALLORAN: This isn't really mental gymnastics at all. This is not even a game of semantics. It's clear wording in Article V of the convention-- of the constitution clearly states that a convention of states, nor Congress, can do anything but propose. They're a suggestion box.

FOLEY: Senator Halloran, that's time, but you're next in the queue. You may continue, five minutes.

HALLORAN: Thank you, Mr. President. They're a suggestion box. That's all they are. Now, if you want to distrust-- distrust the ratifying process, then you'll have to point out to me-- you'll have to point out to me-- you can get in the queue or I'll ask you a question later. You can point out to me where the ratification process has ever gone wrong. Well, it did go wrong once. I pointed that out in my opening. It went wrong with the 18th Amendment, Prohibition. And since this country decided that we liked alcohol, we decided that that wasn't an amendment we liked, so what happened? In a few short years, Congress proposed to repeal the 18th Amendment with the 21st Amendment, right? So there's a safeguard in place there, an historical safeguard that shows very clearly that if some foolhardy amendment gets ratified-- and it seems like the other 36 that were ratified weren't foolhardy. Those are solid, sound amendments. But there's one historical event where it was repealed. That should be gratifying and comforting to everybody that there is an historical precedent for repealing an amendment if we see fit to do that. Fear,

uncertainty, and doubt, one of the-- the greatest emotions that we struggle with throughout our lives on this floor and just in our general lives is fear. Fear is one of the easiest emotions to energize. It's one-- fear is one of the easiest ones to-- to-- to create anxiety for any one of us, and it's one of the hardest emotions to get rid of. Once you plant fear-- you're pretty successful at doing that, Senator Morfeld. Once you pass fear into the hearts and minds of people, then that's all they think about. Historical evidence shows otherwise, that this is not a concept that is-- is-- is-- is to be questioned as you are questioning it. It's very solid and it's one we should pursue. It's one the founding fathers put in place to be able to keep our government, federal government, in check. Thank you, Mr. President.

FOLEY: Thank you, Senator Halloran. Senator Morfeld, you're recognized to close on AM1545.

MORFELD: Thank you, Mr. President. Colleagues, I want to go through a few different things. And, you know, Senator Halloran can go through the mental gymnastics all he wants and kind of twist the words all he wants. But the fact of the matter is, is we all know that the convention of the states is the first step for proposing amendments that are then ratified and adopted by the states. That's the process, and that's-- that's the thing that we should all be scared of, because that's what happened with the runaway convention that led to our current constitution. And people keep saying, well, don't read too far in, fear of the unknown. Let's look at the plain language, colleagues. Section 1: The Legislature of the State of Nebraska hereby applies to Congress, under the provisions of Article V of the Constitution of the United States, for the calling of a convention of the states limited to proposing amendments to the Constitution of the United States that impose fiscal restraints on the federal government, so (1); (2) limit the power and jurisdiction of the federal government; and then (3) limit the terms of office for its officials and for members of Congress. As my colleague Senator Matt Hansen has brought up, number (2) is fairly broad, "limit the power and jurisdiction of the federal government." Well, what's under the power and jurisdiction of the federal government? Enforcing, enforcing and protecting, in many cases, our constitutional rights. So the power and scope of the federal government is the power and the scope that is enumerated in the constitution. Our powers are enumerated in the constitution, the power of the federal government. That is very broad, colleagues. That's not just limited to a balanced budget. That's not just limited to term limits. That's the entire scope of the federal government and, quite frankly, that could also

be interpreted, the rights in which they are sworn to uphold, to protect, like the 2nd Amendment, like the 1st Amendment. So, colleagues, this is not just simply a narrow, limited call. This is very broad and it's in the plain language, "limit the power and jurisdiction of the federal government." That is the exact language used in this call. And, yes, it's in the plain language that the convention that is convened does not actually ratify. It takes three-fourths of the states after that. But this is the first step, and this is the first step that's been taken before. And when nobody thought that they'd throw out the Articles of Confederation again-- then, what did they do? They threw out the Articles of Confederation and then they passed it. We could be in that very same situation in a few years. This amendment, AM1545, is a genuine amendment. I'm a proud gun owner. I started shooting firearms with my grandpa when I was very young. And just because I don't agree with every single other gun owner in here's bills, doesn't mean I'm anti-2nd Amendment. That's absurd. Nobody would say that about any other issue. What a bunch of nonsense. If I wasn't for 2nd Amendment rights, I wouldn't own several firearms, doesn't make any sense. But apparently, because I don't stand up to somebody else's purity test, I'm suddenly not in support of the 2nd Amendment. What a bunch of nonsense. Colleagues, the mere fact that Senator Halloran brings up that we need to have an unfaithful delegate bill means that there are delegates that could go off the grid here. The mere fact that he states that, well, listen, that should be covered in follow-up unfaithful delegation bill, that means that there are holes in this and there are not safeguards. That means that unfaithful delegates can be unfaithful and do things that are not--

FOLEY: One minute.

MORFELD: --within the confines and the scope of this. And who is going to stop them? The Supreme Court doesn't even know. Members of the Supreme Court have stated we don't know if we'd have jurisdiction over a convention and what would come out of it. Who are going to be able to provide those safeguards? We don't know. And the only precedent that Senator Halloran has brought up are state conventions that are totally not analogous to what we're talking about here and were not called under the provisions that we are talking about here, which are broad. His own call is broad. It talks about all the scope and the authority of the federal government, not just about balanced budget amendment and not just about term limits. Read the resolution, colleagues. I also urge you to pass AM1545. It is a legitimate amendment. We should be able to attach amendments limiting the scope

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if, in fact, this can be limited, which, I'm telling you right now, I have serious concerns about, and not only me--

FOLEY: That's time, Senator.

MORFELD: Thank you, Mr. President.

FOLEY: Thank you, Senator Morfeld. Members, you've heard the debate on AM1545. The question before the body is the adoption of the amendment. Those in favor vote aye; those opposed-- Senator Morfeld.

MORFELD: Roll call vote.

FOLEY: A roll call vote has been requested--

MORFELD: Call of the house, please.

FOLEY: Call of the house has been requested. The question is, shall the house go under call? Those in favor of calling the house vote aye; those opposed vote nay. Record, please.

CLERK: 16 ayes, 5 nays to place the house under call.

FOLEY: The house is under call. All members please return to the Chamber and check in. The house is under call. All members please check in, please. House is under call. Senators Wayne, Bostelman, McDonnell and Clements, please return to the Chamber and check in. Senator Morfeld, thank you. Senator Wayne, please return to the Chamber and check in. Senator Morfeld has notified us that we can proceed. Question before the body is the adoption of AM1545. A roll call vote in reverse order has been requested. Mr. Clerk.

CLERK: Senator Wishart not voting. Excuse me. Senator Williams voting no. Senator Wayne voting yes. Senator Walz voting yes. Senator Vargas. Senator Stinner voting no. Senator Slama voting no. Senator Sanders voting no. Senator Pansing Brooks voting yes. Senator Pahls not voting. Senator Murman voting no. Senator Moser not voting. Senator Morfeld voting yes. Senator McKinney voting yes. Senator McDonnell voting no. Senator McCollister voting yes. Senator Lowe not voting. Senator Linehan voting no. Senator Lindstrom not voting. Senator Kolterman-- I'm sorry, Senator Lathrop, I'm sorry, voting yes. Thank you. Senator Kolterman voting no. Senator Hunt voting yes. Senator Hughes voting no. Senator Hilkemann voting no. Senator Hilgers not voting, Senator Matt Hansen voting yes. Senator Ben Hansen voting no. Senator Halloran voting no. Senator Groene voting no. Senator Gragert voting no. Senator Geist voting no. Senator

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Friesen voting no. Senator Flood. Senator Erdman voting no. Senator Dorn voting no. Senator DeBoer not voting. Senator Day voting yes. Senator Clements voting no. Senator Machaela Cavanaugh voting yes. Senator John Cavanaugh not voting. Senator Briese. Senator Brewer voting no. Senator Brandt not voting. Senator Bostelman voting no. Senator Bostar voting yes. Senator Blood. Senator Arch voting no. Senator Albrecht not voting. Senator Aguilar not voting. 12 ayes, 22 nays, Mr. President, on the amendment.

FOLEY: AM1545 is not adopted. I raise the call. Mr. Clerk, new bills for the record, please.

CLERK: If I may, Mr. President, thank you. A few new bills: LB937, by Senator Geist, it's bill for an act relating to appropriations; it appropriates funds to the Legislative Council for economic modeling software. LB938, Senator Linehan, a bill for an act relating to income taxes; it changes corporate income tax rates. LB939 is Senator Linehan; it's a bill for an act relating to revenue and taxation; it changes individual income tax rates. LB940, Senator Matt Hansen, relates to appropriations; it appropriates federal funds for housing. LB941, Senator Slama, a bill for an act relating to revenue and taxation; provides a sales and use tax exemption for net wrap as prescribed. LB942, Senator Slama, relates to law enforcement; defines terms; provides for notice of expiration of certification as a qualified firearm instructor. LB943, Senator Bostar, a bill for an act relating to insurance; prohibits certain provisions in a health plan re-- in relation to clinician-administered drugs. LB944, Senator McCollister, it's a bill for an act relating to revenue and taxation; it changes the sales tax rate. LB945 is Senator Linehan; relates to teachers; provides for student loan repayment assistance; provides an income tax deduction. Mr. President, moving-- returning to LR14, Senator Matt Hansen would move to amend the bill with AM1538.

FOLEY: Senator Matt Hansen, you're recognized to open on AM1538.

M. HANSEN: Thank you, Mr. President, I wish to withdraw that amendment.

FOLEY: The amendment is withdrawn. Mr. Clerk.

CLERK: Yes, sir. Senator Hunt would move to amend with AM1550.

FOLEY: Senator Hunt, you're recognized to open on AM1550.

HUNT: Thank you, Mr. Lieutenant Governor. I wish to withdraw that amendment.

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FOLEY: AM1550 has been withdrawn. There are no further amendments on the-- excuse me. Senator McCollister, will you come to the desk, please. Senator McCollister, come to the desk, please.

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

FOLEY: Nothing further on the bill. Is there any further discussion on LR14? Senator Slama.

SLAMA: Thank you, Mr. President, and good afternoon, colleagues. I haven't spoken on this today. I-- I've been very consistent in my support for Senator Halloran's LR14, and I believe he's drafting something up off to the side, on the floor, so I'm working to give him some time. And if Senator Lowe would like to speak on this a bit more, I'd like to yield him the remainder of my time.

FOLEY: Thank you, Senator Slama. Senator Lowe, four minutes and a half.

HALLORAN: Thank you, I think, Senator Slama. Well, we came to a vote on this a lot quicker than what we thought we were going to do. So Senator Halloran is preparing a floor amendment, I believe, and I'm-- was well pleased to see the last amendment not make it onto LR14 because it would have made LR14 nonviable anymore. And we need to bring this and we need to vote green on it all the way through. It needs to happen. It was said that our founding fathers would be afraid of what we were happening-- what was happening here. You know, our-- I think our founding fathers were afraid at the time of-- of what was happening. They were afraid of what their country was-- what was happening to their country at the time, and they were driven by emotion and they were driven by faith, faith in God that God would lead us down the right path, and he has. I believe that our-- our founding fathers were right in writing out the constitution. You know, the United States has the worst government in the world, except for all the other governments. They are far worse. We have a great government, but sometimes government forgets and we need to remind them of who is really in power in this country. It is not government. It is the people, and that's what this is about. It is about the people; it is about the states. The states have the power over the federal government and that's the way it should be. Thank you, Mr. President.

FOLEY: Thank you, Senator Lowe. Senator Halloran, you're recognized.

HALLORAN: Thank you, Mr. President. I would ask the body to pull out their copy of the Nebraska Constitution and refer to-- it's at the end. It's Article XVIII: term limits on Congress. In 1996, 25 years ago, an initiative petition was circulated to put on the ballot whether or not Nebraska should call for a convention of states for the purpose of proposing an amendment to Congress for term limits for Congress. It passed 58-42. It's in our constitution. Statement of intent: The people of the state of Nebraska want to amend the United States Constitution to establish term limits on Congress that will ensure representation in Congress by true citizens, lawmakers. The President of the United States is limited by the 22nd Amendment to the United States Constitution to two terms in office. Governors in 40 states are limited to two terms or less. Voters have established term limits for over 2,000 state legislators, as well as over 17,000 local officials across the country. Nevertheless, Congress has ignored our desire for term limits, not only by proposing excessively long terms for its own members, but also by utterly refusing to pass an amendment for genuine congressional term limits. Congress has a clear conflict of interest in proposing a term limits amendment to the United States Constitution. A majority of both Republicans and Democrats in the 104th Congress voted against a constitutional amendment containing the term limit passed by a wide margin of Nebraska voters. The people, not Congress, should set term limits. We hereby establish as the official position of the citizens of the state of Nebraska that our elected officials should enact by constitutional amendment congressional term limits of three terms in the United States House of Representatives and of two terms in the United States Senate. It goes on, and I'll let you read the balance of that. But it's important to note this was in 1996. The national debt at that time was \$5 trillion, \$5 trillion. We're at \$30 trillion right now. That's gone up a trillion dollars a year. The corruption and appearance of corruption brought about by political careerism is destructive to the proper functioning of the first branch of our representative government. Congress has grown increasingly distant from the people of the states. The people have the sovereign right and compelling interest to create a citizen congress that will more effectively protect our freedom and prosperity. This interest and right may not effectively be served in any way other than that proposed by this initiative. We hereby state our intention on behalf of the people of Nebraska that this initiative lead to the adoption of the following amendment to the United States Constitution: Congressional term limits amendment to United States Constitution, Section 1. No person shall serve in the office of the United States Representatives for more than three terms, but upon ratification of

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this amendment no person who has held the office of the United States Representative or who then holds the office shall serve-- serve more than two terms-- additional terms. Section 2. No person shall serve in the office of the United States Senator for more than two terms, but upon ratification of this amendment no person who has held the office of United States Senator--

FOLEY: One minute.

HALLORAN: --or who then holds the office shall serve more than one additional term. Section 3. This article shall have no time limit within which it must be ratified to become operative upon the ratification of the legislatures of three-fourths of the several states. Therefore, we the people of the state of Nebraska, have chosen to amend the Constitution of Nebraska to inform voters regarding incumbent and non-incumbent federal and state candidates' support for congressional term limits amendment as provided for in this section. Twenty-five years ago, this was put in our State Constitution, the one that we swore an oath to abide by, along with the U.S. Constitution, and 25 years have gone by and we have done nothing in regard to the wishes of the electorate, the second house, in regard to calling for a convention of states for term limits for Congress. Thank you, Mr. President.

FOLEY: Thank you, Senator Halloran. Senator Slama.

SLAMA: Thank you, Mr. President, and good afternoon again, colleagues. I-- I think Senator Halloran was making a great point when he described Article XVIII of the Constitution of Nebraska. This was added via initiative in 1996, so, yes, 25 years ago in, in fact, the year I was born. So I'd like to spend just a little bit more time with this section because it really is telling about the will of the voters and their interest in having federal term limits. So Section 2 of Article XVIII reads: Instruction to members of congressional delegation; ballot notation; when. We, the voters of Nebraska, hereby instruct each member of our congressional delegation to use all of his or her delegated powers to pass the congressional term limits amendment set forth in Article XVIII, Section 1, of this Constitution. All primary and general election ballots shall have prin-- have the printed information "disregarded voters instructions on term limits" adjacent to the name of any United States Senator or United States Representative who: fails to vote in favor of the proposed congressional term limits amendment set forth in Article XVIII, Section 1, of this Constitution, when brought to a vote, which I'd be interested to see just how many times that vote has been

brought since this was added to the constitution in 1996; fails to second such proposed congressional term limits amendment if it lacks for a second before any proceeding of the legislative body; fails to propose or otherwise bring to a vote of the full legislat-- legislative body such proposed congressional term limits amendment if it otherwise lacks a legislator who so proposes or brings to a vote of the full legislative body such proposed congressional term limits amendment; fails to vote in favor of all votes bringing such proposed congressional term limits amendment before any committee or subcommittee of the respective house upon which he or she serves; fails to reject any attempt to delay, table, or otherwise prevent a vote by the full legislative body of such proposed congressional term limits amendment; fails to vote against any proposed constitutional amendment that would establish longer term limits than those in the proposed congressional term limits amendment set forth in Article XVIII, Section 1, of this Constitution, regardless of any other actions in support of such proposed congressional term limits amendment; sponsors or co-sponsors any proposed constitutional amendment or law that would increase term limits beyond those in the proposed congressional term limits amendment set forth in Article XVIII, Section 1, of this Constitution; fails in any way to ensure that all votes on congressional term limits are recorded and made available to the public-- public voting, we certainly agree on that front with ballot transparency, especially when it comes to voting for committee Chairs at the start of a biennium-- the information "disregarded voters instruction on term limits" shall not appear adjacent to the names of incumbent candidates for Congress if the congressional term limits amendment set forth in Article XVIII, Section 1, of this Constitution is before the states for ratification or has become part of the United States Constitution. Section 3: Nonincumbent candidates; Term Limits Pledge; ballot notation; when. Nonincumbent candidates for the United States Senate, the United States House of Representatives, and the Legislature should be given an opportunity to take a "Term Limits Pledge" regarding term limits each time they file to run for such offices. Any such person who declines to take the "Term Limits Pledge" shall have the information "declined to pledge to support term limits" printed adjacent to his or her name on every primary or--

FOLEY: One minute.

SLAMA: --general election ballot. Thank you, Mr. President. The term "Term Limits Pledge" shall be offered to nonincumbent candidates for the United States Senate, the United States House of Representatives, and the Legislature until a constitutional amendment which limits the

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number of terms of United States Senators to no more than two and United States Representatives to no more than three. And I'll-- I'll pick this up again, probably on a later term on the mike, but we are on page 81 of your booklet that contains the rules and the Nebraska State Constitution. Thank you, Mr. President.

FOLEY: Thank you, Senator Slama. Senator Ben Hansen.

B. HANSEN: Thank you, Mr. President. While I appreciate Senator Halloran's fervor for LR14, I am not going to disagree that our federal government and its fiscal "unresponsibility" is out of control. I'm not going to deny that fact, and I don't think most people here in this room could. The burden isn't going to be just on us. It's going to be more on our children and our grandchildren. I think that at least even some kind of attempt to help rein in, you know, wasteful government spending in a lot of term-- lot of times is something that we can aspire to. And so I appreciate Senator Halloran for bringing this. And with that, I will turn it over to Senator Halloran if he wants to expound on some other ideas.

FOLEY: You're yielding your time, Senator?

B. HANSEN: Yes.

FOLEY: Senator Halloran, you have four minutes.

HALLORAN: Thank you, Senator Hansen. A more recent call for a convention of states happened in 2017. Now it wasn't a call. It was not a call for an Article V convention of states, but it was a convention of states, as we've been discussing, so how-- how is a convention of states formed, how is it run, how is it operated, who has control of it, and so forth. In 2017, the state of Arizona called for a balanced budget amendment-planning convention. They invited all the states, and they held it in September of 2017. Nineteen states had representatives there, numerous delegates from 19 states, legislators primarily. I was there. I was there as an observer because, if you all remember 2017, we had no money. We were a-- we were a billion dollars short in our budget, so there was not much of a mood to spend money on Senator Halloran to go to this convention of states. So out of my pocket I went because I wanted to observe how they conducted themselves. And it was a planning convention for the purpose of a future Article V convention of states. So how was it conducted? Well, pandemonium set out. It was chaos. It was a nightmare. I mean, people were running all over the place, making all kinds of wild ideas. No, I'm sorry, that's not the way it was.

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Nineteen states were there on the floor of the Arizona-- Arizona Legislature, and they were working in a dignified manner as legislators because they all understood, based upon their call to go to that convention, that their purpose was to sit down and work out the details of how to plan for it, to plan for details on how to conduct a convention of states in the event an Article V convention of states was called. So I was the lone individual. They had a huge balcony in the back of the Arizona Legislature, much larger than this, but as big as these balconies combined. I was in that balcony all by my lonesome self. I don't create much of an image when I'm with a group anyway, but when you have me up there by myself, it-- it was pretty lonely up there. I was just an observer. However, I could observe what they did, very dignified, very professional, ran by Mason's rules, and they had committees set up and they had committee hearings, based on several issues, to deal with planning for a convention, Article V convention. I went to those as an observer as well. There was no chaos or pandemonium. It was very structured, very dignified, and run like you would expect legislators to run such a convention.

FOLEY: One minute.

HALLORAN: One minute? Time flies when you're having fun. My point on this is, it's-- it's-- that's the most recent convention of states that was called. I attended as an observer because we-- we didn't sanction me to go as a participant. I wished I could have participated. I don't think that I would have added anything to it in regard to making it more legitimate than it actually was. So that's what-- that's what its call was. That's what its purpose was. They worked out plans, structured detail on how a convention would run, and it-- there was no mystery about it. It was all transparent. And I-- I'm just telling you this as an observation, that a convention of states works and the ratification process works. We've seen the ratification process work 27 times to ratify amendments to the constitution.

FOLEY: That's time, Senator.

HALLORAN: And as I said-- that time?

FOLEY: That's time. Senator Erdman, you're recognized.

ERDMAN: Thank you, Lieutenant Governor. I appreciate it. And Happy New Year to those of you that I haven't greeted yet. I appreciate the opportunity to speak today on LR14. I am in support of this. I

appreciate also those people in the balcony who have come today. Many of those people I've seen here in the Capitol for several times and I appreciate that. If COVID has done one thing for us, it has provoked the-- the voters to get involved in their government. And that's exactly what those people in the balcony are doing. They're getting involved in their government, and I appreciate that. People are showing up at school board meetings; they're showing up at county gov-- county government meetings. They're getting involved, and it works best when the people get involved because the watchfulness of the citizens is what keeps our government straight. So Senator Halloran's proposal, LR14, has been something we've been talking about for the five years that I've been here, Senator Ebke before Senator Halloran had brought this. I was pleased to hear Senator Lindstrom talk about the convention that he attended in Virginia, and I was wondering if he'd yield to a question or two.

ERDMAN: Senator Lindstrom, would you yield, please?

LINDSTROM: Yes, I will.

ERDMAN: Senator Lindstrom, I did appreciate what you said and I appreciated the confidence with which you came away from that convention. What was-- what was your role there when you went to Virginia for that convention?

LINDSTROM: Yeah, so Senator Ebke had approached several of us in the body to the level of interest that we had to traveling with her to Williamsburg, and Senator Friesen and I accepted that position and there was three of us that went out there to participate. When we arrived, all-- all 50 states were represented, with anywhere from three to seven members, if I remember right. It wasn't a huge, huge group that-- that went out from, but all 50 states were represented there. And so one of the first things that we did, we met as an entire group, and then we ended up selecting what would be the-- the president, if you will, that would oversee it, similar to what we do right here in the body. And then we-- we went about the process of carving up into different committees that were tasked with coming up with what amendments that we wanted to see. And those were the ones that-- what I would call the least contentious, balanced budget amendment, term limits, things of that nature that we could find more compromise on, and that's how we went about the process initially.

ERDMAN: Very good. Thank you. So the question I have is, were there people there from both sides of the aisle?

LINDSTROM: Yes, it was represented. There-- it was not a partisan event. And different-- all-- like I said, all different states were there, and so it was-- I-- I was very fascinated. I could tell there were a lot of lawyers out of the people that were representing their states and they were representatives and state senators from their-- from their neck of the woods. But we-- we took it very, very serious and down to the-- the-- the simplest of things, I mean, what each word meant and what type of outcome that could present. As an example, we did the balanced budget amendment, which sounds good, but what happens if the United States goes to war? What happens if there's a crisis or unforeseen crisis that may occur where we may have to lift that lid? So we went through that discussion, we went through all those talking points to think about the different circumstances that could arise in just living life or what could happen and-- and thinking through those things. But really, it came down to the words, what they meant, and we had that back-and-forth. And it-- it was a lot of the-- I think it was Robert's Rules is how we operated. But I found it very fascinating and-- and very worthwhile and-- and-- and very professional. I mean, it was very, very professional, that process and how we went about it. It was a diligent process.

ERDMAN: OK, so may I ask, at the end of that convention, what was the conclusion? Was there a summation?

FOLEY: One minute.

ERDMAN: Did they write up a report to say this is what we think will happen, or what was the summation of the-- of the conference?

LINDSTROM: Yeah, we ended up, if I remember right-- it's been a couple of years. But we-- we ended up coming to an agreement and we-- there was a lot of different amendments that were thrown out there. But not everybody agreed, so we couldn't get to that. This is why when we talk about the runaway, it's just-- it's not-- that's not a reality of how this would actually go. But we-- we got to the closest we could. I think there was three different things we ended up agreeing upon and that was, you know, the balanced budget, the term limits-- I-- and it escapes me on the third one right now. I'd have to go back. It's been a couple years. But we did get to a consensus and-- and we ended up having a mock process of voting on those, and we did end up having a few that-- that ended up passing. But what they looked like when-- from when we started to what they looked like, the end product, were very, very different.

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ERDMAN: OK, thank you very much. I appreciate that, Senator Lindstrom. Thank you for your time. Thank you.

FOLEY: Thank you, Senator Erdman and Senator Lindstrom. Senator Clements.

CLEMENTS: Thank you, Mr. President. I haven't spoken yet on this item, but I did have some thoughts as I've been hearing the conversation. I am in support of LR14 and have been for several years since I got here. When I first became a senator in 2017, Senator Ebke was carrying a similar bill and I was pretty skeptical about it. I-- I thought and I heard the-- the fear people talking about how it was going to be a runaway. But then in visiting with her and looking into the safeguards that are proposed to be in this, I became satisfied that this will be a safe way to limit the federal government and-- and the limitations of the convention are going to be adhered to. The federal regulations is one thing that really affects me in my daily life. I'm a small-town banker and the banking regulations are burdensome. I think the last time I counted, we have 33 federal regulations we have to jump over every day to prevent a violation, and we have the same ones that Citibank has, which is hundreds of times our size. The Nebraska Banking Department has qualified people to regulate small banks like mine, and we could relieve the federal people of having to bother with my little business and possibly that would be one thing that would be a benefit to me coming out of this. And of course, federal overspending has been out of control for some time. That's why I think-- a big reason why this was started. And now federal overspending is really on steroids. I'm probably going to vote to spend some of the ARPA money, but I-- if we gave it back, I think somebody else would just spend it. So I think Nebraskans might as well benefit if-- if-- if someone is. The-- another thing recently came to my attention was the country of Venezuela. They were formerly a major force in the world and now their economy is broke. And I have a friend whose grandson is in the army, and he visited Venezuela sometime earlier last year and he bought a placemat and a small elephant that had been made by a street vendor for five 5 U.S. dollars. The-- that placement and the little elephant, he got to looking, they were made from Venezuela bolivars. The mat has over 420,000 bolivar bills. And if you look at all the bills that he bought for five U.S. dollars, there are 9.9 billion-- yeah, excuse me, million, 9.9 million bolivars that were purchased for five U.S. dollars. And that's-- you could come see that in my office. I've-- I've got it on loan for a while. And we need to rein in the United States so that we avoid our economy turning into a Venezuela. And

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with that, Mr. President, I would yield the rest of my time to Senator Halloran.

FOLEY: Thank you, Senator Clements. One minute, Senator Halloran.

HALLORAN: Thank you, Senator Clements. Well, let's reflect back a little bit on history of what we've done here in regard to-- to this-- this subject matter. In April 8 of 2010, there was a hearing in front of Government, Military and Veterans Affairs Committee, LR538. The following constitutes the reasons for this bill and the purposes which are sought to be accomplished-- accomplished hereby. Over the past five years, the federal government increased spending by 42 percent to the highest level of spending as a share of the economy since World War II. The federal government has borrowed tremendous amounts of money to finance the skyrocketing spending. As a result, the federal budget deficit has ballooned over the past five years from \$7-point-trillion [SIC] to approximately \$12 trillion-- the good old days, only \$12 trillion-- a five-year increase equal to the nation's entire accumulation of debt from the presidencies of George Washington to Bill Clinton.

FOLEY: That's time, Senator. That's time.

HALLORAN: OK.

FOLEY: Thank you, Senator Halloran. Senator Slama, you're recognized. It's your third opportunity, Senator.

SLAMA: Thank you, Mr. President, and good afternoon, colleagues. I-- I failed in my last turn on the mic to adequately describe what I was reading from in Article XVIII of Nebraska's Constitution. Everything besides Section 1 of this article has been severed by a court case, Moore v. Miller, in 1999. So the language of Section 2 onwards is simply the will of the people. It is not in force, but it was passed in the 1996 ballot initiative. So I-- I just wanted to frame, as I continue on with Section 6, that Section 2 onwards of Article XVIII was overturned and severed in Moore v. Miller in 1999. So continuing on, we're on page 81 of your pocket Constitutions of the State of Nebraska, Section 3 of Article XVIII, subsection (3) The "Term Limits Pledge" that each nonincumbent candidate, set forth in subsections (1) and (2) of this section, shall be offered is as follows: I support term limits and pledge to use all my legislative powers to enact the proposed constitutional amendment to the United States Constitution set forth in Article XVIII, Section 1, of this Constitution. If elected, I pledge to vote in such a way that the

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designation "disregarded voters instruction on term limits" will not appear adjacent to my name. You add the signature of the candidate below. Section 4: Instruction to the members of the Legislature; ballot notation; when. We the voters of Nebraska, hereby instruct each member of the Legislature to use all of his or her delegated powers to pass an application pursuant to Article V of the United States Constitution as set forth in subsection (2) of this section, and to ratify, if proposed, the congressional term limits amendment set forth in Article XVIII, Section 1, of this Constitution. Application: We, the people and the Legislature, due to our desire to establish term limits on Congress, hereby make application to Congress, pursuant to our power under Article V of the United States Constitution, to call a convention for proposing amendments to the United States Constitution. Again, this should sound really familiar. All primary and general election ballots shall have the information "disregarded voters instruction on term limits" printed adjacent to the name of any respective member of the Legislature who: fails to vote in favor of the application set forth in subsection (2) of this section when brought to a vote; fails to second the application if it lacks for a second; fails to vote in favor of all votes bringing the application before any committee or subcommittee upon which he or she serves; fails to propose or otherwise bring to a vote of the full legislative body the application if it otherwise lacks a legislator who so proposes or brings to a vote of the full legislative body the application; fails to vote against any attempt to delay, table, or otherwise prevent a vote by the full legislative body on the application; fails in any way to ensure that all votes on the application are recorded and made available to the public; fails to vote against any change, addition, or modification to the application; fails to vote in favor of the congressional term limits amendment if it is sent to the states for ratification; or fails to vote against any term limits amendment with longer terms if such an amendment is sent to the states for ratification.

FOLEY: One minute.

SLAMA: Thank you, Mr. President. And I will pause there on Section 4 of Article XVIII, and I-- I may pick it up later. As I-- I made very clear in my first turn on the mic, right now we're taking time. The introducer, Senator Halloran, is crafting something behind the scenes, and I'm hopeful that we'll get moving soon. But I wholeheartedly support LR14 and am, I-- I know, in a kind of different way, supporting those efforts by speaking on LR14. Thank you, Mr. President.

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FOLEY: Thank you, Senator Slama. Senator McDonnell.

McDONNELL: Thank you, Mr. President. Good afternoon, colleagues. I rise in support of LR14. Senator Halloran came to me in 2017 when we were-- first started serving, and that was the first serious discussion we had on legislation, was-- was this. And he went through his reasoning why, and of course, as we-- we do a number of things down here, we think about the-- the next generation and what-- what kind of situation they're going to be in. And we started talking about the next generation and really we're talking about the-- possibly the generation that is past that, the generation that hasn't been born yet, for what are they going to inherit and where are we financially as a country? Senator Halloran-- Halloran, would you yield to a question?

FOLEY: Senator Halloran, would you yield, please?

HALLORAN: For Senator McDonnell, anytime.

McDONNELL: Senator Halloran, in 2017, when we started having the discussion, do you remember what the national debt was?

HALLORAN: Well, precisely, I don't know. My best guess was around \$21 trillion.

McDONNELL: And what is it projected to be? What is it today and what-- where are we projected in the next year?

HALLORAN: It's \$30 trillion. The Congressional-- Congressional Budget Office is projecting at least a trillion dollars' increase annually for the foreseeable future.

McDONNELL: Senator Halloran, do you have a plan to have a runaway convention?

HALLORAN: I wouldn't even pretend to know how to do that.

McDONNELL: Senator Halloran, have you ever discussed ways to stop a runaway convention with us as individuals and, of course, on this floor? But since 2017, with me, that was a concern that people had brought up, and since 2017 you've been telling me about how we would try to make sure there was not a runaway convention. Is that not true?

HALLORAN: That's true. That's true, LB195. I think Senator Morfeld misspoke when he said that bill was called the unfaithful delegate

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bill. It was the faithful delegate bill, purposely labeled that way to-- to create legislation that would keep commissioners or delegates to a called convention in line in respect to what we ask them to call the convention for. So that's-- that's our duty to write legislation to be able to make sure that any delegates we send know exactly what their parameters are, what they can and can't do, and what happens if they-- if they go outside the scope of the call.

McDONNELL: Thank you, Senator Halloran. There's a number of things that we're passionate about in this body and we bring forward, and-- and a number of times, the-- the majority of us, they don't agree. But one thing you have to respect that you cannot manufacture: passion. It's got to come from the heart. Senator Halloran has been passionate about this subject and about this issue for us, for our children, for our grandchildren, our great-grandchildren, since he came here in 2017. I really believe that we-- we should consider moving this, all of us, from General File to Select based on the idea, if you have questions and concerns-- and I think there was good debate this morning, good discussions. Give Senator Halloran a chance to answer more of your questions. Let's move this from General to Select. Let's keep this discussion going because it's good for us, it's good for the state of Nebraska, it's good for our country. For the people sitting up here in the balcony that are looking at us like, you work for us and what are you people doing, why aren't you bringing this to a vote, well, there's a number of reasons Senator Slama explained and there's other people that want to be here. And hopefully this is going to-- this vote's going to come shortly here in the next 20, 30 minutes, but please be patient with us. Don't give up on us yet. We will have a vote. And I'd like to yield the remainder of my time to Senator Slama so she can continue to educate this body. You don't-- are you OK? All right, Senator Slama will continue. Please continue educating the body, and where you left off, I think it was Section 4. Thank you, Mr. [RECORDER MALFUNCTION]

HILGERS: Senator Slama, 1:02.

SLAMA: Thank you very much, Senator McDonnell. That's very kind of you, and I'm so floored by this kindness that I'm going to have to take a second to collect myself and get back to Section 4 of Article XVIII. So thank you again for that kindness. So if I marked the correct place where I left off, and I-- I don't know that I have very much time left and I will note that I was on subsection (4), Section 4, Article XVIII, of your Nebraska State Constitution. You have one of them in your desk. The information "disregarded voters instructions on term limits" shall not appear adjacent to the names

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of candidates for the Legislature as required by subdivisions (3) (a) through (3) (g) of this section if the state of Nebraska has made an application to Congress for a convention for proposing amendments to the United States Constitution pursuant to this initiative and such applications has not been withdrawn or the congressional term limits amendments set forth in Article XVIII, Section 1, of this Constitution--

HILGERS: That's time, Senator.

SLAMA: Thank you, Mr. President.

HILGERS: Thank you, Senator Slama, Senator McDonnell, and Senator Halloran. Senator Groene, you're recognized.

GROENE: Thank you, Mr. President. I plan to vote for advancement of LR14. Senator Halloran and I have had some angry exchanges over it, but I read what the founding fathers-- I've been reading up on some of what the founding fathers' debates were and the give-and-take. And it wasn't give-and-take. It was almost punch-and-punch, but-- during the convention. But I heard Senator-- I guess what made me stand up was when Senator Halloran mentioned fear. I do have a fear, something that hasn't been mentioned on this court. I am not so much afraid of a runaway convention as I am of a runaway Supreme Court and a executive branch that is so sure that the constitution can be interpreted in any way you wish that they're talking about packing that court and expanding it, as Roosevelt did. If that constitution was so sacred, so well written and so clear, why would we have a President and a party who wants to pack it and interpret it their way? I fear, but I fear a runaway Supreme Court. We already have a runaway Congress. We all know that. It's completely out of control. When I watched part of the debate on the vaccine mandates the other day in the Supreme Court and I heard the comment by Justices Breyer, Sotomayor, and Kagan, I was absolutely shocked at the ignorance that was displayed. I was also shocked at the total disregard to one of the major issues at the constitutional convention. We talk about states' rights. We talk about the Supreme Court. We talk about federal government rights. The big one in the room during the constitution which-- which created this country was individual rights, individual rights. Even in this body I hear the rights of the counties, the rights of the cities, the rights of the state, the rights of the natural resource districts. In all of those debates, I always return myself to the rights of the individual that those entities are supposed to represent. But the problem here in America right now is the individual is pushed to decide. It's about the

greater good, the lesser of evils. What should the majority tell the minority? If we can do anything to change that, to have that conversation by having a convention, I'm not going to dissuade that because we're all-- we've got two branches of government that basically are runaway right now. And the states, who are closest to the people, has been pushed aside. And we talk about three-legged stools. I would say the states' leg is being chopped and it continues to be chopped. As for term limits, I am for term limits, always have been. Can't wait till I'm term limited out because I watch the power. I've watched it for seven years, how somebody, how many elected officials seek power; and the more power they receive, the less they listen to the people. You look at the national government, Pelosi. They have been there so long, and because they have reached the seat of power and seniority, they have more power and more say over the people of Nebraska than our elected officials do. If there's one thing in what Senator Halloran is representing, it's term limits. The shorter time you are to the people, the more you represent--

HILGERS: One minute.

GROENE: --the people-- is that it?

HILGERS: One minute.

GROENE: --the further you rely-- become part of the system, the further you're away from the people. We need term limits on a national level. It works with the President. It works in the state-- at the state of Nebraska, so I am going to support maybe a runaway convention. Everything else is runaway nowadays, so I will vote green on LR14 to Select File.

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

MOSER: Thank you, Mr. Speaker. I would imagine that people at home that are watching this are trying to diagram our actions and figure out where people are coming from. And I think this is political theater at its best. We have people who normally oppose protecting the rights of the 2nd Amendment making motions, in my view, a poison pill amendment to Senator Halloran's resolution just to kill it because of our support of the 2nd Amendment. One of my colleagues brought up the insurrection in Washington, D.C., a year ago, January 6, as bad government, and I think most would agree that violent overthrow of the government is not-- not the way to effect change and-- but you have to admire the supporters of the convention of states. They're doing it from within the system. They're following

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the rules. They're looking at the-- at the way that the constitution was written and trying to exercise their rights to address what Congress and the Senate are doing. And I supported this earlier when Senator Halloran brought it, and I'm going to support it again. And I encourage all my colleagues to vote for it. I think we need to move it forward and kind of ignore the confusing actions of some of us here. I'm just trying to point us-- point us in the right direction and focus on the convention-of-states issue and not get drawn off into discussions of irrelevant acts. Thank you.

FOLEY: Thank you, Senator Moser. Seeing no other members wishing to speak, Senator Halloran, you're recognized to close on LR14.

HALLORAN: Thank you, Mr. President, and thank you, colleagues, for this, this dialogue. Some people call it a conversation, some people call it a debate, but it was worthy questions and I think the opportunity to provide, I hope, worthy answers to your questions. I would just like to say that, and I think you would all agree with this, I have profound respect for the founders of this country and the framers of the constitution. It is incredible what they have put together for us in the form of a constitution to manage our form of government, of representative republic. They had more vision than we-- well, they had more vision than most-- most anyone today has. But they had vision of what it-- what's required to make a government work. And part of making the government work is to make sure that the people have a voice, right? It's to be sure that the voters have a voice, and that's what this process is-- is all about. LR14, calling for an Article V convention of states, is allowing the-- the states and the people in those states to have a voice on proposing amendments to the constitution. In addition, I have tremendous and great respect for the legislators in all the other 49 states. These people have sworn the same oath that we have. They've sworn the oath to their state constitution, they have sworn an oath to the U.S. Constitution, and I have confidence that they will do what they are called to do, nothing more and nothing less, when a-- when a convention is called. So with that, I will close and I will call-- ask for a call of the house and roll call vote in regular order.

FOLEY: Thank you, Senator Halloran. There's been a request to place the house under call. The question is, shall the house go under call? Those in favor vote aye; those opposed vote nay. Record, please.

CLERK: 30-- 32 ayes, 1 nay to place the house under call.

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FOLEY: House is under call. All members please return to the Chamber and check in. The house is under call. All members please check in. The house is under call. Senators Wayne, Wishart, and Bostar, please return to the Chamber. All unexcused members are now present. The question before the body is the advance of LR14 to E&R Initial. A roll call vote has been requested. Mr. Clerk.

CLERK: Senator Aguilar not voting. Senator Albrecht voting no. Senator Arch voting yes. Senator Blood. Senator Bostar voting yes. Senator Bostelman voting yes. Senator Brandt voting yes. Senator Brewer voting yes. Senator Briese voting yes. Senator John Cavanaugh not voting. Senator Machaela Cavanaugh not voting. Senator Clements voting yes. Senator Day voting no. Senator DeBoer. Senator Dorn voting yes. Senator Erdman voting yes. Senator Flood voting yes. Senator Friesen voting no-- voting yes, I'm sorry, Senator. Senator Friesen voting yes. Senator Geist voting yes. Senator Gragert voting yes. Senator Groene voting yes. Senator Halloran voting yes. Senator Ben Hansen voting yes. Senator Matt Hansen voting no. Senator Hilgers voting yes. Senator Hilkemann voting yes. Senator Hughes not voting. Senator Hunt voting no. Senator Kolterman voting yes. Senator Lathrop voting no. Senator Lindstrom voting yes. Senator Linehan voting yes. Senator Lowe voting yes. Senator McCollister voting no. Senator McDonnell voting yes. Senator McKinney voting no. Senator Morfeld voting no. Senator Moser voting yes. Senator Murman voting yes. Senator Pahls voting yes. Senator Pansing Brooks voting no. Senator Sanders voting yes. Senator Slama voting yes. Senator Stinner voting yes. Senator Vargas. Senator Walz voting no. Senator Wayne voting yes. Senator Williams voting yes. Senator Wishart voting yes. 32 ayes, 10 nays, Mr. President, on the advancement of the resolution.

FOLEY: LR14 advances. I raise the call. Mr. Clerk, if you have any items for the record, you're welcome to [INAUDIBLE]

CLERK: I do, Mr. President, thank you. Some new bills: LB946, by Senator Wayne, it's a bill for an act relating to juveniles; it prohibits the prescription of off-label medications. LB947, Senator Wayne, relates to child support; it ends child support payments upon the death of a custodial parent. LB948 is a bill by Senator Wayne; it's a bill for an act relating to insurance; requires insurers in the state to provide certain liability coverage limits to injured parties. LB949, Senator Friesen, relates to revenue and taxation; it changes provisions relating to tax statements. LB950, Senator DeBoer, relates to appropriations; it appropriates federal funds to the University of Nebraska. LB951, Senator John Cavanaugh, relates to income taxes; increases the earned income tax credit as prescribed.

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LB952, Senator John Cavanaugh, relates to the medical assistance program; provides enrollment for the medical assistance program to inmates prior to release from incarceration. LB953, Senator John Cavanaugh, relates to the State Fire Marshal; it changes open burning permit provisions; redefines a term. LB954, by Senator Wayne, relates to the Nebraska Clean Indoor Air Act; it permits certain county and municipal resolutions or ordinance relating to electronic smoking devices. That's all that I have at this time, Mr. President.

FOLEY: Thank you, Mr. Clerk. Proceeding on the agenda, General File 2022 senator priority bills, Mr. Clerk.

CLERK: Mr. President, LB310, a bill introduced originally by Senator Clements, it's a bill for an act relating to revenue and taxation; it changes inheritance tax rates and exemption amounts and harmonizes provisions. Bill was introduced on January 12 of last year, at that time referred to the Revenue Committee, advanced to General File with committee amendments attached, Mr. President.

FOLEY: Thank you, Mr. Clerk. Senator Clements, you're recognized to open on LB310.

CLEMENTS: Thank you, Lieutenant Governor and colleagues. LB310 was heard in the Revenue Committee February 18, 2021. Prior to that, on November 10, 2020, the Revenue Committee held a hearing for my study resolution, LR415, to examine Nebraska's inheritance tax. LB310 is a bill stemming from that study, and you'll be getting a handout that I'll be referring to as we go along. The green copy of LB310 amends Section 77-2004 to -2006 of the Nebraska inheritance tax to reduce rates and increase exemptions. The changes in the bill seek the continued improvement of Nebraska's overall tax structure. Reducing rates and increasing individual exemptions creates a fairer and more reasonable tax. Allowing people to keep more of their inherited assets will increase capital formation and encourage economic growth. The question of fairness comes to who should pay for county services. Many inheritance taxpayers are not using any county services. The person who died already contributed to county budgets through property taxes. Also, estate assets were acquired with already-taxed dollars, making inheritance tax a double tax. People are finding out that Nebraska is a bad place to die. We are losing retirees to the 44 states that don't take 1 percent, 13 percent, or 18 percent of their assets at their death. I've heard from Nebraskans who say they are leaving for other states before they die, and it's pretty easy to do. There's-- no state around us will have an inheritance tax. Shortly, Iowa's will be phased to zero. Currently, Nebraska is one of only six

states that still levy inheritance taxes. The Nebraska inheritance tax rates and exemptions were changed back in 2008 with LB502. The bill was intended to be revenue-neutral. However, some rates were increased, then sharp increases in property valuations have created windfalls for counties since the tax rates have remained constant. The counties have ability to lower their property tax levy as valuations increase, but not the inheritance tax rates. This bill makes adjustment to the inheritance tax rates to adjust for the value increases over the last 13 years. If you look at the Platte Institute handout, which is here, the Platte Institute handout describes the problem of inequity and wide fluctuations. It shows the states of Kentucky, Pennsylvania, New Jersey, and Maryland with this tax and gives a timeline of previous legislation. On the back side, page 2 shows the results of a recent survey in which Nebraska voters strongly support repealing the inheritance tax. Data provided by NACO shows that over the last 27 years Nebraska inheritance tax revenue has increased by 5 percent annual compound growth, or 373 percent, much greater than the rate of inflation. As introduced, LB310 sought to reset the revenue to the amount it would have been with 2.5 percent growth. LB310 as introduced reduced the tax rates by half and increased the exemptions for inflation. The next page on the handout is a graph titled "Nebraska Total Inheritance Tax Collections." It shows the increase over the last 27 years and how steep it has been, especially since 2008. The blue line is the total tax revenue and the red line is a 5 percent annual increase. Inheritance tax revenues increase greatly, as can be seen in higher revenues on the chart. The graph shows that the overall revenue is erratic. As I review the numbers, it is even more so at the county level. This was statewide for all counties. Because of this, it is not a reliable revenue source for budgeting. And off to the side, you can see I've put notes for LB310, where it would have been about a total of \$35 million of collections. And then there's going to be an amendment, AM635, from the committee, and you can see that is a slight decrease from current levels. As a banker and tax preparer for 40 years, I've become aware of instances where our inheritance tax seemed arbitrary and excessive. Not only are people usually grieving the loss of family or a loved one, but they may also have to sell the real estate they just inherited to pay the tax they owe or take out a loan to keep it. For example, one of my customers died a few years ago with no federal estate tax due, but his niece and nephew owed \$640,000 in inheritance taxes. I have done business with three generations of this 100-year farm family who wanted to keep their land. Fortunately, they were able to pay the tax and save the land, but others have not been. I think we can do better as a state than to treat families this way. As

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I said earlier, only six states have an inheritance tax, which makes us an outlier. Out of the five other states, only one is a neighbor, Iowa, which passed a bill in 2021 to phase out their tax by 2025. Our inheritance tax puts Nebraska at a disadvantage to almost all other states. Acting now will give people more reasons to stay in our state and come to our state. The ALEC website comparing state tax policy rates Nebraska 35th out of 50. If we had no inheritance tax, we would move up to 32nd. The committee amendment, AM635, which Senator Linehan will indu-- introduce, makes several changes to LB310. It reduces inheritance taxes by 15 percent rather than the 50 percent reduction I proposed in the green copy. Since last session, federal funds have greatly improved the fiscal status of the state, counties, and cities. Last session, we took advantage of favorable revenues to fully exempt military retirement from taxation. We have an opportunity to do that with inheritance tax this session. I appreciate the committee's actions and I hope we can dis-- discuss further reductions. Senator Albrecht also has an amendment that I support, AM1511, which does make further reductions. We need to continue to improve Nebraska's tax structure. LB310 would help us take a step in that direction. And then the-- the third page on the handout shows the current inheritance tax rates and exemptions, the next line is what my LB310 would have done, the third line is what AM635 from the committee that was approved, and the bottom section is what I understand Senator Albrecht's amendment would do. So I urge your support of LB310 and I thank you for your time, Mr. President.

FOLEY: Thank you, Senator Clements. Committee amendment, Senator Line-- Senator Linehan, you're recognized to open on the committee amendment, AM635.

SLAMA: Thank you, Mr. President. Good afternoon again, colleagues. Thank you, Senator Clements, for providing an overview of the green copy of LB310, and I will now provide an overview of AM635. The committee amendment, AM635, is a white-copy amendment that becomes the bill. The committee amendment was amended into LB310 on a 7-1 vote. LB310 as amended was advanced to General File on a 6-2 vote. The amendment changes the exemption amount and rate of taxation under the inheritance tax. The changes apply for descendants dying on or after January 1, 2022, for Class 1 beneficiaries, which means your brother, your sister, your child. The exemption amount is increased from \$40,000 to \$100,000 and the rate remains at 1 percent. Now think about that, folks. I-- I agreed with Senator Clements to go at this much faster, but this is what we got out of committee. And even still, if we pass this amendment, anyone in Nebraska who dies with an estate worth \$100,000 will owe inheritance tax. That's a pretty low

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number in today's world. I don't know. You know, you have two pickups and your family's gonna owe inheritance tax. For Class 2 beneficiaries or remote relatives-- and I don't like the word "remote," this is your niece and nephew-- the exemption amount is increased from \$15,000 to \$40,000, so now we're down to one pickup truck; the tax rate is reduced from 13 percent to 11 percent. For Tax [SIC] 3 beneficiaries, the exemption amount is decreased-- increased, excuse me, from \$10,000 to \$25,000, so now it's a very old pickup; the tax rate is reduced from 18 to 15 percent. Class 3 beneficiaries are nonrelatives. In addition, any person under the age of 22-- and I do like this and I think it's critical that we include this-- any person under the age of 22 is not subject to inheritance tax. Therefore, if you're still in high school, you're in college, and you're trying to pay tuition and not borrow \$80,000 in student loans, you won't have to pay inheritance tax. AM635 requires the county treasurers to submit an annual report to the Department of Revenue on inheritance taxes. The report is to be submitted on or before July 1, 2022, and before July 1 each year thereafter. The report shall be submitted to the Department of Revenue for all classes of beneficiaries on a form prescribed by the Department of Revenue. The report shall include the amount of inheritance tax revenue generated by each class of beneficiaries, the number of beneficiaries in each class who received any property subject-- any property subject to the tax. The report shall also include the number of beneficiaries who received any property that was subject to the tax who do not reside in the state. Thank you, colleagues, and I ask for your support on the comm-- committee amendment, AM635, and your support to move LB310 to Select File. I'll be happy to answer any questions. Thank you.

FOLEY: Thank you, Senator Linehan. Mr. Clerk.

CLERK: Mr. President, Senator Albrecht would move to amend committee amendments with AM1511.

FOLEY: Senator Albrecht, you're recognized to open on AM1511.

ALBRECHT: Thank you, Mr. President, and good afternoon, Nebraskans. Colleagues, I raise-- rise today, excuse me, to introduce AM1511. While I voted to advance LB310 and the committee amendment to the General File last March, the landscape has changed since. Three months later, on June 16, Iowa Governor Kim Reynolds signed a bill into law completely phasing out Iowa's inheritance tax over four years. The Iowa bill was supported overwhelmingly by both Democrats and Republicans. Now just five states impose an inheritance tax. With our neighbor Iowa eliminating their inheritance tax, Nebraska is an

island here in the Midwest. We are the only state west of the Mississippi River to impose punitive and regressive tax. A For-- a Forbes article noted that in-- in Iowa, 92.5 percent of the inheritance taxes were assessed on households with adjusted gross incomes of \$80,000 or below. Over the last two months, another state that levies this tax, Kentucky, has been exploring introducing legislation in 2022 to repeal their inheritance tax. This information comes from the Tax Foundation and a representative with the Kentucky Chamber of Commerce. In 2021, the Tax Foundation produced reports from both Nebraska and Kentucky which include priorities for policymakers to consider in their efforts to create a more economic growth-friendly tax code. For both of our states, the full repeal of the inheritance tax was recommended. And finally, Blueprint Nebraska includes repeal of inheritance tax in its guiding principles for modernizing our state's tax code. Given the landscape I just described, I decided to introduce this amendment that would bring the tax recommendation to fruition. AM1511 would fully phase out Nebraska's inheritance tax over the course of five years, eliminating this tax by January 1 of 2028. At the LB310 hearing, county officials recognized that they rely on this tax for their cash reserve. But if you look at the inform--information that Senator Clements has provided and previously referred to, the revenues varies greatly from year to year for many counties. In their policy paper discussing inheritance tax, the Platte Institute conducted a statistical analysis of the 2020 inheritance tax collections across all 93 counties in Nebraska. They found that the tax makes up-- I'm sorry. They found that the tax makes up between 1 to 6.2 percent of the total county revenues, with an average of 3.6 percent. The total revenues collected by 2020, Nebraska counties totaled just over \$63 million. And this year, Nebraska's 93 counties are receiving a total of \$375 million in federal relief dollars. Colleagues, it's time to appeal [SIC] this tax. Our constituents agree. And last month again, the Platte Institute conducted a poll to get a sense of where Nebraska stood: 78 percent-- it's on your-- your papers on your desk-- percent of the Nebraska voters support repealing the county inheritance tax; 70 percent agree that it's time, when Nebraska counties are receiving a historical amount of federal money for pandemic relief, we should repeal that tax now. This concludes my opening on AM1511, and I look forward to a thoughtful discussion on eliminating the burdensome tax from our tax code. And I'll just add one more thing. I mean, this is the year. If-- if we have such a surplus of dollars, I hope people can understand it is the people's money and look forward to-- to the discussion. Thank you.

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FOLEY: Thank you, Senator Albrecht. Debate is now open on LB310 and the pending amendments. Senator Hunt.

HUNT: Thank you, Mr. Lieutenant Governor. Good afternoon, colleagues. I wanted to stand up once on this bill just to voice a little bit of opposition coming from kind of a opposition-on-principle type of place. I've also gotten many emails from different county commissioners across the state voicing their opposition, talking about what kind of impact LB310 would have on their county budgets. And we can say, oh, it's only 1 percent of the budget, it's only 3 percent of the budget, which doesn't sound like a lot in the big, you know, pie of-- of the percentage of the budget. But if that's \$2 million, \$50 million, \$100 million, compare that to zero and think about all of the increased costs that our counties are having on them right now. And we're not asking ourselves in debating LB310 where we're going to make that money up. How are we going to make up this deficit to our counties? I think it's reasonable to have the criticism that the estate tax functions as a double tax. A person might pay payroll and income taxes on earnings, and then they pay inheritance tax on the savings left behind. But the important caveat to this is that about half of the largest inheritances are capital gains that are held until death that are never taxed, that haven't been taxed when the person was alive, and that's according to the Tax Policy Center. Also, the heirs of that estate are only paying taxes on that inheritance once. Finally, it's really common for families that are close to the threshold of owing inheritance tax to escape that tax by gifting money to their children, to their grandchildren, to their spouses, and by deducting large charitable contributions and by protecting these assets in trust. We know that, you know, our Governor does this famously. There's been lots of reporting on the way the Ricketts family does this. And there are so many ways to avoid the estate tax and so much energy expended by wealthy families to avoid paying the estate tax, that the best argument against the tax might be that it stimulates a lot of unproductive work by giving people posthumous assets from their rich family members that they never earned. It also-- I have the concern that this would chill charitable giving. A 2004 report by the Congressional Budget Office found that eliminating the estate tax would reduce charitable giving by up to 12 percent, so I wonder what that would be in Nebraska, because I think we can assume that the same effect would be felt here in Nebraska. And finally, anybody who believes in equality of opportunity or the dignity of work, which we're always extolling the virtues of here on the floor of the Legislature, should worry about the impact of people who are relying on the untaxed inheritance of

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their parents. People who get a big inheritance are more likely to leave the labor force. And a large inheritance doesn't turn everybody into, you know, someone who stops working, but it does seem to increase the likelihood. And in a period that we're living in right now, that's defined by the rising wealth gap and the inequality between the rich and the poor, we can't ignore the enormous role that's played by inheritance in sustaining economic inequity. So those are my concerns. For that reason, I am going to be opposed to LB310. Thank you, Mr. President.

FOLEY: Thank you, Senator Hunt. Senator Linehan.

LINEHAN: Thank you, Mr. President. Sorry. So I just want to-- I don't know where this debate is going, but here's one thing that I think we all need to understand. This is not a tax on the rich. Again, it starts at \$100,000. I-- I-- you can't buy a house in Nebraska, at least in Lincoln or Omaha or any major town, for \$100,000. Pick-up trucks and cars cost \$50,000 and \$60,000. Let's-- let's don't pretend that this is a tax on the rich. Now we're trying with the amendment to adjust it upwards. I -- I haven't-- Senator Albrecht just asked me. I haven't sat down and compared this to that, but we're not taxing the rich here. We're taxing almost everybody who passes away in this state that's not in a nursing home on Medicaid. It's not OK. It's actually kind of embarrassing. And in the other time-- and I know that counties have-- I have a good friend who was a county board member for 25 years in Om-- or maybe only 20 years in Omaha, and you say they're the garbage collectors. They get to do everything that nobody else wants to do. I understand that they've got a really hard job, the county board, but I also understand that, from what I can tell from sitting on the Revenue Committee, if you work for a county, you don't pay anything for your health insurance. We've had-- and other Revenue members are here and they can, I think, back me up on this. We have asked, what is your-- your contribution to your health insurance? And the answer is, well, we have a \$500 deductible. That's it, \$500 deductible. The papers have been-- had stories in them this weekend. There was one about Lancaster County giving themselves an \$8,000 raise. Maybe-- maybe-- I'm not saying that that's not OK, but they're not broke or they wouldn't be giving themselves \$8,000 raises. We had another county-- and maybe it's great, I don't know-- but they give every person in the county a \$10,000 bonus. So you can't tell me you're broke and you can't make ends meet when they have better healthcare, or at least less-expensive healthcare to them, than we charge our state employees. We all have people in our offices that have to kick in for their healthcare. Why-- why do we-- ever since I've been here, I've never understood. We have county

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employees and other public employees that have defined benefit plans and a \$25,000 benefit package, and yet we don't treat our employees like that. We-- we-- we make our employees, people that work for us every day, that answer our phones, that answer our emails, that sometimes have to take irate phone calls from constituents, which is fine-- constituents has [SIC] every right to call us and be angry. But why do we sit here and act like that's OK, but if you work for the county or some other public institution you should have better benefits than we do for our own people? And then we say it's because-- I just-- I don't get it, guys. I don't. I-- I think the inheritance tax is shameful and it certainly is shameful at \$100,000. Thank you.

FOLEY: Thank you, Senator Linehan. Senator Clements.

CLEMENTS: Thank you, Mr. President. I stand in support of AM1511 and thank Senator Albrecht for bringing it. A handout with-- that has her initials on it is titled "ARPA Distribution to Nebraska," and I got these numbers, I think these came from the Platte Institute, and the total ARPA money that different entities are getting is shown there. And the third line down shows counties, \$375 million in ARPA funds coming. The inheritance tax funds the counties receive is right at \$70 million, and the \$375 million equals 5.4 years of inheritance taxes. So the five-year phase down of the Albrecht amendment could be balanced and filled in by ARPA dollars. And there's-- you can see the school districts and cities are getting money in addition to counties and the state. The second page of that handout is an Omaha World-Herald article, January 8, and it says: Treasury broadens relief money uses for states and localities. As I've talked to county commissioners, they're worried that they couldn't really use the ARPA money the way they use inheritance tax money because it's restricted. Well, I'm just going to read a little bit of this article. It says: State and local governments will have greater flexibility to spend federal COVID aid under new rules from President Biden's administration. The revised rules mean that most cities and counties will be free to spend their entire allotment on any government services without having to prove they lost revenue during the pandemic. The rules also allow spending on more types of construction and a wider range of high-speed internet projects. Skipping down: One of the most significant changes will let state and local governments claim up to \$10 million of revenue losses during the pandemic without having to prove it. It can go toward projects such as road repairs that would not otherwise be eligible. And toward the end, it says: The rules also clarify that the money can go toward construction of affordable housing, childcare facilities, schools, hospitals, and

other projects. And so I think the-- especially the infrastructure spending that counties-- many counties use this for is covered by broader flexibility that's being given by the administration. Then the third page of that handout shows the ARPA funds that every county-- shows the counties in your district on the front and back, every county in the state and what they're expected to receive. Then the-- there's a column that says: Inheritance tax, ten-year. That's the average inheritance taxes that they have collected over the last ten years. I'm looking at my county. Cass County is one of my counties, and it looks like \$5 million of ARPA money and an average of \$1 million of inheritance tax, so that's right at the average five years' worth of inheritance tax. Douglas County, their ARPA money is nine years' worth of inheritance tax; Lancaster County, on the back side--

FOLEY: One minute.

CLEMENTS: --9.4 years' worth of inheritance taxes. So this is the time that we can do the least amount of damage to county budgets and allow them to fill in, if they're going to lose some inheritance tax, to fill in with the ARPA dollars. And I was really pleased to see this Omaha World-Herald article where the restrictions have been very much re-- relieved. Then the other handout that I had does show that the Albrecht amendment grades down starting in-- it starts with the committee amendment figures in 2023, with the \$100,000, the 1 percent for children.

FOLEY: That's time, Senator.

CLEMENTS: Thank you.

FOLEY: Thank you, Senator Clements. Senator Erdman.

ERDMAN: Thank you, Lieutenant Governor, and good afternoon again. Thank you, Senator Clements, for introducing LB310. This afternoon, my comments are probably going to be contrary to most of those friends of mine who are county commissioners. If I had my way, I'd take my little yellow sheet right here and I would amend this to say inheritance tax goes away as soon as this bill is signed into law. Every dollar that was paid on the mortgage or the equipment or the cattle or whatever they purchased that you inherited, they paid the taxes on that. This is double taxation. And not all county commissioners are as the ones I've been getting emails from that say, you can't eliminate inheritance tax, we'll have to raise taxes. Well, let me explain something to those people who think that's the case.

That's exactly what inheritance tax does. It raises taxes. But you have to remember that the majority of those who receive inheritance tax may not live in your county and, therefore, can never vote on what you do in your reelection. And so it's very easy to raise taxes on somebody who cannot vote against you, but it's raising taxes. And in most cases, if you adopt Senator Albrecht's amendment over five years, it goes to zero after five years. As I said earlier, my intention, it would go to zero tomorrow. So what the problem is, is we think that this money belongs to the county, it belongs to the state. What our problem is in Nebraska is our focus is wrong. We focus on those who collect and spend the taxes as if it's their money. It's your money. It's not the county's money, the school, the city. It's not their money. It's yours. And they say, well, if I'm going to inherit a million-dollar farm and I've got to pay \$50,000 in inheritance tax, so be it. It's your money. It's not the county's money. So Jeff Metz is a county commissioner for Morrill County, and I will try to read his letter that he sent. Senator McDonnell and I have talked in the past of starting our own political party, and we're going to call it the Commonsense Party. So I would say this gentleman, Jeff Metz, would be our first nomination to join our party. He says: My name is Jeff Metz. I farm and ranch as a fourth-generation family operation in Morrill County, Nebraska. I am also chairman of the Morrill County Commissioners, which I have been for the last 11 years. I am contacting each of you today to encourage you to support LB310. Nebraska inheritance tax needs to be eliminated. Nebraska is one of six remaining states who levy such a tax. Forty-four other [RECORDER MALFUNCTION got by-- got with it and removed the death tax, and so can we. The taxing of assets of an estate when someone dies is wrong. Families have to pay property tax, personal tax, property tax, taxes, and income taxes to the state every year for their entire life and now, on their death, their loved ones must pay 1 percent, 13 percent or 18 percent when the tax-- in taxes as the transfer is made to the property. Senators, that is double taxation. I have seen instances in Morrill County where the beneficiaries have had to sell parcels of the estate to pay the unjust inheritance tax. This is a sad statement and should not have happened.

FOLEY: One minute.

ERDMAN: County governments cannot and should not rely on the inheritance tax as a source of revenue. In Morrill County, as I would be-- as it would be in most counties, inheritance taxes funds are unreliable year to year. Some years our county might get \$10,000, other years we may get \$250,000. Just depends on who dies and who the

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beneficiaries are. I argue that those counties should have never included the inheritance tax fund in their budgets in the first place. These funds, for the most part, are a slush fund with no restriction or requirements on [INAUDIBLE] how they are needed. Estate planning can be used to avoid these inheritance taxes in gifting of assets and investments, as well as transfers. These methods are typically used by the wealthier individuals. However, the middle class and lower class state residents do not often have those means to avoid the tax and are affected the worst. Now is the time to eliminate Nebraska's inheritance tax,--

FOLEY: That's time, Senator.

ERDMAN: --and I urge you to vote for LB310. Thank you.

FOLEY: Thank you, Senator Erdman. Senator Dorn. Senator Dorn, you are recognized.

DORN: Thank you. Thank you, Lieutenant Governor. I want to thank Senator Clements for bringing this bill, and we have the discussion. And thank you for the robust discussion so far. I would-- it-- would like to ask a question of Senator Albrecht if I could.

FOLEY: I'm sorry. You're yielding time, Senator?

DORN: Senator Albrecht, question.

FOLEY: Oh, a question for Senator Albrecht.

ALBRECHT: Yes.

FOLEY: Will you yield, please?

ALBRECHT: Yes.

FOLEY: Thank you.

DORN: Senator Albrecht, do you know? You said Iowa did away with their inheritance tax. Who ultimately ends up with, I call it, the tax that is collected in Iowa? In Nebraska, the counties right now are the ultimate use-- they're the ones that get to use that funding. Who in Iowa does?

ALBRECHT: That I couldn't answer. Possibly Senator Clements--

DORN: Oh.

ALBRECHT: --he's got his hand up.

DORN: I'll ask Senator Clements that question then. Thank you.

FOLEY: Senator Clements, will you yield, please?

CLEMENTS: Yes.

DORN: Did you hear the question? Who-- how do-- how is-- the state of Iowa is doing away with theirs over a period of years. Who is the end result? Who gets that funding from the inheritance tax?

CLEMENTS: My research has shown that all the other states, the state gets the inheritance tax money, and Nebraska is the only state that the county gets it.

DORN: Thank you. Thank you very much. That, that's part of why I got up and talked. I have an amendment later that I added to or whatever. When we talk about all these other states and they're doing away with inheritance tax, and we're a state of Nebraska that still has it, we do it a little bit different or different than all the other states. This is a revenue source for the counties. We can argue here whether or not they should use it, use it wisely. We can argue about all that. It is a revenue source for the counties. The latest NCSL book, on page 66, it has which tax the state rely-- states rely on the most, the 50 state rankings. It ranks all of them. Nebraska, individual income tax, we're number 14 at-- and I don't know how they come up with this-- but we're number 14. Corporate income tax, we're number 12. This is revenue the state of Nebraska collects, OK? Then you go over to property taxes, and we're one of 18 states that does not collect any property tax, the state of Nebraska itself. We collect and use sales tax, income tax. We don't do any property tax; this passes on to the counties. Most of you know I was a county board member for eight years. We did-- in Gage County, we relied on the inheritance tax to fund what I call projects. I've gotten several emails about the 2019 flooding and counties using or having that inheritance tax there available to use. Nowhere, I don't think, in Senator Clements' bill-- I've talked to him on this already-- is there anything in Senator Clements' bill that says the state of Nebraska now will replace this funding. I find it interesting that, as we're having this discussion, we think or we have-- some of us have the opinion that a school board, a county board, we should have local control. We quite often use the analogy that I believe they should have local control, they should make the decisions, until we don't necessarily agree with those decisions. Then we sometimes, as a

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state, we want to come in and-- I call it starting-- start to micromanage that.

FOLEY: One minute.

DORN: Somewhere along the line, either we have local control or we don't. Now we get to make, I call it, the laws, the statutes, the bills and, yes, we do get to set the parameters sometimes. So when counties collect this inheritance tax, Senator Clements, rightfully so, talked about the ARPA funding they're going to get, schools are going to get, the state of Nebraska gets. So why don't we propose that any decrease in inheritance tax they get, we will use our ARPA funds now to make that up? But we won't do that, not the state of Nebraska, because that's a county issue and they can do without that funding. Yes, they can, but if they decide not to, which many of them will, it will go to property taxes, the one source of revenue counties have, and that's why the state of Nebraska does not have any, is property taxes.

FOLEY: That's time.

DORN: Thank you.

FOLEY: Thank you, Senator Dorn. Senator Albrecht.

ALBRECHT: Thank you, Lieutenant Governor. You know, I'm going to revert back to the days when I was a county commissioner in Sarpy County, again, one of the fastest growing counties in the state at the time. You know, when we had inheritance taxes that were coming into our coffers, they-- we specified that they can only be used for brick and mortar. Now we've had this conversation before, and that was back 11 years ago. But I'm here to tell you that, becoming a farmer's wife and understanding the number of times that valuations go up but the levies are never lowered, I mean, there has to be something-- there's got to be some give because, when you look at the fact that with these ARPA funds, the biggest complaint, I think, from any, any county commissioner or supervisor is that we need our roads and bridges fixed. OK, well, if they-- in this article that-- that Senator Clements was referring to, the, the article in the newspaper, the "Treasury Broadens Relief Money Uses for the State and Local, Localities," [SIC] I mean, I mean, I look at just mine-- and I, and I got my phone calls. NACO did a good job telling everybody to get ahold of your senators. But guess what? My sen-- my, my people that called me were OK with this. They said, you know what, we could-- we'll, we'll be all right, we'll be OK. And I said, well, how much

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money do you already have put away in your inheritance? You know, somewhere, anywhere from a million to \$3 million already put away, but I said, so why are you not spending this on your bur-- the problems that you're telling me that you have, because, you know, I mean, when there's a flood, the state is there, the federal government is there, but they always have to have a bit of a match. But are they still-- I mean, there's so many roads and bridges out all over. You know what? And, and as farmers, we're on the, we're on the, we're on the gravel roads. We're not on pavement. We're on gravel roads, OK? But when I think about people who talk about we need to lower property taxes, we're trying to figure out how we give back in ways that have been such an antiquated system for so long that, whether it's corporate or property taxes, sales tax, we have to figure out what we need to do. But when I take a look at the numbers-- and they don't even have to report what they want-- so say Senator Dorn-- we were talking earlier-- they want to use the county numbers and that's to build a grade school. I mean, they can do that. They don't have any, they don't have any rules to go by. They can do it on affordable housing, they can do it on childcare facilities, schools, hospitals, and other projects. They don't even have to, to talk about, you know, how much it's going to be. Knox County, hey, this STAR WARS deal, what a great jump start. Knox County, I think I saw them with \$1.5 million. That's, that's money to work with, and that's great tourism. I mean, we have to, we have to jump outside the box and take a look at the funds that we're getting. I had heard that it was two or three days Appropriations listened to what people wanted and it was over \$2 billion. Geez. I mean, I guess I wasn't in that conversation, but, but the asks out there are unreal to me. But there's a lot of great causes that-- we do have to take care of our senior centers. We do have to take care of our roads and bridges. We do have to make sure that our hospitals are funded. We do have to look at mental health facilities for the jails. I mean, when I was listening to Senator Lathrop, I mean, my goodness, there's lots of money that we could probably just tap into locally too. If we're going to be putting it in their particular county or city, maybe we all need to just all come to the table. But, but you're not going to have to replace the amount of money that these counties are getting, if they're continuing to raise the taxes, no matter what the valuations are every year.

FOLEY: One minute.

ALBRECHT: So again, I hope that this will continue past 5:00 so we can continue to talk about it tomorrow. There's a lot of stories out there. I'd be happy to-- to share with you the ones that, that let me

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know that, hey, we, we understand where you're coming from. We understand. Those children that inherit these grounds and they can't pay the, pay the taxes on it, we had a great story from the governor up in South Dakota. That's how she entered politics. You know, her daddy buys 2,000 acres more right before he passes away, and the family's looking at each other like, How are we going to take care of this? I mean, these, this, these is, this is a hardship for people who have had this in their lives for so long that-- I'm talking on the farming side of it. But when it comes to, you know, in the, in the big cities, it's the same thing. They, they can, they can ask for your money and you've got to give it up. So thank you.

FOLEY: Thank you, Senator Albrecht. Senator Friesen.

FRIESEN: Thank you, Mr. President. I stand in support of LB310 with the AM635 amendment, and I'm opposed to the AM1511 amendment. So as an ag producer, I'm, I'm approaching this a little bit differently, and, and I think that's one of the problems that we're having right now is, is this varies for each county in the state. It impacts different counties in different ways. And so I'm just going to relate a little bit the way I look at it from the county that I am living in and next to. And I look at how they use the inheritance taxes. And since I've just recently gone through this process with-- with one of my parents, I didn't find it a burden at all. You know, there-- agriculture, we have a lot of land. And yes, we want to do something about property taxes, but this isn't really going to lower property taxes. This is going to raise my property taxes, and I'm going to walk you through a little bit of how this works. And so in my county, there's, there's a lot of wealth in a couple of the communities around there. And so when a person dies that-- you know, a banker, an insurance salesman, somebody like that who's invested heavily in stocks and bonds and in other real estate somewhere maybe, but maybe just has cash in the bank, so this is the time when someone passes away that we actually tax those intangibles. They don't normally get taxed. And so this is the first time and the last time that we ever have an opportunity to tax something other than the land and the real property. And counties, again, they use these funds in different ways. Some of them use them for emergency funds, that they're their cash reserves, so to speak. And so if they're not going to replenish their cash reserves with this inheritance fund money, they're going to raise property taxes to build a cash reserve, because we have years when we have a big snow removal budget, or maybe they have a road go bad or a bridge go bad. The property tax fund that they have, the inheritance tax fund that they have, has been used to fund those types of projects. And then they make sure that that fund either gets

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paid back by the roads department or it gets replenished down the road with more inheritance taxes. But to pay this in a one-time manner like this, you know, if anybody wants to leave me, you know, a \$5 million estate and I have to pay 18 percent, you can still give it to me. I'll take it. I'll send you a thank you note. I'll take good care of the land. I think my banker would even loan me money to pay the 17 percent. And yes, I'm in favor of lower-- or raising the floor. I think where we have it now, we should raise it to \$100,000. I have no problem with that, and I don't have any problem adjusting the rates. And that's what we did in AM635. We tweaked the rates a little bit. We brought that 18 percent down a little. And so I'm in favor of that. But when you look at this, I mean, a lot of times when, in agriculture at least, we've, we've sent our kids all over the country. And they're going to inherit the farm ground I have, and they're going to take that rent check and take that income out of this state. And so by the estate taxes, they're going to pay one last time at least, to help that county, which I lived in and where I grew my wealth, they're going to help pay those bills yet. So I think we-- we're past that point where I can say that I want to repeal it. I'm willing to adjust those rates, but when we talk about eliminating it, all you're doing is--

FOLEY: One minute.

FRIESEN: --raising my property taxes. And so when I, when I look at these numbers, that's, that's what it's going to do in my area. We're not going to tax those intangibles anymore. We're just going to be taxing the real property. And the counties, they're going to keep spending the same amount because my county is not near its lid limit. And I want good roads, I want good bridges, because those are the ones I drive on. And I've always been willing to pay my county taxes. And I guess in the end, if we think those county taxes are too high, we can vote new commissioners into office. But I can't always vote for school boards because I don't live in the three or four different school boards that have some of my tax revenue when they take it. I don't get that opportunity. I just pay it. I can't vote on bonds. So this is one time, I guess, that when we look at it, we tax those intangibles that we normally don't tax, and those assets--

FOLEY: That's time, Senator.

FRIESEN: --are generally leaving the state. Thank you, Mr. President.

FOLEY: Thank you, Senator Friesen. Senator McCollister.

McCOLLISTER: Thank you, Mr. President. Good afternoon, colleagues. I support LB310 and the two amendments, and I also agree with my good and esteemed friend, Senator Erdman, that I would like to see this, this bill enacted sooner and take effect sooner, but we-- we go with what we have. I joined the Platte Institute in January of 2009. And actually, this bill, the inheritance issue, was front and center even then. And now, 13 years later, I think we finally are in position, we can finally deal with this big problem. They call the states the laboratories for democracy. And when on-- Nebraska is one of only six states, six states that currently has an inheritance tax, that's telling you something. That's telling you Nebraska is an outlier and, particularly, when only state in the country, only state in the country where the tax goes to counties. How strange is that? Truly, Nebraska is an outlier, and we need to change that. What do the counties do with this money? We've looked at that, and counties typically don't budget for in-- the inheritance tax. And what they do is they simply take the money and accelerate projects or take projects that hadn't been on their budget radar. So I think it's important for us to realize that counties don't necessarily depend on this to pass the-- to provide the services that they provide. So I'm glad we're finally getting to this issue, and I'm hopeful we can pass it, and I think we will. So with that, I'd yield the balance of my time to Senator Clements.

FOLEY: Thank you, Senator McCollister. Senator Clements, 3:00.

CLEMENTS: Thank you, Senator McCollister. Thank you, Mr. President. I had a few more comments, more of a general nature. Now is the time to address this burdensome tax. This is a legacy bill for Nebraska. Compared to the nation, we're an outlier in collecting this tax when almost nobody else does. The counties have historic amounts of money due to the federal relief, the ARPA money. And we've been through that, and I gave that to you in the handout. They need to be wise with how they spend it and, if they are wise, this bill would not have a disastrous effect on them. They could absorb it over a five-year period. Nebraska's inheritance tax is outdated. It was adopted more than 120 years ago, 1901, with the original intent of fixing and building roads, which then was removed, I think, in 1982. There was no gas tax. The federal gas tax began in 1932. State gas tax began in 1925. And so there was no-- that revenue wasn't available, but it is now. The inheritance tax also is inequitable. There are higher tax burdens imposed, depending on the family structure or relationship, a descendant, an heir, whether you're a child, immediately depend-- descendant, a distant relative like nieces and nephews, or nonrelatives. So it's really punitive to

nontraditional families like unmarried couples, as well as remarriage, couples with stepchildren that were not adopted. If the stepchild receives an inheritance from a stepparent and they were not adopted, they're going to be an 18 percent tax rate.

FOLEY: One minute.

CLEMENTS: Inheritance tax must be paid on investments like annuities and IRAs. Some people think the retirement accounts aren't taxed, but they do have to pay inheritance tax on retirement. So the county is levying taxes on items where income tax is usually paid. And if those de-- descendants, heirs, use the IRA investments to pay tax, then they experience income tax penalties on the distribution. And some take out loans to pay the tax, and they have probate costs. All of the inheritance tax determinations are done by, by the county court and require legal fees and probate costs in addition to the tax. Many counties will collect less than 1 percent of their annual revenue with the inheritance tax. So I'm just wondering--

FOLEY: That's time, Senator.

CLEMENTS: Oh.

FOLEY: That's time.

CLEMENTS: Thank you, Mr. President.

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

M. HANSEN: Thank you, Mr. President. Good afternoon, colleagues. I hadn't necessarily intended to get into the debate on this bill at all, and I'm not really necessarily interested in the debates on the merits at the moment. I did want to clue in on one thing we talked about earlier, about, as it connects this debate, about government salaries and, specifically, about county salaries and a comparison between the state salaries. And there's kind of two points that I want to make. First, if it's kind of been the challenge, is I don't think we do our staffs justice here in the Legislature. I don't think our salaries are competitive across the board. I don't think we have a dedicated HR or other provisions that we, as an institution, should meet. If-- frankly, if the executive branch department was operating like us, we would provide probably more oversight than we do ourselves. There's a difficulty as me, as an individual senator, to solve this, to work on, to even work on this or even to make progress on this, but that is something that I know a lot of senators have been looking at and wanting to continue to look at. And this isn't to

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say, you know, we need to shower or-- our staffs with, you know, lavish raises or do un-- unnecessary things. This is just like, are we being competitive for the field? Are we being expectation-- meeting expectations of what we're asking? I believe legislative aides are asking JD-preferred, and we're not even close to any sort of other legal profession in what we pay new and starting-out legislative aides. The people who work in this building work here for passion and interest and dedication and public service, and I appreciate that, but we also see an incredibly high turnover because virtually every other job in a nonprofit, in the city level and the county level, in a for-profit, is a raise. And we see that and we know that, and a lot of us have had staff turnover, leave for better opportunities. And when somebody is telling me, I'm leaving because I'm getting 100 percent raise, I can't argue with that, I don't even know how I would pretend to argue with that, so you just wish them the best. And I bring all that up to say-- I'll also highlight the efforts that Senator DeBoer has done on this portion. I haven't read all the way through it yet, but her and her staff worked on an interim study on this exact issue, surveying state legislative employees, that I think is available to all senators. Encourage you to read that, encourage you to kind of reflect on how we can work better and-- and do more staff retention and help us as a body. And the reason I'm giving this speech is, is because it was addressed earlier, and I, and I wanted to make sure to highlight that, make sure the people know, make sure my staff and others know that's how I view the issue. The second thing is, in relation to this bill, if the argument for this bill is going to hinge on we can afford to cut revenue for the counties because the counties can then cut employee benefits and employee salaries, that takes an interesting concept I'm willing to debate and willing to listen to, and kind of starts turning it into a nonstarter. That is-- if that's the intent we're coming from here, that's a place that's going to be very difficult for me to get on board. If I could be convinced it's not great tax policy, if we're not comparative with other states, if it's, you know, something counties are willing to negotiate on, that's one thing. But if this is an attempt to get at public employee benefits, that's where you're just going to start losing me and, I presume, losing others. So I'm interested in learning more on the debate, interested in learning more about how this happens. From my-- all accounts, we do sound like an outlier in a lot of respects on this issue, and I understand why people want to work on it. But if we ever hold up, you know, somebody who-- as-- punishing the counties for offering good health insurance just isn't what-- what we would want, what we would do.

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FOLEY: One minute.

M. HANSEN: I think about the debates we've had on incentives and making sure we have good enough jobs in the private sector. We want to make sure we have good enough jobs in the public sector too. So with that, I believe we're at the end of the day, and thank you, Mr. President.

FOLEY: Thank you, Senator Hansen. Items for the record, please.

ASSISTANT CLERK: Thank you, Mr. President. New bills: LB955 by Senator Murman. It's a bill for an act relating to insurance; to prohibit certain insurance practices relating to a person's status as a living organ donor. LB956, by Senator Murman, it's a bill for an act relating to public health information; define terms; provide for confidentiality of certain health information; provide for use or disclosure of such information; change provisions relating to confidential health information, reports, use, disclosure, and immunity; and to repeal the original sections. Notice of committee hearings offered by the Government, Military and Veterans Affairs Committee, as well as the Agriculture Committee-- Committee, for the week of January 18 and 19. Amendments to be printed: Senator Stinner to LB376A, Senator Machaela Cavanaugh to LB376A, Senator Hunt to LB781, Senator McCollister to LR14, and Senator Dorn to LB310 [also amendment refiled by Senator M. Hansen to LR14]. Name adds: Senator Friesen to LB596; Senator Brandt to LB773; Senator Gragert to LB853. And finally, a priority motion, Senator McKinney would move to adjourn until Tuesday, January 11, 2022, at 10:00 a.m.

FOLEY: Members, you've heard the motion to adjourn. Those in favor say aye. Those opposed say nay. We are adjourned.