

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate January 12, 2022

**FOLEY:** Good morning, ladies and gentlemen. Welcome to George W. Norris Legislative Chamber for the sixth day of the One Hundred Seventh Legislature, Second Session. Our chaplain for today is Pastor Joe Laughlin, Victory Church, Omaha, Nebraska, Senator Clements' district. Please rise.

**PASTOR LAUGHLIN:** Dear Lord, as we look around our world today, we see so many needs and we see such a need for godly wisdom. With the issues facing our state, our cities, our towns, and the people of this great state of Nebraska, we recognize our need for your help, your grace, your provision. Proverbs 4 tells us not to forsake wisdom and that wisdom is the principal thing. There is natural wisdom and then there's a wisdom that's from you. In the Book of James, we're reminded that if anyone lacks wisdom, if we would ask you, you will freely give generously the wisdom that we need. I pray today that every member of this legislative body, as they face tough challenges, the hard questions, the difficult choices, that they will remember to come to you to humble themselves under your mighty hand and to ask you for the wisdom that only you can give. As they consider the issues before them, I pray that you would give them the wisdom from above. This wisdom is, first of all, pure. It's peaceable, gentle, willing to yield, full of mercy, without partiality, and without hypocrisy. Give each senator insight to see the best path, not only for our state, but for all its citizens. This we pray in the matchless name of our Lord Jesus Christ. Amen.

**FOLEY:** Thank you, Pastor Laughlin. I recognize Senator Brewer to lead us in the Pledge of Allegiance.

**BREWER:** Join me in 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 Brewer. I call to order the sixth day of One Hundred Seventh Legislature, Second Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

**ASSISTANT CLERK:** There is a quorum present, Mr. President.

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

**ASSISTANT CLERK:** No corrections this morning.

**FOLEY:** Thank you, sir. Any messages, reports, or announcements?

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**ASSISTANT CLERK:** Just one, Mr. President. Senator Flood would introduce LR274. That will be read and laid over. That's all I have at this time, Mr. President.

**FOLEY:** Thank you, Mr. Clerk. First item on the agenda is the introduction of new bills. I don't know if we have anything at this moment to, to read in. Mr. Clerk?

**ASSISTANT CLERK:** No, sir.

**FOLEY:** Nothing to read at this time. Moving on to a motion to withdraw. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, Senator Hunt would move to withdraw LB835.

**FOLEY:** Senator Hunt, you're recognized to speak to your motion.

**HUNT:** Thank you, Mr. Lieutenant Governor. Good morning, colleagues. I introduced LB835 to allow Nebraskans to use money in their NEST accounts to pay off student debt and my friend Senator Gragert introduced a bill to do basically the same thing. And so I'm going to withdraw this bill to save time of the body and the committee process and I'll be supporting Senator Gragert's bill. Thank you, Mr. Lieutenant Governor. I would ask for a green vote to allow me to withdraw this bill. Thank you.

**FOLEY:** Thank you, Senator Hunt. We've got four senators in the speaking queue. I don't know if they want to speak to this motion. Senator Dorn? No, not this motion. I think we're going to, I think we're going to clear the speaking queue. I think people are lining up for the next bill. Is there anybody who wants to speak to the motion to withdraw the bill? I see none. The question before the body is whether or not to adopt Senator Hunt's motion to withdraw LB835. Those in favor say aye. Those opposed say-- vote nay. Let's, let's do a machine vote, please. Record, please.

**ASSISTANT CLERK:** 26 ayes, 0 nays on Senator Hunt's motion.

**FOLEY:** LB835 has been withdrawn. Moving to the next bill, Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, LB364, introduced by Senator Linehan. It's a bill for an act relating to revenue and taxation; provides for-- excuse me, adopts the Opportunity Scholarships Act; provides for tax credits; harmonize provisions; provides an operative date; provides for severability; and repeals the original section. The bill

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was read for the first time on January 13 of last year. When we left the bill yesterday, the committee amendments were pending, as well as an amendment by Senator Hunt pending as well. There are other amendments, Mr. President.

**FOLEY:** Thank you, Mr. Clerk. If Senator Linehan and Senator Hunt would like to take a few moments just to refresh us on where we left off yesterday? Senator Linehan.

**LINEHAN:** Good morning, Mr. President. Good morning, colleagues. I realized over the evening in some of the questions that came up on the floor yesterday that I probably failed to do a very good job of explaining some of the details of the bill yesterday. So I'm just going to--

**FOLEY:** Excuse me, Senator. Members, please come to order.

**LINEHAN:** Thank you. I'm just going to hit some of the highlights. First of all, it's a tax credit, meaning that if you donate to a scholarship-granting organization, you get a credit against your Nebraska income taxes owed. The credit cannot exceed 50 percent of what you owe in income taxes. So there is no way you wipe out what you owe in income taxes. That was an agreement that was made like four or five years ago that everybody needs to pay something in income taxes. So it's a 50 percent cap on what you owe. Further, this came up yesterday, and I just want to repeat because this is different than most of the tax credits. You cannot also deduct it from your federal or state income taxes, you choose. You either get the deduction or you get the credit. You cannot have both. Another-- I think this was written and I don't think anybody on the floor said it, but just so we can clarify. So it goes to a scholarship-granting organization. You, the donor, whether it's me or Senator Briese or Senator-- any of you, you, the donor, cannot tell the scholarship-granting organization where the money goes. So grandma cannot donate to X, Y, B scholarship-granting organization and say this is for my grandkids. That is prohibited by law. The scholarship-granting organization has to focus on the most needy. So no one can qualify unless they-- no one can receive the scholarship unless they qualify for free and reduced lunch. But even over and above that, the organization is directed to focus on the most needy. And I'm sure I'm still forgetting some things. I'll be here all day, so if you have other questions I'm forgetting. The last thing I want to mention-- sorry, slipped my mind-- needs-- oh, this is important. If a child is already enrolled in a nonpublic school, private school, they do not qualify for this scholarship with two exceptions: if they're going from preschool to

kindergarten, kindergartners, new kindergartners, would qualify and if they're entering high school. But if you're in the third-- if you're already in kindergarten in a private school, this scholarship is not going to help you. You're already there. So this is not about, which has been portrayed by some, this is just going to help the people that are already there. There's no state savings. The Fiscal Office and I have been in an argument for five years over whether there is any cost savings. I handed out this morning some studies. You can see on there every state that has this, every study has shown, except for one, that it saves money. How can it not save money? We, on options-- option students, we all know if you leave Beatrice and go to Lewiston-- this is comm-- Senator Dorn and I have talked about this. Lewiston Public Schools receives \$10,000. Now, if that student instead decided not to go to Lewiston, but to go to St. Joe's-- I think they're still in Beatrice-- or Lincoln Christian or-- then that would save \$10,000. I, I don't know how we-- Fiscal Office can say it doesn't save money and I can go into greater detail about how maybe it will save money on other ways. And then finally, there is nothing in this bill that takes any money away from public schools or the universities or anything else. It's not an appropriation. And I think we can all be proud, since the first year we were here, or at least my class was here and we were in trouble, we did tinker with the formula in TEEOSA. We have not done that for the last three years and I don't think there is any mood in, in the Legislature to tinker with it any more. So hopefully I remembered all my points. Thank you very much.

**FOLEY:** Thank you, Senator Linehan. Senator Hunt, you're going to be recognized shortly for your amendment and I think you had a motion coming as well, but if you'd like to give us a brief refresher now, you may do so.

**HUNT:** Thank you, Mr. Lieutenant Governor. I, I introduced an amendment to put in a nondiscrimination clause making sure that scholarship-granting organizations that benefit from LB364 cannot discriminate based on race or gender identity or sexual orientation or national origin or disability or any of the other things that we typically see in a nondiscrimination clause. You can read that amendment. For LB364 to be palatable at all, AM1051 has to be adopted. Even proponents of LB364 agree that putting a nondiscrimination clause in there ensures that any of the scholarship-granting organizations that benefit from LB364 are giving that taxpayer money back to institutions that will not discriminate legally against students and their schools. I actually think that potentially if AM1051 gets adopted, it would prevent a lot of schools in Nebraska from participating in the program created under LB364. From visiting

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different schools, different Christian schools in Omaha, I think that a nondiscrimination clause would, would make them decide to opt out. They would say, no, we would really rather be able to discriminate against LGBTQ kids and their parents and the, the staff and faculty that we have at our schools rather than take advantage of this benefit. And I hope I'm wrong. I think that would be really sad. But in order for LB364 to, you know, even be a sliver of a good bill, we have to make sure that the money is going to organizations that do treat every student equally. So I encourage your green vote on AM1051. Thanks, Mr. Lieutenant Governor.

**FOLEY:** Thank you, Senator Hunt. Before proceeding, Senator Lowe would like us to recognize Dr. John Jacobsen of Kearney, Nebraska, who is serving us today as family physician of the day. Dr. Jacobsen is from Kearney, as I say. He's under the north balcony. Doctor, thank you for being here. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, a priority motion. Senator Hunt would move to bracket the bill until April 20, 2022.

**FOLEY:** Senator Hunt, you're recognized to open on your bracket motion.

**HUNT:** Thank you, Mr. Lieutenant Governor. I have a few remarks to make to open the debate this morning and then I will withdraw this motion and we can continue with regular debate. To-- before I get into that, to respond to some of the things that Senator Linehan said, no, under LB364, schools and scholarship-granting organizations can't decide what student those funds go to. But in Arizona, where they passed a similar law, they got around that by allowing scholarship organizations to quote recommend unquote students for things. And so I think there are a lot of guardrails that we can put in place to say, it's going to be fair, it's going to be distributed fairly, it's going to work out, but there's different work-arounds and we know that they exist because we've seen it happen in other states. I want to set the tone by saying that we need to keep in mind that this bill is not about the merits or validity of private school or public school. I've heard many colleagues stand up and take time and talk about, well, here was my experience with private school. Here was my experience with public school. We decided to send our kids to private school. My grandchildren go to public school. That has zero percent bearing on any of the conversation that we're having around LB364. Your personal preferences or experiences with any school has nothing to do with the merits of this bill. What this bill about is it's about donations. It's not about the merits of any education and it's not really about education at all. Nothing in LB364 has to do with individual students

or parents. Parents who send their kids to these-- to private schools already, they're not going to see, like, a direct benefit from LB364 because this bill is just about donations. It's about a tax credit, a dollar-for-dollar tax credit that will then be taken out of the budget in the state of Nebraska. I also want to say it's interesting in all of these conversations that some colleagues have grumbled about paying property taxes and paying taxes to support schools that they don't send their kids to. And this is another common argument that I receive in my email and on social media and things like that too. Like, why am I paying property taxes to, to schools when I don't even send my kids to school, so I don't even benefit from this? On the other hand, the same people making this point would never support a tax credit for childless couples, for a couple that doesn't have a child at all to send to school. We would never see a bill here that says if, if Mr. and Mrs. Smith don't have a child, then they get a rebate on all the money they would have paid to the schools because they don't have a child in school. Why wouldn't we see that? Because something like that would eat a huge amount of our budget and honestly, because people making this argument would prefer to reward people like themselves who are good Christians who send their kids to private schools. So that type of argument is also very inconsistent and we have to think about the value of schools. You know, we've tried the model of private tutoring for centuries. And what we arrived on in this country and in the state, according to our constitution, is that public schools have to be funded. They have to be available to every student. And so why are we going to offer this tax credit dollar for dollar to support other schools through scholarship-granting organizations that are legally allowed to discriminate? So what we are debating is not the merits of private school or public school or anything. You can think whatever you want about any school. It's about taxpayer funding of a tax credit to wealthy donors. The tax credit means that dollar for dollar, donations to private schools and scholarship-granting organizations will come out of public funds, which means public education. It also means roads. It means libraries. It means infrastructure. It means COVID relief. It means whatever else we spend public funds on. So you have to understand what is a tax credit. If you donate \$5,000 to a private school, basically, if LB364 passes, what you're doing is you're deciding what that \$5,000 of taxpayer money is going to be spent on. And what tax credits are supposed to be for is incentivizing the public good. We provide tax credits after extensive debate as a body for things that we generally agree are going to promote the public good: new hospitals, expansions to, to universities, things like that, starting new businesses, supporting companies and, and workers in Nebraska. What LB364 is doing is the

opposite of incentivizing a public good. It's incentivizing a private good that's not available to every student in Nebraska and that actively discriminates, not as a matter of circumstance, but on purpose as a matter of policy. Some of the policies from schools around Nebraska that would stand to benefit from LB364 include this one from Lincoln Christian. Their policy reads Lincoln Christian School provides an education in a distinct Christian environment and believes that it is our biblical role to work in conjunction with the home to mold students to be Christlike. It goes on, this includes, but is not necessarily limited to, living in-- or wait, let me back up because it doesn't make sense if I start there. It says the school reserves the right, within its own discretion, to refuse admission of an applicant or to discontinue the enrollment of a student. This includes, but is not necessarily limited to, living in, condoning, or supporting sexual immorality, homosexual acts, promoting such practices, or otherwise the inability to support the moral principles of the school. What is promoting homosexual acts? If a kid has, like, a rainbow button pin that they wear on their backpack, are they promoting homosexual acts? Forget about having a gay parent. Those kids would not be allowed in these schools. But wealthy donors would be allowed to take \$10,000 of their money, give it to these schools in order to promote these teachings with taxpayer dollars, and then turn back to the taxpayer and say, pay me back dollar for dollar all of that money I gave out of the goodness of my heart. People are already free to donate to private schools with their own money. They already get a tax deduction. It's a great deal. We don't have to change the price and the value of making a donation to a private organization, which is what LB364 would do. You already get some money back if you give \$10,000 to one of these schools that says you can't promote homosexuality. You already get some money back. Oh, but that's not enough. You want the full refund. You say, oh, great, I'm going to donate to poor kids, but I'm not going to donate to poor kids unless you take the money dollar for dollar out of taxpayer money and give it back to me. So guess what that sounds like? It sounds like you don't actually care about poor kids at all. There are many problems with our education system. We spend extensive time in this body debating them, introducing bills to find solutions for them, electing people who have plans to change the system for the better to serve everybody, including people who promote homosexuality, because they exist. But the way to do that is not by passing LB364. It doesn't solve the problem that we're actually seeking to solve. It gives people more money for giving a donation who are probably already going to give anyway. It's not going to incentivize, you know, middle-income people to donate to schools because all of the, the \$5 million of tax credits

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that are allowed under LB364 are going to be given away by January 1. Wealthy people who already know how this system works, who pay people lots of money to understand the tax structure and the tax code that we have in this country and in our state--

**FOLEY:** One minute.

**HUNT:** --they're going to know that on January 1, if they give the maximum amount that they can give to take that half off of their income tax, what they owe, they're going to do that right away. And to say that, oh, wealthy people are going to get tax credits anyway, like, that's really throwing in the towel. So we make it easier for them to get tax credits? They're going to get them anyway so we just make it easier for them to, to get a dollar for dollar, give me my money back because I did a good deed? We got the grip. We've got a ton of bills going through the Education Committee, through Revenue that will help students, that will help children, that will help low-income people. And there are a lot of them I don't see you guys supporting on the regular, so I encourage you to vote for AM1051. We need to have a nondiscrimination clause for this bill to work at all. And with that, I withdraw my motion. Thank you, Mr. Lieutenant Governor.

**FOLEY:** The bracket motion has been withdrawn. Thank you, Senator Hunt. Turning now to the speaking queue. Senator Pahls.

**PAHLS:** Thank you, Mr. President, members of the body. I just have a couple of what I call a little cleanup things from yesterday that I'd like to help me to clarify. And then a little later on, I'll-- I intend to talk about schools that need improvement through the state of Nebraska. Yesterday, I was hearing some people saying-- in fact, I was there when a group from CUES came in front of the Revenue Committee and they presented one heck of an argument. They were dynamic. I was impressed. The only thing I had over the rest of the people sitting around that the-- who were listening is I would hear that almost every day as a school principal over the past 30-some years. There are so many dynamic kids that could perform better than I on the floor. They have that ability. And those students that were presented the program to us were outstanding. But I'm telling you, I could find that throughout my career. So that wasn't an exception, that's what I would expect. In fact, another thing that I'm impressed with is when homeschool kids come and talk to me. I'm impressed how well they present themselves, unbelievable. So to me, it's not necessarily all because of a good school. It's because of their environment. It has an awful lot to do with it. The other thing I want to talk about is the free and reduced lunch that we had talked about,



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that's a qualification. And I'm looking at what Senator Friesen handed out last year of all the districts in the state of Nebraska, the amount of free and reduced lunches provided. It's amazing. Take a look at your district. Every district is hurting. Most of the districts are almost one-third who get free and reduced lunch. A few of them do not. And to be honest with you, if you live in the Bellevue area, you're fortunate because you only run around 25 percent-- or Gretna area. But the other areas, it goes up. Some of these are scary. Take a look at that. We need to think about that when we do other legislation. And I want to thank Friesen because you did make me a little bit smarter last year and to let you know, I did keep it. Also, the question was-- and I had this yesterday, but I could not get on the mike about the CUES, the schools that presented the program. A little-- their pamphlet is fantastic. Good things happen, cannot be critical of them. There are three schools involved: Sacred Heart Elementary, 157, class size, 16; All Saints Elementary, 164, class size, 14; Holy Name Elementary, 369, class size, 16. I daresay any public school, if you have class sizes like that, you should be performing as well as these schools are. Class size does matter to a certain extent. Research will show you that there is a level that it sort of falls off. But this-- these are ideal levels and we may have some schools out there in the public schools, some classes that have these class sizes. In some of the smaller communities, that would be. So I would demand more things from those schools. Fewer people is easier to handle. In fact, to be honest with you, you could put all of these schools together. Well, I mean, basically, in some of my schools, a school-- this school would represent one grade level.

**FOLEY:** One minute.

**PAHLS:** Thank you. So I, I will not talk any more about that. But now here's the next thing I need to talk about. This is too small, the thing we're talking about, \$5 million, \$10 million. I read from the chamber, they're complimenting Mike Flood on his, his project that he's doing for this ARPA fund. They're commenting John Arch-- complimenting John Arch for his-- well, how he's coming up with, Kolterman and Wishart. They, they-- because they have big ideas and then I find out that Senator Wayne and McKinney have a great idea for north Omaha. That's what you have to do. You cannot be a school, it's got to be the area. North Omaha needs us help. You're not going to make much or many changes, maybe a handful of kids, unless you change the environment they live in. So I would suggest-- I don't know what this is going to look like, but I suggest--

**FOLEY:** That's time.

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**PAHLS:** --we ought to think about putting money there--

**FOLEY:** That's time, Senator. Thank you, Senator Pahls.

**PAHLS:** Thank you.

**FOLEY:** Senator Groene, you're recognized.

**GROENE:** Thank you, Mr. President. Let me back this up a little bit. I didn't testify yesterday. I just listened to the debate. It seemed to me that both sides avoid the huge elephant in the room: classroom behavior and the ability of a teacher to show the confidence to their students that the teacher is the adult in charge in the room. That happens in private schools. It happens in private schools. It's not classroom size. It's the teaching of behavior, personal responsibility. It's not done in the public schools. And you tell me it is? Consistently since 2017, I or someone has brought a bill to help the teachers, the school boards, and the administrators with this issue. Historically, groups that support the Republic-- the Democratic Party-- I like Senator Wayne's clip he sent out. But because of personal hate, whatever you want, personal wins over another politician, we denied it to these kids since 2017. Where would we be today if teachers were confident in their classroom, that they could control their classrooms? That parents who had trouble with their children could rely on a teacher and a school to teach their kids personal responsibility? Quite frankly, when I hear from parents, that is the reason they want out. Sat with a mother the other day with four kids, three of them were in grade school. All three of the children from six to nine comes home and complains that Johnny or Joe or Susie destroys the classroom and interrupts their learning. But yet we have individuals in this body will not support teachers. They want a bill this year again. Have you seen the new survey? One-third of the teachers want to quit. Those who retire want out of the classroom so bad they refuse to do substitute teaching. But you refuse to address it. We have refused to address the issue that 40-plus other states have done and they have better test scores. I handed out-- Senator John Cavanaugh, appreciate any time you get information. He gave some information on District of Columbia or whatever, some kind of a study on comparing schools, private versus public. Well, I sent you one that's Nebraska, Nebraska showing the ACT score different between public and private schools. Same mix of ethnic breakdown. All ethnic breakdowns, if you look, did a lot better in the private school. Are the teachers better? I don't think so. Are the teachers motivated? Yeah. They control their classroom, have complete control of their classroom. But because of personal animosities and childish behavior,

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we didn't get it passed. Maybe this year, maybe it'll come back and I gave-- I ribbed Senator Wayne. I said maybe has epiphany in Africa because he, he ran the, the filibuster the first year, never allowed it to even be opened. That was more to do with-- but two guys, two big dudes bucking heads than the issue itself, but we, we're friends now. We've worked on some major things because we think alike. We're for the working man. We're for the parents, the family. That's our issue. Maybe this year, he'll introduce it, this bill, if I talk nice to him and support \$423 million for north Omaha, but anyway--

**FOLEY:** One minute.

**GROENE:** --we all need to have an epiphany and decide we're-- this issue is about kids. It's not about a tax credit. It's not about jealousy, that you're worried about some rich guy's going to-- or woman's going to get a tax break. That is not the purpose of this bill. I hope some atheist, greedy individual who thinks he's going to take his money with him to the grave looks at this and gives money to this, this issue. He hates kids. He just wants to keep his money in his pocket in the coffin when he goes to the hereafter. I hope some do that because it's about the kids. Every bill I brought on, on, on discipline training was about the kids, was about the kids. Because when you get-- you only do 20 percent, Nebraska public schools, on the ACT college-readiness--

**FOLEY:** That's time.

**GROENE:** --benchmarks-- time, you said?

**FOLEY:** That's time, Senator. Thank you, Senator Groene. Senator Clements.

**CLEMENTS:** Thank you, Mr. President. I want to rise to make a clarification on something I said yesterday. Yesterday, I did say that I took my children out of a public school and went to a private school and I used the term for a better education. Well, some of the people that heard that, that are from the Elmwood-Murdock district took exception to that and I just wanted to clarify that I was really looking for a faith-based education, which what I meant by a better education. That-- the school that they went to had a-- one period per day of Bible study and public schools are no longer able to do that since the 1962 Supreme Court decision, which I regret. But my district, which is Elmwood-Murdock, has excelled in academic performance and it still does. And, and I've got grandsons there now and they've received state and national awards in my district and I

just thank them for their hard work. They've worked hard to do well and they're-- they've taught my grandkids well. I wanted to switch over then to the issue of the money, the \$5 million of tax credits and how it compares to what the public schools are receiving. The state is-- state aid is \$1 billion a year to public schools and property taxes to public schools are about \$2 billion a year, and that's \$3 billion a year, plus some other aid that they get. And compared to \$5 million, \$3 billion is quite a bit and I don't think the \$5 million is going to have an effect on the state's ability to continue to support the public schools. And with that, I'd like to yield the rest of my time to Senator Wayne.

**FOLEY:** Thank you, Senator Clements. Senator Wayne, 2:50.

**WAYNE:** Thank you. Thank you, Mr. President. Thank you, Senator Clements. I'll be quick. I just-- I'm drafting a bill, Senator Hunt, that I hope you will cosponsor that if any public school discriminates, they cannot get TEEOSA funding and we'll have the prima facie case be the achievement gap and the suspension rates. Then the burden is on the schools to prove that they're not discriminating. We're all in and that should come out of committee 8-0. So I'm expecting the Chair to give me an early hearing because if discrimination is that big of a deal in our public-- or in our school systems, then we should not fund any school if they discriminate with public funds, including public schools. I'm all on board with that. That bill is being drafted today and I hope to have it done by tomorrow. Second thing, we are in a civil rights crisis. This is a civil rights issue. I want you to think back to the 1960s. Where would you have been on this issue? And you can say it's not the same. Actually, it is. The achievement gap has produced the following: underemployment, low employment, and a disproportional minority in-- minorities in the prison system. That is discrimination. That is a civil rights issue. And what I keep hearing is about this is a wealthy tax credits. That's actually false. Let me tell you about a tax credit and why it actually helps middle-income families in this situation. The standard deduction for next year is \$25,900. Over 90 percent of the people in America just take the standard deduction. In order to go higher than the standard deduction, you have to itemize. That means people have to donate more than \$25,000 in order to itemize to get any type of tax benefit. What this tax credit does, it's above the line deduction, so it gives you the ability to actually maneuver your taxes because it's a credit--

**FOLEY:** One minute.

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**WAYNE:** --above the line, before the deduction. So it actually helps middle-income families who right now can't get any other tax breaks because they're just going to take the deduction to actually play in the market where actually rich people get the play. So it's, it's not even true. That's what I mean by having real facts when we're talking about this. Going back to the civil rights issue, if you believe high-quality education is a fundamental right, if you believe that, then making excuses based off of who's going to make money based off of moral, morality is what I heard yesterday, it's immoral, those were the exact same excuses that were being done in 1960s. I'm telling you and I'm, I'm begging my colleagues who I think are friends and allies, you're on the wrong side of the issue. People want access. We had a special committee on Saint Francis because of their outcomes. We wanted to terminate their contract and provide a different service provider.

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

**WAYNE:** Thank you, Mr. President.

**FOLEY:** Thank you, Senator Wayne. Senator Geist.

**GEIST:** Yes. Thank you, Mr. President, and I actually 100 percent agree with Senator Wayne. And I've even said so to my colleagues in the past that I also believe this is a civil rights issue. Good education is what allows people to pull themselves up into the American dream and become better than what they start-- how they started. And I agree that good opportunity, good schools, public, private, parochial, all around, that's what every community deserves and what every citizen of our state deserves. And this is one way to start giving that opportunity to everyone. And I will yield the rest of my time to Senator Groene. He had some additional explanation he wanted to do on his handout.

**FOLEY:** Thank you, Senator Geist. Senator Groene, 4:00.

**GROENE:** Thank you. If you look at that, my handout, Nebraska public schools, a 20 percent rate on the ACT college-readiness benchmarks, percent of student meeting all four. Do you really support the way we run public schools today? Is it a religion that we march and we don't examine what's going on? Senator Hunt said we need to put more money in rent assistance, we need to put more money into early-- free meals, we need to put more money into, into workforce housing. Come on. You teach a person how to fish and they will fish. I read that somewhere. You give them a fish and they'll be back the next day for a fish. I

would rather help them get a 47 percent like the Omaha [INAUDIBLE], 45 percent. That they have the ability, their future is not hit a brick wall when they get out of high school. They're done. When you get a 20 percent, you're done. You're working in menial labor. If you were taught personal responsibility, that you get up in the morning, you show up for class, you care about your neighbor-- Senator Hunt, Christlike? All religions, major religions look at Christ-- those of us who are Christian-- as a God. All of them look at him as a prophet except the pagans. They all respect his teachings in any form. So to teach to be Christlike is not something I am ashamed to say or to seek or to ask children to seek. Read about him. He was a pretty good guy, well-spoken, educated. Anyway, I asked the school administrator of a private school, what's the difference when you discipline? Here's what he said. Generally speaking, nonpublic schools provide a higher degree of structure, rigor, and discipline. This is also why in the first year a public school kid comes to our schools, he struggles, he bucks or struggles with being held to a higher standard. That, Senator John Cavanaugh, might explain your first-year test scores, that they don't improve. They're learning how to be humans, how to be good citizens that first year. They're in boot camp. Whether it's uniforms, dress codes, or teachers' expectations, our schools do not experience the level or types of disruptions as public schools. Furthermore, since parents have skin in the game, there is a stronger motivation for kids not to ruin what is a privilege to them. They're taught that what they are-- what they have is a privilege. Education in the United States of America is a privilege. It's not an expectation. It's a privilege.

**FOLEY:** One minute.

**GROENE:** Basically, our schools are open to anybody, but may not be for everybody. That's OK. That's the point of school choice. Find your fit. Our schools have various approaches: demerit systems, Boys Town disciplinary models, etcetera. It is shaped locally and by and for the community it serves. Public schools can't do that, teacher can't do that. They're afraid to get fired, sued. Examine yourself. Are you for the children or are you for the system, the public school establishment? Who do you represent in this body? I represent the parents and the children. Thank you.

**FOLEY:** Thank you, Senator Groene. Senator Hunt.

**HUNT:** Thank you, Mr. Lieutenant Governor. I've got no problem with being Christlike. It was Christ who said that it was easier for a wealthy man to pass through an eye of a needle than to get into heaven. And if Jesus Christ is who he says he is from the writings in

the Bible, then I think he and I would have gotten along really well. We got to be realistic about this. The idea that this tax credit is going to be accessed by middle-income Nebraskans and that this is going to give them an opportunity to, to play in the same space as wealthy people isn't realistic. It's not realistic. The whole tax credit, the whole \$5 million cap of the tax credit, is going to be gone by noon on January 1 every year because there's wealthy corporations and people that pay other wealthy people to do their taxes for them and all of the value of that credit is going to get eaten up on day one. So there's not going to be any middle-income people going, oh, look, honey, if we donate \$10,000 to this school in our neighborhood, we'll get \$10,000 back on our taxes. There is no middle-income person that thinks that way. That's not where the investment is going to be made. And furthermore, unless they're paying someone a lot of money to understand the tax code or unless they're, like, paying super close attention to the Legislature for some reason, which certainly people do, but I don't think the majority of people are going to understand the intricacies of LB364 if it passes, they're not going to be there with their finger on the button at 8 a.m. on January 1 to get that tax credit. There are much more sustainable and reasonable ways to help middle-income people make investments, plan for their future, save tax money than rewarding wealthy Nebraskans by giving them a dollar-for-dollar tax credit because they made a donation to an organization that discriminates. And yes, I will sign on to any bill that says we're not going to discriminate. If we say it can't happen in private schools, that sounds great. Most-- or public schools, I'm sorry. Most public schools already have a nondiscrimination clause. A lot of private schools do too. In my district, Brownell Talbot is the only private school that I could find in Nebraska that explicitly said they don't discriminate against people based on their gender identity or sexual orientation, just one. And I'm open to being corrected. I mean, if there are more, I've been looking, but I haven't been able to find any of them. There's nothing wrong with private schools having their own policies. There's nothing wrong with wanting to send your children to a school that affirms your religious beliefs. That's not what LB364 is about and that's not what the basis of my opposition is about. My opposition is saying you cannot incentivize the giving to these discriminatory organizations with a dollar-for-dollar tax credit. You can't say to somebody if you give \$10,000 to go into this pot that's going to be given right back to the school that says gay kids are going to hell and they need conversion therapy, you don't get to ask the taxpayers for all that money back. Nebraskans, all of you are going to pay for this. I don't want to pay for that. Another policy at Lincoln Christian School says

all students enrolled or who hope to be enrolled at Lincoln Christian School are expected to refrain from certain activities and behaviors, including, but not limited to homosexual or transgender activity--

**FOLEY:** One minute.

**HUNT:** --profession of homosexuality or bisexuality, sexting. And it says a decision to enroll or not enroll or expel any student will be done after a discussion with a student's parents, local church, and the Lincoln Christian School superintendent. Do you know how oppressive this is? Send your kids there by all means, go right ahead, but don't be turning down to the taxpayers and saying, give me my money back for the donation I made to this organization that's doing this. Ridiculous. There are 69, 420 thousand bills that have been introduced to help people who are suffering, to help people who are marginalized, as Christ would have taught us to do. This bill is about donations and this is going to be my last time talking on this round of the mike because I would like to get to a vote on AM1051 and then pick it up after that. Thank you, Mr. Lieutenant Governor.

**FOLEY:** Thank you, Senator Hunt. Senator McDonnell.

**McDONNELL:** Thank you, Mr. President. Morning, colleagues. As I was talking about yesterday, this isn't a anti-public school bill. This is not an anti-public school bill. You can be supportive of what public schools do and be supportive of this bill. We're talking about the positive impact public schools have and some of the numbers I used-- and I'm just going to use Omaha Public Schools-- is that they're graduating approximately 80 percent, a little bit less, but that, that worked for those kids, that worked. Now again, what happened with the, the other roughly approximate 20 percent that do not graduate? It wasn't the right fit, evidently. Then we started talking about yesterday the idea of kids being suspended. I'm not saying they should not have been suspended, but then that leads into a number of things later and that, that a child is expelled. The question is what happens to those kids that have been expelled? We know we have an issue with roughly 20 percent, using OPS numbers, that do not graduate. And then we can look at the numbers, we can hand them out, but there is that group that's been expelled. How are we going to help them? Because at that point, they have no choice. They cannot go back and attend that public school. Could they move? Sure. Do their parents have the means to do that? A lot of cases, no. It comes back to that constituent that contacted me and, and gave the example about that public school worked very well for one of the children. It's not working for another one of their children and they need options, but they don't have that dollar.



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So right now we're saying based on you having the opportunity, the means, the wealth, you can go ahead and, and move your child to a possible better fit. But this isn't saying that the public schools are not doing their job. It just doesn't work for everyone. It's not going to be a perfect situation. So what do we do with those kids that have been expelled? Now we talk about the funding. Oh, this funding is coming from, from people that are, are wealthy and they're going to give X and it, it's going to help them on, on their taxes. Well, if we talk about funding-- and I don't-- I wouldn't be supportive of LB364 if it took a dime from any kind of public education. If it took a dime, I would be opposed to LB364, if it took one dime from public schools. It does not. It does not. But if there's an issue based on the funding that-- based on people that would make that donation, well, then let's talk about the General Fund. Let's talk about the General Fund and not about this-- the funding source because if we agree that the kids need help, that there are certain kids that are going to need to go to another school and their parents don't have that opportunity because financially they, they can't afford it, then let's look at another funding source. I know every one of us wants to make sure that we're, we're doing everything we can for, for kids to get the best possible education, for them to get the best possible education, therefore have that-- a best opportunity to be the best version of themselves. But we know-- there's statistics-- if we don't get those kids the education and get them through high school, the odds of them being successful go drastically down. And the idea of us dealing with some of those kids eventually when they're adults in the, in the judicial system is extremely high. We have to do something. We've had this discussion. And again, I give Senator Linehan credit for continuing to work on this. But if there's a compromise--

**FOLEY:** One minute.

**McDONNELL:** --if it's not the path that Senator Linehan is looking at through this, through LB364, then let's, let's amend it. Let's amend it based on the idea. And if we just want to talk about kids that have been expelled and their parents don't have that opportunity to send them somewhere else because they're definitely not going back to that public school, then let's deal with those kids to begin with. Let's try to help that group of kids. Thank you, Mr. President.

**FOLEY:** Thank you, Senator McDonnell. Senator DeBoer.

**DeBOER:** Thank you, Mr. President. Good morning, colleagues. When I read this bill, there are three entities that are affected by this bill: there's the donors, there's our state General Funds, and there's

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the scholarship-granting entities. The word parents comes up, I think, when they're talking about qualification for scholarships later, but the three main entities involved in this bill are the donors, our state General Funds, and the scholarship-granting entities. Senator Hunt said that on noon on January 1 or whatever the trigger date is for this bill, that the scholarship will be gone. I disagree with Senator Hunt. 12 a.m. and one second, depending on internet connection speeds, this whole entire credit will be gone. Why? Because if anyone has any sense that has a lot of money, they hire a good financial planner. If a financial planner has any sense, they know that this scholarship tax credit is 100 percent one-for-one tax credit and they can get it for their client. Hopefully, they have a fast internet. They push send on the button as soon as it's possible. So by noon, I think it's well gone. There are no limits to the amount of money that you can get in this credit, except the \$5 million limit for the whole program, which means at least theoretically, someone who had a tax liability of \$10 million could get the entire amount. They get the \$5 million amount. Senator McDonnell said maybe we should change things. I-- why don't we have a \$5,000 cap, a \$3,000 cap? If we want to make sure that this is going to middle-class people, why is there not a \$5,000 or \$3,000 cap on this? I suspect the answer is because it costs a lot more money to raise the funds for these scholarship-granting entities \$3,000 or \$5,000 at a time. It's a lot cheaper for them, a lot easier to just go after one or two big donors. Maybe that's not the reason, but there is no cap. I don't see this as ever going to anyone who doesn't have a ton of money, so the whole in-- the whole thing could go to one individual. Now, somebody asked me or said something about this is an education bill, but I mean, I think it's a revenue bill, right? The three entities are the scholarship-granting entity, our state General Funds, and the donors. So that's my first clue that it's a revenue bill about taxes and not about education. My second clue is that it came from the Revenue Committee, not the Education Committee. My third clue is that these scholarship-granting entities are not certified by the Department of Education. They're certified by the Department of Revenue. So the question about whether or not this is an appropriate department of-- or scholarship-granting entity is whether they meet the tax side of things or why would we have the Department of Revenue as the certifying force and not the Department of Education? The scholarship-granting entity determines which schools students can go to. The scholarship-granting--

**FOLEY:** One minute.

**DeBOER:** --entity decides which schools get scholarships from their entity. They can give one scholarship to one child for one school and

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then 555 scholarships to another school. And they'll meet the minimum requirements, which I appreciate that are in here, but are easy to get around, which is that they must give to at least two different schools. Maybe that's been changed and I'm sure I'll get corrected if that's true. I want to know if there's an administrative cost to these entities. I think that's probably taken care of in the bill, but I've kind of forgotten. I'd also like to point out that I'm not sure if these monies are new monies that are being geneted-- generated for these scholarship tax entities or whether these people would give the money anyway and are now just getting a tax credit. I just don't know that answer. I don't know how we would measure that. Bring in 12 Anglican bishops and ask the donors--

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

**DeBOER:** --do you certify you wouldn't give money any--

**FOLEY:** That's time.

**DeBOER:** --otherwise? Thank you, Mr.--

**FOLEY:** Thank you, Senator DeBoer. Senator Pansing Brooks.

**PANSING BROOKS:** Thank you. Thank you, Mr. Lieutenant Governor. Well, I again, appreciate and admire Senator Linehan. She's been determined on this. I, I basically have three lines in the sand on this. That seems like a lot, I suppose, but, but number one is that the private entities, the private schools, no matter who they are or which one they are, do not have the same state-approved standards of education. For me, that's a line in the sand. We have standards across the board for all of our public schools in how they have to teach, but that's not required of the private schools. My second line in the sand is why, why are we giving 100 percent, but we aren't allowing that 100 percent donation to also go to the public schools? We don't give 100 percent tax credit in anything and this is 100 percent dollar for dollar. That's a line in the sand for me. I don't understand that, why that entity versus others? And number three, the other line in the sand and probably the most heartfelt one as a mother is the discrimination that has not only allowed, but it is mission driven within the statements of the-- of many of the schools. So just like-- I, I totally agree with the, with the sides with whom I'm disagreeing. I agree that they are not making this an anti-public school bill, totally agree to that. I don't think that's-- that's not the discussion, but it's getting couched in the discussion. But on the same saw-- on this-- in the same vein, this is also not an,

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anti-religion bill. And I resent the fact that people are making it as if, oh, if we go against this, we're not supporting religion. I am a strong-- I have a strong faith. It happens to be a strong Christian faith. But for me, the starting point is exactly what Senator Wayne has described. He, he has described and, and offered that he'll bring a TEEOSA bill that says no schools can, can discriminate. I'll sign that. I'll be, I'll be a cosponsor on that one. Let me tell you right now, if we think any of the public schools right now are discriminating and knowingly do so, they're subject to lawsuits. I'll, I'll sign anything on that. But I am not convinced that kids of color in this-- in these situations, in these private schools are going to be treated any more equally than my son or those who are LGBTQ. I'm not convinced at all. Senator Hunt described that discrimination exists, read it straight out of the mission statements of, of a couple of the schools. The state is not wealthy enough to pay 100 percent for every choice that a parent may have. I am totally about parent choice. I'm, I'm 100 percent behind it and I think that, that parents should go to the schools and pitch their claim and say, we need support from the private schools to get us in here, we're having troubles, but they also need to talk to the public schools. If the public schools aren't acting appropriately, I had a daughter who was discriminated against and, and bullied-- excuse me, not discriminated against, she was bullied. And at that point, I went into the principal and said this is inappropriate. What can we do? What will you do? But this is not about religion.

**FOLEY:** One minute.

**PANSING BROOKS:** I think that if there were Muslim schools that we were talking about, I think many of you would feel differently about this. Again, you're not making it about religion, we're not making it about religion. So right now, Senator-- do you still want time? OK. Senator Pahls would like a little time. Sorry, thank you.

**FOLEY:** Thank you, Senator Pansing Brooks. Senator Pahls, 40 seconds.

**PAHLS:** OK, thank you, President, and thank you, Senator. I just want to react to a handout that Senator Groene gave to all of us talking about ACT test scores, and it showed really some of the public schools should be doing or could be doing better. One thing about it, I can tell so of you haven't been in school for a while because every 11th grader has to take an ACT test. Not every kid wants to take a test. You're automatically up against a wall in a public school because a lot of these are going to say I don't care about this. I've been there. I know that.

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**FOLEY:** That's time.

**PAHLS:** I'm, I'm assuming--

**FOLEY:** That's time.

**PAHLS:** OK.

**FOLEY:** Thank you, Senator. Senator Slama.

**SLAMA:** Thank you, Mr. President. I rise opposed to Senator Hunt's AM1051 and remain in support of AM762 and LB364. And with that, I would like to yield my time to Senator Linehan if she would so choose.

**FOLEY:** Thank you, Senator Slama. Senator Linehan, 4:40.

**LINEHAN:** I just want to remind all my colleagues that if you have a question about the bill, I'm right here, been here all morning. So if you have questions about the donors or you want to bring an amendment that somehow changes the bill and then you could vote for it, I'm, I'm here. And next what I want to go to, there's been a talk about how we don't support tax credits. So my staff's been trying to sort through the last four or five years of tax credits that we have approved here in the Legislature. So we can go back to 2016, the Nebraska Job Creation and Main Street Revitalization Act, voting in the affirmative, 37: Baker, Bolz, Brasch, Campbell, Cook, Craighead, Crawford, Davis, Fox, Garrett, Gloor, Haar, Hadley, Hansen, Burke Harr, Hilkemann, Howard, Johnson, Kolowski, Kolterman, Krist, Larson, Lindstrom, McCoy, Mello, Morfeld, Murante, Pansing Brooks, Scheer-- I never knew how to say these names, I'm going to skip that one-- Schumacher, Smith, Stinner, Sullivan, Watermeier, Williams. 2016, LB884, voting for the Convention Center Facility Financing Assistance and the Affordable Housing Tax Credit. I'll just read the names of people that are still here: Friesen, Hilkemann, Kolterman, Lindstrom, McCollister, Morfeld, Pansing Brooks, Stinner, Williams. School Readiness Tax Credit Act, 2016-- again, just people that are still here, I'm sorry, and I might miss somebody-- Hansen-- I assume that's Matt Hansen because there wasn't a Ben Hansen then-- Hilkemann, Hughes, Kolterman, Lindstrom, McCollister, Morfeld, Pansing Brooks, Stinner, Williams. New Markets Jobs Growth Investment Act-- this was actually my bill, I think-- this was last year, 45 votes for this tax credit: Aguilar, Albrecht, Arch, Blood-- I'll just say who didn't vote for it-- Senator Groene and Senator Machaela Cavanaugh and excused and not voting with Hughes and Morfeld. Everybody else in the body voted for that tax credit, everybody. Renewable Chemical Production Tax

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Credit Act, 2020, again, I'll just say those who didn't vote for it: Chambers, Erdman, Halloran, Hunt voted no; present and not voting, Cavanaugh and Wayne; excused and not voting, Briese and Groene. They're down there looking for more, but I don't think-- I should have just ask this: is there a tax credit that we brought to the floor that didn't pass? I don't think so. So somehow this tax credit is-- and, and these other tax credits, by the way, mine is-- this bill, LB364, is the tightest tax credit we've passed. On the other tax credits, you can deduct it from your--

**FOLEY:** One minute.

**LINEHAN:** --federal income tax and your state income tax and still get the credit. Not on this one. So it's the tightest credit that's been represented, brought to the floor and yet we have people that all of a sudden are against tax credits. I don't get it. So thank you very much.

**FOLEY:** Thank you, Senator Linehan. Senator Wayne.

**WAYNE:** Thank, thank you, Mr. President. Colleagues, I'm not going to speak any more on this. If you guys want to ask me questions, that's fine. It's a civil rights issue. It's pretty simple to me. If you believe in education as a fundamental right for my community, you should be supporting this bill. And with that, I will yield the rest of my time to Senator McKinney.

**FOLEY:** Senator McKinney, 4:30.

**McKINNEY:** Thank you, Senator Wayne, and thank you, Mr. Lieutenant Governor. So I've been quiet on this topic the whole time. Just I honestly wanted to come in and listen to debate. And last year, I was 50/50 on this issue, honestly, and I voted no, but I was 50/50 on it. And I've just been thinking, like, even before this weekend, just, just thinking honestly. And one question I asked myself-- because I went to North High, so I'm going to use a hypothetical-- what do I say to a parent that calls my office and says, Senator McKinney, I'm looking to get my kid out of OPS because my kid keeps getting suspended, he doesn't feel safe when he walks home from school, and I'm afraid he's going to die or end up in prison. And my response is, I don't know what-- how do you answer that question? And that's what we're, we're talking about here. And then we have the disproportionate sentences-- I mean, the disproportionate suspension rates in, in OPS, which is greatly high. And then we have a conversation that's yet to come up yet, but it's been going on, you know, behind the scenes about

the prisons and prison reforms. There's a lot of people willing to justify, justify voting for a prison, but are saying we shouldn't even provide an opportunity to a kid that might end up in that prison and that just doesn't sit well with me. And that's just being honest. I would rather provide a kid an education then to lend support to a prison that's going to house that kid because we have continuously failed kids in north Omaha since my-- well, my whole life, honestly. And, you know, my, my time here, people have been willing to move forward very questionable bills just to, you know, see the process go forward. I honestly don't believe in charter schools. I don't think they're the solution. I don't even know if public schools are a solution because when I think about the kids that I represent, they're doing the worst, honestly. My community lock-- lacks a lot of opportunity and they-- and we need alternatives. And I don't know, it's hard. You know, a lot of people were in uproar over the interim because I introduced the an LR looking at the oversaturation of nonprofits in my community. And I spoke to a wealthy donor, I'm not going to say who this person is, but I asked her, why is it OK for you to keep pushing these social programs and we still getting the same results because it's a tax write-off, but you're unwilling to assist with any real economic development in this community? And she looked at me and really couldn't answer the question. That's what's on the table here. It's we, we have failed these kids and I don't know how to answer that question to the parent without saying we have to try to provide an opportunity. How do we answer that question?

**FOLEY:** One minute.

**McKINNEY:** And how do you sit and say I could justify maybe voting for a prison or another questionable bill, but possibly providing an opportunity to avoid that kid being on the news for a violent crime or being killed is-- that's, that's what doesn't sit right with me. We, we-- that's, that's the biggest thing for me because it means a lot to me and I'm willing to see this go forward. And that might surprise some people and people might kill me on social media, but I don't know how you justify supporting a prison or, or not doing reforms or not giving money to north Omaha, but not trying to give a kid an opportunity that might end up in prison or, or death. Thank you.

**FOLEY:** Thank you, Senator McKinney. Senator Machaela Cavanaugh-- excuse me, we're going to pause the debate just for a moment to get some items read into the record then we'll get to you, Senator Cavanaugh. Mr. Clerk.

**ASSISTANT CLERK:** Thank you, Mr. President. New bills: LB979, introduced by Senator McCollister, is a bill for an act relating to revenue and taxation; amends several sections; adopts the Remanufacturing Pilot Project Act; provides tax credits as prescribed; provides a termination date; changes Nebraska Litter Reduction and Recycling Act and the Waste Reduction and Recycling Incentive Act as prescribed; harmonizes provisions; repeals the original section. LB980 by Senator McKinney is a bill for an act relating to criminal justice; provides [SIC] several sections; provide for release for medical treatment; change provisions relating to medical parole; provides for parole eligibility for, for persons serving sentences of-- for life; provides duties for the Board of Parole; provides for applicability; harmonizes provisions; and repeals the original section. LB981, introduced by Senator Hilkemann, is a bill for an act relating to Trail Development Assistance Act; amends Section 37-1001, 37-1003; revive the act; states intent relating to fund transfers for trails; provides for the use of Trail Development Assistance Fund; and repeals the original section. LB982, introduced by Senator Hilkemann, is a bill for an act relating to revenue and taxation; amends Section 77-2716; adopts the Education Savings Account Act; provides income tax adjustments; provides an operative date; and repeals the original section. LB983, introduced by Senator Moser, is a bill for an act relating to political subdivisions; amends Section 13-1111, 13-1121; redefines a term; changes review, notice, hearing, designation provisions relating to industrial areas; repeals the original section. LB984, introduced by Senator Moser, is a bill for an act relating to revenue and taxation; amends Section 77-2703 and 77-2708; changes sales and tax [SIC] collection fees; provides an operative date; and repeals the original section. LB985, introduced by Senator Kolterman. It's a bill for an act relating to the ImagiNE Nebraska Act; amends Section 77-6805; redefines base year as prescribed; repeals the original section. LB986, introduced by Senator Briese, is a bill for an act, act relating to revenue and taxation; amends Section 77-1633 [SIC] and 77-1633; adopts the School District Property Tax Limitation Act; harmonizes provisions; provides an operative date; and repeals the original section. LB987, introduced by Senator Briese, is a bill for an act relating to tax-- revenue and taxation; amends Sections 13-506, 77-1632, and 77-1633; adopts the School District Property Tax Limitation Act; changes provisions relating hearings on proposed budget statements; harmonizes provisions; provides an operative date; and repeals the original section. LB988, introduced by Senator Stinner, is a bill for an act relating to appropriations; appropriates funds to the Department of Health Human Services; requires a rate study; and declares an emergency. LB989, introduced by Senator



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Stinner, is a bill for an act relating to appropriations; appropriates funds to the Department of Health and Human Services; states intent regarding the Medicaid nursing facility, facility rates; and declares an emergency. Additionally, Mr. President, items, if I may.

**FOLEY:** Please proceed.

**ASSISTANT CLERK:** Mr. President, Senator Brandt would move to suspend the rules. Additionally, he would-- Senator Brandt would move to withdraw LB757. Senator Blood would move to withdraw L-- LR262. Amendments to be printed: Senator Wayne to LB364. A motion to suspend the rules from Senator Kolterman and notice committee hearings from the Judiciary Committee. That's all I have at this time, Mr. President.

**FOLEY:** Thank you, Mr. Clerk. Continuing debate on the bill. Senator Machaela Cavanaugh.

**M. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. Good morning, colleagues. So I would really like to get to a vote on Senator Hunt's amendment because my opposition to LB364 is layered. And if-- as Senator Linehan has said numerous times to everyone that she wants to move this forward and she wants people to come to her with solutions, and this is one thing that would alleviate one of my concerns. And so I just want to be transparent about that. I really would like us to get to a vote on this amendment because depending on if this amendment was adopted or not would change a lot of things for me personally. I also appreciate Senator Linehan talking about all of the tax incentive bills that have been-- come through here because I voted for none of them. So I am very consistent on that, that I do not like tax incentives. Some of the iss-- structural issues for this tax incentive that I've been thinking about as this morning debate has gone on is that we don't have a cap amount. I know we have a percentage of, of your amount, but if we had a capped amount, then we could be making certain that more people are able to utilize this tax incentive. We have capped amounts for other tax incentives and so that seems like something that would make sense. I do appreciate the taking out the double-dipping on federal and state taxes because that's another thing that I don't like about tax incentives. If we are going to be doing dollar-for-dollar tax credits and this is a civil rights issue and we need to be serving the people that are in most need, how is it decided that this is what they need the most? No matter what we do today, children have access to education in Nebraska. But if we wanted to do a dollar-for-dollar tax credit, why aren't we doing it for energy assistance, for food, for housing, for transportation? Why is this the

thing that deserves the dollar-for-dollar tax credit? Why is this the silver bullet when it is going to help-- yes, and it is important. It is significantly important that children need help with education and if there are children that can benefit from going to a different school, fantastic, but this is a finite number of children and it is not a large number. But if we were to invest the same amount of money into, say, LIHEAP, every child in both Senator McKinney and Senator Wayne's districts would have access to heat free of charge. We know that children learn best when they have food in their tummies, when they have clothes on their back, and a roof over their head. This doesn't provide any of this. This provides a different education. I would love for everyone to have every option for every type of education possible for-- to suit their needs, but not if we aren't first fully funding public education. And public education, you can tell me about all of its ills, all of its faults, and I can come right back at you with those same ills and those same faults for private education.

**FOLEY:** One minute.

**M. CAVANAUGH:** The only difference is with private education, the government oversight is less and you can discriminate. So that's where I am on this. I hope we will vote on this amendment soon. Thank you.

**FOLEY:** Thank you, Senator Machaela Cavanaugh. Senator Morfeld.

**MORFELD:** Thank you, Mr. President. Colleagues, I rise in support of Senator Hunt's amendment and opposed to the bill and the committee amendment. I want to address just a few different things, particularly some of the thoughts that Senator Groene brought up about teachers getting out of the profession. When I talk to teachers and I, I talk to a lot of teachers fairly often or they get in touch with me, they tell me that they're getting out of the profession because of pay, low pay as compared to other professions. They're getting out of the profession because of COVID and some of the challenges that that provides, particularly having to oftentimes teach with dual, dual modalities. Long hours, going back to pay in many cases as well, and then sometimes a lack of support for increasingly complex issues that children and their families are facing. So I talk to a lot of teachers. A lot of teachers get in touch with me. I'm proud to have strong connections with them and, and, and listen and talk to them and support them. Those are the reasons why teachers are getting out of the profession. Lack of competitive pay, challenges with COVID, long hours, going back to compet-- lack of competitive pay in many cases, and just tough work-life balance, quite frankly. Many of them have

families as well. And then again, lack of support from increasingly complex issues that students are facing. These increasingly complex issues that students are facing are often a result of a failure, oftentimes by this body and our federal body-- elected bodies, to provide the right types of resources for families to be supported, to be able to have living wages, and to be able to have the types of resources in terms of affordable healthcare and access to other types of supports. This is a systemic problem and it doesn't just rest on the public schools, but all too often public schools are blamed for all of these problems. These are underlying, systemic problems that myself and many other senators have brought bills to address, whether it be affordable healthcare, whether it be access to mental health supports, whatever the case may be, that many of the proponents of this bill, not all, but many have opposed. And yes, I have supported tax credits in the past, but that doesn't mean that I'm going to support this tax credit because they're not all created equal. Private schools also get to choose who they serve and who they do not serve. So when we're looking at private school performance as compared to public school performance, you're oftentimes comparing apples to oranges. Because there's many parents that will go to a private school and say, hey, my kid has special needs, I-- they need this type of support. And it's not because the private school doesn't want to support them, it's oftentimes they don't have the resources or the ability to be able to properly support that child, nor are they required to like a public school. So private schools get to pick and choose who they serve and who they don't serve and who they have resources for and who they don't have resources for. Senator Hunt's bill addresses part of that, but there's another part of it where I know there are some private schools that would like to serve high-needs students, but they simply don't have the ability to do that. That's why we have a public school system so that every child who has needs can be served in some way. Also, colleagues, sure, is there a possibility that a middle-income family might be able to take advantage of these tax credits? Yeah, sure, I guess, but the incentives aren't the same because I believe in the bill, unless the language has changed since I last looked at it, it says that the money that's donated can't be earmarked to any specific student. So a middle-income family that doesn't have a ton--

**HILGERS:** One minute.

**MORFELD:** --of resources, maybe more than most, they aren't going to go, hey, listen, I could give \$5,000 to the private school to send my kid there or I could just randomly give \$5,000 for it to go somewhere. That doesn't make any sense. And in terms of Senator Groene's

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discussion about private school parents have more skin in the game because they're paying, you know, that's kind of nonsense. There's plenty of public school parents out there, the vast majority of them, that feel just as invested in their kid's education as the person who's able to afford or chooses to pay for their kids' education. And by the way, they're also paying for it. They're paying for it through their tax dollars. So public school parents have the same skin in the game, that's nonsense. It's also important to note that the requirements for private schools are not the same as public schools. There are tons of federal and state requirements for public schools that are not in place for private schools.

**HILGERS:** That's time, Senator.

**MORFELD:** So if you start giving-- thank you.

**HILGERS:** Thank you, Senator Morfeld. Senator Pahls, you're recognized.

**PAHLS:** Thank you, Mr. Speaker. I am not going to let Senator Wayne get away with not promoting his idea. The way we're going to change north Omaha is not by sending a few individuals to a different school. We've got to make massive changes. So Senator Wayne, I am challenging you to get that thing through and hold us accountable. If we're so concerned about children, we ought to be concerned about the community. This just gives you example, where some of you may not have to deal with, on the city council, the public schools would lease police from us, from the city of Omaha, to patrol their schools, resource officers. Every public school, in high school, had a police officer. And I looked at it and it, it was not cheap because we paid everything for them, the, the public schools. Then I looked at the Catholic schools. They have none. So I had my staff called and said, well, why don't you have it? And because it makes you wonder little bit what's going on here, are these kids-- or seeing the same sort of type of kid? Well, they didn't have the money to spend for it. So that does tell you a little bit. That if the public schools need police officers in the high schools and the middle schools, they're dealing with something that's not what I call-- most of us, when we went to school, we didn't have to deal with. But you guys are setting me up for what I think we need to be doing. We need to be looking at the schools that need improvement. There are 116 across the state of Nebraska, 116; 38 of them happen to be in Omaha, the rest throughout the state of Nebraska. We know that they need improvement because we test them by the state, by something we set up a number of years ago, A QuESTT. We know where they are on the, the surveys, parent participant-- participation-- excuse me on that ability to spell that or spread that word all

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around-- reading, math, all those things, we have it. It's already here. We have identified the schools. Now I'm-- right now, I'm hold, I am holding in my hands one of the schools that went through this process. Remember the 116. They can only do three a year because of the money. I'm proposing that we supply money and group the schools in clusters. I've already talked to the Department of Education about it. They don't have the personnel. We need to have somebody who would be over several communities who would understand, they would look at the data, make sure that we follow the procedures to correct the issues. You would be surprised-- if you have somebody over double-checking the information that's already provided, evaluating it, I would dare say that we would see improvement over those 116 schools. As I said, 38 of them in the city are in the Omaha Public Schools. A lot of them are spread throughout the state. I will not read them, but most of you take a look at it, you'll find you probably have two or three maybe in your district. Think about it. We hire some people to take over the cluster, examine all those schools, hold them accountable. It would only be for a year or two because then the schools would understand what they need to do, report back to the state.

**HILGERS:** One minute.

**PAHLS:** Ever-- thank you-- everything is there. We have the information. The schools have had to send that in, but it's like a lot of things, it sits on the file because they can only look at three schools a year. We call them priority schools. That's all the person can handle. We could do more if we're willing to spend to have a person work with the ESU and those schools. We could do much more than helping a few children go to another school system. To me, it's quite simple. Number one, Wayne's got to get his act together and get that going in north Omaha and the rest of us need to support it because we know where the issues are, we know about poverty. Although we have a lot of poverty throughout the, the state, if you, if you would go back and read Senator Friesen's information--

**HILGERS:** That's time, Senator.

**PAHLS:** --he gave out to us last year. Thank you.

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

**J. CAVANAUGH:** Thank you, Mr. Speaker. Well, colleagues, I guess I've been remiss in not mentioning my previous times the mike that I rise in support of AM1051. Obviously, I join Senator Hunt and others in

believing that we shouldn't discriminate in our institutions, especially in institutions that are receiving public funds. I've been talking about kind of the-- a data perspective. Senator Pahls was doing a very nice job of talking about it just now as well. And Senator Groene did circulate that showing the ACT scores and I think Senator Pahls addressed the fact that there's mandatory testing. There's also, I think, some other programs that affect those outcomes. And that was kind of what I was thinking about as I was reading this and yesterday afternoon, the close, Senator Linehan directed me to some further studies about how these programs have worked in, particularly in Florida. And so I spent the night and part of this morning looking for and looking at studies about programs in Florida and there's a study about saving taxpayer dollars, which Senator Linehan addressed, saying that there's-- money is saved through programs like this of taxpayer dollars by diverting kids out of public schools into private schools. And there was one study about competition. And so there was no direct study about performance or outcomes for the kids that, that I have found, I should say, I'm sure there's a study out there that I just haven't found, but about performance and outcomes for the kids who accept, adopt, participate in the scholarship program. One of the reasons I came across was-- for that is that the schools that are accepting this money have refused to participate in the I think it's called FACT [SIC] Florida standardized test program, and it's an acronym for something. I have it here in my pile of studies, but the-- and there was a talk about how to incentivize them and encourage them to further participate in that testing so they can get a better idea of how those kids are performing. So the, the studies I've seen that I looked at was about, you know, taking data about schools that kids have left and how that is in proportion to the amount of option schools near them and what their performance is. And there was a-- at one point, I saw I want to say .04-- or no, I'm sorry, 0.4 percent increase in performance at those schools. And that, of course, made me think one of these other studies that I read that I read yesterday about the District of Columbia, where they said that the, the performance in math was down about a similar proportion, the 0.4 percent, and they described it as not statistically significant deviation. And so to say that a program is for promoting success, using one number and using the exact same number, different people, mind you, but describing the same deviation is not statistically significant. My point is I've been reading a lot of these studies, I'm looking at a lot of these studies to try and figure out whether programs like this actually do return a result in improved outcomes for, for kids, which is our objective. I think I've stated and shared objective is improving outcomes for kids. There are

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a lot of other questions about the mechanism of how we would achieve those outcomes and how we would implement it. One such change to how we should implement a program would be Senator Hunt's AM1051. Any program should, of course, have an antidiscrimination component of it. But if we are really serious about finding out about, about getting better outcomes, we should include a testing component. We should include some data collection component where we are holding the schools that accept this money to a standard to report to us so that we can say whether this is--

**HILGERS:** One minute.

**J. CAVANAUGH:** --\$5 million well spent on improvements in educational outcomes or if it's-- and it should be expanded, which I know there was originally a higher number and there was always talk about increasing it. The metric by which we decide whether to expand the program should be success, not necessarily interest, which I think is what the original part was. But I think that I support AM1051 and the antidiscrimination component. I think that if we're serious about improved outcomes, we would add a testing component as well. And the problem with the Florida data, where it's hard to determine whether there's a positive outcome for these kids, is because they're not collecting data. The other studies, I'll get back on later and talk-- continue talking about, have actual state requirements where they measure and have a sort of objective metric by which to measure the data and I'll talk about that later. I'm sure I'm out of time. Thank you, Mr. Speaker.

**FOLEY:** Thank you, Senator Cavanaugh. Senator Groene.

**GROENE:** Thank you, Mr. President. Little give and take in debate here. Ninety-nine percent of all the students in the private schools take the ACT test, of 99 percent take it in the public schools. Taxpayers pay for the test in the public schools. The private school pays for their test. No, excuse me, the taxpayer pays for the tests in the public schools. Private school pays for their own test. Highly disabled special education children are exempt from taking the test. So you're not averaging in some folks with a zero result in the public schools. The tests are accurate. It's a good measure to compare. I was talking to one of the lobby for the private schools and, and cathedral has 13 percent special education children, that's statewide average St. John's, the associated K-8 school, has 12. That's about the state average across the state. They do take special education children. Now, I-- one of the most odd and, and-- quotes I keep hearing about is we have to take, we have to take special education children, they do

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not. Well, let me tell you, there is no "we" in public schools. It is a government entity. Like it or not, it is a government entity and the citizens of the state of Nebraska and United States want to offer and pay for it through tax dollars special education programs. They are not being nice, the public schools. Those government employees, when they hire on, have to offer that and set up programs. It's what they do. Now, those taxpayers in a private school with a special-needs child can and do receive special education help. And they were cooperative with the public school and it's a good, good working agreement where it saves the taxpayers money. It saves the public school because certain amount of the special education children are now in the private school and a lot of their services are provided by the private school. They, the public school, offers the special-needs specialist, great arrangement. Now you say-- the establishment and public schools says we help them, we help them. You are an employee of a government entity. It is what we demand you to do. It's what we tell you to do, the people of Nebraska and the people of the United States. You did no good works. You did not, out of your kindness, help those children. That is your job. There is no "we" in public education, it's us. Those public schools belong to everybody and the taxpayer. What they teach, what they-- services they have to provide are told them, like all government entities, by the people. They are not benevolent. They just do what they're told to do and they better. But don't pat yourself on the back. It is a service we, we demand from public education, the people. As I said, this is for the kids. This is more opportunity for children. Government don't own kids. They're not your children, public school establishment. You don't own them. It is a service offered by the people of Nebraska to parents--

**FOLEY:** One minute.

**GROENE:** --to provide what our constitution says: all children shall have free access to instruction in our common schools. If a parent decides to do that, government employees, that's none of your business. If they decide not to send that-- take advantage of that constitutional right, it's none of your business. Just provide the service that the people of Nebraska demand. That's all we ask. This is not us against them. This is children. This is freedom-loving Americans who want a choice, take advantage of what the government offers or have help from the government to have freedom. How can you possibly be against that? Thank you.

**FOLEY:** Thank you, Senator Groene. Senator McCollister.



**McCOLLISTER:** Thank you, Mr. President. Good morning, colleagues. Senator Clements got up and talked about freedom of religion in a way, that he preferred an idea that we would have prayer in public schools. And I thought back to my forebears that came from Scotland to get away from the king's religion and I would not like any public school offering a prayer, no matter what. Doesn't belong in the public schools. In fact, we've been having this argument about religion in the United States for almost 400 years. The law of 1624 mandated support and worship of the Anglican Church in Virginia. And that was the first idea and many of the colonies had that same provision. However, in 1750, evangelical Christians precipitated a struggle for freedom of religion in Virginia. The group included all-- included Baptists, Presbyterians, and Methodists, and that was in Virginia in 1750. And of course, Jefferson had some thoughts on freedom of religion as well and he drafted a provision and it-- which was accepted by the Virginia General Assembly in 1786, which was explained by an attempt to provide religious freedom to the Jew, the Gentile, Mohamadan, the Hindu, and the infidel of every denomination. So we can see that was a first attempt by Jefferson to provide freedom of religion. And then, of course, the First Amendment of the Constitution says that everyone in the United States has the right to practice his or her own religion or no religion at all. The establishment clause of the First Amendment prohibits from encouraging or promoting religion in any way. So as you can see, this has been a 400-year battle and I think we should reject any effort to put prayer in public schools. It just does not belong there. Thank you, Mr. President.

**FOLEY:** Thank you, Senator McCollister. Senator Friesen.

**FRIESEN:** Thank you, Mr. President. So when I hear everybody talking about an opportunity to get an education, whether it's go to private school or public school, I'm going to go back to schools in my district versus the larger schools like LPS or OPS. So Lincoln Public School here, I think offers I think like 168 different courses they can choose from. I don't know how many languages they teach. They've got swimming pools. They've got, you know, artificial turf on their football fields. They've got sports complexes and sports that most rural schools would only dream of having. And then we get out into the rural areas where you get 0.6 percent of your needs met by the state and we offer what we'd call a basic education. We all have football, basketball, a complement of women's sports also because of Title IV, I think it is. And then now the-- some of the bigger schools are getting AstroTurf put in too, but again, a lot of the smaller schools I'm talking about where we do have extreme poverty in these small towns because their housing is getting deteriorated, there's not much

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happening in some of them anymore and that's where you kind of concentrate poverty because rental is cheap. And those schools are supposed to provide a basic education and, and I think they provide a good education overall. There may be cases where they're not the best, but they're doing the best they can with the resources they have. And so when you look at the disparity across the, the state, again, the state has basically no obligation to those kids in rural areas and yet we fund OPS, LPS with more money generally than they collect in property taxes. So when we are saying that, you know, we care about all the kids-- and I, I like the private schools. I think I have one in my district, but you take somebody that lives in Harvard or Giltner, you can offer them a scholarship, but they can't get the 35 miles to get to a private school. So it's a challenge and they would like choices. I've had kids even that wanted to choice into a public school like Aurora, which is-- offers more opportunity. I'm not going to see-- even say it's a better education, but it just offers more opportunities and they're-- basically can't afford to do that. So I mean, we have challenges across the state and I think private schools offer something that public schools never will be able to offer. But if we don't address, I think, some of Senator Wayne's concerns about public schools in Omaha, I think we're also failing a lot of kids that are going to those poorer schools that are not getting the help they need. I remember Senator Chambers-- and this was before I came to the Legislature-- he proposed breaking up OPS into schools the size of, I think, probably Milford. Each school is going to be on their own. And his thought was if the parents there don't get a good education for their kids, it was on them. They couldn't blame it on some school board. It was their problem and they were there to demand that their kids get a good education. So maybe you can get school districts that are too large and need to be broken up. Maybe that's what the Legislature needs to look at and if your school is failing, you'll know exactly who to hold accountable.

**FOLEY:** One minute.

**FRIESEN:** We'll know exactly where to go when we attend the school board meeting and talk about their failures. Let's make sure they get funded properly. But maybe that's, maybe that's what we need to look at, start downsizing some schools that are too large, too much administration, too much bureaucracy, they've forgotten about their kids. Maybe that will be the solution for north Omaha. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Friesen. I see no other members in the queue. Senator Hunt, you're recognized to close on AM1051.

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**HUNT:** Who-- oh, yep. Thank you, Mr. Lieutenant Governor. Colleagues, I urge your support of AM1051 because if we're going to be incentivizing donors to give money to scholarship-granting organizations and then we're going to ask the taxpayers to re-- to reimburse those donors dollar for dollar for those funds, then we need to make sure that those taxpayer dollars aren't going to organizations that are going to discriminate. Discrimination can happen anywhere. In public schools, it's not legal, but in private schools, it's not only legal, it happens all the time and it's literally written into their code of conduct. At Lincoln Lutheran School, their policy says Lincoln Lutheran School supports a biblical standard of sexual conduct, as stated in the Sixth Commandment in LCMS's doctrines and teachings. Students are expected to use restrooms, locker rooms, changing areas, etcetera, that conform to his or her biological sex. At Parkview School, it includes a parent's code that parents have to agree to in order for their kid to go there, which says I will pray regularly for the teachers and administration of Parkview Christian School. I will pay all my financial obligations toward the school in full and promptly. I will read the student/parent handbook and help my student to understand its content and expectations. I will help my student to abide by its guidelines with a willing heart and respectfulness toward others. I will refrain from gossip and complaining and will seek to resolve any conflicts according to biblical guidelines. I will boast in the Lord by telling others about how God is using Parkview Christian School in my student's life. And the code also details major and minor infractions that includes inappropriate and homosexual activity. Pius requires any student involved in a pregnancy to support the teachings of the church in matters related to sexual activity, speak of your pregnancy only when appropriate-- so if you go and get knocked up, you better not talk about it-- speak to teachers about pregnancy in private, never during class time, adhere to all school and class regulations, unless your doctor indicates in writing that such an activity would be unsafe for your unborn child. Most of these websites say they do not discriminate based on race or national origin, but in my review looking at all of these, there was only one school that said they didn't discriminate based on gender identity or sexual orientation and that was Brownell Talbot School in Omaha. We know that discrimination happens when tax credit scholarships and vouchers are passed based on experiences from all over the country. There are all kinds of news stories that I could read talking about legalized discrimination all over the country that's being supported by tax dollars. And what would I say-- to, to comment about what Senator McKinney said, what would I say to a parent from my district who reached out to my office and said, we aren't having luck in our

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neighborhood school, we need to find other options, can you help me? Yes, we can help them. We've always been able to help them. The passage of LB364 does not mean that a student's ability to have a good school experience is going to hinge on the passage of LB364. Private donors can already donate to schools. They can already get a tax deduction from it. There is no reasonable universe where schools are going to say, oh good, now we're getting, you know, this extra \$5 million in donations from wealthy private donors--

**FOLEY:** One minute.

**HUNT:** --that, to Senator DeBoer's point, are all coming in at 12:01 a.m. on January 1, by the way, which I think is right. So now we can finally serve all these expelled children from OPS. None of these religious schools are lining up to do that now and passing LB364 isn't going to make them do that either. Giving a dollar-for-dollar tax credit paid for by taxpayers to wealthy people who are donating to schools that discriminate does not help disadvantaged kids. There's a bazillion ways that we can do that and there are many bills introduced to address exactly that. LB364 doesn't do anything to solve that problem. If it's going to pass, it better pass with a nondiscrimination clause and that's what AM1051--

**FOLEY:** That's time.

**HUNT:** --does. I encourage your green vote. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Hunt. Members, you've heard the debate on AM1051.

**HUNT:** Call of the house.

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

**ASSISTANT CLERK:** 19 ayes, 4 nays to place the house under call.

**FOLEY:** We are under call. Members, please return to the Chamber and check in. The house is under call. All members, please return to the Chamber and check in. The house is under call. Senators Kolterman, Stinner, Williams, Hilke, Groene, Brewer, please return and check in. All unexcused members are now present. The question before the body is the adoption of AM1050-- the question before the body is the adoption of AM1051. A roll call vote has been requested in regular order. Mr. Clerk.

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**ASSISTANT CLERK:** Senator Aguilar, voting no. Senator Albrecht, voting no. Senator Arch, voting no. Senator Blood, voting yes. Senator Bostar. Senator Bostelman. Senator Brandt, not voting. Senator Brewer, voting no. Senator Briese, voting no. Senator John Cavanaugh, voting yes. Senator Machaela Cavanaugh, voting yes. Senator Clements, voting no. Senator Day. Senator DeBoer, voting yes. Senator Dorn, voting no. Senator Erdman, voting no. Senator Flood. Senator Friesen, not voting. Senator Geist, voting no. Senator Gragert, voting no. Senator Groene, voting no. Senator Halloran, voting no. Senator Ben Hansen, voting no. Senator Matt Hansen, voting yes. Senator Hilgers, voting no. Senator Hilkemann, voting no. Senator Hughes, voting no. Senator Hunt, voting yes. Senator Kolterman, voting no. Senator Lathrop, voting yes. Senator Lindstrom, voting no. Senator Linehan, voting no. Senator Lowe, voting no. Senator McCollister, voting yes. Senator McDonnell, voting yes. Senator McKinney, voting yes. Senator Morfeld, voting yes. Senator Moser, voting no. Senator Murman, voting no. Senator Pahls, voting yes. Senator Pansing Brooks, voting yes. Senator Sanders, voting no. Senator Slama, voting no. Senator Stinner, voting no. Senator Vargas, voting yes. Senator Walz, voting yes. Senator Wayne, voting yes. Senator Williams, voting no. Senator Wishart, voting yes. Vote is 17 ayes, 26 nays, Mr. President.

**FOLEY:** AM1051 is not adopted. I raise the call. New bills and other items for the record, please.

**ASSISTANT CLERK:** New bills, Mr. President. Senator Ben Hansen, LB990, is a bill for an act relating to Nebraska Criminal Code; amends Section 28-101; creates the offense of stolen valor; provides a penalty; and harmonizes provisions; repeals the original section. LB991, introduced by Senator Morfeld, is a bill for an act relating to appropriation; appropriates funds to the Department of Transportation; declares an emergency. LB992, introduced by Senator Morfeld, is a bill for an act relating to appropriations; appropriates funds to the Public Employee-- Employees Retirement Board. That's all I have this time, Mr. President.

**FOLEY:** Thank you, Mr. Clerk. Returning to debate on LB364 and the pending Revenue Committee amendment. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, Senator Morfeld would move to amend the committee amendments with AM762 [SIC, AM1145].

**FOLEY:** Senator Morfeld, you're recognized to open on your amendment.

**MORFELD:** Thank you, Mr. President. Colleagues, this amendment is fairly simple. What it will do is require that all these private schools that would be receiving these types of funds or benefits would have to comply with the same budgetary requirements that all public schools have to comply with. So I mean, essentially what this is, is saying that there has to be public hearings on their budget. There needs to be the same types of requirements that all public schools have to go through, primarily just because they're receiving what I believe is a public benefit. So if they want to receive public benefits like this, then they should have to comply with the same types of provisions that public schools have to comply with and the same types of transparency. And an amendment that we just voted down, which would make it so that these schools that receive a public benefit, these schools that receive a public benefit under this bill are still allowed to just freely discriminate and I think that that should be concerning. I think it should also be considering that if we're providing a public benefit in terms of dollars, that these schools do not have to have the same types of transparency that all public schools have to have. I want to know where these dollars are going. I want to know how it's being spent. I want to know how much teachers are being paid. I want to know how much administrators are being paid. I want to understand where the money is going. Because colleagues, it's \$5 million now, but if there's anything that I've seen in the Legislature is that generally, unless there's huge budget cuts-- and even when there are budget cuts, there's some popular programs where, quite frankly, the pool of money only expands year after year. So it could be \$5 million now, but it could be \$25 million later, it could be \$50 million. And if that's the case, I want there to be transparency. I want there to be transparency about where these dollars are going so that myself as a taxpayer, after I'm term limited, I know that people that are getting benefits, very direct, dollar-for-dollar benefits for giving money to these institutions, where that money is going. I don't think that's too much to ask. And particularly given that these institutions, in some cases, not all cases, not all private schools discriminate, but some of these schools have very specific provisions that Senator Hunt read off that are very clear that they intend to discriminate and they will discriminate. I remember when I introduced, I think it was LB586, it was either my first or second year in the Legislature, a teacher who is an award-winning speech teacher at a private, I believe, Catholic school in Omaha was fired because he wanted to marry his partner, the person whom he loved and who he had kept secret because of fear of that types of re-- that type of retaliation. And that's just the story that we know about. I also know, because I was reached out to by many people

when I brought the LGBT nondiscrimination bill, I also know that there are a lot of other people who didn't want to go public with their story because they had been fired for who they are or who they love by a private institution that we are now going to be sending money to. And make no mistake, this is money that would otherwise likely not be sent to these institutions had we not provided a public benefit to the people giving the money. And if it's money that would have gone to them anyway, then what's the point of this legislation to begin with then? So, colleagues, if we're going to be providing this type of benefit, this type of incentive, then these institutions should have to play by the same rules and have the same level of transparency as any other institution that receives this type of public benefit. I remember there are incentive programs where we have required increased reporting requirements even from private corporations, I think rightfully so, to be able to measure the impact, the efficacy, and whether or not the program is actually providing the benefit that we intended as a Legislature and that the people have come to expect in terms of accountability from us. This is no different. I urge you to support AM1145. I'd be happy to answer any questions. Thank you.

**FOLEY:** Thank you, Senator Morfeld. Returning to the speaking queue, Senator Matt Hansen.

**M. HANSEN:** Thank you, Mr. President. First and foremost, let me just say how disappointed I am in the body for voting down Senator Hunt's amendment. For those watching at home, for those in the body who might not have been paying full attention, remind you what Senator Hunt's amendment did, inserted the line to limit the schools to ones that, "does not discriminate on the basis of race, color, religion, national origin, ancestry, citizenship status, gender, sexual orientation, gender identity, disability or special education status." That's what we just voted down. We're saying we don't want to provide these minimum civil rights protections to students attending these schools that are getting these state tax credits through this workaround. We're going to be contributing \$5 million of state's money through tax credits to schools and we don't care if they discriminate on any of those metrics. That is the standard we are setting here and one of the many reasons I am so worried about this bill and about this concept. I've had several people on the microphone, off the microphone, wherever, just say it's \$5 million. What's the harm in \$5 million? It's so small. It's \$5 million. Colleagues, the harm in \$5 million is not the \$5 million. The harm is starting a program. And the reason that starting this program is a harm is in the midst of this, which is ostensibly about giving students a chance, we're going to bail students out and give them a chance so that they might succeed better.

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We have speeches talking about how excessive Lincoln Public Schools' facilities are. How am I as a Lincoln senator supposed to say, oh yeah, this is totally has nothing to do with my school district. This is totally not the first step to slashing public funding, state funding to Lincoln Public Schools and spreading it around elsewhere. When those speeches are happening in the midst of this debate-- colleague, all of these school bills, anything about school funding, anything about property taxes, they're all related. We all know that. It's not like a shocker for any of us. We all know that. We all know all these pieces go together. We cannot talk about funding education in the state without talking about all the other ways we fund education in the state. It's the reason that TEEOSA bills and property tax bills, while they go to two different committees, are essentially the same topic most of the time. And so if we are talking about how school districts like Lincoln have more elsewhere, I'm more than willing to dump more and more money of state dollars into school funding for elsewhere. I have dipped my toe in the water of supporting foundation aid. I have done a lot of things, but the problem is over and over again, every time we talk about a school funding bill, save maybe this one, there's always an express provision that somehow cuts Lincoln Public Schools' budget, cuts Lincoln Public Schools' levy, cuts some sort of authority they have, puts some limits, put some caps. Colleagues, in my mind, my school district for my students provides the minimum we are-- we want in the state. I am more than happy to help other school districts get to that level. I am willing to support more money going to more school districts. I'm willing to do a lot of these things, but they're always a catch and there's always a condition. And the line I keep saying over and over and over again is if you want help fixing your school districts, I'm willing to be there. You have to just hold my school districts harmless. You just have to not make it harder for Lincoln Public Schools to provide the services they provide. And again, I know this bill is not directly at any public schools' budget. I know that.

**FOLEY:** One minute.

**M. HANSEN:** Thank you, Mr. President. I know that. But even in the midst of this debate, we have all these critiques of public schools and what they spend their money on and how they treat their students and, and on and on and on and on and on. And so I know that this debate is not isolated to just this issue. We have and I know we're going to have to defend against many attempts to threaten the, the, the, the, the quality of schools I have in my community this session and in my mind, this bill is the first of them and I know it won't be



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the last. And that is why I'm willing to hold the line so hard on all of it. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Hansen. Senator Machaela Cavanaugh.

**M. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. I share my dismay with Senator Matt Hansen over the failure of Senator Hunt's amendment to pass. It is unfortunately not at all surprising that it would get so few votes in this body. This is actually one of the issues that I had with a tax incentive bill that Senator Linehan brought up earlier, which was the LB1107 from 2020, is that this body refused to put similar language for companies that would receive tax incentives. And I just find that galling as a taxpayer, as a citizen of the state, as a person who has experienced discrimination [MICROPHONE MALFUNCTION], as a person who has had loved ones experience discrimination based on who they love. It's not OK with me and that vote shows me that you all aren't serious about compromises, you aren't serious about racial equity, you aren't serious about gender equity, and that this really is just about money for rich people. That's what that vote spoke to me. And I think that that's what that vote spoke to a lot of people in this state, that you're not going to represent them when you're making laws and when you're spending their tax dollars. You're not going to make sure that they are protected in how those tax dollars are used. You are OK with children being victimized by a school system because their parents chose to send them there, their parents made a choice to send them to a private institution. And just like at a public institution, there will be discrimination, there will be bullying, and there will be hate and children will get hurt. And the message this body sent to them is that you don't care, that that is OK. And the message I would like to send to the children of Nebraska is that you are loved no matter who you are and no matter who you love and no matter what you look like. You are loved. Even if you don't feel it from this body today, there are people in this body that love you and you matter. Mr. Lieutenant Governor, how much time do I have left?

**FOLEY:** 1:30.

**M. CAVANAUGH:** Thank you. So I assume we're going to be breaking for lunch around noon. And now that you all don't have to filibuster an amendment that shows your hate, the hate you have in your heart for children of God, you're all going to get out of the queue. So you're going to be hearing from those of us that oppose this bill a lot more this afternoon. And it'll go the eight hours that it's required to go and there will be a cloture vote and then we'll see where we stand as always. But over lunch, I am going to do some deep reflection on how

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can some of us move the hearts and minds of other senators to accept love in your heart for people who are different than you, who have different life experiences than you, that you could never possibly understand? I am going to work diligently to put love in your heart for those people and for you to represent them. Everyone deserves to be represented fully and everyone should feel like their state legislature cares about them and certainly isn't willing to spend dollars that could hurt them without any repercussions. Thank you, Mr. Lieutenant Governor.

**FOLEY:** Thank you, Senator Cavanaugh. Senator Pansing Brooks.

**PANSING BROOKS:** Thank you, thank you, Mr. Lieutenant Governor. I'm just rising in just shock and just complete disbelief about that previous vote. And I've gone around and asked some of the people I know in here who voted against this amendment of Senator Hunt's why they did it. And they're some of my favorite people and most of them did not know exactly what it encompassed. I'm not going to ask people on the mike because I don't want to do that. But this amendment of Senator Hunt's that we just had inserted does not discriminate on the basis of race. I'd like to see how many-- this didn't affect Senator Linehan's bill. Senator Linehan, in fact, said to us, if you have an amendment or something that could help you live with the bill, then let me know. Well, Senator Hunt put that amendment in, "does not discriminate on the basis of race, color, religion, national origin, ancestry, citizenship status, gender, sexual orientation, gender identity, disability, or special education status." Now, I, I can presume which part of this people didn't like and which part-- when everybody's yelling about, oh, let the parents have the power. This is about kids. Well, if this is about kids, then it's about all kids. If this is about parents, it's about all parents, the parents of LGBTQ, the parents of kids of color. There was not an attempt or discussion to say, oh, well, we don't like this one part of this amendment. No one said a thing about that and yet we've just voted against protections on race, color, religion. Religion. Now, who is the group that is making this about religion? And you don't want to protect it? All of the discussion that, that, oh, the, the religious schools aren't being protected, here is an amendment that specifically protected religion, but no, 26 people voted against it, 26 people voted against it. Ancestry, disability, special education, there are some of you who have a child is disabled in this body. Some have other issues in education, dyslexia, learning disabilities, all of that out the window. Those kids-- and people wonder why in the world it is that we are not in support of this and you cannot agree that there should be no discrimination against our children or the parents like me of an

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LB-- LGBTQ child. No, this isn't just about some parents, some children, the chosen few. It's clear to me that I would not be allowed or that my child would not be given those quote unquote special privileges from 100 percent tax credit, 100 percent. But to heck with me and my family, to heck with the kids that may have a disability because you've all said that doesn't matter, not all of you, 26 of you said that.

**FOLEY:** One minute.

**PANSING BROOKS:** That breaks my heart. That makes me feel like people here did not understand what they were voting on. And if they did, they would have cared more to discuss this issue about discrimination and racism and hatred against others. I don't believe that vote. I don't believe that's who we are. And when the number one issue is workforce development and getting 18- to 36-year-olds to come to the state and be here, what did this last vote just say about Nebraska, about all of us? I'm disappointed, I'm saddened, my heart is broken about this. We will revisit it. Thank you so much, Mr.--

**HILGERS:** Thank you, Senator Pansing Brooks. Senator Hunt, you're recognized.

**HUNT:** Thank you, Mr. Speaker. Senator Pansing Brooks, Senator Matt Hansen, and Senator Machaela Cavanaugh, thanks for saying that. If there's two things I expect in this Chamber, it's one, that people are not going to help gay people as much as possible in and honestly, the least Christlike way possible. And two, that they're not going to read amendments or bills and 2(a), as a subpoint, that they're not going to listen on the floor either. You can read the amendment. It was one little paragraph and it's language that you've read time and time and time again, sometimes from me, sometimes from others, sometimes that language is already in a bill. We frequently see amendments on this floor to add nondiscrimination clauses to things. In fact, the very first action that I took as a state senator and I was so nervous about it, I was so anxious about it-- I was in this same chair in 2019 and Senator Albrecht had a bill to-- I'm going to get this, like, 70 percent right, but it was to give funding to arts organizations. And I come from a district with lots of arts organizations and they were all super supportive of this bill and I said I wasn't going to support it unless it included a nondiscrimination clause that this taxpayer money cannot be granted to organizations that discriminate, whether that's based on race or religion or sexual orientation or gender or whatever. So this is not language that we're not used to in this body and it's not a debate that we're not used to. In fact, we could completely

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bypass this debate if you guys would be thoughtful and just put those clauses in your bills anyway. It's 2022. Gay marriage has been legalized for, like, six years or something, but we're still having this fight in Nebraska on bills all the time. People saying that this bill is about parental rights, spouting all these, you know, maxims and morality about the rights of parents, people can send their children to private schools if they want, period. You can homeschool if you want, period. Scholarships already exist. Financial aid already exists. Grant programs already exist to support alternative education that doesn't discriminate. Fundamental family rights in Nebraska are already well established and already well respected. We're all on board with that already, so that's not what this is about. This bill is about giving funds to private schools that discriminate. I like the point that Senator Matt Hansen made about what isn't the problem. The \$5 million isn't the problem. Christian schools isn't the problem. Private schools isn't the problem. The problem is it's about donations, it's not about students. It's about wealthy people who pay, you know, financial advisers to maximize their tax return as much as possible, which of course they do. All of the \$5 million tax credit is going to get scooped up on the first day of the year, the first minute of the day. And as Senator DeBoer said, we're-- we don't even know that this is new monies. We don't even have any reason to believe--

**HILGERS:** One minute.

**HUNT:** --that these people wouldn't have donated anyway. I know there's many people in this body who not only contribute to their churches and to places of worship, but to religious schools. We didn't have to pass LB364 for you to decide to do that. We, we can't lose sight of what this is really about. It's not about students, it's not about discrimination, it's not about who's underserved, it's not about the amount of the money, it's about we're putting into statute a way for people to turn around to taxpayers and say, give me all my donation money back, taxpayers, including LGBTQ taxpayers like me. And then we're going to take your tax money and give it to an organization that tells you that, you know, you shouldn't exist, basically. How on earth does that make sense? Just adopt the amendment that I put up there and, and we'll be over it.

**HILGERS:** That's time, Senator.

**HUNT:** Thank you, Mr. Speaker.

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**HILGERS:** Thank you, Senator Hunt, Senator Morfeld, you're recognized. I don't see Senator Morfeld on-- oh. Senator Morfeld waives the opportunity. Senator John Cavanaugh, you're recognized.

**J. CAVANAUGH:** Thank you, Mr. Speaker. Well, let's see, got a lot to say, I guess. First, thank you to Senator Morfeld for bringing this amendment. I hadn't read it before he introduced it and then I looked at it and I saw it. I, I have been spending a lot of time talking about the necessity for transparency and accountability in this sort of situation and so I appreciate this amendment. I would be supporting AM1145. I think it is important when you're going to be taking this money that you should be held to some kind of accountability standards. I also would join in my colleagues who expressed their disappointment about the vote on Senator Hunt's amendment. The-- so I've been talking a lot about the thing-- studies I've been reading and the one, there's this study about the Florida and I talked about how they were trying to get them to adopt the testing standard and trying to incentivize the schools participating to adopt testing standards so they can get a better idea of how their kids are performing in relation to other kids who stay in the public schools. And the takeaway from that, in this context, is that it's essentially voluntary to participate and that the schools can still choose whether to take the money and to participate and to be held to these other standards. So if we had adopted Senator Hunt's amendment, schools could have opted out of that kind of oversight, those requirements, and continue to operate as they do today without taking that scholarship and, and still operated exactly as they are today. So it would not be a mandate from us on anybody, it would only be a requirement of participation in the program. Same with Senator Morfeld's amendment here, is that we're asking that if you participate, that you'd be held to account for how you're spending that money so that we can have an idea of how well this program is, is performing. The same thing I've been talking about the entire time, about the necessity to get some sort of objective standard by which we measure success. I think we need to make sure that when we are saying that our goal is to improve the lot in life for people, we should have some idea of what that looks like and what we're going towards and, and then, and then ability to determine whether we actually achieved it so that we can continue to expand that or modify it in, in some appropriate way. So I was talking about the study in D.C. earlier and Louisiana and I-- one of the things about those that differs from other places and particular studies about places like Florida is that they have kind of a, a program that I'm not-- clearly not advocating for here. I'm just talking about as an example-- of a lottery where--

wherein some people apply, they get the, the scholarship, and they go to these other schools. And that allowed them to have a comparison of people who are self-selecting to move and how they perform if they were opting out of a school, but, but ended up staying there because they didn't get into the program. And basically, what these studies found is that there was a decrease in performance for some of those kids, for the kids when they, when they got the scholarship and took it and moved-- and particularly in Louisiana, kids who got the scholarship, some of them were awarded the scholarship and didn't take it and stayed and those kids performed generally better. And the kids who took the scholarship performed worse and then similar in D.C. And Senator Groene brought up a point that I think was a very good point and they actually talk about in the study, which is that some kids in the first year perform less well because they are--

**HILGERS:** One minute.

**J. CAVANAUGH:** --have what they call it a switching, a-- basically a result of switching. But they go through in this report discussing that as an explanation for the decrease in results. And they say that the explanation did not hold up. In part, more than half of the students not offered a voucher also switched schools. So kids who switched within the school-- public school system still performed better than kids who switched to the private voucher schools. So they're basically saying that it was not an explanation for the increase in perform-- or the decrease in performance relative to the kids who stayed behind. So my point is-- Senator Linehan and I have talked about this-- that data can be confusing and it's a mess and we need to-- you really need to dig in and I have told her I am committed to continuing to dig in to find out where this leads me. But the point is you have to have the data first to ask those questions and to be able to answer those questions. So Senator Morfeld's amendment is a step in that direction of making sure we have the information we need to measure this. And further, I think we need to go further than this, but that is a good step in that direction. I think that Senator--

**HILGERS:** That's time, Senator.

**J. CAVANAUGH:** Oh, thank you.

**HILGERS:** Thank you, Senator Cavanaugh. Senator Matt Hansen, you're recognized.

**M. HANSEN:** Thank you, Mr. President, and good morning again, colleagues. So as we talk about this issue-- and I'm going to keep

reframing it kind of in the context of the larger school funding debate we have in the state because fundamentally, that's where we're getting at is-- I would agree this bill isn't necessarily about any sort of religion specifically, any sort of religious school specifically, any sort of even category of private school. This bill really seems to be about some struggles and some frustrations we have with the public school system and I daresay the public school system largely in Omaha and the Omaha metro area. It's probably no coincidence that a lot of the strongest voices on this bill, both for and against, are from Douglas County, are from Omaha. And that's something we have struggled with in a body over the course of my whole tenure. I remember coming in and the learning community and the common levy was the hot Omaha school district area issue that we struggled with in those early years, which now seems so long ago, in my eighth year, and it's something we are going to be perpetually working on. And the difficulty of that, of course, is that there are multiple school districts with-- inside the Omaha school district area that have multiple different sets of means, resources, outcomes, and there are a whole host of different reasons why we have that. And I am by no means no expert, but, you know, it's the combination of factors of the city of Omaha has pretty aggressive annexation powers compared to really any city nationwide in terms of aggress-- you know, annexing places like Millard and Elkhorn and it doesn't merge the school districts. You have the legacy of Westside and why that was created, even created to have a different school district for obviously lots of problematic reasons in, in retrospect. And we have all of these issues in Omaha that we are perpetually struggling with and perpetually struggling with. And it really-- I understand every bit of frustration. I, you know, I'm not, I'm not saying I, I understand in the sense that I feel it or it impacts me or impacts my community or impacts my family, but I understand fighting for your school districts or rather fighting for your schools, fighting for your students, fighting for the outcomes that you want. I hope you realize that that was what me and all of these debates on school funding, on this bill, on property taxes, that's where I'm at too. We have situations in the state where there are problems. Omaha, the history of redlining, all of the white flight, all sorts of different things leading to all those different school districts, all of those different problems, all those different kind of squiggly Omaha city boundaries, all sorts of things are something that we are going to spend the next 50 years trying to solve. And I understand we shouldn't be waiting 50 years to solve them, but we just know that's going to be a legacy issue for-- you don't create a problem that took, you know, a century to build. You don't remove it overnight. But in the midst of all of that, my

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perpetual ask is to hold Lincoln harmless because Lincoln is a city in which we have one city, one school district. I think it is working well. I think it is working well. You can look at the data on Lincoln Public Schools. You can look at the data across high schools and across districts. We don't have the problem where one part of town is represented by one school district and one district is represented by another. And I bring all of this up--

**HILGERS:** One minute.

**M. HANSEN:** --and kind of my perpetual plea in all of these school funding bills and all of these ways to kind of drastically change public education in the state, is my goal is to hold Lincoln harmless at best. I would love to improve it. I would love to improve all of our school districts, but my goal is to hold Lincoln harmless at best. And I have to look at everything coming down the pike, everything that's looking at school funding, everything that's looking at educational outcomes, everything that's looking at educational policy and know a lot of them are probably going to harm Lincoln Public Schools. They're going to harm the students that I represent, they're going to harm the parents that elected me, and I have to stand up for them each and every time and really make that point clear because this has been my perpetual frustration on all of these bills throughout my whole eight years in this tenure, is that Lincoln keeps getting thrown to solve some sort of other issue in other city. Hold us harmless. We can go from there. Thank you, Mr. President.

**HILGERS:** Thank you, Senator Hansen. Senator Wayne, you're recognized.

**WAYNE:** Thank you, Mr. President. Will Senator Hansen yield to a question?

**HILGERS:** Senator Hansen, would you--

**WAYNE:** Senator Matt Hansen.

**HILGERS:** Senator Matt Hansen, would you yield?

**M. HANSEN:** Yes.

**WAYNE:** I was writing something down, I wasn't sure, did you say it'll take about 50 years to fix Omaha?

**M. HANSEN:** Yeah.



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**WAYNE:** So Omaha won't be fixed for 50 years, then what are we going to tell those parents in the meantime when they-- when they're looking to-- for choice?

**M. HANSEN:** I mean, I, I don't-- honestly, I don't know.

**WAYNE:** Thank you, thank you, Senator Hansen, and that's the point. We don't have an option. Senator Hunt-- and I want people to understand. I respect Senator Hunt because when she believes something, she sticks by it through and through. She didn't vote for LB1107, she didn't-- she sticks through and through and that's why I just-- it's-- I just like talking to her because it's a great, it's, it's a great thing to do. But the problem I have is if, if there was an educated attorney, very educated attorney who went to Belle Ryan and said, I want to enroll my kids in Belle Ryan. The principal said, do you live in our district? She said no. They said fill out the OPS transfer form to see if you can go to Belle Ryan. They said no. She had to send her kids to a different school, to her home school in her district because that's the only option she can get with OPS. So calling a senator's office and thinking we have some kind of pull to allow a kid to go somewhere else in Omaha Public Schools when an attorney who is also elected can't get it done, I don't think I have the ability to. Senator John Cavanaugh talked about data, data, data. Well, Senator John Cavanaugh, we have the data for Omaha Public Schools. We have 100 years of it and it's not working. And you heard Senator Hansen just be brutally honest, it's going to take 50 years and he doesn't know what to say to a parent. We are not saying this is the silver bullet, but we are saying give it a chance. Let's do a pilot program underneath my amendment. And I want us to follow the logic, follow the logic of what we're saying. If we're saying we should not give any tax credits because of a religious organization, then we still have time and I want to see a bill drop that we're going to decouple from the federal government and not allow deductions. So Omaha-- I mean Open Door Mission Lydia House, thousands of women's shelters across the state that are run by religious organizations. Bring the bill to decouple us from the federal guidelines or federal, federal tax code to say If you are a religious organization, you don't even get a deduction for being a nonprofit. Follow the logic all the way through. Don't stop with the logic when it's convenient because we can do that, we can make all deductions for religious organizations nondeductible in the state. We just got to decouple from the, from the IRS code. Bring the bill. Don't just do it today when it matters for kids. And here's the craziest part about this whole argument. I had somebody from California just text me and say, call me and I went out and I called them. They said is the argument really we are afraid that people are

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going to knock down their doors to give \$5 million for low-income students to be educated? We're worried about wealthy people giving money for a one-to-one tax credit to educate low-income students, that's the argument? We're worried about helping low-income kids at the expense of supposedly wealthy people getting a tax credit. And he said, in what world is Nebraska?

**HILGERS:** One minute.

**WAYNE:** We beg wealthy people to donate all the time and if we could create a better tax incentive for them to donate, we would do it. And that's in California and in fact, they have. He said that's your argument? We don't want wealthy people to get a tax break to help kids. If that's the best argument we got in this body, there's something else going on. There's something else going on because that is not a logical argument. So if you're against it because of a wealthy tax credit, bring the bill, follow the logic all the way through to remove deductions for religious organizations. I'm just asking you all to be consistent and saying I don't know to an educational right, to a parent who is looking for choice for 50 years cannot be accepted in this body.

**HILGERS:** That's time, Senator.

**WAYNE:** Thank--

**HILGERS:** Thank you, Senator Wayne. Senator McCollister, you're recognized.

**McCOLLISTER:** Thank you, Mr. Speaker. Good morning again, colleagues. We just have a few minutes left until lunch. Senator Wayne, there is something else going on and that's called federalism. We talked about the fact that states are the laboratory of democracy. And so a lesson that comes from one state should be observed and states that are embarking upon a similar course of action may be wise to examine what those issues are. So I contend that there are some issues related to this bill that we should look at. First, there are numerous documented examples of malfeasance in Arizona's scholarship tax credit program and nothing in LB364 would prevent similar issues from arising in Nebraska. Nearly two-thirds of scholarship-granting organizations that benefited from the program failed to spend 90 percent of their donations on scholarships, the amount required by law, between 2003 and 2009 in Arizona. Executives at two of the largest SGOs use tax credit donations to enrich themselves by buying luxury cars, real estate, and funding their outside for-profit businesses. LB364

prohibits donors from designating scholarship funds for a specific student. Arizona-- and this component-- had this component as well, but scholarship-granting organizations have worked around this by allowing donor recommendations. Despite the influx of millions of dollars in scholarship, scholarship funding, private schools hike tuition dramatically, maintaining the inaccessibility of private education for middle and low-income families. Students at private schools receiving the most scholarship money have remained overwhelmingly white, even during-- at a time when the state's Latino population has boomed. Secondly, the clear intent of LB364 is to grow the amount of state funds spent on private education over time and that has-- what occurred with similar bills in other states. LB364 as introduced, along with versions of this bill from previous years, were funded starting at \$10 million per year and grew 25 percent per year with no ultimate cap, costing the state \$93 million per year within a decade and growing. Similar bills in other states like Georgia and Arizona were passed at fairly modest funding levels, but legislators added funding in subsequent years until these funds were contributed-- these bills contributed to a state budget crisis and widespread defunding at public schools. The clear intent of LB364 supporters is to increase the funding over time, which will inevitably eat into other state budget priorities like healthcare, transportation, and public education. In LB364 as introduced, the funding grows not based on the number of students who want a scholarship, but based on the number of donors who want a tax credit. That's how we know this bill isn't about student choice. It's about defunding education. Thank you, Mr. Speaker.

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

**M. CAVANAUGH:** Thank you, Mr. Speaker. So I, I've continued to think about that last vote on Senator Hunt's amendment and what that will mean. So I guess sometimes I feel silly repeating myself, but I realize that when I'm talking to people when I'm off the mike, that they didn't hear me. And so then I'm like, OK, I should repeat myself. So if I am-- if you've heard this before, my apologies. There was a teacher who was fired from a high-- a Catholic high school in Omaha when he got married to a man. And they were allowed to do that based on that reason because they had a religious exemption. He was an award-winning teacher at that. The students were very upset and he got a job at a public school. There are, again, so many reasons that are layered as to why I oppose LB364, starting with I oppose tax incentives because tax incentives-- from the tax side of it, not whatever the benefit is that is, that is being pushed by the tax

incentive, but the tax side of it benefits wealthy. We're not doing tax incentives that benefit the poor like an earned income tax or a childcare subsidy. We're not doing that. Those are things we could do, but we're not. We are doing a tax incentive that benefits the wealthy. And if it weren't about that, I don't know why you all wouldn't have voted for Senator Hunt's amendment, but it is. You want money for the wealthy and you don't want to have to make any compromises on anything, including your prejudices. That was a prejudice vote. That was a vote that told me and Nebraska that this body is prejudiced and not only are we prejudiced, but we are OK with your tax dollars going to institutions that can also be prejudiced in the way that makes us comfortable. And that is completely unacceptable to me. I'm not going to budge on tax incentives. Many people have an issue that is vitally important to them, it's their top thing. Not budging on tax incentives is one of my top things. You bring me a tax incentive that gives money directly back to low-income people, then we can have a conversation, but I've never seen that tax incentive. Senator Wayne has thrown out a lot of different ideas today. And I agree, I don't think that religious entities should be getting tax dollars, but I can't change that. And just because other bad things are happening doesn't make this one OK. And just because other good things are not happening does not make this OK. What we should be doing, what we should be focusing on, is solving problems.

**HILGERS:** One minute.

**M. CAVANAUGH:** And creating more opportunities for people to discriminate based on gender, race, gender identity, disability, getting more opportunities for them to do that does not serve the communities that we are trying to serve. Making small little children cry because their hair isn't the right way does not serve the populations we are trying to serve. It causes damage and that happens in public schools and that happens in private schools. But at least in public schools, we can do something about it. In private schools, they don't even have to tell us that it's happening. Well, I think we're about to go to lunch based on the Chamber, so I will yield the remainder of my time. Thank you, Mr. Speaker.

**HILGERS:** Thank you, Senator Cavanaugh. Mr. Clerk for items.

**ASSISTANT CLERK:** Mr. President, just an announcement. The Referencing Committee will meet in Room 1525 upon recess, 1525 upon recess. A priority motion. Senator Aguilar would move to recess the body until 1:30 p.m.

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**HILGERS:** Colleagues, we'll keep the queue as it is for when we come back after our recess. You've heard the motion. All those in favor say aye. Opposed say nay. We are in recess.

[RECESS]

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

**ASSISTANT CLERK:** There's a quorum present, Mr. President.

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

**ASSISTANT CLERK:** I do, Mr. President. Reference report from the Referencing Committee referring LB957 through LB978, as well as re-referring LB830 from the Health and Human Services Committee to the Judiciary Committee; and a single Reference report for a gubernatorial appointment. Additionally, notice of committee hearing from the Revenue Committee. That's all I have at this time, Mr. President.

**FOLEY:** Thank you, Mr. Clerk. We'll now proceed to a continuation of debate on LB364 and pending amendments. Senators Hunt, Blood, John Cavanaugh, Matt Hansen, Linehan and Pansing Brooks are all in the speaking queue. Senator Hunt, you're recognized.

**HUNT:** Thank you, Mr. Lieutenant Governor. Is this is my second or third time on this round?

**FOLEY:** I'm informed it's your second time.

**HUNT:** Thank you. Thank you, pages. Before we broke for lunch, Senator Wayne, my friend, my friend, we're just on the opposite sides on this issue. He said that his California friend called him and asked why we're so afraid of letting wealthy people donate money to help low-income people go to school, why are we so afraid of educating low-income students? I'm not afraid of wealthy people giving money to educate low-income students. They can already do that. There's nothing preventing them from doing that. It's not a logical argument, that's true, but that's not the argument. Listen to the argument. Don't stop in the middle of the argument and close your ears and say, I hate it. Listen to the whole argument. I have been clear that the entire problem with LB364 is giving money from taxpayers to private organizations that are legally allowed to discriminate. If we were talking hypothetically about some mechanism to expand school choice,

to make it possible for kids with special needs or-- or special circumstances to go to alternative types of schools and get different types of education, that's not something that I'm against. That's something that I do think people could benefit from, probably. I know that people have different educational needs. And, you know, as a parent, I'm not going to tell other parents what's best for their families. But what we can't do is take \$5 million of taxpayer money from you and you and you and you and you and everybody watching and everybody in Nebraska and turn around and give that to organizations that don't serve the needs of every child. We have to educate every child in the state of Nebraska, including the gay ones, including the-- the bisexual ones, including the ones who are gender-expansive and are exploring this part of themselves. This is an extremely normal thing for, you know, particularly junior high and high school students to be doing. Young men and women have always explored their identity and sexuality around that age, you know, for centuries, forever, as long as humans have been alive, and there's nothing immoral or wrong about that. What's immoral and wrong is saying that gay people, that LGBTQ people like me, who are taxpayers, who are parents, that we have to allow our tax dollars that we give to the state to go to institutions that deny our right to exist, period. It is not about the-- the merits of any type of education. I think that if my amendment to put the nondiscrimination clause had been adopted, we would be having a very different conversation. And this is the same argument that I've made for the last three years on this bill. This bill has come up, you know, many, many, many times in this Legislature before I was here and people made the same argument then too. And Senator Linehan has continuously said that she's open to suggestions, that she wants to get this passed, that we need to negotiate and we'll find a path, we'll find a way. Well, for me, the line is don't keep gay kids out. All of these policies that we have from-- from different religious schools in Nebraska that I was reading on the mike, it's not appropriate for taxpayer dollars, for public money to fund that type of bigotry and discrimination. I would never infringe on somebody's First Amendment rights to hate gay people. You can do that. You can teach your kids--

**FOLEY:** One minute.

**HUNT:** --to do that. That's your right. But we can't use public funds to enforce that, to say that that's OK. And, you know, we-- we're still debating this bill. We're debating the same bill. Senator Linehan had all interim to meet with stakeholders, to work with people like me who have a problem with this nondiscrimination language, which I talked about last year. She didn't do that. The only difference

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between this bill from last year and the bill we're debating now is that we're in an election year, is that we have primary elections coming up. She's not working in good faith to make the bill better. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Hunt. Senator Blood.

**BLOOD:** Thank you, Mr. President. Fellow senators, friends all, I stand in support of Senator Morfeld's amendment and I am indifferent to AM762 and the underlying bill. I want to start out by saying that I always have admiration for Senator Linehan. I always call her plucky because she never gives up, and I mean that as a compliment. And I have loved listening to the debate, Senator Hunt, Senator Justin Wayne, Senator McKinney. I love to hear the different views and the passion because everybody today, be it Senator Cavanaugh, Senator Cavanaugh, because there's two of them, Senator Hansen, everybody is standing up for the children and that's a good thing. But I'm going to bring a different light that I have not heard on the mike. So in November, Senator Day and I were actually at a conference and-- can I have the gavel? Thank you. And Leslie Hiner, who's vice president of legal affairs and director of the Legal Defense and Education Center for EdChoice, was the speaker. And to be very honest, I learned a lot about this movement. And it might come under different names and different organizations, but I learned things I did not know before; and it is a movement, I'd like to point out. Although the purpose was to convince us that those who believe public dollars should stay with public schools need to change their views, for me, it actually brought up even more red flags, regardless of the legislation that I've seen brought forward, and I'm going to walk you through some of the things that I left that presentation with. But I also want you to know that I've been speaking with Catholic families-- and, yes, I know this is not just about Catholic parochial schools-- who have the same concerns that I have, and also our homeschool families, and I'm going to tell you why they're concerned. So I want you to remember this. I firmly believe that it is he who pays the piper that calls the tune. So I hear many who support this movement, and it is a movement, say they want less government involvement in-- in where they send their children to school. They want school choice, which I believe already exists, and, therefore, must be given additional financial resources to do this. But my question is, if you say you want less government, then why are you coming to the government for money? So I find that really puzzling. But here is what I know. This call for less government actually equals more government. You've got to be careful what you wish for. For example, once these funds become law, these independent schools that we speak so highly of-- and as Senator

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Linehan has pointed out before, my oldest went to private school, to Catholic private school-- that you feel are going to better educate your children may soon be met with the same rules that have stifled our public schools. We see it every single day in postsecondary education. That's a great example of what I'm talking about. Federal aid makes our schools and students dependent when they take that aid, and then the regulations are many and mind-boggling. Think about it. If something goes wrong at any of these schools that accept this money-- excuse me, accept this ability to utilize these funds, because it's the parents that are going to be accepting the funds, I promise you that choice opponents are going to want to regulate you; and if you believe otherwise, you are not paying attention to how government works.

**FOLEY:** One minute.

**BLOOD:** Thank you, Mr. President. Homeschool parents are concerned about this. Parents in Catholic schools are-- are concerned about this. I haven't been able to talk to-- to many besides those two groups. They feel that once these funds are available, that the next thing is going to be that they start being regulated more, and to think otherwise would mean that you don't pay attention to statute history here in Nebraska. We know that when there's a bunch of people who have hands in the pot, no matter how the money comes down, no matter where it comes from, eventually someone's going to be unhappy. And then what's the first thing they do? Knee-jerk reaction legislation: We're going to regulate you, we're going to make it hard on you, and we don't like what you stand for, so we're going to make it even harder for you to get your messaging out. That's human nature. Do I think that's wrong? I don't know, but I know that that's what happens.

**FOLEY:** Time.

**BLOOD:** Thank you, Mr. President.

**FOLEY:** Thank you, Senator Blood. Senator John Cavanaugh.

**J. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. So we're back from the break and I'm trying to remember where I-- where I was before when we left. But Senator Blood's comments, I think, kind of tied in nicely with my comments, which is that she's correct that when you start giving people money, you ask for something in return. And that's kind of what I've been talking about all day, is that in exchange for a program that has a stated goal, I'd like some oversight that allows us



to identify and determine whether or not the program achieves that goal. And so that is exactly what Senator Blood is talking about, is that for schools, programs that take-- that would take this money, I think that it would be-- it's important that they be subjected to some recordkeeping, some-- some identifiable metrics by which we can determine if we are getting improved outcomes for kids, because that is the stated goal, shared stated goal that we all have here, is better outcomes for kids. Senator Morfeld's AM1145 seeks to expand the recordkeeping and openness aspects of this bill, and it would put a requirement on the entities that receive this money, and I think that is an important step. I think we need to go further. Again, Senator Hunt's amendment that received, I think it was, 17 votes-- Senator Hunt, does that sound right? I think it had 17 votes to advance-- would have asked the-- the institutions that voluntarily receive this money to hold themselves to a standard of not discriminating. And I-- I join Senator Hunt's statement that everyone has their right to their opinion and-- and that they can discriminate in their heart if they choose to. But if they're going to do it on the state's dime while they-- that they aren't able to discriminate on the state's dime and we shouldn't allow that to happen. And so I think that is an important aspect that should be included in any kind of program. I would-- can continue to go back to the studies that I've talked about earlier. But for me, you know, the synthesis of this, without going any deeper, is that there are a number of studies out there, but they're only studied-- able to be studied by virtue of the fact that those states and the District of Columbia agreed that it was important to record that data. In Louisiana, in fact, they record the data, they go through it, they evaluate the schools and schools-- basically, schools have to apply to be part of this program and they can be relegated out of it if they don't meet the standard that they have set. They put them into tranches or different levels and if you fall below, then you wouldn't be eligible for the program anymore. And so I think, I mean, that is a robust, thorough process. And I think as, you know, schools would get those metrics and they would find ways to respond to make sure that they stay at a level that's eligible for that, but again, they have to-- they choose to apply, they choose to participate. I don't actually know offhand-- I'd have to look, though-- because the study I read was about results and not about in-- inclusion or about discrimination. But I think anytime somebody is getting something and they don't have to take it, I think it's not unreasonable to ask them to be subjected to oversight and subjected to being held to the standard that we all agree that people shouldn't discriminate. Schools shouldn't discriminate. It should-- it should be a safe place for kids to learn and to expand their horizons in a lot of different ways. So I

do think Senator Blood's comments were a good lead in to mine because of that, that I-- I think that if we're going to give money--

**FOLEY:** One minute.

**J. CAVANAUGH:** --thank you, Mr. Lieutenant Governor-- if-- if we are going to give money to organizations, we should ask for something in-- in return, in terms of that they hold themselves to a standard of nondiscrimination, that they report to us on the progress that they're making with the money that we're giving them. So I would urge your support of AM11-- AM1145. I would urge your support of Senator Hunt's amendment if we got to a point where it came back up again, and I'm sure there-- that-- well, I would urge support of an amendment to add testing, which maybe we'll get to at some point if-- if I could figure out how to do that. Thank you, Mr. Lieutenant Governor.

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

**M. HANSEN:** Thank you, Mr. President, and good afternoon, colleagues. And, colleagues, this is my third time speaking on this particular amendment and I think I keep running into the issue where I have more to say than I can fit into five minutes, so I'll just open it. I'm willing to take more time to get on. And part of the reason I say that is before lunch, I talked about my understanding of the difficulties in the Omaha area because I do recognize that the genesis of a lot of this bill are the schools in Omaha and the relationship between that cluster of school districts, the number of different private schools in Omaha that are, quite frankly in my mind, seems to be higher proportion of the needs, the wants, the desires and the opportunities up there. And the reason I mentioned that is to not-- is to start making sure that I at least am helping to name the problem. I mentioned it taking another 50 years to sort out education in Omaha, and I didn't pick out that number randomly. I picked out that number because redlining was banned about 50 years ago. We had about 100 years of redlining. We're going to have to probably have about 100 years to undo it. Wasn't an accidental choice of my number. And I know there are three or four different generations of students who will go through schools in that time, and I don't necessarily know how to solve it in the meantime. When I was asked what do I tell a parent today, I truthfully do not know what I would tell them. I do not. What I can tell them is that I am trying my hardest to fight against any sort of backsliding that is going to make our public education system worse. That's what I've been able to do in this body, that's what I've been trying to do in this body, and that is what I'm trying to do here in LB364. Part of the reason I'm so worried about this is I think this

is going to end up, rather than improving outcomes in Omaha, it's probably going to end up hurting outcomes elsewhere, and that's my fear. And again, not the five minutes-- the \$5 million, not necessarily the four corners of this bill, but this is a continued part of a trend to try and decrease the amount of money we're spending on education, just plain, flat and simple. Any dollar we spend in education is a tax dollar. A lot of them are property tax dollars, therefore, the true way to lower property taxes is simply to spend less on education. And that's a problem that I-- I personally have that I know a lot of my constituents have and a lot of the people who voted me and sent me down here have. We like Lincoln Public Schools. We want them to continue doing well. And so when there's issues on the front that I think are going to harm and weaken Lincoln, not-- and not necessarily to the benefit of any other student, I have my concern and I have to put up the brakes on that. And let me explain part of the reason I haven't-- part of the reason I was so disappointed that Senator Hunt's amendment failed and part of the reason I'm so concerned about this principle of moving forward is about students with disabilities. You'll note the last line of Senator Hunt's amendment that we voted down talked about not discriminating on the basis of disability or special education status. Currently, private schools are not obligated to do IEPs for students with special needs, but public schools are required to support students in private schools if they have those needs, which is a fine system. But that's showing me that when we're saying we're going to give people an opportunity to try out private schools, we're not going to give everyone an opportunity to try out private schools because I am seriously doubting, especially based on that last vote, that we're going to require private schools to start serving special education students the same way we require our public schools to serve special education students. So if this is part of an effort to shift--

**FOLEY:** One minute.

**M. HANSEN:** --property tax dollars-- thank you-- to shift property tax dollars by lowering enrollment in public schools, by shifting it to voluntary donations for private schools and all the things, that and the others, at the same time private schools aren't going to be accepting a proportional share of special needs students, special education students with IEPs, that's going to be disproportionately shifting to public schools while at the same time we're presumably going to be limiting the levy authority, limiting their spending, limiting all sorts of other things about them. I don't want to keep fracturing and having multiple competing school districts. When people talk about competition in school districts, I think places like Omaha

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show that that's not necessarily a great example and that's not necessarily a policy I want to continue enabling here at the state level. I'll punch of my light again and keep talking on this. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Hansen. Mr. Clerk.

**ASSISTANT CLERK:** Thank you, Mr. President. Priority motion: Senator Hunt would move to recommit LB364.

**FOLEY:** Senator Hunt, you're recognized to open on your motion.

**HUNT:** Thank you, Mr. Lieutenant Governor. Colleagues and Nebraskans, without a nondiscrimination clause, I can't allow LB364 to advance. It's got a target on it now and it's-- it's not going to pass. Do you-- have you listened to how many people are saying that education is a right, that education is a right and, therefore, LB364 is a rights issue while at the same time (a) voting down an amendment and (b) not supporting a bill in the first place, to explicitly and literally, and not maybe but definitely, take civil rights away from children? It's really funny how we talk about rights in this body, what is and isn't a right. Yes, there is a right to education. The state of Nebraska provides that right through our public school system, which needs reforms, which needs change, which needs to grow and evolve. But the solution isn't LB364, to say we're going to fix this problem and-- and let these kids go to private school. Maybe-- maybe this benefits a couple hundred students. Maybe this could also benefit one or two wealthy donors who take up the entire \$5 million tax credit, who are only giving that money to help these poor kids because they're turning back around to the taxpayers with their hand out and saying, I would like all that money back, please. It's not giving out of the goodness of your heart if you're turning around to the taxpayers and saying, the only reason I'm going to give this donation, to help-- to help, you know, ostensibly impoverished students, which we don't even know if this is going to help them, there's a lot of evidence that it's not going to, actually. That's not giving out of the goodness of your heart when you turn right back around and ask for that money back in the form of a tax credit. Senator Wayne has said a couple times on the mike, he might have misspoken, but that this is a tax break. It's not a tax break. It's not a tax incentive. It's a tax credit. It's a dollar-for-dollar refund on your taxes from the income tax that you owe based on a donation that an individual, who may not even have any children, you know, at stake here, to get all of their money back from the taxpayers. I think healthcare is a right. That's not a view shared

by-- by many people in this body. I think being able to marry somebody you love is a right, and that's not a view shared by many people in this body. So trying to come at this from a rights place is (a) wrong because there's nothing in LB364 about rights. Nobody has the right to go to a school that will discriminate. That's not a right. Nobody has the right to send their kids to a private school that says, if we have LGBTQ faculty or staff or students or parents, that they'll either be expelled or that they're going to go through some kind of, you know, reparative therapy or something to turn them straight, they think. Nobody has the right to send their kids to a school where, if a young woman becomes pregnant, she gets expelled from that school. That's not increasing the quality of education in Nebraska. What this does increase is the amount of handouts that we're giving to wealthy people in Nebraska. Another thing I would caution people to understand and-- and just, you know, recenter yourself and think about this rationally, is that if you are frustrated with Omaha Public Schools, for example, if you're frustrated with your own school district, if you think public school is leaving people behind and you're frustrated about that institution, there is nothing in LB364 that's going to impact Omaha Public Schools, for example, as an institution. If you vote for LB364 to stick it to Omaha Public Schools, that's not what's going to end up happening. That's not what the outcome is going to be. The outcome is going to be harm to students who are in public school, teachers and faculty and staff at that school, bus drivers, cafeteria workers, custodians, all of the people who work so many hours, who are underpaid, who don't have COVID protections, who don't have enough paid leave, who are really struggling to educate all of your children. And, yes, you can opt out of that system and you don't have to have your child educated by our public school system, but it is there either way. Whether you opt in or not, everybody in Nebraska has a stake in the success of our public school system. We need a strong, robust public school system. And if you're frustrated with the quality of public schools, voting for LB364 is not the way to stick it to them. This isn't a way to public-- to punish public schools. What it's really going to just do is pu-- punish public school kids and the adults that love them and teach them. What we need to do is improve public schools by making them more equitable, by addressing that achievement gap, which there are many other bills introduced to do. I know many of us are involved with nonprofit organizations and other community activist organizations that are working on that issue. And we also know, practically and reasonably, there's never going to be one bill that solves this problem because there isn't just one problem. We need education that works for every student, not just for the wealthy, not just based on your zip code. And that's all true and

that's, you know, a problem that we see throughout our state in the quality of education that people can access, but the way to do that is to improve that education access, to improve that support for teachers and students, not to say, hey, two or three millionaire donors in Nebraska, we'll give you an incentive, we'll give you all of your money back to donate to these organizations that discriminate. What this is doing, it has nothing to do with rights or freedom. It's literally market distortion. It's government intervention in the free market, in markets of education, to change the price, to give an incentive for a different type of behavior. I'm not even against tax credits, I think they can be good. We can use tax credits to-- to incentivize types of behavior that we want to happen for the public good. But we have to acknowledge and admit that when we're doing that, we're distorting the market. We're taking the government and we're putting the government hand on the scale to change the prices of things in the market. For every dollar, for example, that I give to a charitable organization, like a, you know, a public school organization or something, I can get a dollar tax deduction, so my taxable income goes down a dollar, but because it's a deduction and not a credit, the taxpayers only lose about 30 cents on the dollar. Now when we talk about a tax credit, which is what LB364 does, taxpayers lose the whole entire dollar. So right now, any private donor, anyone with an interest in supporting private schools, whatever, they can give, you know, the same amount of money \$500, \$10, \$1,000, \$5,000, \$10,000 to support a private school, and they can take a tax deduction on that, about 30 cents on the dollar, and taxpayers pay them back for that because that's where tax deductions come from. We pay for them collectively because we think that that's in the interest of the public good. Under LB60-- LB364, guess what? New prices in town. The price has changed, it costs something else now, and you get a different--

**FOLEY:** One minute.

**HUNT:** --value for contributing to a private school. Thank you, Mr. Lieutenant Governor. If you donate \$100 to a public school, you don't get a \$100 tax credit. But if you donate under LB364 \$100 to the fundamentalist Christian school for officially hating gay people, then the taxpayers turn around and give you that \$100 right back. Proponents of the bill are banking on people not understanding this stuff. They're banking on two or three millionaires writing their check to the school, giving that to their tax preparer and financial adviser, and knowing that in 2023 that donation is going to be taken out of their income tax because, once again, only rich people need to understand this stuff. So ostensibly, this is supposed to be about

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helping lower-income people, people with fewer opportunities. And we're going to see in practice, because we see it in all other states in the country where this has passed, that's not what actually happens.

**FOLEY:** That's time.

**HUNT:** Thank you, Mr. Lieutenant Governor.

**FOLEY:** Thank you, Senator Hunt. Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, a priority motion. Senator Linehan would move to bracket the bill until April 11 of this year.

**FOLEY:** Senator Linehan, you're recognized to open on your motion.

**LINEHAN:** Thank you, Mr. President. This is the first time I do believe I've ever done this. But there's so many things being said, I can't-- I'm not going to not respond. I don't appreciate being told I don't work in good faith. So several points I want to make here. I'm going to ask some people some questions. First, John Cavanaugh, I don't know if he's here. It's fine if he's not. But this responds to something you brought up, I think, yesterday.

**FOLEY:** Senator John Cavanaugh, would you yield, please?

**LINEHAN:** I'm not asking him to yield. I just want to make sure he's here so he can hear this.

**FOLEY:** Oh, I'm sorry.

**LINEHAN:** So I have in front of me, and I've handed it out to all of you, from the District of Columbia's Public Schools website, because I think Senator Cavanaugh brought up yesterday that he saw a study where the private schools weren't doing that much better than the public schools in the District of Columbia, and I'm sure there's a study that says that. This is not a study. This is actually from the public district schools of Columbia's website, and they go back-- so it was brought up yesterday, Washington, D.C. I lived not in D.C., because when we went to D.C. in 2001, it was not possible to send your children, if you had an option, to a public school in D.C. That is true. We lived in Fairfax and I drove an hour each way, every day. Plus, I couldn't afford to live in D.C. anyway, but it wasn't an option. But since 2009, when D.C. decided, as was portrayed in The West Wing film you all-- thing you all saw, they decided to stir it up in D.C. It was a tremendous fight. Mayors lost, city council, school

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board members lost, but this is what happened since they decided to experiment, take some chances. Since 2009, D.C. public school students have grown by 11 points in the fourth-grade reading, 15 points in fourth-grade math. Over the same period, D.C. public students, eighth grade growers-- graders, excuse me, have grown by 11 points in reading and 18 points in math. That's ten years, not 50 years, folks, ten years, and these are the public schools' improvements. In this same time period, and this should be critically important-- it is to me. I know it is to Senator Pansing Brooks and anybody else who cares about special ed kids, and I actually think most of us do, regardless of what's been said on the floor this afternoon. Last line: In the same period, the performance of students receiving special education services has substantially increased in both subject areas and grade levels, increasing nearly 29 points in fourth-grade reading, 21 points in eighth-grade reading, and 37 points in eighth-grade math. And I'm not going to call on Senator Pansing Brooks because she can get up and disagree with me. But why is this happening? Because they're teaching them to read, because a lot of kids end up on special ed and all they really have is dyslexia. They're just as smart as every other kid in the class, but when you stand there and you tell them they're not and you put them in special ed, a kindergartner, a first grader can figure out what you're saying to them. You're saying they're not smart. And don't for a minute think that this doesn't happen today. It does. We've seen it. I have more studies if you want to keep going down that rabbit hole. OK. Senator Arch, would you yield for a question?

**FOLEY:** Senator Arch, would you yield, please?

**ARCH:** Yes.

**LINEHAN:** Senator Arch, you worked a lot with Boys Town and mental health. You've dedicated a large part of your career to it, right?

**ARCH:** Correct.

**LINEHAN:** So out of all the hospital inpatient mental health beds for children, how many of them are under Catholic hospitals?

**ARCH:** Well, I can-- I-- I don't know, have the exact numbers, but I can tell you this, that Kearney Good Samaritan CHI has children/adolescent inpatient and residential treatment center care there. Emmanuel CHI has inpatient and residential treatment center, PRTF care there. For adult, Lasting Hope operates under the Bergan CHI license and-- and Boys Town has both inpatient and PRTF care.



**LINEHAN:** So the vast majority--

**ARCH:** Oh, yeah, I think there may be one other-- there may be one other psychiatric residential treatment facility outside of that list in Nebraska.

**LINEHAN:** So the Catholic hospitals take care of most of our mental health patients.

**ARCH:** When it comes to behavioral health children, yes, I would say so, yes.

**LINEHAN:** Thank you, Senator Arch. Senator Wayne touched on this, but I-- maybe he's got more to say. I could go down the list of things that the Catholic hospitals, Catholic charities do. So I'm not-- do we have-- do we have issues that we have to face in the Catholic church? Yes, we do. But to-- but make it sound like we don't care about people? It's just not true. And I'm-- I've had it. Thank you, Senator Arch. Senator Wishart, would you yield for some questions?

**FOLEY:** Senator Wishart, would you--

**WISHART:** Yes.

**FOLEY:** --yield, please?

**LINEHAN:** I think somebody said earlier today that this was an effort to defund special ed, that we don't care about special ed kids. Do you-- how much money do we give to private schools, parochial schools, the state-- well, let's start with what we do for state funding. Does the state, because you're on Appropriations, does the state fund extra money over and above TEEOSA, over and above needs for special ed in our budget?

**WISHART:** We do, and over the years, you and I have worked to try to increase funding. I actually remember you coming to us when we had a budget on the floor and saying that what we were investing in special education was not enough, and so we increased it.

**LINEHAN:** And have I shared with you before that, the whole time I worked in D.C., I worked on this subject because the federal government has never fulfilled its promise?

**WISHART:** Yes.

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**LINEHAN:** Thank you, Senator Wishart. When we get up and say that the private schools won't take special ed and yet in the equalized public schools, they get 80 percent of it reimbursed through needs and special ed funding, that's a little disingenuous, maybe not even just a little. So we've spent a lot-- a lot of time on the first part of L-- AM762. We've hardly-- nobody's talked any complaints that I've heard on the early childhood child-- childcare centers. Nobody's complained that I've heard this morning or had any concerns about it. So if you would, on amendment, go to page 12, (2)(a). This is for the childcare credit. It's in the same amendment. The credit shall be equal to either 50 percent or 75 percent of the taxpayer's qualifying contribution made during the taxable year, except that the credit for the taxpayer for any single taxable year shall not exceed \$25,000 or 50 percent of the taxpayer's state income tax liability, whichever is less. OK, so I'm-- I'm fine with that. If we want to put that right along with my bill, that works. It's already in this bill. That's a simple fix. But I find it-- maybe just nobody's read this part of the bill, but nobody's had a complaint with this and yet 50 percent on the scholarship tax credit is just like outrageous.

**FOLEY:** Senator Linehan, you have one minute remaining on this motion, then you're next in the queue, so you have six minutes.

**LINEHAN:** And I'm going to give--

\_\_\_\_\_: Yield?

**LINEHAN:** --Senator-- yield, thank you-- Senator Wayne all my remaining time, the last minute of this and the next six.

**FOLEY:** Senator, were you giving him the remaining minute or the next time as well?

**LINEHAN:** [INAUDIBLE] what? I'm sorry. I'm sorry.

\_\_\_\_\_: All, all.

**WAYNE:** All, just say all.

\_\_\_\_\_: Say all.

**LINEHAN:** All.

**WAYNE:** [INAUDIBLE] talking.

**LINEHAN:** Thank you. I can't hear you with a mask.

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**FOLEY:** Senator Wayne, you have 5:30.

**WAYNE:** Thank you, Mr. President. Thank you. Senator Linehan. This is one of those topics, if you haven't figured out when we walk around this body, is it makes you a little uncomfortable, and we have to start being comfortable with being uncomfortable in order to make changes. It's the uncomfortableness that we have that challenges us to be better and to do better, and we have to rise to those occasions. And this is one of those moments where we have to be comfortable with being uncomfortable, and so what we're doing and we're hearing the arguments on the other side is to make you comfortable with the fact that the realest answer out here was by Senator Hansen who said, I don't know what to tell that parent. That's an uncomfortable position. And so we look globally. We try to dissect a way to make sure that you can justify the position. We say that it's not a right. We're not talking about a right. We're talking about taxpayers getting credits and money to make us comfortable with this decision. This isn't a vote about anti-OPS, anti-teacher. This is a vote about a parent and a student wanting something better, wanting to access the American dream; that is, if you work hard and you get a good education, you can go far in life. So when you start thinking about that uncomfortableness and in order to get comfortable, you go back to this broad, sometimes not necessarily completely true, sometimes true, to make us comfortable, it's because you want to stay in the comfortableness and not have to deal with that kid and that parent. I would never tell a kid, hey, I know you have a right to be who you are, but I don't-- I don't want you to access that right today. I don't want you to be who you are today. I want you to conform to what-- right? Just because they're not ready, they're not ready for you to be a black man who might be angry. They're not ready for you to be a gay man, just-- just wait. But we believe that that person has a fundamental right to be who they are and nobody in this body will say, hey, we don't want that person to be who they are today because that's-- that is a fundamental right. But then on the same token, we turn around and say it is a fundamental right to have access to a high-quality education, but not today, not the system. Somehow \$5 million dollars is a slippery slope to something else. Not today because we're going to give a wealthy taxpayer some kind of extra money. Not today, young child. And what's really interesting is most of the senators from east Omaha are saying let's give it a try because we've waited too long. You say let's turn the ship around? Hansen said it may take 50 years. How many generations of that are my kids going to prison? If a generation is ten, that's five; if it's 12, it's 3.5 lost. So if this can save 500 kids, and let's just say it's only 100

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from Omaha, 100 from east Omaha, that's not worth the pilot program? That's not worth giving them a try? So let's be a little uncomfortable. Answer the question to that parent. I got to wait five generations so my great-great-grandkids can have a chance at a better school? So-- so--

**FOLEY:** One minute.

**WAYNE:** --let's stop all the noise, because that's what it is. It's noise. Look at the individual, and that's what this whole country was built on, the individual right. Look at the individual. They're begging for help, and this is just one pebble that we can throw out there to give them help. And with that, I'll yield the rest of my time back to Senator Linehan so she can withdraw her motion.

**LINEHAN:** Thank you, Senator Wayne. I'm glad you reminded me to do that. I would like to withdraw my motion , MO 124. Thank you.

**FOLEY:** Motion is withdrawn. Moving to the speaking queue, Senator Morfeld.

**MORFELD:** Thank you, Mr. President. Colleagues, I just want to touch on a few of the different things that we were discussing here a little bit earlier today. So I've been reading through stuff and I've been working on a few other things in between speaking and listening to folks, and so I didn't-- I can't say that I've listened to the entire debate, and we certainly don't have a transcript here, but-- yet, anyway. But I will say that I think we can all agree that we want to make sure that kids with developmental disabilities and other special needs get the resources that they need. And sometimes that can be accomplished in a private school, and there are some private schools that have special resources, special programs that are very much fit and tailored to that, and I think that's great. But we also know for a fact that there are some private schools that even though they would like to have those resources, they don't, and they can't provide those types of tools and resources for kids who need them. And so sometimes kids are turned away, not because the private school wants to, but simply because the resources are not there. And in some cases we also know, and Senator Hunt read off some of those policies that are literally on public websites of some of these schools, where private schools will blatantly discriminate against certain students based on the way that they were born. And so as a policy matter, as a policy decision, I will not vote for a bill that creates an incentive for people to direct money to institutions that discriminate against people based on the way they were born, particularly the ones that

blatantly say it on their website. This isn't all that complicated for me, and it's not about accusing certain institutions of not wanting to serve kids who have special needs. Oftentimes, I think these institutions that don't want to serve kids that have special needs are-- not even oftentimes, I would say all the ones that I know of, even if I disagree with some of their other admissions policies, they want to serve kids with special needs. They don't have the money or resources to do it primarily because they're not required to, and they also don't have a tax base. So I think we can all agree that most private schools out there probably want to serve kids with special needs. But fundamentally, I am just simply opposed to providing an incentive even to the donors of these schools when these schools can discriminate at will. I'm also opposed to creating incentives to funnel money to these institutions that do not have the same levels of accountability, in terms of budget and where the money is going to, as our public schools. Now, if we want to address mass incarceration, if we want to address systemic racism and poverty in our communities, I'm here. I've introduced a bunch of bills to do that, and I've worked with a bunch of the people that have stood up on the floor and talked about those pressing issues to pass their bills and I will continue to. As a member of the Education Committee for the last eight years and as the Vice Chair of the Education Committee, I am here, ready to work with you on creating programs, systems, or putting more money into programs or systems that provide--

**FOLEY:** One minute.

**MORFELD:** --interventions to make it so that we have high-quality public education for all of our kids, regardless of whether they're in Omaha, where I've gone to school, or whether it's in Lincoln or out in greater Nebraska. I stand ready to be able to support those interventions to make sure all kids are successful in our public schools and I stand ready to support funding for that. Come to me with your ideas. I will support them. I always have. But I'm not going to support this for the reasons that I just noted. And it's not about whether or not these institutions want to be able to help kids with special needs. I think we all want to help kids with special needs. But there are institutions that have specific--

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

**MORFELD:** --policies to discriminate.

**FOLEY:** That's time.

**MORFELD:** Thank you, Mr. President.

**FOLEY:** Thank you, Senator Morfeld. Senator Hunt.

**HUNT:** Thank you, Mr. Lieutenant Governor. I was not born yesterday, and I understand enough about the system and about the status quo, about the donor class in Omaha, about the nonprofit industrial complex that we have in this state. If we lost two or three philanthropists in Nebraska, a lot of our public institutions would be high and dry, up a river. Philanthropy is never a sustainable way to support an institution. What they really do is pick up the slack where government has failed, and government actively and deliberately outsources the services that they should be providing to all the people to philanthropy so they don't have to pay it. But then what happens when we lose some philanthropists? Well, those services go away too. And I understand enough about the way the system works to know that as soon as wealthy people get their little tax credit, they get their little \$5 million back for their income taxes to decrease what they owe to the government-- oh, and as a bonus, they get to hurt gay kids in the process-- they're not going to come back around for you and help you out later. They're not going to come around later when those same people who are marginalized, the same people who are suffering need medicinal cannabis to treat a seizure. They're not going to be there for you when you're trying to fight the expansion of mass incarceration and try to build a new prison. All the people who ostensibly want to help little kids as long as they got all their money back from taxpayers through LB364, isn't it funny that this is the only time they're really here for you? When we want paid family leave so that mothers in Nebraska who make the choice to bring life into this world can spend any time with their newborn infants, we're not there for them. We haven't passed that. And I don't see the donor class, the wealthy people out in the Rotunda asking us to do that either because they don't get anything out of it. But once we make a deal that says if you donate money to a private institution that harms children, we'll give you all your money back, then they're-- they're all there. They think that's a great idea. There is no scenario where that wouldn't be true, whether this was happening in Omaha or Nebraska or Chicago or California or Texas or whatever. There's not a wealthy person on this earth, in this country, that's not going to say, oh, yeah, I'll take the tax credit, thanks. Thanks, government, you're always looking out for me. That's super cool. When is government actually looking out for these kids? When we don't have to make a deal with wealthy people in order to help them. This bill is not about rights. It's not about the rights of family or parents. This bill is giving public funds to private institutions that discriminate, period.

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We had a vote on an amendment. Now that's what this bill is about. We made it explicit. That's what LB364 does now. That's the baseline of what this bill does, and that draws a line that I cannot cross. And respectfully to Senator Linehan, it-- I-- it probably does hurt your feelings or something to be told that I don't think you're working in good faith, but I don't because you knew that these were issues that people had with the bill. You didn't introduce any amendments or do any changes--

**FOLEY:** One minute.

**HUNT:** --or meet with any stakeholders over the interim. You prioritized this first thing this session, and I think you want to get it out of the way because otherwise you'd be working to make it better. Maybe the case, and I hate to think this, maybe the case is that you can't live with a nondiscrimination clause, which, good, the bill shouldn't pass then, and it's not going to pass. Thank you, Mr. Lieutenant Governor.

**FOLEY:** Thank you, Senator Hunt. Senator Geist.

**GEIST:** Thank you, Mr. President. I just wanted to read an email that came from a private school that used to be in my district before we did redistricting. It's no longer in my district, but it is one of the most inspirational parts of my former district. So this comes from someone associated with that school, so I won't read the name or who it's from, but I will just tell you about the school. It's called Villa Marie, and it has been in continuous operation since 1964, with a mission to educate children with special needs ranging from Down syndrome to autism. They're approved by the state of Nebraska for legal operation and employ excellent special education teachers, all certified by the Nebraska Department of Education. Villa Marie continues to welcome students of all backgrounds. Concur-- currently, our little school is at capacity with 20 students. We are slowly making progress to expand our facility to accommodate more students whose parents and guardians see Villa Marie as the best educational choice for their children. Villa Marie requires a considerable investment in financial resources. Although we do not expect parents to pay the entire pupil cost, I know of families who have chosen not to attend Villa Marie due to financial considerations. LB364 would be a boon to our families. Roughly 70 percent qualify for free and reduced lunch and greatly assist Villa Marie in their mission. I have listened carefully to the debates surrounding LB364 and after hearing both sides of the aisle, and given the national trends in such legislation, I can only see this bill, if adopted into law, as a gift

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to our children, whether they attend public, parochial, or private schools. So I think it's important that we do note, and I know some have and some have not, but do note that private schools do help special ed-- education students. Now that is the focus of this private school. But I would also submit I've talked to a number of schools in my district and I have a number of them still in my district who have individual performance plans for, or IEPs, individual educational planning, for their students and who do take special ed students. So just so you understand, the debate is not completely about making sure that we only allow certain students to go to private school, but most private schools do accommodate other students who are not just on the regular teaching plan. I've heard so much compassion towards students who Senator Hunt would-- her-- what her amendment was about and how they work with those families in a very compassionate and loving way. So I think that there is a lot of room here to understand that many nontraditional students are in private school, whether that's a learning behavior, whether that's just a behavior, or your average, as we might say, your average student. But this is a place that mostly welcomes all students, and I think it's important that we emphasize that in this debate. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Geist. Senator Dorn.

**DORN:** Thank you, Lieutenant Governor. Been listening quite a bit to all the discussion on the floor on the amend-- on the floor on this bill and the amendments, but would Senator Linehan yield to some questions?

**FOLEY:** Senator Linehan, would you yield, please?

**LINEHAN:** Yes, thank you.

**DORN:** Thank you. I-- I know early on today you-- you talked a little bit about what some of the things that were in this bill. That's what I want to ask some questions on, I guess, the details of the bill. If this bill passes, the \$5 million or-- who-- which department-- who will administer this or who will that flow through? What department?

**LINEHAN:** Department of Revenue.

**DORN:** Department of Revenue, so they have-- are they the ones then that have the say over which school this funding will go to?

**LINEHAN:** Oh no, I'm sorry.

**DORN:** Yeah.



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**LINEHAN:** They just-- Department of Revenue will only handle the people who say they want to contribute. And then when it gets to the \$5 million--

**DORN:** The collection--

**LINEHAN:** --it's a hard stop.

**DORN:** Yeah.

**LINEHAN:** The money then goes to a scholarship-granting organization, which we don't have. The legislation explains what that would be--

**DORN:** OK.

**LINEHAN:** --but that that would be a group that then receives these funds and turns around and donates them to the children's families, not to--

**DORN:** Yeah.

**LINEHAN:** --the school, not to a church, but to the families. The money goes directly to the child.

**DORN:** It will directly go to the family. So from that respect, then, will they have to apply for that or how-- how does that determine who gets the money? First in, first out again, or what-- what is that criteria?

**LINEHAN:** The legislation-- it's up to the-- yes, the organization decides, but the legislation says they have to try to get to the most needy.

**DORN:** Most needy.

**LINEHAN:** So it's supposed to be the-- they have to be free and reduced, but even in that--

**DORN:** Yeah, there--

**LINEHAN:** --the most needy,

**DORN:** --there are some criteria, what I read in there, like the free--

**LINEHAN:** Right.

**DORN:** --and reduced.

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**LINEHAN:** Right.

**DORN:** Is there a cap then per student or per school?

**LINEHAN:** It cannot be more than 75 percent of the average tuition for a public school student in the state-- state of Nebraska. So no matter what, they can't ever go above 75 percent of the average state cost per pupil.

**DORN:** So if the average state cost per student is \$10,000 per year, easy figuring, one student could not get more than \$7,500.

**LINEHAN:** Exactly.

**DORN:** OK. What happens-- or how is it administered if there are-- and-- and this number may be way off base, but if there's 10,000 students that maybe ask for that, they can't all get \$7,500.

**LINEHAN:** No, no, and most of them wouldn't be that much. And here's the other thing that would help with that a lot. Any child who's currently in a private school doesn't qualify for this.

**DORN:** Correct.

**LINEHAN:** So this has to be all new entrants.

**DORN:** OK. But this bill is going to go on for approximately, I believe, ten years or in that time frame. It goes on.

**LINEHAN:** Right.

**DORN:** OK.

**LINEHAN:** It's not in there, but I think what Senator Wayne said, and I agree, if they want a sunset of five, ten years--

**DORN:** OK.

**LINEHAN:** --we're-- we're fine with a sunset.

**DORN:** No problem with that, but at some point in time, we will build up long enough over time that we will, I call it, get a greater number of students that qualify for this--

**LINEHAN:** Well--

**DORN:** --theoretically.

**LINEHAN:** Could be, yeah--

**DORN:** Yeah, yeah.

**LINEHAN:** --I mean, if the student population grows. Hopefully we don't-- you know, maybe-- maybe someday we get fewer kids on low and free and reduced lunch--

**DORN:** Oh, maybe. Well, maybe--

**LINEHAN:** --hopefully.

**DORN:** And maybe I asked the question wrong then. The-- it's only for somebody going into there then, so this is only a one-year commitment to that student. Once they're in there then, in-- only for kindergarten. It's not for first grade, second grade. It does not-- it is not an ongoing scholarship.

**LINEHAN:** I think the legislation says that if they already receive the scholarship and they still qualify, they should go to the first of the list because you don't want kid-- young-- youngsters to get it in first grade and then they say, oh, well, you're on your own.

**FOLEY:** One minute.

**DORN:** Correct. That was-- that was part of my-- why I asked some of these questions. So if the first year they get \$7,500, then do they go to the top of the list the next year or--

**LINEHAN:** Yes.

**DORN:** --I guess more important, who or how-- you talked about this committee. Will they determine some of those things, or is that strictly going by the intent of the amendment?

**LINEHAN:** It-- it is the intent of the amendment that if children are already in school, they should be at the top of the list after-- these are new entrants, right, not--

**DORN:** Yep.

**LINEHAN:** --once they're there now, but new entrants because you want to keep, just like you'd want to keep any child. If a child's happy, you want to keep them in school--

**DORN:** Yes.

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**LINEHAN:** --so yes. And then also another one, a sibling, a sibling moves to the top.

**DORN:** Sibling will. OK. All right. Thank you very much for answering those questions. Some of these things, I know the intent sometimes is in the bill. I had some of those as clarification that I needed because I believe part of this is we-- we haven't dwelled enough on, I call it, the conversation--

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

**DORN:** --of this bill to understand it. Thank you.

**FOLEY:** Thank you, Senator Dorn and Senator Linehan. Before we proceed, items for the record, please.

**ASSISTANT CLERK:** Thank you, Mr. President. New bills: LB993, introduced by Senator Bostar, is a bill for an act relating to the Nebraska Financial Innovation Act; amends Sections 8-3024; provides for limitation on digital asset and cryptocurrency custody services; and repeals the original section. LB994, introduced by Senator Lathrop, is a bill for an act relating to scrap metal recycling; amends several sections; defines a term; change provisions relating to the purchase of and payment for certain regulated metal properties; provides for restrictions on the sale of catalytic converters; changes a penalty; harmonize provisions; repeals the original section. LB995, introduced by Senator Linehan, is a bill for an act relating to revenue and taxation; amends Section 77-3523; limits the total amount reimbursed by the state for homestead exemptions; harmonize provisions; repeals the original section. LB996, introduced by Senator Dorn, is a bill for an act relating to appropriations; appropriates federal funds to the Department of Health Services; declares an emergency. LB997, introduced by Senator Day, is a bill for an act relating to schools; amends Section 79-214 and 79-22 [SIC]; change provisions relating to entrance requirements; harmonize provisions; repeals original section. LB998, introduced by Senator Wayne, is a bill for an act relating to Municipal Inland Port Authority Act; amends several sections; defines a term; changes certification provisions; provide for prioritization of inland port authority proposals by the Department of Economic Development; provide certain-- creation of inland port authority upon application by nonprofit economic development corporations; provides powers; changes provisions relating to inland port districts and rules and regulations relating to inland port authority proposals; harmonize provisions; repeals the original section; declares an emergency. LB999, introduced by Senator

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Wayne. It's a bill for an act relating to transportation; requires Department of Transformation to apply for federal funds; and require the construction of a bridge. LB1000, introduced by Senator Ben Hansen, is a bill for an act relating to children and families; amends several sections; defines and redefines terms; change provisions relating to what constitutes child abuse and neglect under the Child Protection Family Safety Act and the Nebraska Juvenile Code; changes grounds for juvenile court jurisdiction and termination of parental rights; harmonize provisions; repeals the original section. LB1001, introduced by Senator Erdman, is a bill for an act relating to schools; amends Section 79-211; limits the term-- school term for school districts and educational service units; provides an operative; and repeals the original section. LB1002, introduced by Senator McDonnell, is a bill for an act relating to appropriations; appropriates federal funds to Department of Health and Human Services; declares an emergency. LB1003, introduced by Senator McDonnell, is a bill for an act relating to the State Employees Collective Bargaining Act; amends Section 81-1373; includes parole officers in the protective service bargaining unit; and repeals the original section. LB1004, introduced by the Health and Human Services Committee, is a bill for an act relating to the Developmental Disabilities Service Act; amends Section 83-1201; requires the Department of Health Services to engage a consultant; appeals the original section; declares an emergency. LB1005, introduced by Senator DeBoer, is a bill for an act relating to treasurer's tax deeds; amends Section 77-1835; change provisions relating to notice; harmonize provisions; and repeals the original section. LB1006, introduced by Senator Murman, is a bill for an act relating to appropriations; appropriates federal funds to the Department of Economic-- Economic Development; and declares an emergency. LB1007, introduced by Senator Murman, is a bill for an act relating to the Rural Health Systems and Professional Incentive Act; amends Section 71-5668; provides for repayment of qualified educational debts by local entities not receiving a federal match; harmonize provisions; repeals the original section. LB1008, introduced by Senator Albrecht, is a bill for an act relating to political subdivisions; prohibits a county, city or village from restricting energy utility service as prescribed. Additionally, Mr. President, your Committee on-- on Revenue, chaired by Senator Linehan, places LB434 on General File with amendments. And Senator Wayne would move to re-refer LB916 to the Urban Affairs Committee; that will be laid over. And a notice of committee hearing from both the Banking, Commerce and Insurance Committee as well as the Health and Human Services Committee. That's all I have at this time, Mr. President.

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**FOLEY:** Thank you, Mr. Clerk. Continuing discussion, Senator Machaela Cavanaugh.

**M. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. So I have to admit, I missed this originally in the bill. And after the vote earlier today on Senator Hunt's amendment, I started to reread the bill and then I realized that I also need to reread the white-copy amendment. And so if you go to page 9 of the white-copy amendment, or if you only have the original bill it's page 11, Section 12: The Opportunity Scholarship shall not be construed as granting any expanded or additional authority to the state of Nebraska to control or influence the governance of-- or policies of any qualified school due to the fact that that qualified school admits and enrolls students who receive education scholarships as a requiring-- as-- or as requiring any such qualified school to admit or, once admitted, to continue to enroll any student receiving an educational scholarship. So that's problematic, but I can see why people wouldn't have voted for Senator Hunt's amendment if you are OK with that language being in there, because that is kind of the counter or anti-amendment that actually makes it really firm and clear that not only are we not going to vote for Senator Hunt's nondiscrimination amendment, but we want to make it explicitly clear that we are OK with giving you tax dollars and allowing you to discriminate. Now Senator Groene brought up a point, I think it was earlier today, and in rereading this bill, I have a lot of questions about who is going to be the granting entity or entities. If somebody today, while we're having this debate, sets up an organization, a 501(c)(3) to be a grantor, and they are the-- use a biblical reference, why not-- Pro-Judas-- the Pro-- the Pro-Judas Scholarship Fund and they apply to be a granting entity and they receive \$5 million on the first day of applications-- maybe they're the first application in there, maybe they're not-- it would be prorated. Either way, they're getting close to \$5 million because they're the first application to give to a school that they deem OK, and we have no authority to do anything about it. So now let's take it to the next logical step, that it is a school that promotes diversity and inclusion. You can't do anything about it; you can't do anything about the sex education curriculum, you can't do anything about the diversity and equity policies of that school, and they give all the scholarships but one to that school. There are no guardrails is the point. There are no guardrails. For those of you that support this bill, there are actually no guardrails to achieve what you want to achieve, none. So I would recommend people start-- start setting up your own 501(c)(3)s.

**FOLEY:** One minute.

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**M. CAVANAUGH:** You get 10 percent as operating costs, so if you get the full \$5 million, the Judas-- the Judas Club can get \$500,000 annually for their operating costs to give to a school that teaches all the dreaded bogeyman terms. That's what you're doing and I don't think you realize it because if you realized it, you probably wouldn't be doing this because you're taking a real gamble, a real gamble that kids are going to have comprehensive sex education with this bill, and I know there are many of you in here that fear that more than anything. Also, the State Board of Education is involved in this, so--

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

**M. CAVANAUGH:** Thank you.

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

**J. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. So I-- well, again, I rise in support of AM1145 and I actually-- after the last time I was talking about the-- you know, I've been talking all day about verifiable metrics and things, so I dropped an amendment that should be up there that would basically-- it would require any parti-- anyone who participates to participate in a statewide assessment and reporting system, as described in Section 79-706, basically holding anybody who participates in this program to the same standard we hold the public schools to in the state of Nebraska. But I did also want to comment, Senator Linehan I appreciated sharing this data and this report and I was looking at it when she was speaking and looked at it since then. And I-- I-- as I've said, I'm interested in reportable, verifiable metrics and data, and this is some impressive growth in numbers. And again, I would just say, after I drop my amendment, only identifiable, the success in this particular-- these are the public schools of D.C., mind you, but the success of the D.C. public schools have demonstrated over that period of time, which is from 2009 to 2019, growth is we can see it as a result of the fact that they're subjecting to, in this case, the NEAP [SIC--NAEP] TU-- TUDA reading scale score trends. So I think it's important to reiterate that if we're actually going towards trying to find a way to help improve outcomes for kids, that we should, you know, be dispassionate about it, look at the data, make sure that we're-- well, first off, make sure we're recording data, and then look at it and evaluate it in a way that is dispassionate, disconnected from our desires for what the outcome is. And I talked about earlier that-- that, you know, that I think there are a lot of different reports that have different conflicting-- they-- they look at the same numbers and they see the-- the data in a different way. They-- they can twist it or manipulate

data by ignoring certain data sets, referring to some as noise or things like that to ignore them. But you can only even get to that point where people have conflicting assessments of the data if you have data, and so we need to, I think, start there in terms of collecting the data. So that's what my amendment is asking, that we make sure that everybody is on the same footing for collection of that data. But again, I think that that's-- I-- I'm not, I guess, not hearing any opposition from anybody that that-- that's something we should be doing. So I-- I would hope that, as we move on in this discussion, maybe we-- maybe I can stop talking about it and we can just accept the fact that we should be subjecting participants in this to data collection and I can start-- I guess I can talk about other things that I-- I'm not hearing other people talk about. Well, I'm hearing a lot of people talking about discrimination, and I don't-- I guess I don't want to let my opportunity on the mike go without again reiterating my agreement that if we're going to be giving money to private entities, that we should ask that they not discriminate when they do that. But I think that it's important that we all have a shared--

**FOLEY:** One minute.

**J. CAVANAUGH:** --I'm sorry, one minute? Thank you-- that we have a shared perspective on what-- what it means and what-- what our objectives are in the end. I've heard a lot of people talking, and I guess I'm-- I'm almost out of time, so I'll push my button again and talk if-- I actually-- actually, I really appreciated Senator Dorn's questions. It raised some questions for me, things-- but I guess my interpretation of the bill that I thought about in-- in just the mechani-- mechanisms of how it works. And so I'll push my button, I'll get back on when my opportunity comes, and if I still have those questions at that point, I can articulate them then. Thank you, Mr. Lieutenant Governor.

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

**M. HANSEN:** Thank you, Mr. President, and good afternoon again, colleagues. The last time I spoke, I spoke about IEPs in private schools and what I said was accurate. Private schools aren't required to do IEPs. They aren't, and many choose not to. Many do choose to, but the thing is, there's not a categoric carte blanche that they have to serve those students in that capacity that we-- the-- to the same standard or any standard that we hold our public schools to. Since I've given that speech, I've heard from a couple of people who've shared stories about shifting students away from private schools back



to public schools just because the private schools' bad reaction and bad handling of their student's IEP, of the child's IEP was so severe they-- that any benefit private schools had for them was washed away. And the reason I bring that up is to share, is I know that's just an anecdote. There's lots of anecdotes that we share in here. But we had an opportunity earlier today to put in an antidiscrimination measure that would have, among other things, included both disability and special education status, and that got voted down. That got voted down, I presume, because of the inclusion of sexual orientation and gender identity. I have to presume that because I don't presume it's race or religion or national origin. So I've introduced an amendment that will include the discrimination against disability and special education status again. I might want to workshop it and try another one to make it clear that I'm trying to include IEPs, that it's not just you have to let the student into the school, you actually have to serve them at the same level that we expect our public schools to serve those students. But that's something that's going to stand by-- I-- I have to stand by. I have to say that if we are making it a state policy to funnel money to these schools, they at minimum have to serve all students at the same level that public schools do. I know somebody is going to jump up and say this particular private school does great. Very happy and very excited to hear that. Not all of them do because they're not required to, and some are quite open about it. I bring all of this up because this is kind of my perpetual frustration with, again, this bill. We are talking about it being this great boon to certain individuals, and it might be, but it's as part of an overall-- overall restriction and limitation on public education, and I know, again, not in the four corners of that bill, but we are dealing with bills this year-- I just saw one got a headline on the Journal Star-- that are going to restrict the spending authority of Lincoln Public Schools. You could see my hesitation when we are going to start a program that everybody acknowledges is going to pres-- balloon if it ever gets in statute. That's my fear and, I would presume, the goal. We're going to introduce that at the same time we're going to stop Lincoln Public Schools from growing their budget and growing their budget at a time when they are perpetually growing and growing and growing in student enrollment. I have to deal with both of these bills. I can't at the same time. I can't choose both of these bills, one at a time, because they're both going to impact the same children in Lincoln. They're both going to impact them. And I have to look at all of our school funding, taxes, property taxes holistically. We have some problems we have to fix. I understand that. I have been on board with many attempts to do--

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**FOLEY:** One minute.

**M. HANSEN:** --many different things. Thank you, Mr. President. What I'm not going to do is continue to weaken Lincoln Public Schools, continue to weaken public schools, especially in favor of schools that do not have to provide IEPs. And the last thing I just want to put unequivocally on the record. "Special education," I use that term to talk about students who need individualized programming. It is not a measure of their intelligence. I don't think they're stupid. I don't think anybody should refer to them as stupid, and the fact that that's something that people know simmer under the surface is its own problem about discriminating against people with mental health, learning disabilities and other issues. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Hansen. Senator Lowe.

**LOWE:** Thank you, Lieutenant Governor. I've been listening to this debate for the last day and a half and we seem to be talking in circles. There are two senators, though, that have spoken out and they've spoken out because of their community, and that is Senator Wayne and Senator McKinney and I appreciate that. They're standing up for their communities. So I-- I decided to look up a couple of things, and I ran across a Habitat for Humanity website that gives ten benefits for showing why education is so important to our society. Why? Because they want to change their society increment by increment, starting with their kids, because that is their only hope to changing their society there. The first point was creating more employment opportunities for our youth, for someone who may not have a chance, but because they get a chance at a better education, they can create better opportunities for themselves. They can also secure a higher income with a better education. Isn't that what we all want? Isn't that what we have been claiming for the last-- well, since I've been here? Do we want a higher income for people? We can do that with education. Developing problem-solving skills-- you know, if you're struggling in school and you-- and you can't quite get it, but there might be a better choice for you in a different school-- better education helps develop problem-solving skills. And that's what higher education does. It develops your skills from when you were in high school. Number four was improving the economy. If you have more people that are graduating from high school, more people going on to higher education, more people getting a solid job, you're improving your economy. Isn't that what LB364 is trying to do? Number five, bullet point five, is providing a prosperous and happy life. If you are bettering your employment opportunities, if you have a higher income, if you are-- have better problem-solving skills, you're going to have

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a higher-- happier life. You give back to the community once you've reached a status. You are no longer taking from a community, but you're giving back. And isn't that what we want for our children, is to become better people, to give back to their communities, to work in their communities, to make their community better? That's what LB364 does. Number seven: creating a modern society. How do you change society? Through education, through better education, and I think that's what Senator Wayne and Senator McKinney are talking about, is changing their community for the better. Number eight: bridging the borders. Through education, you can bridge the borders. You can-- you can move worlds, you can move thoughts, you can talk to people.

**FOLEY:** One minute.

**LOWE:** Thank you, Lieutenant Governor. Number nine: creating equal opportunities. Through education, it doesn't matter your skin tone, your sex or anything else, but through education, you can create equal opportunities. And number ten: introducing empowerment. Education is the key to turning weakness into strength, and I do believe that's what LB364 is trying to do, and those that are not for it are not for improving our youth. Thank you, Lieutenant Governor.

**FOLEY:** Thank you, Senator Lowe. Senator McCollister.

**MCCOLLISTER:** Yes, thank you, Mr. President. Good afternoon, colleagues. I agree with every single word that Senator Lowe mentioned. Education is the key to one's success. You can boost yourself out of poverty and move into the middle class, and that's-- that's an objective that all people I think should want. But there's some questions with regard to this particular bill that we should ask. If a C corporation were to donate to an SGO, they could get a credit of 100 percent of their donation to the SGO, up to half of their tax liability. What kind of deal is that? Yeah, if you want to donate to your church or a food bank or anything else, you make a deduction, a deduction, not a credit. So there's a fundamental error, a fundamental unfairness, I think, in these tax credit programs. Are there limits to how much a single individual or business can donate? No, up to the entire value of the credit, assuming enough tax liability, 50 percent-- 50 percent of the tax liability. Currently, if an individual or business donates \$1 million to a private scholarship-granting organization, they would get a \$78,000 tax benefit if they pay at the top rate. Under LB364, if the business has at least \$2 million, \$2 million in tax liability, they would get a credit of \$1 million, a difference of \$990,000. That's a lot of money, a very a lot of-- it's a lot of money. If they donate to a church or a cancer research, they

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still get the \$78,100 tax deduction, a tax deduction, not a tax credit. Why do donations to private school scholarships more valuable than donations to cancer research? No answer to that. Food pantries? To churches? Makes absolutely no sense. I'm not sure this will save the state much money, but there are other types of donations that could lead to saving the state money, such as donations to Charles Drew or OneWorld. If those donations lead to providing prenatal care or other services to someone on Medicaid, then who has the lower Medicaid costs? But those donations don't get a 100 percent credit, credit, credit. One person could donate \$5 million and still receive 50 percent of that amount as a tax credit, credit, credit, credit. This is fundamentally unfair. We need to maintain the deduction approach rather than simply giving credits, tax credits to someone who's got sufficient money to make a change. So, fundamentally unfair and I would hope you would defeat LB364.

**FOLEY:** Thank you, Senator McCollister. Senator Hunt.

**HUNT:** Thank you, Mr. Lieutenant Governor. Respectfully, to Senator Lowe and others on the floor, I'm standing up for my community too. When I was a child and I had a girlfriend and I had crushes on girls, there were not people in the State Legislature standing up for me like that. And do you know the rates of depression and suicide among LGBTQ youth? And for us to tell them, yeah, we know all that, but we're going to incentivize wealthy people in Nebraska to make it easier for schools that discriminate against you to make money? Like, that makes no sense. That should be a deal breaker for every single person on this floor who cares about equity, who cares about the future of youth. You don't need to have a personal connection to this issue to know that this is wrong. It's also really not about trusting parents. The legislators who are supporting LB364 aren't trusting parents. I trust parents to-- to decide what school to send their kids to. I totally support their right to do that. I support expanding and strengthening the support that we're giving to public schools while working in our communities to mitigate the circumstances that cause other hardships for kids all over the-- the state. So fundamental family rights and the rights of parents, that's really not what this is about. Think about comprehensive sex education. The people who support LB364, many of them, are the same people who are opposing comprehensive sex education in our public schools in Nebraska, so they don't trust those parents. In this issue of the Archdiocese of Omaha Catholic Voice, which is a newspaper from the Archdiocese of Omaha, they talk about LB364 and the health education comprehensive sex education standards. They say: Nebraskans are pushing back against proposed health standards for state public schools. Many see the

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standards, which would teach acceptance of multiple gender identities and homosexuality, as part of a radical political agenda. They also see the standards as one more reason to help provide families other education options for their children. LB364, this bill, a bill which would provide opportunity-- scholarship opportunities to students from low-income families to attend private schools, would be one way to help, according to the Nebraska Catholic Conference. If a school district adopts the controversial standards, it would put many families at a nexus and have them asking, what are my options, said Jeremy Ekeler, associate director of education policy for the NCC. Families could transfer their children to private schools, but not all children can afford that option. That's why LB364 is important, Ekeler said. So the archdiocese, the Catholic Archdiocese, is telling parents in their flock, in their congregation, that they should support LB364 to keep their children from knowing about gay people, to keep their kids from having to learn anything about healthy relationships, personal health, sexual health, any of that stuff. Support LB364 to protect your good Christian children from gay kids. That's what the Catholic church is saying out loud, and that's what all of you said out loud when you voted down my amendment to include a nondiscrimination clause. You want this. Maybe it's not the first thing you want. Maybe the first thing you want--

**FOLEY:** One minute.

**HUNT:** Thank you, Mr. Lieutenant Governor. Maybe the first thing you want is to see more kids go to private school. I don't agree with that goal either. But also I would tell you, if you think that, what makes you think, you know, in east Omaha, for example, what makes you think that all of the scholarship funds are going to go to those schools? If this bill helps, you know, 400 kids in Nebraska, what makes you think that all those kids are going to be from-- from your district or from any certain part of the state at all? The tax credit could go to two donors and all of the-- the scholarship credits, up to \$5 million, could go to two schools. There's no reporting mechanism, there's no data collection, there's no way in the bill to ensure that the funds are distributed equitably or even that they're distributed to any certain part of Nebraska. There are so many solutions that we need to explore before we land here.

**FOLEY:** That's time.

**HUNT:** Thank you, Mr. Lieutenant Governor.

**FOLEY:** Thank you, Senator Hunt. Senator Moser.

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**MOSER:** Thank you, Mr. Lieutenant Governor. I think in our discussion we've lost focus on who we're trying to help. We've spent some time talking about the worthiness of the people who get tax credits. And the tax credit doesn't go to the person who gave the money. All they're getting out of it is they get the satisfaction of knowing that some of the tax that they're paying to the state is going to private education. They can't dictate which school it goes to. They can't dictate which student might get scholarship aid. If they had a \$10,000 tax liability, they could get a \$5,000 credit that would go into this education fund, but it doesn't benefit them. There are a lot of things they could do with their money that would benefit them. They could buy tax-free bonds. You know, there are a lot of ways that they could get a benefit. And if you're lower income, you can't donate directly to a school or-- or a church and get any credit anyway, because I think that the threshold is around \$24,000 before you can claim a deduction. Otherwise, the standard deduction is larger. So the worthiness of the donor, I don't think, is relevant to the discussion. They're putting money into the system to help kids who want to go to private schools. When Senators Dorn and Linehan were talking about how much each scholarship might be, they were talking around, you know, \$7,500. Even if you put it in at \$5,000 and divide that into \$5 million, you could help 1,000 students. So I think we should focus on the 1,000 students we can help, rather than whether our donor has the right pedigree to satisfy us as to whether they're worthy to donate to this fund. They get no direct benefit from it at all. Their tax deduction goes to this charity. The only thing they get out of it is the satisfaction of knowing that it went to a nonprofit to help educate kids in the private school system. Whatever time I have left, I would donate to Senator Wayne.

**FOLEY:** Thank you, Senator Moser. Senator Wayne, two minutes.

**WAYNE:** Thank you. Colleagues, I-- I was previewing this rest of this week of bills coming up and it caught my attention that-- and I went back and looked at some votes-- that we have a DNA bill coming up, and many people on my side of the aisle actually voted for it. So I just wanted to tell people briefly what that means. Upon arrest, the police can take your DNA. The state can't actually run your DNA until after a probable cause hearing, but even if you're-- which is a preliminary hearing-- even if you're found not guilty or you're found-- or you plead down to a misdemeanor, the Feds actually get to keep your DNA and you have to hire an attorney to contact the State Patrol and the Feds, but the State Patrol to get rid of your DNA. So we have a problem on my side of the aisle that we can't give black and brown kids and poor kids scholarships.

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**FOLEY:** One minute.

**WAYNE:** But we don't have a problem, and I hope the people are watching, we don't have a problem as Dems to make sure that police can't round up your DNA. And we know police over-- prosecutors overcharge black and brown people. We know police [SIC] are arrested at a higher rate, but then they're going to turn around and some of are going to vote against the prison, but not vote against the DNA bill and how you got to the prison. This is politics at its best, politics at its best. Vote for the collection of DNA knowing about all the discrimination in our justice system, but you can't-- we don't like how it's set up. We don't want to give wealthy people a tax break to give poor people a chance to a better school. Interesting. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Wayne. Senator Machaela Cavanaugh.

**M. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. I'm just researching how to start a 501(c)(3) so that I can become a granting-scholarship organization, since it seems to be not that hard. There seems to be no requirements. I rethought the name, though: not Judas, but maybe the Mary Magdalene Foundation for Girls, give scholarships to young women and femme-aligned individuals so that they can go to a school that teaches comprehensive sex education. It's not about who the donors are for me. It's about how this all works. It's all the mechanisms. It's all the moving pieces and it's-- honestly, this bill, even if I were supporting it philosophically, doesn't have any guardrails. It really is very open, and it's not clear who makes these decisions. Who decides who qualifies as a granting organization? There's a list of what it means to qualify, but there's no-- who makes that decision? Is it the Treasurer? Is it the Governor? Is it us? Is it the State Board of Education? Is it the Director of the State Board-- or the, I'm sorry, the Department of Education? It is not stated. It is an unknown. So that right there gives one pause. It gives me pause, at least. I would hope that it would give everyone else pause. Now I-- yes, that is a fixable problem, but what if it's not fixed the way that you want it? What if it goes to the State Board of Education that some people are trying to get rid of? Will you still support this bill? If the State Board of Education gets to decide who gets to qualify as a granting organization, will you still support this bill? You should really ask yourselves that question because if this bill were to move forward, you better believe that amendment would be coming, because we're talking about \$5 million and \$5 million isn't a lot to our state budget, but \$5 million is a lot to individuals and it's enough to cause concerns over corruption and misuse. We are

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talking about children. We're talking about really, really important children because every single child is important and there is nothing that says that a private education is better than a public education, nothing at all. It's just a different education. It's just a different approach, just like if you go to a different school it's a different approach. It's going to have good things. It's going to have bad things. It's going to have good outcomes. It's going to have bad outcomes. But at the end of the day, it's still education, and the children that we're trying to serve here are still showing up to school hungry, showing up to school sleeping in a car the night before when it's negative 10 degrees outside, showing up to school with a parent who is incarcerated or showing up to school with a parent who was incarcerated, had a drug conviction, and now their family's food benefits are reduced.

**FOLEY:** One minute.

**M. CAVANAUGH:** Education is something that every child has a right to and should have access to. This does not have guardrails in it. It needs work before it should even be acceptable. Before its actual intent can even be carried forward, it would need work, it would need those amendments to it, those changes. I continue to remain opposed to this bill. I think I'm almost out of time. Thank you, Mr. Lieutenant Governor.

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

**J. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. So I, well, again rise in support of AM1145 and generally opposed to the underlying AM762 and LB364 without further amendment in addition to AM1145. As I've stated before, that doesn't go enough to resolve my problems with the underlying bill. I-- I talked about how Senator Dorn's questions made me think of other questions because it kind of made me think back and reflect on what-- how I had interpreted certain portions of the bill. And one of them that jumped out to me was when he said that students would not necessarily remain eligible going forward, and I do recall that students would remain eligible unless they became ineligible through income threshold, went above the income threshold. But I guess it didn't even occur to me to think that they wouldn't-- they'd have to reapply and potentially be denied for other reasons besides their overall financial eligibility and other eligibility requirements. So I-- I don't know. I don't have an answer to that. That was just my interpretation is that if you got into a school and you-- as a first-time transfer into a private or parochial school from a public school, that you would qualify as long as you qualified for



the other requirements and that then you would-- could maintain that through your subsequent years and wouldn't run the risk of losing it unless you became no longer income eligible. The reason that seems important to me is that certainty seems helpful for kids. There's also a part that jumped out at me pertaining to the tax credit is "carryover-able" where someone, if they-- if they exceed their tax liability in a donation, that they can carry over for the next five immediately following tax years. And that raises the question to me of whether that person then takes priority in the-- the line against anyone else in the future years and, therefore, those future years would be immediately-- could be immediately eaten up, five years down the road could be already used in the first year because people are saving their place in line through those donations. So that's another question that jumped out at me. So I'm sure I had other ones, but those are the ones that I recalled as I was standing here preparing to talk. But then Senator Hunt, Senator Machaela Cavanaugh, and a few others have kind of talked about subjects of discrimination and purposeful-- purposefully leaving public schools for a education that does not cover the curriculum the public schools cover. And that actually made me think about I had gone and talked to Senator Groene after the fact when we talked about-- he mentioned the ACT scores and he mentioned why, you know, the kids have a problem when they transfer. And I said that I had read that study that said kids, they-- they equalized for-- for nontransfer kids or kids who transfer within public schools. But one of the reasons that they thought led to lower scores on math and reading for kids when they transferred to the private schools in that study was that they were getting less instruction in math and reading because it was being replaced by something else. In a lot of cases, it is religious instruction. And so that, that Senator-- what Senator Hunt said made me think about that, that-- the fact that kids are getting a different type of education when they go to a different school--

**FOLEY:** One minute.

**J. CAVANAUGH:** --a religious school-- thank you, Mr. Lieutenant Governor. And that is-- that is a tradeoff. You are losing the general academic time of math, reading, and other classes and-- and replacing it with something else, which then could account for lower performance in standard-- in standardized tests, lower performance on those-- those core curriculum subjects. So I just-- I guess that's kind of a catch-all of my comments, but I'm trying to-- trying to get back to cover all the things that I've been trying to think of all day. But again, I think that we would all be well served by adopting AM1145 and

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revisiting Senator Hunt's amendment requiring that folks who take this money do not discriminate. Thank you, Mr. Lieutenant Governor.

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

**M. HANSEN:** Thank you, Mr. President, and good afternoon again, colleagues. Again, I cannot tell you how meaningful the-- the-- the distinction and failure of that antidiscrimination amendment was to me and to a number of our colleagues. When we've talked about people, you know, advocating for their community, standing up for their communities, I'm up here talking about, you know, people who had mental health issues because those are people I know and I care about. I know of-- talk about people who have struggled with traditional school because those are people I know and I care about. And the fact that we shot down an amendment that would have included just a guarantee to not discriminate on special education status or other disability, not even necessarily as full as we probably should have written that to include expressly that you have to have an IEP and fulfill it at the same level of public schools. And so that's, like, a choice I am being forced to make on this bill and that makes it an easy choice. If schools are not going to be required to provide individualized education to accommodate students with disabilities, they should not be schools that get the benefit of state funding. We should benefit schools that are willing to. That has got to be kind of a carte blanche minimum for me. In addition to that, obviously, the discrimination, some of it very kind of outwardly about people who are in the LGBT community, is problematic, as well, obviously. So we're going to go from schools that both intend to and have to serve everyone to schools that are open that they don't want to serve everyone, and we're going to compare this as to being a one-to-one or compare this and say that it is an improvement in civil rights, and I just can't buy that. I don't know how we are going to take discrimination in one fashion, support discrimination in another fashion, and call it an improvement. I just don't see that. If there's a sincere attempt to work on some of these anti-discrimination issues, that would be a huge olive branch and could move us forward. But I just know-- I just-- it seems pretty clear based on the comments of Senator Hunt's amendment when it was up there, the comments since then, some of the things that groups have put on their school websites or their newsletters or what have you, that that's not going to be what they want. That's not probably going to be something they're going to compromise on. I wouldn't necessarily expect them to compromise on that if that's truly a core value of theirs, but that's also why they don't get public funds. That's also why, you know, we have this system. And finally-- and I can't believe I haven't made

this point or it hasn't come up before. When we talk about tax credits and the amount of tax credits people have supported, we always talk about tax credits generally to incentivize private actors in a market situation. It's our way of stimulating some portion of the economy or using some sort of economic incentives to stimulate the economy. We-- I cannot think of another tax credit in which the thing we are stimulating is already a service the government provides for free to everyone and anyone. I cannot think-- maybe there's one. I'm sure somebody's got a list. But when we talk about encouraging competition, not like encouraging competition with other states. We're not talking about encouraging competition in, like, emerging job categories or new market sectors. We're talking about encouraging competition with public institutions that are open for everyone. This would be like akin to giving out money to private libraries to compete with the regular libraries.

**FOLEY:** One minute.

**M. HANSEN:** Like, I-- why-- why would we think that's a good incentive when we've already as a society and codified in our constitution the right for it to be free to the student? Why would we want to then challenge that and push that forward? And that's why, for so many other reasons, this bill is so different. We're going to have to work and make sure that if any of this program moves forward, it's not in a discriminatory manner, at a minimum, in addition to all the other issues that we haven't even had a chance to scratch in this debate. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Hansen. Senator Morfeld.

**MORFELD:** Thank you, Mr. President. Colleagues, I want to talk a little bit more about my amendment because we got sidetracked with some other issues that came up. So my amendment is going to make it so that these private institutions that receive the benefit of this would be able to then-- not be able to, they'd be required to follow all of the budgetary requirements that a public school is required to report and be accessible and accountable to the public and transparent. And I just want to note a few other things. I mean, I think Senator Hansen's comments just a little bit earlier really rings true in the sense that when I talk to teachers, one of the number-one issues why teachers are leaving the profession is (1) because of they are being overworked in many cases; (2) they're not being compensated for that work, particularly when they're very talented, motivated individuals that could be making a lot more money in the private sector, which is generally the case if you're working in the government sector. But in

particular, teacher pay is incredibly low unless you've been doing it for 20 or 30 years, and even if you've been doing it for 20 or 30 years, quite frankly, you could be making a lot more than what you're doing right then. So if we're going to be investing resources or diverting resources, which is essentially what we're doing here, from public education, then I personally think that we should be investing \$5 million in increasing teacher salaries across the state. Now there's a lot of teachers out there, so \$5 million would probably be a drop in the bucket, but I think that that would be a much more productive and prudent course of action in terms of increasing the quality of education because, as many of us know, there are some teachers that start out, first year, they know what they're doing, they're great teachers. But as we also know, people gain experience and they become better, they gain more training, they become better teachers, more seasoned teachers, and this would help us with recruitment, retention, and attraction. So just bouncing off a little bit of what Senator Hansen said, Senator Matt Hansen said, I think that we should be, quite frankly, investing more of our time and resources and money into our current public education system, as we have it now. And if there are targeted interventions that we need to have, either writ large across the state or in certain areas of the state, then I'm open to additional legislation to be able to provide those targeted interventions, those resources and funding and that programming, as well. But getting back to the requirements, so under my amendment, what we would be doing is requiring that the private schools follow all the budgetary requirements as the public schools. So I'm just looking at the Department of Education guidelines for the budgetary process for public schools. It's a-- it's a fairly long document, but it has more than just the budget hearing and things like that. But by September 20, adopted budgets for school districts must be filed with the Auditor of Public Accounts, the county clerk, and the Nebraska Department of Education, so these schools receiving these benefits would then be required to do that under my legislation. In addition, there needs to be a budget hearing. School districts must hold a public hearing prior to adopting the budget. I'm reading from this document here. The notice of budget hearing and budget summary must be published in a newspaper of general circulation in the school district four days prior to the hearing. The Auditor of Public Accounts considers the day of publication, but not the day of the hearing, as part of the four-day count. For example, the hearing notice must appear in the paper on Thursday to legally hold a hearing on the following Monday, notes to consult legal counsel and provide a timeline for the publication of the hearing notice. The notice of budget hearing and budget summary must include the time, date, and

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place of the hearing, a summary of the proposed budget statement, and an itemized estimate of the property tax request. And in this case, that wouldn't be relevant because they wouldn't be levying property taxes.

**FOLEY:** One minute.

**MORFELD:** Thank you, Mr. President. The notice of the budget hearing for the budget summary form is provided by the Auditor of Public Accounts and meets all the statutory requirements for publishing. So there's actually already a form in which they would be able to provide this information, so that's convenient for the schools that would be receiving this financial benefit. A school district may hold a budget hearing prior to a regular board meeting or may schedule the hearing at another convenient time. It's important to note that we did pass LB528 in 2021, and I don't know if that was either-- that might have been a Senator Ben Hansen Bill or a Senator-- Senator Groene bill, I can't remember, but a link to the Department of Education's Nebraska Education Profile website to provide their patrons information related to statewide receipts, expenditures, and to compare the cost per pupil and performance with other schools. I think that's actually pretty important for the private schools to do this because, as we're talking about comparing ACT scores and things like that, I think it would be important data for us to have given that some of these-- these benefits would be going to these private schools.

**FOLEY:** That's time.

**MORFELD:** Thank you, Mr. President.

**FOLEY:** Thank you, Senator Morfeld. Senator Murman.

**MURMAN:** Thank you, Mr. Lieutenant Governor. As a member of the Education Committee, I thought I'd better take the opportunity to speak on this subject again. The-- I support, you know, public schools all the way. I think they, in general in the state, do a great job. We have good public schools. I attended public schools, my children attended public schools, and we're very happy with the education they got. I know disability has been spoken about quite a bit in this discussion. From our own experience, we do have a profoundly disabled child and we did-- she went through all the way through public schools, and we're very happy with the services she got in the public school. Having a disabled child, we had the opportunity to get lessons and camaraderie and ideas from other families with dis-- disabled children, and we did know some that their disabled child did attend a

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private school and those parents were very happy with the services and the education they got in the private school, quite often in cooperation with a public school. So I do think private schools can serve disabled students very well, and I've seen that from experience. And I should say that, and it's been spoken about before, that public schools do get funding from both federal and state government to serve disabled students, and I think that's a great-- that's great that that happens. But private schools, you know, have a bigger burden to-- to serve a disabled student, you know, without as much funding, so-- and I think from my experience, they do a good job at that. I do think the most important thing that I think was brought up early in this discussion by Senator Geist yesterday is anything we can do as a Legislature to encourage students and families to educate their children in the way they see fit is what we should be doing. We saw that this summer in the State Board of Education hearings, and I think that's a great thing that came out of those hearings is that parents are very concerned about the education of their children, and that's the way it should be. And one thing I wanted to bring up, private schools do have-- do have to live up to or do have to comply with many of the same rules and regulations that we have on our-- on-- on our public schools in the state of Nebraska. In Nebraska, all schools are rather-- whether they're private or public, must be either approved or accredited unless they are a-- I don't know exactly what the term for it is, a--

**FOLEY:** One minute.

**MURMAN:** --nonaccredited, I think, homeschool, but that may not be quite the right term. But-- but all schools, whether private or public, have to do that. The Nebraska Department of Education does highly regulate nonpublic schools in Nebraska. Nebraska has some of the most-- one of the most highly regulated private schools in the country. And I believe 75 percent-- trying to find the exact figure-- 75 percent of the private schools in this country-- in the state of Nebraska are accredited, and the other 25 percent are not because they are usually small schools with very limited resources that can't-- can't have all-- all-- everything it takes to be-- be a accredited school, but they also--

**FOLEY:** That's time.

**MURMAN:** --serve their students very well. Thank you, Lieutenant Governor.

**FOLEY:** Thank you, Senator Murman. Senator Pahls.

**PAHLS:** Thank you, Mr. President. To-- now I'm speaking to the general public. Whatever we save for the good part of the day and till the-- we finish with this bill, decisions have been made. So what we're doing, we're actually, to be honest with you, filling in time, just-- just so you understand that. I think what we're doing here today-- we found out we have good schools in the public sector and in the private sector, no argument. We have schools in probably both sectors who do need help, probably not an issue with that. But I think this is larger. This issue is larger than sending kids to one school or to another school. If you look at the map, most of the schools that need improvement come from a certain section of the state of Nebraska. That's the southeastern part of Omaha. These are schools who are in poverty. The thing is poverty. It's not the school, necessarily. It's what children bring to the school, their life. I daresay the majority of those teachers in those schools are working their tails off. They're sincere about that. So it's not the teachers. It's the element for-- they're coming from. If you don't have money, if you're barely surviving, life is tough. So again, that's why I am going to harass Senator Wayne and Senator McKinney. You have, as I have been told now, 40 projects in north Omaha that we should be taking a look with the federal dollars that are coming into this state. We need to concentrate on that. Do we need to improve north Omaha or do we need a 4,000-acre lake? It's that simple. You know, I-- I hear people say we need to look at the kids, we need to look at people. Well, doggone it, guys, I'm counting on you to come and to force me to support you, and the rest of us to support, because that's where the issue is. The kids come to school because they have issues from how they live. Now a plug for something I have coming up: You've heard me talk about the schools that need improvement. In the state of Nebraska, there are 116. Close to 40 of them come-- I'm using these round numbers-- come from certain parts of Omaha. We know what they need help in. The State Department gets to pick three schools a year to focus on. We need to do more than that. We need to select a number of schools, have somebody oversee what is needed, follow through, because right now I have the documents from Druid Hill in Omaha. You can take a look what they have done for several years; parent help, teacher help, scores, test scores. It's here, but we need some additional help to make sure we follow through and we can do it. The-- actually, to be honest with you, I think some of the school districts should do-- be doing it themselves, but it may be too big of an issue for them. But I've already taken a look at the maps and we have sections of the state that we can correlate to four or five different schools and different towns and have somebody helping them, actually, probably indirectly through the ESU. We have it. It's not we have to find the information.

**FOLEY:** One minute.

**PAHLS:** Thank you. We have to be able to utilize it. And I'm telling them, there are a number of people in these-- in these small towns who need help. I taught in a small town. I know the differences because they didn't have all that support help. You just need that. I am-- and I'm going to switch gears now. I am a product of St. John's, of Beloit, Catholic School for a number of years, and then my parents moved to another town and then I was a product of public schools. So guess what? I understand both of them because I've lived it. My first teaching job in Kansas, I was at a school district where the-- one of the Catholic schools became part of the public school system. My first principal was a nun in the--

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

**PAHLS:** --public schools.

**FOLEY:** Thank you, Senator Pahls. Senator Flood.

**FLOOD:** Thank you, Mr. President, members. Well, we've turned school funding for private schools into the motorcycle helmet repeal bill. This feels like World War I. We've got all these people on one side that say we want this in our school, and then we have people that are opponents that sit on the other side and they don't want it, and nobody goes and talks to each other to say, you know what, maybe if we worked with the people, the 29, the 30, the 31 votes that want this, maybe we could get some of the things that we want for education. But I guarantee, when we take the cloture vote and we're short of 33 votes, the-- the die will be cast for the whole session and everybody-- the-- the two-thirds of the majority that run around and try and get this thing passed, they'll have the clear message that these private schools are undervalued by the rest of everybody and then they'll make sure, I'm sure, that all of the different things that good, well-intentioned members of the Education Committee want, that those won't pass either. When I was here ten years ago, we didn't have a motorcycle helmet repeal bill every day, but in this Legislature, this is something that apparently is the way it works. It's what I've come to find on my return to this place. What trench are you in? Are you ever going to get out of the trench and walk over to the other side and say, you know what, what could we do for private schools to make this work? Can you help us then with teacher recruitment for public schools? What could we do to figure out a better funding formula? But instead, we're at war and neither side is to blame. Everyone's to blame. I would like to be part of a coalition



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of senators that said, we'll get this across the finish line. We will put away all the fears and all of the reasons that we have to be mad at the other side and let's figure out a way to make this work. Senator Walz, you could assemble a group of people on your side to come over and say, how do we get from where we're at to where we want to go, and if it involves private schools, can we do this and this and this? That's what Senator Linehan was asking for this morning, but you've all been doing this much longer than I have. Some of you, this is your seventh or eighth year. This is what you do. You go in there and you vote no. This is the way I've done it every single year. And guess who loses? The-- the young lady in Omaha that's raising two kids trying to get her through a private school because that's the niche. She loses. You win. You get your-- you get in your trench. You win. You stop it. You got the cloture. Go home and celebrate. Go home and make sure that you did it to private schools again. That's fine. That's the way it works down here. Tomorrow, I'll get in my trench and I'll do something back to you. Perfect. We should all feel real good about ourselves, I think, because at the end of the day, two-thirds of the majority of this place is saying, let's get something done. But I guarantee I know how the vote will come out and I guarantee that's going to-- that's going to foreshadow the rest of the session. We can all be happy with ourselves that we voted our way. We can go-- you can go back to the K-12 folks and say, we held the line; and we can go back to the folks that are supporting LB364 and we'll say, we'll try again next year. But are any votes going to change? Senator McKinney changed his mind. I changed my mind when I started this year. I changed my mind when Senator Hunt made a compelling argument last year on the DNA bill from Senator Hilkemann. I can change my mind. I'm willing to vote for something that brings both sides together. I'm willing to vote to do good things because I want to do good things for public schools. But here we sit in our trench, waiting for the vote to be taken, to put our time in like we're at the old rock pile, just taking care of business. We liked-- my side especially likes votes to get to about 31, 29, somewhere in there. It's our sweet spot. That 33 is elusive, but it shouldn't be.

**FOLEY:** One minute.

**FLOOD:** Thank you.

**FOLEY:** Thank you, Senator Flood. Senator Machaela Cavanaugh, you're recognized for your third opportunity.

**M. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. I'm not going to go home happy that I participated in this bill not moving forward. It

brings me no joy to take something that another colleague has worked so hard on and work to stop it. That's not-- I'm not happy about that at all. And I know how much this means to Senator Linehan, and so it's not something that I am relishing even a little bit. And if I seem like I'm bringing any levity to my remarks, it's only because sometimes that's the way you have to do it to get through. But I don't-- I don't relish going against anyone's priority. I stand where I stand and others will stand where they stand on other bills, and I won't be able to stop them. And I have had lots of things that are really important to me that have gotten 32 votes or 31 or even 25, for that matter, which really is all you need. But you have to have good policy and you have to bring people along, and sometimes that's just not going to happen. But we've heard a lot today and yesterday about race and equity and the need to address the enormous disparities for black and brown Nebraskans, and I hope that people were genuine in those remarks that they made because we do have opportunities to do something this year. We have significant opportunities to do something this year. And, yes, it is not to build a lake for recreation. It is absolutely to work with Senators McKinney and Wayne and Senator Vargas and Aguilar and Sanders to address disparities in their communities. We have so much money that we can do so much good with. And I'm not here to pick a fight with anyone. I'm not here to try and hurt any of my colleagues. I would love to work with all of you. I have a great deal of respect for Senator Linehan. Usually, in spite of me, she gets what she wants done. And if I am in a trench, I've been in that trench since the day I started. I don't support tax incentives. I don't support putting state dollars towards people who can discriminate. I've stood firm on that. I will continue to stand firm on that. And if anyone wants to join me in that, they can agree to vote for Senator Hunt's motion-- or not motion, her amendment that would have protected children with all different identities and backgrounds. So I'm-- I guess I am entrenched in nondiscrimination. That is my line. It is a hard and fast line, and it doesn't matter who the introducer is, I'm not going to cross that line, ever.

**FOLEY:** One minute.

**M. CAVANAUGH:** How much time? One minute? OK, thank you, Mr. Lieutenant Governor. I look forward to the session moving forward, and hopefully we can come together on some really important, significant pieces of legislation because we have that opportunity this year with-- and I get it. It's one-time money, but one-time money can infuse a new life into communities, and so I just want to be here to work together with everyone to make that happen. I yield the remainder of my time to the Chair.

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**FOLEY:** Thank you, Senator Cavanaugh. Senator John Cavanaugh, your third opportunity.

**J. CAVANAUGH:** Thank you, Mr. Lieutenant Governor. Well, as everyone is commenting, we're getting up at the end here, I thought I would yield my time to Senator Linehan if she had anything she wanted to say, since she's not up in the queue. If you wanted to take--

**LINEHAN:** Thank you.

**J. CAVANAUGH:** I--

**FOLEY:** Senator Linehan, 4:45.

**LINEHAN:** Thank you, Senator Cavanaugh. So I think we're about to the deadline here. Thank you, Senator Flood. I hope some of us take to heart what you said. It's good. I want to thank Senator Wayne and Senator McKinney for their help on this. It's critical. I want to thank Senator Brewer, who shouldn't even be here because he should be home taking care of himself, Senator Bostelman, who came in. I-- I want to thank you all. I want to thank the Revenue Committee. I know that people have issues with this bill and are heartfelt. This is what I will promise you. If we could somehow get to 33, I won't bring a bill back for Select unless I have 33. So let me repeat that. If we can get to 33 right now, I promise you, I will not bring it back. I will not ask the Speaker to bring it back unless I have a commitment and I have satisfied at least 33 people in this body that they can support the bill. And maybe if we do that, we can avoid some of what Senator Flood is talking about, and I will work in good faith. I would yield the rest of my time to my partner in all of this, Senator Wayne.

**FOLEY:** You may not yield, Senator.

**LINEHAN:** I can't?

**FOLEY:** You're on--

**LINEHAN:** I'll ask Senator Wayne a question. Senator Wayne, would you yield to a question?

**FOLEY:** Senator Wayne, would you yield, please?

**WAYNE:** Yes.

**LINEHAN:** Senator Wayne, how do you feel right now?

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**WAYNE:** I feel good. I-- I just think at this time, we-- we take the vote. I appreciate what Senator Flood said, but I do want to remind everybody I'm fine with whatever we decide to do, but that has to apply consistently. Right now, we have a lot of people in juvenile who are under the state's custody at Boys Town. They are a religious organization. We have a lot of people being served at DD services that are served by religious organizations. There will be bills on the floor. If that's your hard line, do it to your own bill. We gotta be consistent, and that's what this vote is going to be about, being consistent. I want us to be honest with each other. I don't have any problem with anybody, but I want us to be consistent. I want us to think about, when we're taking this vote, about the individual kids who may be aren't special need, who are maybe high-- highly educated or have high IQs, who are maybe just a regular kid who cannot fit into the school that they're at and their parent is looking for an option. I'm not here to deal with systems. I'm here to make individual lives better. And while it is true we have to fix the whole thing, Senator Pahls, I agree with you, this is a start. And if we get to 33, we can eventually vote on Senator Morfeld's bill, we could eventually-- amendment, then we can eventually get to my amendment that limits this to a pilot program, a true pilot program, then it disappears unless somebody brings a bill and justifies back to this body of why it should continue. We do it all the time. We do pilot programs all the time.

**FOLEY:** One minute.

**WAYNE:** I hope we have the courage to stand up to the lobby. I hope we have the courage to listen to those individuals who came in and testified about why they need this option. And while we continue to work to build public education and make it stronger, there are many families across this country, including my district, that can't wait 50 years. And no change will happen overnight, but allowing somebody to have a scholarship can instantaneously change their educational outcome tomorrow. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Wayne. Senator Matt Hansen.

**M. HANSEN:** Thank you, Mr. President, and good afternoon probably one last time, colleagues. Colleagues, I appreciate all the sentiments and I appreciate that I might be getting the closing word here. I would love to find a solution to move things forward. That is not-- that's not off the table. I'm not anti-compromise. I'm in a position where I perpetually have to play defense in this body and I have to play defense on pretty much every issue from every angle and every avenue.

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And at the end of the day, I have to represent my constituents in Lincoln, and I've [INAUDIBLE] be repeated attempts and threats at Lincoln Public Schools. We've seen some bills introduced. We've seen some press conferences already that I think are going to harm educational outcomes in Lincoln Public Schools. I am not willing to additionally, upon that, throw any amount of money to additional outside, unregulated, whatever we want to call them, private ed schools. I've had people try and explain how they work, what they do, the great outcomes. I'm glad they exist. I'm glad people choose them. I'm glad people have that opportunity. I do not trust this body to actually make public schools better. And if we start this branch where we start diverting state funds to private schools, that is only going to grow over time and over time and over time. And in addition, we are going to continue to limit and limit the budgetary authority, the property tax levies, all sorts of different things from the state level to our public schools. These are two different trains moving in two different directions, and that is the fundamental issue I have here. If we're talking about grand things were going to come, if we're talking about new bills or bills that are going to appear in the future, a sunset, anti-discrimination clause, protections on students with special needs, individual education plans, all of these things are things we're going to have to want to talk about and want to justify to even get me to start appropriating it in addition to-- in addition to having probably this tied to all of the property tax and TEEOSA debate we're going to have this session. Because I can't voluntarily start diverting state funds in a direction to private schools when I know there are going to be repeated attempts to limit and limit the expenditures, limit the levies, do all sorts of things against public schools without the regard to educational outcomes. And that's my perpetual frustration with this. There-- I have several of them, apparently, but that's a perpetual frustration with this. On this particular bill, we're all about outcomes, we're all about lifting students. When we talk about other things related to property tax, related to K-12, we're all about costs and keeping costs down and these runaway administrators and these runaway school boards and all of these things. Colleagues, I can't look at a potentially inevitable and growing group of money for private schools who are not going to be held to the same standards on anti-discrimination, on individual education, potentially just on academic standards. We talked about how some private schools are all over the map on a variety of different things. And at the same time, I know we are going to hold up Lincoln Public Schools, talk about excesses or waste of taxpayer dollars--

**FOLEY:** One minute.

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**M. HANSEN:** --and cut and cut and cut from this body at them. I have to hold both of those items in my mind at the same time when I am making these decisions. I cannot start justifying diverting funds to this program when I know we're going to spend the last, whatever, 54 days, 55 days of my tenure defending public schools from repeated, repeated, repeated cuts and-- and-- and limits, and that is the ultimate crux of where I'm at. So with that, thank you, Mr. President.

**FOLEY:** Thank you, Senator Hansen. Mr. Clerk, you have a motion on the desk?

**ASSISTANT CLERK:** Mr. President, pursuant to Rule 7, Section 10, Senator Linehan would move to invoke cloture on LB364.

**FOLEY:** It's the ruling of the Chair that there has been a full and fair debate afforded to LB364. Senator Linehan, for what purpose do you rise?

**LINEHAN:** Call the house and a roll call vote in regular order, please.

**FOLEY:** 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.

**ASSISTANT CLERK:** 31 ayes, 1 nay 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 return and check in. The house is under call. Senators Wishart and Slama, please return to the Chamber and check in. All members are present. The first vote is whether or not to invoke cloture. Roll call vote has been requested, Mr. Clerk.

**ASSISTANT CLERK:** Senator Aguilar voting yes. Senator Albrecht voting yes. Senator Arch voting yes. Senator Blood voting no. Senator Bostar voting no. Senator Bostelman voting yes. Senator Brandt not voting. Senator Brewer voting yes. Senator Briese voting yes. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Day voting no. Senator DeBoer voting no. Senator Dorn voting yes. Senator Erdman voting yes. Senator Flood voting yes. Senator Friesen not voting. 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 no. Senator Hughes voting yes. Senator Hunt voting no. Senator Kolterman voting yes. Senator Lathrop voting no. Senator Lindstrom

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voting yes. Senator Linehan voting yes. Senator Lowe voting yes. Senator McCollister voting no. Senator McDonnell voting yes. Senator McKinney voting yes. Senator Morfeld voting no. Senator Moser voting yes. Senator Murman voting yes. Senator Pahls not voting. Senator Pansing Brooks not voting. Senator Sanders voting yes. Senator Slama voting yes. Senator Stinner not voting. Senator Vargas not voting. Senator Walz not voting. Senator Wayne voting yes. Senator Williams voting no. Senator Wishart voting no. Vote is 28 ayes, 14 nays to invoke cloture.

**FOLEY:** The motion-- the motion is not successful. I raise the call. If you have items, Mr. Clerk?

**ASSISTANT CLERK:** I do, Mr. President. Legislative Bill-- new bills, first of all, Mr. President: LB1009, introduced by Senator Brandt, it's a bill for an act relating to domestic abuse; adopts the Domestic Abuse Death Review Act; LB1010, introduced by Senator Geist, is a bill for an act relating to the Nebraska Juvenile Code; amends section-- several sections; provides for the release of certain pro-- probation information, electronic monitoring data to law enforcement; harmonize provisions and repeals original section. Additional items, Mr. President, amendments to be printed: Senator Cavanaugh and Senator Matt Hansen to LB364, as well as two amendments from Senator Hilkemann to LB496 and LB496A. Name adds: Senator Williams added to LB773 and Senator Halloran to LB774. Finally, Mr. President, a priority motion. Senator Williams would move to adjourn the body until 9:45 tomorrow; 9:45, January 13, 2022.

**FOLEY:** Members, you heard the motion to adjourn till 9:45 tomorrow morning. Those in favor say aye. Those opposed say nay. We are adjourned till 9:45 tomorrow morning.