

KELLY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the seventeenth day of the One Hundred Eighth Legislature, Second Session. Our chaplain today, from Senator Lippincott's district, is Jesse Randolph, Indian Hills Community Church, Lincoln. Please rise.

JESSE RANDOLPH: Great is the Lord, and highly to be praised. And his greatness is unsearchable, Psalm 145:3. Lord, we come to you this morning in humility and in awe knowing that you are the great and exalted God of all, whose name truly is so high and highly to be praised. Blessed be your precious and holy name. Thank you, Lord, for each of the senators in this room here this morning who are exactly where they are supposed to be because you have sovereignly placed them where they are, not only in the seats that they occupy but in the districts they represent. Thank you for the people of the great state of Nebraska who you have created in your image, each and every individual who lives in this state, who populates this state, and each one of whom is precious in your sight. Thank you for the patience that you continue to show this world, this state, this city, this region, not withstanding its ongoing denial and rejection of who you are and how you've represented yourself and, and declared yourself. God, I pray this morning that you would do a great work in the hearts of each of the senators here this morning no matter, no matter what side of the aisle they sit on, no matter their tie color, their dress color, their pin color, their affiliation, their skin color. God, I pray for salvation for those who right now in this room reject you, whether they are open in their denial, open in their rejection, or plainly deceived. God, I pray for repentance in this room and in this state for those who deny you, mock you, and scorn you, whether publicly or in private. I pray that you would flood this room with the light of the gospel message, the gospel of grace, the gospel of Jesus Christ, allowing light, truth, and true wisdom to pervade this Chamber and this great state. May this be a Chamber that is marked not by ultimately a fear of man, a fear of reprisal, a fear of votes and constituents and filibusters and political consequences, but rather this would be a Chamber and a, and a governing body that is marked by its fear of the Lord, which we know from Proverbs is the beginning of true wisdom. God, may your precious name be exalted and glorified here today. We pray in the mighty and matchless name of Jesus. Amen.

KELLY: I recognize Senator Ibach for the Pledge of Allegiance.

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Floor Debate January 26, 2024

Rough Draft

IBACH: Please 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.

KELLY: Thank you. I call to order the seventeenth day of the One Hundred Eighth Legislature, Second Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

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

CLERK: I have no corrections this morning.

KELLY: Are there any messages, reports, or announcements?

CLERK: There are, Mr. President. Reference report approved by the Referencing Committee concerning Ellen Hung to the Nebraska Investment Council. Additionally, your Committee on Enrollment and Review reports LB52A, LB140A as correctly engrossed and placed on Select File with E&R amendments. Additionally, Mr. President, Senator Raybould has selected LB20 as her personal priority for the session. Senator Raybould, LB20, personal priority. Report of registered lobbyists from January 25, 2024 is available in the Journal. Agency reports electronically filed with the Nebraska Legislature can be found on the Legislature's website. That's all I have at this time.

KELLY: Thank you, Mr. Clerk. The physician of the day is Dr. Lillia Cherassky [SIC] of Omaha, in Senator Machaela Cavanaugh's district. Please stand and be recognized by your Nebraska Legislature. Mr. Clerk, please proceed to the first item on the agenda.

CLERK: Mr. President, the first item on the agenda: LB541, introduced by Senator Lowe. It's a bill for act relating to elections; provides for nomination and election of the board of directors of a public power district or a public power and irrigation district on the partisan ballot; harmonize provisions; and repeals the original section. The bill was read for the first time on January 17 of last year and reported the Government, Military and Veterans Affairs Committee. That committee placed the bill on General File. There are committee amendments, Mr. President.

KELLY: Thank you, Mr. Clerk. Senator Lowe, you are recognized to open.

LOWE: Thank you, Mr.-- Lieutenant Governor. LB541 is my 2024 personal priority bill. This bill was ame-- as amended will make it so that the two largest public power producers in Nebraska will hold partisan elections. This means that Nebraska Public Power and Omaha Public Power will have partisan primaries, and the top vote-getters from each primary will advance. Initial language from this bill would have had this apply to some smaller energy producers and members of the Rural Electric Association, but AM1062 removes these organizations from this bill. I brought LB541 after a meeting with several members from NPPD who had ele-- been elected in 2022. They told me stories about outside interests pouring in tens of thousands, if not hundreds of thousands, of dollars into their races. These-- this east coast money was being dropped into races in which normally candidates would spend very little. This New York and Washington, D.C. money was designed to push a very clear agenda into our public power elections and onto our public power boards. In 2022, Nebraska Conservation Voter Political Action Committee received \$475,000 from Washington, D.C. to get involved in these elections in Nebraska. In the NPP district that I live in, one candidate received \$99,460 from this group to try to get them elected. Now, this candidate did end up losing, but still, the idea that one candidate would see-- receive almost \$100,000 from one source for a public power race is quite concerning to me. In 2020, \$500,000 was received from Nebraskans for Common Ground, another group looking to influence Nebraska public power races. Allowing our public power elections to be partisan would remove the advantage that these out-of-state special interests have in creating themselves by giving Nebraska voters a clear choice. I want to be clear. I do not believe these organizations broke any laws or did anything wrong, but I do believe they ran campaign efforts and messaging did not explain what certain candidates wanted to do once elected to the boards. I believe it is important that we make it as clear as possible for voters what candidates do and do not stand for. In 2024, the easiest way to make that clear to voters on how a candidate stands on most issues is very straightforward: tell the voters whether the candidate is a Democrat, Republican, or Independent or other. Most of the time, that one-word choice will tell voters 99% of what they need to know about how a candidate will govern. This becomes even more important when we consider two other things: one, how important public power is to Nebraska. It drives us. And two, how difficult it is for the average voter to learn about down-ballot races. This combination of massive east coast money pushing a specific agenda, the critical role public power plays, and the challenges people face with learning about candidates for office makes it clear to me that this is vitally

important that we enact LB541. I want to thank the Government, Military and Veterans Affairs Committee for voting this bill out of committee at the beginning of this session. I also want to thank the proponents and opponents who attended the hearing last year because it made for a very interesting and engaging conversation. And lastly, I would like to thank the 14 cosponsors who joined me on this bill. I look forward to the conversation we'll be having on this bill, and would encourage each of you to join me in supporting LB541. Thank you, Mr. President.

KELLY: Thank you, Senator Lowe. As the Clerk previously stated, there is committee-- a committee amendment. Senator Brewer, you're recognized to speak.

BREWER: Thank you, Mr. President. Well, from complete transparency, I have four speeches for my next speech and no speeches for this one. But the amendment simply clarifies the transparency requirement that comes with LB541. Thank you, Mr. President.

KELLY: Mr. Clerk for a motion.

CLERK: Mr. President, Senator Raybould would move to recommit the bill to committee.

KELLY: Senator Raybould, you're recognized to open.

RAYBOULD: Thank you, Mr. President. Good morning, colleagues. Good morning, fellow Nebraskans. I stand in support of my motion of recommit to committee and stand in opposition to LB548. I am a member of the Government, Military and Veterans Affairs Committee, where we discussed this length at issue. And we received a number of testimonies from a wide variety of citizens for whatever reason that they came to discuss this matter. And it was very informative and very helpful in guiding the debate and discussion in the committee. And as a somewhat new senator, what I realized is, you know, we, we have a really long list of legislative bills that is before us today. And I'm sure that not a lot of my fellow colleagues have had time to dive into each and every one of them. But I just want to share with you: initially, when we-- this was first in our committee, we had five senators in support and two senators against, and then one senator was absent. And the number of individuals that appeared before our committee to discuss this, we had actually three proponents. And one of the proponents got a little bit sidetracked and got more focused on source code and election concerns. But those that spoke in opposition,

there were more than eight people who came. And there were more than 38 people who provided written comments in opposition. So I think it's important to, to take that into consideration. And another thing to consideration, you know, what is the problem we're trying to solve? Is there a problem right now? Is it pervasive? Is this going to make the elections better and more-- and safer? First of all, as a businessperson, I, I just don't consider providing affordable, reliable public power as a partisan issue. We all support affordable, reliable public power that has consistently been provided to our fellow Nebraskans, especially those in our ag community, some of the best rates in the entire country. And so those in the ag community have been leading the way on conservation for years. This is no surprise. I'm, I'm guessing some of the angst involving trying to take away nonpartisan races for public power districts and make them partisan has to look at more of the options available today than ever before. That is renewable energies. Having said that, it should come as no surprise to anyone in this body that there has been outside funding in recent years to elect candidates that support oil, coal, and gas industries. Likewise, there has been increased outside funding supporting renewables such as wind and solar. This, to be honest with you, is nothing new in politics. And I know the person that spoke in support of this was someone who was new to politics running for a public power district for the first time ever. And so it's, it's not uncommon for new people to feel a little bit taken aback by some of the messaging out in politics. This is-- but it should come really as no surprise to anyone. However, Senator Lowe is correct. What is new is that we're seeing this being interjected, this outside funding itself, more in public power districts of all sizes and all revenue sources. The good news is, for all Nebraskans, is the boards that are elected remain grounded in their mission of delivering reliable and affordable public power throughout the state. To do so, these nonpartisan boards look to a healthy diversification of power sources from coal, natural gas, wind, solar, and other renewables that live up to their commitment of being able to deliver reliable and affordable public power. They run their boards like a business. And in any business situation, as a business owner, politics never gets involved. You look at the numbers, you look at the cost-benefit analysis. How is this going to benefit the individuals and ratepayers in my district? How do I balance this out? You know, many farmers and ranchers wholeheartedly embrace wind turbines-- and, in some cases, solar-- that provide a much needed new revenue stream for them. And they continue to embrace this opportunity for their ranching operations and farming operations. In addition, counties also appreciate the

additional property taxes that comes their way. And, you know, I think with ranchers, you know, I've seen photos of cattle just grazing right up to the wind turbines. So even though that the, the land is reserved for the wind turbine, that rancher can still use it for its full purpose. You know, the important, the important thing to note is also that Nebraska is in the top four states in the entire United States with the greatest potential for wind generation. So it's no surprise that an increasing amount of investment and purchases of our lag and-- our lag-- excuse me-- our ag land is done by foreign investors because they recognize the value of our tremendous resource, such as wind. And so I started to say, as a new senator, it's really challenging because sometimes I don't know the backstories on all these bills. But I did want to share some of the testimony provided by those that are experts in this field. I want to quote James Dukesherer. He is the Chairman of the Nebraska Rural Electric Association, the NREA, and he says it represents 34 rural public power districts and electric cooperatives throughout the state. So this is what I wanted to quote from him. He said: Most of the rural public power districts I'm here to represent reside in one of the nation's most conservative congressional districts. There's no denying it that, if polled, I would suspect that the vast majority of Rural Public Power District Board members belong to the Republican Party. With that said, our members are concerned with allowing a partisan element to enter into the selection of their board members and into their business operations. Rural electrification was born out of President Roosevelt's New Deal. Lyndon Johnson was a staunch supporter of the development of REAs, as he had seen their impact on rural Texas. Even our national organizations-- the National Rural Electric Cooperative Association-- has been run in recent years by both Republican and Democratic CEOs who served in Congress. This bipartisan influence exists today, and we see it in the balanced discussions that my members have in their board meetings and at the committee meetings in my associations. Everyone wants low-cost, reliable electricity, and the board members I represent don't have a lot of partisan issues facing them as they make board decisions. They just want to run a power district, a business. They want to keep the lights on and the rates low. It's for these reasons that we do not see the benefit of the partisan electorate-- election process and what it would bring-- bring to the rural public power districts.

KELLY: One minute.

RAYBOULD: Thank you, Mr. President. I'll see if I can give you some more information from former Senator Al Davis, who is the lobbyist for the Nebraska Chapter of the Sierra Club. He says: LB541 revokes the

nonpartisan electoral process for our public power boards, making these positions subject to a variety of unintended consequences, which will result in electioneering in areas of public policy which have largely been exempt from that plague. The bill seems poorly constructed, leaving many unanswered questions. If my understanding of the statutes is correct, we are bringing many rural public power districts under election laws which were exempt from certain procedures earlier because they fell below the minimum cash receipts. And if I am correct, moving these positions to partisan ballots will require the election commissioners to add public power boards to the partisan ballots at the primary.

KELLY: That's your time, Senator.

RAYBOULD: Thank you, Mr. President.

KELLY: Thank you, Senator Raybould. Senator Wishart announces some guests under the north balcony: Laura Berger and Lillian Eisner [SIC] from Washington, D.C. and Linda Porter from Lincoln, Nebraska. Please stand and be recognized by your Nebraska Legislature. Moving to the queue, Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. Well, colleagues, I rise in support of Senator Raybould's motion to recommit and opposed to LB541 and, and LB541 as amended. I do-- I guess-- I was thinking about this-- I, I was going to say I, I'm opposed with a heavy heart-- which is kind of a joke, a play on something Senator Slama has said. She always wholeheartedly opposes my bills, and I told her she doesn't have to do that. She could do it, you know, halfheartedly or something. But I do, you know, have-- I, I, I oppose this idea, and I'll talk about a number of reasons why. But, you know, it's-- I've had a, a good working relationship with Senator Lowe over my three years here. I appreciate him as the Chair of General Affairs. And he and I don't agree on a lot of issues philosophically and have been on opposite sides. But he's always a fun person to fight with. He's a fun person to work with. And we have a good time serving on General Affairs together. And so it's-- I do feel a little bad, I guess, about fighting against his priority bill in his last year in the Legislature. So with that said, I just-- this-- I don't agree with this. I think it's a bad idea. I don't think that the people of Nebraska are looking for us to inject more partisanship into our governan-- governance. They're not looking for more partisanship in our elections either. And, you know, there's the old saying there's no Democrat or Republican way to, you know, plow the streets or pick up

garbage or, you know, do any number of the sort of functionary parts of government. We do have partisan elections for, you know, our ministerial functions, which I've brought bills to make fewer elections partisan. I brought a bill my first year to move all of our statewide elections to the nonpartisan ballot. I brought a constitutional amendment last year to do the same. And the reason I've done that is parties are-- you know, Senator Lowe talked about people rely on them for information, to help them make their decisions. But they are not a part of our government. They should not be enshrined in statute. They should not be elevated to that level. The problems we see in places like Washington are as a result of our reliance on political parties for structure of our government. Our government is a government of the people, not a government of the political parties. And so the problems that Senator Lowe has articulated here are about campaign finance, fundamentally. And I-- again, I would tell you I've brought bills about that as well. My first year, I brought a bill to limit campaign donations to individuals to-- I think at that point it was \$5,000 per year-- and I got nowhere with that bill. But there are solutions. Clearly, we have a problem in this country overall about money being injected into elections. You know, the Nebraska legislative elections used to cost \$40,000 20-some years ago. And now folks around here are spending north of \$250,000 to get elected to a job that pays \$12,000 a year. So campaign finance is clearly a problem. I agree with that. I, I will continue to look for solutions myself on that. But injecting partisan elections into our-- into more bodies is not the answer. It will have negative effects on how those bodies part-- proceed, but it will have a disenfranchising effect on voters. In Senator Lowe's district, he talked about, you know, there's-- that is a-- clearly a Republican district. And in the current structure, you'll have a general election with two Republicans running against each other. And everyone gets to vote in that election. In my district is a Democratic district. We had an election last year with two Democrats--

KELLY: One minute.

J. CAVANAUGH: --running against each other in the general election. And that is a good thing. Because if we hadn't had that, that election would have been resolved in the primary, where it would have only been one person advanced to the general and only people-- only registered Democrats would have been able to vote in that primary, and everyone else would have been stuck with no other choice. So this will have a disenfranchising effect on a great number of people. But ultimately, the people of Nebraska are not asking us to become more partisan.

They're not asking for more partisanship in elections. And this is not something that we need to be doing. So I would encourage your red vote on the-- or, or, green vote on the motion to recommit and red vote on the underlying bill. And I'll push my light again because I've got other things to say. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Blood, you're recognized to speak.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I stand in support of the recommit to committee. And I oppose both the motion and the underlying-- I mean, the amendment and the underlying bill. I always think it's so interesting how people flip words to try and create fear so you will support something. Because that's exactly what I just heard in Senator Lowe's introduction. And I mean this respectfully, Senator Lowe. There's a lot of people not listening to debate, and that's really unfortunate because there's so much more to this bill than I think you really understand. I think it's funny to hear the words "east coast money." Like you should be scared of that. But we know darn good and well that people like Betsy DeVos, the Koch brothers, people from out of the state have influenced many elections and causes here in Nebraska. So I think it's the out-of-state money from whatever part of the country you're supposed to be scared of that comes up on the mic that, that they try and influence you on. So maybe it's like, ooh, that east coast money or that money from Texas, and that's bad money until it ends up in their coffers, until it ends up in their campaign funds. So words have power. They know that. They're trying to create fears. I think it's ridiculous when I hear people say, well, it needs to be partisan because candidates do and do not stand for something based on their party. Well, that tells me that those candidates must be very gullible. They must be not capable of doing the job well if they can't think for themselves. Because frankly, Senator Lowe-- who's talking to a group of people-- my party doesn't define me. Maybe I'm a unicorn in this body, but I don't need my party to tell me what I should believe and not believe. And if people define me by my party, that's just lazy. They should define me by my actions, by my veteran's bill, my, my bills for the most vulnerable, my bills to cut taxes that never seem to go anywhere because maybe they're too simple. But the thing that irks me the very most about this is that for the young people that follow the Legislature, they're going to tell you they are sick and tired of the parties. And maybe that's why we're doing this. We seem to be wanting to go more partisan and giving the executive branch more power, by the way, and eliminating transparency, by the way, because we know what's

going to happen in the next eight to ten years. And so some people are digging in their heels to make sure that they do stay strong and partisan and grasp for what they can because they're going to lose it soon. Everything that Senator Lowe said this bill would bring is exactly the definition of nonpartisan democracy. Nonpartisan democracy, democracy means that you are judged on your merit and your qualifications, not defined by party-- which, supposedly, according to Senator Lowe, explains what you stand for. In this system, voters are encouraged to consider the candidate's policies, their ideas, and character rather than party affiliation. And it's got advantages over the systems of party politics. One of the main advantages that I see is that it promotes political cooperation. Hence, the Nebraska Legislature and our one-house nonpartisan system that, until recently, actually worked really well. And we're starting to get back into our groove, so I respect that. Political candidates aren't beholden to any political party, and so they're free to work with other elected officials regardless of their political affiliation. Can I get the gavel, please? There's a bunch of noise behind me. This encourages collaboration and compromise--

KELLY: One minute.

BLOOD: --which is crucial for a healthy democracy. A nonpartisan democracy encourages politicians to work together to find common ground rather than focus on advancing their own political agenda. Partisanship is not better for democracy; nonpartisanship is. Creating fear by talking about things like east coast money and saying that a person should be, should be judged by their party tells everybody exactly what is wrong with democracy in the United States today and why we have so much hyperpartisanship. I will not support any bill that comes across this year that pushes us more towards that hyperpartisanship because that is bad for Nebraska and that is bad for America. Thank you, Mr. President.

KELLY: Thank you, Senator Blood. Senator Erdman, you're recognized to speak.

ERDMAN: Thank you, Mr. President. And good morning. So here we are talking about those who seem to be on the losing side want to change the rules. So what we talk about here as partisan, nonpartisan, and there is no such thing in this body or in any of them. So perhaps we ought to change to being colors, blue and red, and maybe purple. If you get the gist of my point there. So I'm in favor of this bill. I'm not in favor of the recommit. I am in favor of the original bill. And

I heard what Senate Raybould read about what James Dukesherer said. James, his relatives are my neighbors. Great people. James is a great guy. I appreciate it. He graduated with my children, my boys in Bayard. And so I've known him for a long time. So I, I respect what James has to say. But what we do in Nebraska is we claim we're nonpartisan. And Senator Blood is all fired up about the fact that we are partisan and we should be nonpartisan. And I think Senator Halloran alluded to this point last week about his friend who had a cat that he called dog. No matter how many times he called that cat a dog, it was still a cat. And so we can stand up and say we want nonpartisanship and we're nonpartisan as a body and we've always been partisan and we always will be. So if we're going to do this, let's just make partisan for everybody: partisan for the Legislature, all of the local units of government, the irrigation districts, the, the REA boards. Let's just do it all across the board. I support this. And if you have an opportunity to visit with Senator DeKay-- and perhaps Senator DeKay will share with you what happened to him when he ran for NPPD Board-- you'll be able to understand this is real. What Senator Lowe has brought to us and the outside dark money. This is real. But those who on the other side of this issue are opposed to dark money, they're only opposed to it when it works against them. But when that dark money works in their favor, they're OK with it. And so we stand up on the floor here and we're talking about all of the righteous things we're going to do and how congenial we are and we get along. The point is, today, on this motion right here, there's probably not a person in this room that's going to change their mind. So let's cut to the chase. Let's pull the-- shut the lights off and let's vote. Let's figure out where it is. And once we've done that, we can move on. Because you can filibuster this for eight hours, and not one person's going to change their mind. Thank you.

KELLY: Thank you, Senator Erdman. Senator Wayne, you're recognized to speak.

WAYNE: Thank you, Mr.-- thank you, Mr. President. I'll yield my time to Senator Raybould.

KELLY: Senator Raybould, you have 4 minutes, 50 seconds.

RAYBOULD: Thank you, Mr. President. And thank you, Senator Wayne. You know, I wanted to continue with some of the discussion and dialogue that we had in our committee. And I was quoting former Senator, State Senator Al Davis, who is the, the lobbyist for the Nebraska Chapter of the Sierra Club. And his final comment that he made, he said:

Nebraska's public power industry has been working well for decades. The objective to provide inexpensive power to all Nebraskans has been achieved by this innovative model, which has largely been exempt from the vicissitudes of politics until recently. Public power is an area which should never be partisan, but should be guided by science, industry, and long-held statutory goals, and not by political gamesmanship. You know, I wanted to share the comments from Sheri St. Clair. And she was representing the League of Women Voters of Nebraska in opposition to the bill. And again, she goes back to the historical nature of our Unicameral. She says: When the Unicameral Legislature was established in 1934, the intent was to shield Nebraska from the political forces of the national parties. Leadership is to be based on quality rather than political affiliation. The league supports electoral methods that encourage voter participation while maximizing the effectiveness of every vote. When voters are able to look at the qualifications and records of those running for office rather than their political party, more effective leaders and representation will emerge. This allows voters to vote for the candidate who aligns best with their individual beliefs rather than political affiliations that can fall prey to national interests that may not be in Nebraska's best interest. Like the Unicameral, public power districts and public power and irrigation directors should be elected on a nonpartisan basis. Decisions made should be in the best interest of the citizenry and not the party. As a result, the league opposes LB541 and recommends indefinite postponement. Thank you, Mr. President.

KELLY: Thank you, Senator Raybould. Senator Murman, you're recognized to speak.

MURMAN: Thank you, Lieutenant Governor. I stand opposed to the recommit and supporting LB541. When we talk about elections, we usually first think of the flashy commercials. Right now, we have presidential and congressional races coming up, when Nebraska voters are bombarded with messaging. From newspapers, TV ads, social media, and the radio, the voter gets a pretty clear picture of what a candidate's platform and goals are. Sometimes voters even get tired of the ads playing over and over on TV. But one thing is for sure, if you want to know about a Senate or a presidential candidate, you usually can find article after article and interview after interview about the candidate. But not every election is like this. Some elections get very little attention. This is especially true of public power elections. This creates a problem when there's no doubt that our public power is extremely important. Our voters probably have questions about candidates' positions. Will this candidate put wind

turbines next to my farm? Does this candidate put a bigger priority on finding the most affordable energy source? Or do they focus on less reliable, so-called environmentally friendly sources? A motor-- a voter may fall into either side of these perspectives, but no matter where they fall, they are important questions. This is especially important when our smaller profile elections have less media coverage. Do most public power candidates have updated Twitter pages and televised debates with their opponents? Usually not. Knowing a political party does not necessarily give perfect answers to these questions. But a Nebraska voter would at least be able to see their party, think about general trends in partisan views on energy, and have a basic working idea. Public officials are, as the name implies, public. Our candidates should be forced-- shouldn't be forced to run under the label of nonpartisan when they might very well be deeply partisan. Even worse, a candidate might even enjoy running as a nonpartisan candidate, accept campaign money from partisan-leaning PACs, and then go on to run their campaign claiming to have no partisan affiliation at all. Is the average Nebraska voter who is trying to keep up with their work and family life stopping to pull up the campaign contributions of every public power candidate on their ballot? Probably not. So when a candidate runs, framing themselves to be one side of the political roll-- aisle-- excuse me-- one side of the political aisle when they're the complete opposite upon assuming office, is this really a fair system for Nebraska? Ronald Reagan once said: If we are to guard against ignorance and remain free, it is the responsibility of every American to be informed. LB514 is an opportunity to keep Nebraska informed. Thank you, Mr. Lieutenant Governor. And I'll yield my time to Senator Lowe if he would want it.

KELLY: Senator Lowe, that's 1 minute and 23 seconds.

LOWE: Thank you, Lieutenant Governor. And thank you, Senator Murman. In today's Nebraska Examiner, "OPPD is Gambling on Our Future." This is today. On Sunday, January 14, the Omaha Public Power District--

KELLY: One minute.

LOWE: --posted an email-- thank you-- to customers urging us to conserve energy, explaining that high energy demand brought about by cold temperatures was causing this emergency. This plea was followed by a telephone message to customers, presumably to reach those who do not have access to email. Subs-- subsequent newspaper reports suggest that outages were avoided, luckily. To meet Nebraska's economic growth, OPPD has deci-- has added hundreds of megawatts of wind and

solar power, presumably to meet exce-- the exce-- exclusive objective of environmentally sensitive energy. This is pushing-- for renewable energy has been responsible for current-- concerns about warming climate, which some believe is a result of "proliferacation" of fossil-fueled electricity over the past century.

KELLY: That's your time, Senator.

LOWE: Thank you.

KELLY: Thank you, Senator Lowe. Senator Hunt would like to announce a guest under the south balcony: Bobby Navario [SIC] of Atlanta, Georgia. Please stand and be recognized by your Nebraska Legislature. Senator Fredrickson, you're recognized to speak.

FREDRICKSON: Thank you, Mr. Lieutenant Governor. Good morning, colleagues. Good morning, Nebraskans. I'm listening closely to the dialogue today and the debate, and I'm actually really appreciative. I think we have-- certainly, I think it was clear based on this debate, as we all can agree, that the public power system here in Nebraska has been providing excellent service for Nebraskans. And I think they do a really, really great job. And I'm glad that we're all invested in ensuring that continues, whether that's through elections or board membership, et cetera. So that's a, I think, a good place to start from. I do have some concerns about this bill. And, and based on Senator Lowe's-- I appreciate him bringing this bill. And, and I appreciate that it's his personal priority for this bill. And I was listening to his opening because one of the questions I had was kind of what, what, what function does this serve, right? In other words, how does, how does having partisan elections better improve the operation of public power? And based on the intro and some of what I've been hearing on the mic, it sounds like this is more of a campaign finance concern, possibly-- you know, whether or not there's money coming in from different sources or not versus an actual partisan ballot. So-- I don't know-- if, if Senator Lowe was willing to maybe yield to a question, I would-- I'd appreciate some clarity on, on that.

KELLY: Senator Lowe, will you yield to a question?

LOWE: Yes, I-- yes, I will.

FREDRICKSON: Thank you, Senator Lowe. So as I was saying-- I don't know if you were catching my-- what I was saying a little bit earlier,

but, you know, kind of a lot of what I've been hearing is concerns related to financing in elections. And I think we can all agree that when money's poured in, that can certainly influence and, and, and shift perspectives and dynamics, especially when people are caught on time. Help me understand how, how making these races partisan races. What, what's the goal in terms of the actual operation of the public power based on that?

LOWE: As far as, as far as the operation of public power, when, when you are elected to a board, you bring in ideology. And the only way to get there is by the election. So after the election, your ideology will be in place on the board. So that's what brings it. And what-- races that used to cost maybe \$10,000-- or, if you're lucky, maybe \$5,000 or less-- are now costing over \$100,000 within just a few years.

FREDRICKSON: OK. So my other question is, how, how might this impact Independents? So I don't know how many Independents are currently serving on public power boards-- maybe none. But how might this impact folks who are Independently registered?

LOWE: Well, I believe Independent ought to be regis-- on the ballot too, whether, whether or not it's Republican, Democrat, or Independent.

FREDRICKSON: OK. So the goal with this is that you're saying the ideology-- so the partisan ideology should be influencing public power decisions?

LOWE: The, the goal of this is to inform the voter.

FREDRICKSON: Inform the voter. OK. Thank you, Senator Lowe. So I will-- I mean, I don't think I'm going to support this measure. I, I don't think that partisan ideology, I think-- I don't know how that performs better government when it comes to public power. I always view power as a pretty nonpartisan issue. So I think that there is definitely room for maybe some campaign finance questions and if our concern is the amount of money that's being poured into these races. I think that's a whole nother topic, a whole nother discussion, a whole nother bill. That's something I would really be willing to work with Senator Lowe on and look closer at. But in terms of actual partisan registration on the ballot with public power, I don't, I don't think that's going to really accomplish much here. Thank you, Mr. President.

KELLY: Thank you, Senators Lowe and Fredrickson. Senator Moser, you're recognized to speak.

MOSER: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. So the discussion today about making these political races partisan is-- the support and the opposition is split pretty much along party lines. The Democrats in the body are mostly opposed to making these partisan and the Republicans are mostly in favor. If we're really wanting elections to be nonpartisan, then we should register as Independents and, you know, follow our hearts however we want to go. But no. We still run as Republicans and Democrats. To get elected, you just have to create an image for one day that makes you look like the best candidate. You send out postcards with flags and, and pictures of bright, sunny hills and mountains and all the things that make you feel good about a candidate. And then you want your name really big so people get that name burned in their heads, so when they go in to vote they're going to vote for you. But if you're a Democrat and you had a Democrat on that postcard as your party affiliation and if you're in a Republican area-- which, in most places in Nebraska, there's a, an edge for Republicans-- it's a detriment. So the Democrats are against having it partisan because it gives them a way to slip by the fact of their party affiliation, where it's going to be to their detriment, and try to create this image that they're going to do the best job in representing their, their district. I, I think it, it-- all the elections in Nebraska should be partisan. It's, it's another clue to the voter where you come from, what you stand for. And yeah, it may-- I should say "yes" instead of "yeah--" yes, it may affect your opinion of that candidate, but it's the choice of the candidate to choose their party, the one that agrees with them in most cases. And it's a clue to the voter who to support. So again, I think it's, it's a good way to show the voters what you stand for rather than to try to hide behind some flurry of smoke and mirrors and try to make yourself look conservative and like you're going to bring lower power rates. Thank you, Mr. President.

KELLY: Thank you, Senator Moser. Senator Lowe, you're recognized to speak.

LOWE: Thank you, Lieutenant Governor. And now for some complete-- something completely different. I yield my time to Senator Raybould.

KELLY: Thank you, Senator Lowe. Senator Raybould, you have 4 minutes, 35 seconds.

RAYBOULD: Thank you very much, Senator Lowe. I appreciate that very much. You know, we've heard some other comments from our fellow senators talk, talk about businesses. And, you know, our, our largest public power providers, like OPPD, NPPD, Lincoln Electric System, they're essential to a business operation. I can share some of my own personal business experiences and why it's so fun-- fundamental to, to be engaged and involved. Because we're one of the top energy electrical users in the city of Lincoln. So I want to talk about Lincoln Electric System because that's the system I'm the most familiar with. And I got to know both the front of the house and the back of the house as a county commissioner and then serving on the Lincoln City Council for eight years. And with Lincoln Electric System, as in any business, you have to have that diversified portfolio. And that's a commitment that Lincoln Electric System has made. That's a commitment that OPPD has made, NPPD has made. Why? Because that'll allow them to deliver reliable, affordable rates to our customers. And so Lincoln Electric System, like the other ones, has a goal of 1/3 coal, 1/3 natural gas, and 1/3 renewables. And the reason why they do that-- that's a goal. But that, that goal has to be flexible. Because why? They look at the market rates. They look at the callouts for our southwest power grid and what the needs are. And they have to be flexible and nimble to back off on that power request or that power element. And so they have to do their buys based on that. And the reason it's important-- because it affects every ratepayer, not only that residential person. It event-- it impacts the commercial ones. And so I want to talk about our business. And I'm going to talk about climate change. I hate to do that, but, you know, it all comes down to that. How can-- as a business owner, how can I reduce my energy consumption? I can tell you every single business, manufacturer, industry, they're looking at the same things. Why? Because they don't want to have to deal with increasing electrical costs or gas rates. We have to do it if we want to stay competitive. Whether you and I-- other senators talked about science. Well, here's, you know, the, the ten words that sum up climate change: it's real. It's us. It's bad. Scientists agree. And there's hope. And as a business owner, if I didn't stay two or three steps ahead and take advantage of rebates on LED conversions or going to distributed load systems where it reduces my electrical consumption, we wouldn't be competitive. We wouldn't be able to, to deliver and-- affordable grocery prices, for example-- if I didn't do what we did-- what, what-- if I didn't do that with a focus on reducing electrical consumption. That's what businesspeople do. And I just am going to try to read one more-- and maybe two more, if time permits. These are

comments from the future. These are students that testified at our committee hearing. This one is from Chloe Johnson, and she is from the Omaha Students for Sustainability. She said it was especially confusing to us why we would be adding partisanship to public power districts, as that seems espes--

KELLY: One minute.

RAYBOULD: Thank you, Mr. President-- especially dangerous. Historically, Republicans have championed environmental and conservation issues. They've supported public parks. They've been a huge part of bringing recycling to much of the country. And unfortunately, now Republican Party is somewhat taking a stance of anti-renewables, anti-clean energy, and being, especially in some districts more than others, having heavy Republicans, the ma-- the political majority would try to embrace all the great strides that the Republican Party has made under great Republican presidents: President Reagan, President Bush. They have been leaders in environmental and conservation issues. She goes on to say: It just seems odd that this is occurring. And she wants to know, if, if that comes from someone who's saying it's, jobs, like coal jobs, which, by the way--

KELLY: That's your time, Senator.

RAYBOULD: Thank you, Mr. President.

KELLY: Thank you, Senators Lowe and Raybould. Senator Linehan, you are recognized to speak.

LINEHAN: Thank you, Mr. President. Good morning, colleagues. I-- Senator Lowe has asked me to turn off my light, and I told him I was going to take just a few seconds, so. I'll try this. It was stated on the floor this morning about dark money and Betsy DeVos, whose name came up. I, I am really tired of this, folks. Dark money is where you don't know where it comes from. You can't get up and talk about dark money and then talk about where it came from. Dark money-- here's what dark money is. Dark money is when an organization-- maybe a nonprofit organization, maybe one right here in Nebraska-- hands out millions of dollars to other nonprofits that then lobby in the Legislature, involve themselves in campaigns, write checks out to campaigns, and you have to spend hours to trace back where the money's coming from. That's dark money. Dark money is not money that's filed with the Nebraska Accountability and Disclosure. And anybody with the computer and the ability to google can figure it out. Thank you, Mr. President.

KELLY: Thank you, Senator Linehan. Senator Brewer, you're recognized to speak.

BREWER: Thank you, Mr. President. Well, I got in the queue because I owed you a speech. If you remember right, when it came up for AM1062, I had four speeches-- none of them for AM1062. So I stand in opposition to MO1777 and here to ask for your support on AM1062 and on LB541. The Government Committee heard Senator Lowe's bill on March 15 of last year. We had a number of testifiers based on the information received. The, the committee voted the bill out with AM1062. AM1062 reduces the scope of LB514-- LB541. The committee amendment for the bill will only apply to those who have revenues in excess of \$500 million. So if you think about that, that really is, is the big two here in Nebraska. So I would recommend your green vote on the committee amendment and on the base bill. Thank you, Mr. President.

KELLY: Thank you, Senator Brewer. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Colleagues, I do rise today in support of the motion to recommit. I'm not going to take all of my five minutes here. I, I also spoke with Senator Lowe and let him know that I would just talk very briefly. But I do generally stand opposed to the notion of making these, these elections more partisan. And in general, I, I stand opposed to increasing the partisanship in our elections across the board in the state of Nebraska. One of the great things about our nonpartisan election process for the Legislature is that it encourages residents and constituents to do their research. Whether people like it or not, when you have a partisan election with a D or an R or an I or an L next to somebody's name, people make snap judgments about those individuals and oftentimes just vote down the ballot based on that. I find that problematic. I think we should be encouraging more civic engagement. I think we should be encouraging people to do their research. And I think we should be encouraging candidates to make it known to the people in their district how they feel and what they believe. So I believe we accomplish that by encouraging nonpartisan elections. And I think we should be challenging our politicians and people running for office to speak to their constituents more. And I think we should be trusting the constituents that they're going to be doing their research. And we should raise that lowest common denominator in our politics and expect people to actually learn about what the people who are running believe in. Thank you, Mr. President.

KELLY: Thank you, Senator Dungan. Senator Raybould, you're-- Senator Raybould, you're recognize to speak.

RAYBOULD: Yes. Thank you, Mr. President. And, you know, Senator Linehan raised a very good point and very valid point about dark money. You know, I want to put in a plug that I have a number of campaign finance reform bills that I've introduced last year that are still in the Government, Military and Veterans Affairs that really go to the heart of this. And, you know, whether it's dark money or as transparent as you can possibly be with the Nebraska Accountability and Disclosure Commission-- I mean, you just have to look at our most recent mayoral race in the city of Lincoln, where we had one U.S. senator, one corporation, and one family, you know, fund one candidate the majority of their campaign finance. So we know that's a problem. There is no denying that whatsoever. But I think it comes back to the nonpartisan nature of the existing public power districts. And what are we trying to do? What is the current problem? You know, we have the transparent money and we have the dark money that are impacting these races. I find that-- you know, when I quoted some of the comments from the students, they're our future. They know, like most businesses, that we need that diversification of energy resources so that we can be successful and that we can continue to make sound business decisions on behalf of our Nebraska ratepayers. And that is something that we-- should never be political, should always be based in business. I just want to read maybe one more testifier. This is Shirley Niemeyer. And she is speaking on-- in her own behalf. And she wonders: Why is this being proposed? Will this mean that the predominant party in Nebraska will win almost every board position? I really like our nonpartisan elections because I can look-- I have to look at their qualifications, and I do. I look them up on Facebook. I look them up in other resources. I really try. It's hard, but most Nebraskans try. They want the best qualified person there. And does money come from wealthy donors? Yes, it comes to the Republican Party. It comes to the Democratic Party. Not so much Independent. I also want to think about why. What are we really talking about here? Because we are opposed to greening energy sources? We have a massive climate change. We need our public power entities to address that. For now, we have solar. We have wind. We're looking at other energy sources. We need to do that. We have to do that for our children. We have to do that for our young people. Climate change is real. And yes, you can look after poll after poll, but they are consistently showing more Americans than ever believe climate change is real. And if you look at what's happening in Nebraska and to some of the Nebraska farmers, to

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the flooding, to the snow events, that should be a clue that it's really happening here. Thank you, Mr. President.

KELLY: Thank you, Senator Raybould. Senator Blood, you are recognized to speak.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I first want to say a formal apology to my peer, Senator Linehan. If I did say dark money and the word DeVos, that was not my intent. It's when we were talking about east coast money and how money comes in from all over. So I wanted to say a formal apology. So I also want to remind Senator Lowe that the Supreme Court's Citizen-- decision, Citizens United, which we're all familiar with and people were really happy about in Nebraska because they could pump more money into campaigns, that it's already been decided that it equates-- that political donations is the same as free speech. So now we're trying to change a policy to take away somebody's right to free speech. And I find that concerning. I want to tell you-- excuse me-- why I think nonpartisan democracy is so important. It really does place the power in the hands of the people. Elected officials, I believe, are more accountable to their constituents, and they're not beholden to any particular party. You know, if you don't believe that nonpartisanship is important when it comes to democracy and policymaking, look at this body. As dysfunctional as our family was in this body last year, you still passed 291 bills. Now look at the partisan Congress. This last year, they passed 27 bills, and they are on record right now as being one of the worst bodies in recent memory. I can't stress enough how important it is to leave things be. I always think it's interesting-- and I think I'm going to create a drinking game because every time I get excited about an issue-- which I always get excited when it comes to democracy-- Senator Erdman loves to talk about me being fired up. I think if I go through the transcripts, I'm going to find it multiple times. And we're just going to have to create a drinking game on that. So I also believe that nonpartisan democracy takes the power away from political parties, and, and they give it to the people. And the reason that people want to change that is because they want the parties-- and you notice I say it with an S-- to have more power. And that is not something that I personally support. And I think you just have to look at how toxic it is right now in the United States, is that it's a really-- a prime example of the problems with our current system of party politics. We're a highly polarized political environment with political parties that are starting to define themselves by their opposition. And I got, like, a really mean email on that after I talked the first time. I think it's bizarre that we are so willing to

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pigeonhole people based on their party instead of asking them why they believe what they believe and why they happen to belong or not belong to a party. Nonpartisans will often tell you that they don't want to be holden to-- be beholden to any party and that's why they're nonpartisan. Democrats will often tell you that they are Democrats, not necessarily because they believe in the foundation of what the Dem-- the Democratic Party stands for, but maybe their family has a long legacy of being labor supporters or there's social workers in their family. There's always a reason for why people belong to certain parties. I often hear from Republicans. They're like, well, I'm a Reagan Republican. Or, I'm a Republican from before it became so partisan and it made more sense. We hear all kinds of stories. And that is not me saying something bad about the Republican Party. That's some of the things people have said to me, so please don't send me more emails. But this polarism, it's really led to a breakdown of political discourse. Today's--

KELLY: One minute.

BLOOD: --a good example-- and a lack of compromise in the legislative process. I love our one-house nonpartisan system. I was concerned when we talked about two houses-- which also, by the way, costs taxpayers a lot more money-- which is why the other states don't want to go down to one house, where they could actually save taxpayer dollars. But this one issue is an example that we can bring out over and over and over again. But if we start changing things like this based on donations, then we are taking people's right to free speech away. Because it's already been proven in the courts that when you donate money to campaigns and causes like this, that you are utilizing your right to free speech. Thank you, Mr. President.

KELLY: Thank you, Senator Blood. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. Good morning, colleagues. I stand in opposition to LB541, AM1062, and in support of MO1177. Kind of continuing some of what Senator Blood was saying about political party and why you might belong to one political party or another, this morning, it was said-- and I apologize. I don't recall who said it on the mic-- but that you can glean 99% of what you need to know about a candidate based on their political party. And I would very much like to push back on that notion. I don't think you can glean 99% of my views based on my party registration. First of all, you're forced to register as something in order to vote. So you have to pick. And you

just pick whatever you feel most, most aligns with you. But I have different views than my colleague Senator Walz on reproductive health, and we are in the same political party; and Senator McDonnell, and we're in the same political party. I have the same views with former Senator John McCollister, and we're in different political parties. I have extraordinarily kind of freakishly similar views on fiscal accountability with Senator Riepe, and we are in different political parties. So that I don't think is a very good argument for why to have a political party on a ballot. Everything is issue by issue-- or, it should be. And when it comes to a particular office that you might be running for, like public power, I don't know what your views on traditional things like tax incentives and reproductive health have to do with whether or not you're going to be representative of my views on public power. Maybe tax incentives. Maybe. But I don't think that political party should be a litmus test that we add to the ballot. I actually think we should be removing that from the ballot because that's part of what makes Nebraska so unique. And it's our ability to work together and not work in these siloed caucuses by party. And I've always appreciated that about our body. I did work for the federal government. When I was right out of college, I worked in Senator Ben Nelson's office. And-- so I have experience. Not as much as-- just-- she's just walking by. Senator Linehan has way more experience in federal government than I do. But I do have some experience in federal government and how that system works-- or, I think it's better to say does not. And I think it's fair to say that Nebraska and the Legislature does not want to become Washington, D.C. We don't want to become that level of dysfunction. We all have things that we work well on and we have things that we don't work well on together. And it just-- it would, it would be detrimental to what makes Nebraska special, to polarize and politicize these things further than they already are. I also would say, when I first ran--

KELLY: One minute.

M. CAVANAUGH: --I was running in a Republican district. And my political party, by this logic, should mean that I shouldn't be here today. But I firmly believe that being transparent and communicative about my values and my stances on things, not my political party, is why the people of District 6 sent me here in the first place. And I hold that in my heart every single day. Because I may be a registered Democrat, but I am a legislator for the District 6 of Nebraska first and foremost, and my political party does not dictate my votes or how I legislate. And so I think that we should really--

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KELLY: That's your time, Senator.

M. CAVANAUGH: Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator DeKay, you're recognized to speak.

DeKAY: Thank you, Mr. President. I rise to support LB541 and AM1062 and to oppose MO1177. Being a farmer/rancher and a product of these elections and being impacted by the amount of funds coming into the state from special interest groups from outside that have control over our public power boards, ranging from the generation, transmission, and to distribution is a little troublesome to me. These groups have never approached me, asked me what my views were on generation. They opposed me because of my party affiliation. They were-- these groups were also wanting to use money to dictate county commissioner boards. And, and they're going-- they were going deeper than that with other boards so that they could control zoning in our state. So with that being said, they were trying to control what we were wanting to do with distribution and-- especially transmission from wind to solar to our baseload generation. I had always run my races with a nonpartisan message, but with any campaign, there would always be the question: are you Republican or Democrat? I would bet there isn't anyone in this body that hasn't been asked that question during their campaign cycle. My question to that is, why don't we take that question off the board? And I support what I told you earlier on LB541, AM1062. Thank you.

KELLY: Thank you, Senator DeKay. Seeing no one else in the queue, Senator Raybould, you're recognized to close on the motion to recommit.

RAYBOULD: Thank you, Mr. President. I do want to say a special thank-you to Senator Lowe. You were very kind and very gracious, and I hope to be able to reciprocate as we go through more bills. I want to tell you that Senator DeKay, Senator Blood, Senator Linehan hit the nail on the head solidly. What is the problem that we're trying to correct? Dark money, transparent partisan money funneling in from national organizations. Bingo. That's it. That is the problem. The bill before us, LB541, that's not the answer. That's not the solution to the problem we're facing. But I do want to thank my colleagues' comments because-- and I really appreciate the dialogue and the debate that took place. And then I want to give another pitch for some of the campaign finance reform bills I have in Government, Military and Veterans Affairs that speak to the heart of this matter that we have

been debating today. So thank you all very much. You know, I want to just bounce right back to business. I'm a business owner, and I do not want government mandating and telling me how to run my business. I don't want them to talk to me about renewable energies. And there's a reason why: I'm way ahead of them. I am, like, ten steps ahead of them. And the reason why? I have to be. If I want to be competitive in the business I am, I have to do everything that I can to reduce my carbon footprint-- more importantly, to reduce my electrical bill. And you know what? I want people like me elected to all the public power boards. Because you know what? I look at numbers. I do not care what party elected you. If you can't read a spreadsheet, you have no business being on a public power board. If you get elected to a public power board, you better understand the diversification of your energy sources, whether they're renewable or whether they're coal or natural gas. You have an obligation. You have to deliver reliable and dependable power. And you know what? Our state is great because we have done nonpartisan elections all up and down, from the rural electric entities all the way up to the bigger guys, like NPPD and OPPD and LES. That's the way it should be. That's how we maintain our commitment on delivering reliable, dependable power. I don't care. You know, I would like more farmers and ranchers. They get it. They understand that renewables, wind turbines, and solar panels on sections that they can't farm anyway, that brings in dollars to their families and allows them to continue what they do for generations to come. So I ask everybody, please kindly vote to recommit to committee. Look at my campaign finance reform bills. And let's, let's hope you don't support LB541. Thank you all for a great discussion.

KELLY: Thank you, Senator Raybould. Members, the question is the motion to recommit to committee. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 15 ayes, 18-- excuse me. 15 ayes, 28 nays, Mr. President, to recommit.

KELLY: The motion to recommit fails. Mr. Clerk for items.

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

KELLY: There is no one else in the queue. The question is the adoption of AM1062. And Senator Brewer, you're recognized to close. Senator Brewer waives. Call of the h-- a request for the call of the house. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 36 ayes, 4 nays to place the house under call.

KELLY: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Riepe, Senator Hansen, please return to the Chamber and record your presence. The house is under call. All unexcused members are present. Members, the question is the adoption of AM1062. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 31 ayes, 9 nays on adoption of the committee amendments to LB541, Mr. President.

KELLY: AM1062 is adopted. I raise the call. Senator Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. The call is still on the board. I don't want everybody to feel like they have to stay in here and listen to me. You're more than welcome to because I am very eloquent and have lots of important things to say. But I just-- I know we were ready to move on and get to another vote, and we've had a good conversation this morning. I just wanted to-- I was going to punch in, but we moved a little quickly on that amendment. And I voted against it. And it's because I'm opposed to this idea. But a lot of-- folks, you all just voted for an amendment to limit this bill just to essentially OPPD and NPPD. So you just granted the premise of the argument, is that these other public power districts should still be nonpartisan elections. And the reason that you took them out was that they asked to be able to continue to hold their elections in this nonpartisan fashion and it works for them, right? And again, Nebraskans are not asking us to inject partisanship into these elections. We have a whole bunch of other nonpartisan offices: community colleges; boards of regions; city councils; mayors; the Legislature, of course, quite famously; and natural resource districts, all of these other groups. And we're here now just with our sights at this point set on OPPD and NPPD. So you all agree-- there was 33 "yes" votes for that amendment. You all agree that those smaller districts, other public power districts, should not be partisan. We should treat them the same across the board, all of these power districts. They engage in electric generation. They are a treasure to this state. We are lucky to have our public-- or, power generation owned by the people. And we should preserve that and guard it jealously, right? But we have-- so you all just-- I wanted to make

sure you all noted that, that you just granted the premise of the argument, that these elections should be nonpartisan. And I just think that they should be nonpartisan all the way up and down regardless of the size of the electric generation. So I would encourage your red vote on the underlying bill. and We will keep the conversation going on this bill at some point, perhaps, in the future. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you-- thank you, Mr. President. What-- Senator John, John Cavanaugh forgot to also mention that he's very modest. I, I, I got here a, a few minutes late this morning, so I was trying to listen to the conversation around this on my phone. Thank you to Nebraska Public Media for the app. It's very useful. I use it often. But I just-- I want to echo what Senator John Cavanaugh just said because it was so eloquent and modestly put. This feels like what just happened with the amendment is special legislation. And it's special legislation targeting our highest population. And that shouldn't really sit well with people. I've heard this conversation about dark money. And I have to be honest, I'm, I'm not quite clued in to what happened because, you know, there's lots of conversations going on this morning and we are going to be moving forward. So I hope to have some conversations before this bill comes back up with Senator Lowe and others about what the dark money piece of this is about because I didn't-- I, I wasn't privy to that conversation. And I'm genuinely confused because we're making this a partisan race. But then people started talking about dark money. And I think it's fair to say that I am an avid lover of transparency, so I'd like to dig in on that a little bit more. But perhaps between now and the next time this bill comes up we can have those conversations. Because I was genuinely not tracking, to be honest, what, what-- how that-- how dark money issues were impacting whether or not we should have a partisan election for public power only in Omaha and Lincoln areas, so. Thank you very much. And again, I just want to thank Senator John Cavanaugh for his eloquence and modesty in this debate. I yield the remainder of my time.

KELLY: Thank you, Senator Cavanaugh. Senator Lowe, you're recognized to close. And waives. Members, the question is the advancement of LB541 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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CLERK: 29 ayes, 16 nays, Mr. President, on advancement of the bill.

KELLY: LB541 announces-- advances to E&R Initial. Mr. Clerk for items.

CLERK: Mr. President, new LR from Senator Albrecht: LR288 and LR289. Both will be laid over. Additionally, amendments to be printed from Senator Linehan to LB861; and Senator Hughes to LB875. And a notice of committee hearing from the Judiciary Committee. That's all I have at this time, Mr. President.

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

CLERK: Mr. President, next item on the agenda: LB307, introduced by Senator Hunt. It's a bill for an act relating to the Uniform Controlled Substances Act; authorizes pharmacies and local public health programs to provide hypodermic syringes or needles to prevent the spread of infectious disease; and repeals the original section. The bill was read for the first time on January 11 of last year and referred to the Judiciary Committee. That committee placed the bill on General File. There are committee amendments, Mr. President, as well as other motions.

KELLY: Thank you, Mr. Clerk. Senator Hunt, you're recognized to open.

HUNT: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. I'm excited this morning to introduce this bill because I didn't know if I would end up in this place again after last year. And I've had so many great conversations with so many of you. I've done my best to talk to all of you about this bill. You've seen me buzzing around in the last few days. And I'm excited to kind of bring it in to prime time here. LB307 is my priority bill. It was my priority bill last year as well. And what it does is it removes an existing statutory barrier to allow for the potential creation of syringe service programs in Nebraska. I'd like to thank Speaker Arch for being a great partner on this, and, you know, we've worked through a lot of questions that he has and talked about a possible amendment on Select to address some of his concerns and, like, different clarifying things that we can do. And I've done my best to talk to all of you. I've got a good card here. I know I didn't get a chance to talk to everybody, but the truth is it takes a lot out of me. And so I, I will tell you that I did my best. We also have a lot of great letters of support here from the former Indiana health commissioner under Governor Mike Pence, U.S. Surgeon General under President Trump, from the Nebraska Pharmacists Association, and from Sergeant Aaron

Hanson, who is the sheriff in Douglas County. LB307 would allow local jurisdiction-- so it would have to be approved by a city council or a county board or a village board-- to authorize public behavioral health programs to distribute hypodermic needles or sterile syringes as part of public health efforts to reduce the spread of infectious disease such as HIV and hepatitis C. These syringe service programs-- I'll refer to them as SSPs-- they are primarily used as a place for people to get referrals to substance use disorder treatment programs, screening care for viral hepatitis, HIV, STIs, overdose prevention, safer injection practice, education, and supplies to help them prevent overdoses. Like-- in Nebraska, especially in rural Nebraska, we have a really serious increasing problem with the use of Narcan, with the use of fentanyl. And we've seen an increase in opioid overdoses in our rural parts of the state. And this bill, with a lot of broad support, is something that we know is going to help with that. These SSPs can also provide vaccinations for diseases like hepatitis A and B, wound care, and referrals to social, mental health, primary care, and other medical services. In most cases, those medical services can be provided right at the site as well. When a person steps into an SSP, they build trusting, nonjudgmental relationships with clinic providers, staff. Often, many of these staffers and clinic providers are people who have experienced addiction themselves. And they get the care they need to get to a better place where they can think about seeking treatment. We know that people who access these services are five to ten times more likely to seek treatment, to kick addiction. And we know that in the rural parts of our state, where access to health care can be limited, this would give counties the opportunity to kind of expand the resources that they have for these kinds of treatments. SSPs also offer benefits not just to the participants that utilize their services. Even if you're not an addict, even if you're not going in to use these services, this can still benefit you and your communities in your districts. Studies show that these SSPs reduce litter and they reduce the likelihood of unsafe, unused-- used needles ending up in places like parks and playgrounds. A lot of people also fear the legal risk of carrying used syringes due to existing paraphernalia laws. And because of that, they're more likely to dump them somewhere that's more risky to the public. This bill would also protect first responders and law enforcement from needle-stick injuries, and it'll protect communities from potentially dangerous infectious disease outbreaks. We know that this lowers the infectious disease spread, specifically HIV and hepatitis C, by 50%. When advocates approached me about bringing this bill, I was surprised to learn that, in recent years, Nebraska's HIV infection rate shot up

to its highest in over a decade. In the three-year period from 2018 to 2021, while the United States as a whole experienced about a 5% decrease in new HIV diagnoses, Nebraska saw a 26% increase. Rural areas were hit hardest. New cases in rural areas-- Buffalo, Hall County-- they doubled in 2021. And Buffalo and Hall County currently have the highest HIV infection rates in our state. There's some speculation that something happened, you know, between 2020 and 2021 with the pandemic isolation that could have contributed to this, but we don't know for sure, and it doesn't explain why the rest of the country, all those rates went down so dramatically. But in our state, they went up so much. And it shows why we need a bill like LB307 and the services that it's going to bring to our state. There's only a few states that don't have these programs authorized. In Nebraska, this is currently not authorized. An organization couldn't do this if they wanted to. They need this bill to pass so that that can be possible for them. I want to talk also about the opioid pro-- problem in Nebraska and how SSPs can help address that in a data-backed, nonpunitive way that will not result in increased incarceration for the people who are facing addiction in our state. We all know about the recent rise in our state of fentanyl use and overdoses. It's an extremely powerful opioid that can be lethal at a very, very small dose. Overdose-related deaths from fentanyl in Nebraska have steadily increased across the last decade. Over the last decade, they've increased by 176%. 229 Nebraskans died of overdose in 2022 from fentanyl. And data collected from our 19 local health departments show that opioid misuse is trending upwards in nine of those, led by the Dakota County Health Department Region. The federal Behavior Risk Factor Surveillance System Survey, grouping Nebraska's counties into three categories of large urban, small urban, and rural, shows that opioid misuse in this state is highest in the small urban counties. With LB307, we are simply removing the barrier at the state level so that cities, villages, and counties that might want to consider adopting an SSP-- they don't have to do it. We're being asked to do this by a lot of cities around our state. But if they want to do it, LB307 will give them the ability to do that. It would be up to the approving locality to determine the parameters of its own program. That would include stuff like who they want to administer it, if it's the public health department, if it's a behavioral health clinic, if it's a hospital, or a federally qualified health center, what their funding source will be, and any other ordinance they might want to pass to govern the SSPs. That would be up to them. So what I'm saying is, for example, in Omaha, where I represent, our city council would have to pass-- they would have to pass something that would allow an

SSP to be created. And then an organization-- like the Nebraska AIDS Project or Charles Drew Health Center or another federally qualified health care program-- would put this in place. And it gives power to those programs and the expert medical providers in those programs to determine the standard of care. You know, all of these people will be following the standard of care. And then we will be joining the 45 other states that have operational SSPs who listen to public health and medical experts and let those cities or county give this the shot that they want to. We've had a lot of wide support on this. I'm very excited about it, to have the support of the sheriff, to have the support of Dr. Ali Khan, of, you know, a broad range of, of bipartisan support. I can tell you guys there's no tricks with this bill. I'm, I'm just excited to do something good that's going to help a lot of people facing addiction in Nebraska, that will bring Nebraska's standard of care and the health care that we're able to provide to our constituents up to a level that they can get in other parts of the country that they ought to be able to access here too. I'm happy to answer any questions. I'm kind of going through my notes here. I think that's sort of the long and short of it. But if you have questions, I'd be happy to answer them. And with that, I'll yield the remainder of my time. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Mr. Clerk for an item.

CLERK: Mr. President, a series of motions from Senator Machaela Cavanaugh: MO480 through MO486, all with notes that she wishes to withdraw.

KELLY: Without objection, those motions are withdrawn. Senator Wayne, you're recognized to open on the committee amendment.

WAYNE: Thank you, Mr.-- thank you, Mr. President. The committee amendment is really just some technical-- so we added the intent to deliver wouldn't be a violation. So it's just making-- har-- harmonizing where the statute was going to make sure it fits all the other areas of the criminal code. It came out 7-1, and that was only because Senator Geist at the time was not present. This had broad range of support. If anybody knows Sheriff Hanson in Omaha, he definitely was supporting this idea after doing tons of research on it and seeing it successful in other areas. And so that's why it came out of the committee. It would have come out 8-0. There was no objection at the time from Senator Geist. She was just not present. And we were trying to move this to the floor as soon as possible for Senator Hunt

to have this discussed. So with that, I would ask for a green vote on AM361 and then the underlying bill. Thank you, Mr. President.

KELLY: Thank you, Senator Wayne. Moving to the queue, Senator Holdcroft, you are recognized to speak.

HOLDCROFT: Thank you, Mr. President. Yes. And I-- as a member of the Judiciary Committee, I was one of those who advanced this to General File. And as Senator Wayne already mentioned, it was largely due to the support of Senator-- I mean, Aaron Hanson, the Douglas County Sheriff. He, he provided a letter, which I'd like to read because it outlines a lot of the reasons why I'm supporting this bill. And again, it was from, from Sheriff Hanson to the Judiciary Committee. He, he starts off-- he's got bullet points through here, so I'll try to read them as best I can. A smart balance of harm reduction efforts, rehabilitation, and enforcement efforts are in order. My initial thoughts on LB307 were met with skepticism. Historically, too many communities across our nation fundamentally sanction illicit drug use and exacerbate the problem. I would never support such a concept. And it's my understanding that LB307 does not ensure that. LB307 does not go that far, and thus it allows me to take a position of support. As a 26-year veteran of law enforcement who has navigated and supervised many drug investigations, I was surprised to learn that possession of distrib-- or, distribution of clean hypodermic needles is technically a crime in Nebraska. Drug addiction and the spread of communicable disease is a scourge on our community. Local governments or qualified health care providers should be able to legally distribute clean needles under careful and responsible circumstances in an effort to prevent the spread of communicable disease. Recently, I engaged in the Nebraska DHHS process, during which I was provided a free dosage of Narcan. This is an example of smart harm reduction without enabling addiction. The process wisely mandates one to provide a name and identifiers. We need an umbrella approach to reducing addiction. Small harm reduction, enhanced investment in problem-solving courts, enhanced investment in rehabilitation, and treatment of those in probation, parole and prison, and real consequences for drug dealers who wish to do our community harm. I am hopeful the end product of LB307 will be executed in a similar manner and result in the simultaneous distribution of Narcan with free needles so addicts are, are identified and provided with the resources and services needed to overcome their addictions. And-- sincerely, Aaron W. Hanson. Also, I would also emphasize what Senator Hunt mentioned that, that this still requires-- even though we pass this bill-- this still requires approval by the, by the city, village, or county in which it's to be

administered. And it will be administered from a health care facility. So, you know, we're still leaving the decision ultimately up to the-- to these communities involved. And I'll relinquish the rest of my time.

KELLY: Thank you, Senator Holdcroft. Senator Arch, you are recognized to speak.

ARCH: Thank you, Mr. President. I rise this morning in support of LB307 and AM81. And I want to help you understand my, my reasoning. Senator Hunt mentioned that she and I have had a number of conversations, and that is absolutely correct. Because when I saw this bill-- and I, I, I obviously had questions. And so let me, let me just walk you through how I got to the point of support. The CDC has published a couple, a couple of FAQs and, and information on SSPs and, and, and their evidence for, for some of the questions I think that are on all of our minds: one-- first of all, the, the obvious question is, will-- doing this, is this going to increase drug use? Is this actually, is this actually a way of increasing-- of crea-- increasing our societal problem with drug use? The evidence-- and they cite a couple of research, a couple of research papers in here-- the evidence says no. The evidence says no. The evidence isn't there for increase in drug use or increase in crime. And I appreciate Sheriff Hanson's thoughtful response here. So, so then what does it do? If it doesn't do that, then what does it do? And what the evidence shows is that people that come in for clean needles are five times more likely to enter drug treatment. Now, that makes sense. Because, because how do you get somebody that is struggling with drug addiction and, and, and intravenous drug addiction in particular, how do you get them in front of somebody that can help them? And this is one gate into that process where drug treatment can become available to them. Not only drug treatment, but IV use of, of the illegal drugs is also associated with wounds, with sores. And, and how do you get them so that that can be taken care of? So this-- I, I say this is entering of drug treatment, the treatment of-- treatment care for wounds and those types of things obviously is a big benefit to the individual and a big benefit to society as well. 50% reduction in, in HIV, the spread of HIV and hep C. Big issues. Intravenous drug use and the spreading of communicable diseases. So I think that the evidence, I think that the evidence is there. I read, I read Dr. Khan's letter, from the University of Nebraska Medical Center. Strong support. Again, citing some of the CDC evidence, but also some-- just some personal perspective on the spread of communicable diseases. Again, this is not a mandate. It doesn't require any, what is called local jurisdiction, to offer an SSP. But

it is, it is available to them. There are a couple of things that I would like to see in an amendment between here and Select, a couple of questions that I have. I mentioned local jurisdiction. One of those, one of those questions is, what exactly is a local jurisdiction? My concern is that if SSPs are authorized within a city or a county, that it be the elected officials that authorize the us-- the, the, the creation of an SSP; and not simply the Department of Health, but we have elected officials involved in voting. And I would ask Senator Hunt-- and she and I have had this conversation as well. But I would ask Senator Hunt to, to, to entertain that discussion as well between here and Select. And then the other, and then the other is, where, where to place these, these SSPs. I think my concern would be we don't want them next to a school. We don't want them, we don't want them in areas-- so again, local jurisdiction would have some zoning authority over where they can place the SSPs. And I think that that--

KELLY: One minute.

ARCH: --should be a consideration. So Senator Hunt, it's just a quick question. Would you be willing to have those discussions for an amendment between here and Select.

KELLY: Senator Hunt, will you yield to a question?

HUNT: Yes.

ARCH: Yes, yes. All right.

HUNT: Yes. Speaker Arch, yeah. I, I think that your concerns are just sort of clarifying the intent of the bill, and I'm happy to do that.

ARCH: Thank you. Thank you. I see this as, I see this as dealing with reality. We have an issue. And, and while we would all like to see drug abuse completely go away, I don't think this increases the issue. I don't think it encourages drug use. And I think that it actually helps with this spread of communicable disease. The other thing that gives me some satisfaction is we're not the first. Senator Hunt, in her opening remark, said 45 other states have authorized SSPs. We could be the 46th. And I, I think it makes sense. I think we're dealing with reality. Thank you, Mr. President.

KELLY: Thank you, Speaker Arch and Senator Hunt. Senator McDonnell, you're recognized to speak.

McDONNELL: Thank you, Mr. President. Good morning, colleagues. Thank you, Senator Hunt, for all the work on LB307. I rise in, in favor of LB307 and, and AM381. Having a discussion with Sheriff Aaron Hanson this morning-- and, and I know Senator Hunt is handing out right now as we speak what Senator Holdcroft read earlier. We talked about that one clean needle and then never needing a needle again. The idea of having that help, having law enforcement, working with public health, but also that oversight. We have all the research. Senator Hunt has talked about that. [RECORDER MALFUNCTION] around the country. But let's say we're totally wrong. Let's say things derail and we're just-- well, the point is the local government is going to be the ones that say start and stop. I'm 99% sure that this is, this is going to be a great program. It's going to be helpful if the local government says, yes, let's, let's start doing this. And I believe that if they, they do start this and follow the-- what's been going on around the country and try to learn from other people's mistakes and try to improve on that, that we're going to have an opportunity to put something in place-- or, that we will give the opportunity to that local government the opportunity to put something in place that's going to help a, a number of our, our citizens in, in our state. So I please ask you to support LB307, AM381. And I agree with Sheriff Aaron Hanson that working together with law enforcement and public health and having that oversight of that local government, this is the right, right thing to do for our state. Thank you, Mr. President.

KELLY: Thank you, Senator McDonnell. Senator Jacobson, you're recognized to speak. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. Good morning, colleagues. I want to thank my friend, Senator Hunt, for bringing forward this important legislation. And it touches upon so many critical areas in public policy and sits right at the intersection of advancing our shared public health and public safety goals, which we share across the state and across the political spectrum. I also want to thank my colleagues who have lent their voices to the chorus of support in regards to this measure and recognize that we have, you know, incredible leaders in the public health space, like Dr. Khan, who has helped to lend his voice and expertise to this issue. And to have the support of law enforcement as well I think is a very thoughtful position for them to take. I also want to recognize how hard Senator Hunt has been working in good faith to shepherd this bill through the process with a swift priority designation and with good old-fashioned roll-up-your-sleeves hard work, building relationships, and garnering votes and making the case for why this is important. I know that this came out of a very

diverse-- from a political and geographical perspective-- Judiciary Committee as well. And I think that speaks volumes in terms of the broad support it has enjoyed and should continue to enjoy in this process. Finally, I have two more points that I just want to inject into the record. Senator Hunt recognized this a little bit in her opening statement. And there's no question that there were so many of our debates last year that were hard and were personal. And this effort goes to show that Senator Hunt and every member of this body, regardless of party, regardless of the past or regardless of-- regardless of personal feelings should seize and focus upon good ideas in public policy wherever they come to us from. And I think that not only is this a great bill from a public policy perspective, but I think it recognizes the hard work, the deliberate work, the intentional and authentic work that Senator Hunt and others who have spoken in support of this measure and cast their vote in support of this measure have been doing to reset the tone, reset to the right track in the Nebraska Legislature. And, and I think that's something that we're all really appreciating and enjoying as we're in the midst of this session together. And I think it speaks volumes about the magnanimity of my colleagues and their spirit of generosity in approach to their work. So the last point that I would like to note is this does touch upon the opioid epidemic. And thankfully, Nebraska has thus far been spared perhaps the worst of those circumstances in comparison to many of our sister states. However, of course, we still have pervasive problems when it comes to opi-- o-- opioid use and abuse in this state. And one thing that I want to lift for the record-- and I believe my friend, Senator Vargas, has a measure in on this matter to help to facilitate additional discussion--

KELLY: One minute.

CONRAD: Thank you, Mr. President-- the Appropriations Committee rightly set forward in last year's budget some of the money coming to Nebraska in regards to the opioid settlement to provide more resources, support, and training for first responders. However, colleagues, there is a significant amount of money coming into Nebraska in regards to the opioid settlement. And unfortunately, due to what I would contend to be a lack of leadership and political shenanigans, we have yet to push that money out to where it needs to be: on the frontlines, fighting the abuses and misuses of opioids in our community. And we really need to focus on that issue to make sure those dollars go to their best and highest purposes as quickly as possible. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Fredrickson, you're recognized to speak.

FREDRICKSON: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. I'm going to keep this fairly brief. I just want to rise and officially go on the record in support of both AM381 as well as LB307 from Senator Hunt. I think-- wanting to thank my colleague and friend, Senator Hunt, for being such a, I think, effective steward and shepherd of this bill. It was-- I think this is a really important bill, first of all, to bring. From a mental health perspective, super quickly, this is an evidence-based intervention. I was recently-- and I think Speaker Arch spoke a lot to the effectiveness of this and, and, and the public health ripple effects of this, that it can be really beneficial for our, for our state. I was recently at a opioid policy conference with a number of different lawmakers from throughout the country. It was a bipartisan group. And, and one thing that really actually, frankly, surprised the majority of people there from all different political ideologies was that Nebraska doesn't currently have the ability for this safe syringe exchanges. So we're an outlier in not offering this as an option. It's a no-brainer. I'm really excited to see this get over the finish line. And I'm grateful to Senator Hunt for prioritizing this important legislation. Thank you, Mr. President.

KELLY: Thank you, Senator Fredrickson. Senator Clements announces some guests in the north balcony: fourth graders and teachers from Louisville Elementary, Louisville, Nebraska. Please stand and be recognized by your Nebraska Legislature. Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. Sorry for my tardiest-- for tardiness before. Well, I rise in support of AM381 and LB307. I want to compliment Senator Hunt for working the body and, and explaining what's in this bill. I think a lot of people with, with my political background and leanings would look at that bill and carte blanche say no. But clearly, when you dig into this bill, it's very clear that this is a bill that will be a positive impact in all of Nebraska and will have a significant positive impact in western Nebraska. There are no mandates in this bill. This is purely voluntary. But as you dig into the bill and look at what we're trying to accomplish-- and particularly when it comes to not just handing out free needles, but being able to create a counseling environment-- that's the brilliance in this bill. And so I compliment Senator Hunt for bringing it. I also want to remind people listening that, all too often everybody thinks

that this has become a partisan body and that, that everything has-- comes along partisan lines. It does not. There are many, many bills, lots of legislation that you'll find this year and in past years and in the future that are bipartisan, that are bills that we all can get behind and support. We're always going to have our differences along the way. But I really want to compliment all my colleagues in the body this year for focusing on the issues in front of us and moving forward with good legislation, and I believe this fits into that. So thank you, Senator Hunt, for bringing the bill. Thank you, Mr. President, for the time.

KELLY: Thank you, Senator Jacobson. Seeing no one else in the queue, Senator Wayne, you're recognized to close on AM381. Senator DeBoer, you're-- the Vice Chair. You're recognized to close on AM381. And waive. Members, the question is the adoption of AM381 to LB307. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

KELLY: AM381 is adopted. Seeing no one else in the queue, Senator Hunt, you're recognized to close on LB307.

HUNT: Thank you, Mr. President. Colleagues, thank you so much. That was really nice. That made me feel good. And not just what was said on the mic, but a lot of the side conversations that I had. You know, people who I've had tension and strife with in the past asking to cosponsor, people with very thoughtful questions that, you know, instead of just voting no, you know, you brought your questions to me and we resolved them. And that's really what we were sent here to do. That's what the work of lawmaking is about. That's statesmanship. And it makes me very proud to serve with all of you and to, to be working on things that we know is going to improve the lives of Nebraskans, reduce suffering, help people who experience marginalization, and also keep our first responders and communities clean and safe. So thank you for that supportive vote. I urge your green vote on LB307. And thank you very much. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Members, the question is the advancement of LB307 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 37 ayes, 2 nays, Mr. President, on advancement of the bill.

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KELLY: LB307 advances to E&R Initial. Mr. Clerk for items.

CLERK: Mr. President, a few items. Your committee on Enrollment and Review reports LB461, LB6-- LB16, LB78, LB308, LB664, LB43, LB600 as placed on Select File, some having E&R amendments. Additionally, amendments to be printed from Senator Blood to LB831; Senator Machaela Cavanaugh to LB870; and Senator Dungan to LB1115. That's all I have at this time, Mr. President.

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

CLERK: Mr. President, Select File: LB1. I have nothing on the bill, Senator.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move that LB1 be advanced to E&R for engrossing.

KELLY: Members, you have heard the motion to advance to E&R for engrossing. All those in favor say aye. All those opposed say nay. Say-- all those in favor say aye. All those opposed say nay. The bill is advanced. Mr. Clerk.

CLERK: Mr. President, next item: LB151. I have nothing on the bill, Senator.

KELLY: Senator Machaela Cavanaugh, you're recognized to speak. Senator Ballard for a motion.

BALLARD: Mr. President, I move the-- Mr. President, I move the E&R amendments to LB151 be adopted. Advancement. Mr. President, I move the-- I move that LB1 be-- LB151 be advanced to E&R for engrossing.

KELLY: That is a debatable motion. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. I got in the queue because I thought that the introducers were going to be giving us a refresh on this-- on the Select File bills. And so I wanted to give us the opportunity for the introducers to get in the queue. I know we just moved that last one very quickly. And if you look at it, it's eliminate obsolete provisions relating to the funds that terminated something or other. So clearly, something that probably didn't really merit introduction, but I see that Senator Dover is here and he is in

the queue. So I will yield my time to the Chair so that he can give us a refresh.

KELLY: Thank you, Senator Cavanaugh. Senator Dover, you're recognized to speak.

DOVER: Thank you, Mr. President. And good morning, colleagues. Let me give a refresher on LB151. The purpose of LB151 is to update and, and simplify two processes. First, LB151 updates the process for the selection of new commissioners in relation to congressional districts. Currently in Nebraska, Revised Statute 81 refers to congressional districts as they were in 2006. LB151 revises this outdated language so as the commissioner-- Nebraska real estate commissioner selection process is based on a congressional district as they exist at the time of appointment. The bill also clarifies that, when the congressional district lines are redrawn, any currently serving commissioner will fulfill the remainder of their term for their respective district. Second, LB151 expands the mailing methods for Nebraska Real Estate Commission, can employ to send formal notices. LB151 would allow the Nebraska Real Estate Commission to employ a designated delivery service as provided in, in Revised Statute 21-501.01. And first-class mail. Notices sent via first-class mail must have an intelligent mail barcode or similar tracking method approved by the United States Postal Service. This will allow the Nebraska Real Estate Commission to employ newer mailing methods that are faster and less expensive while maintaining tracking and confirming delivery. LB151 moved out of committee with an 8-0 vote and no opposition. Thank you for your time. I appreciate your vote in favor of LB151. Thank you.

KELLY: Thank you, Senator Dover. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. Would Senator Dover yield to a question?

KELLY: Senator Dover, will you yield to question?

DOVER: Yes.

M. CAVANAUGH: Thank you. I'm just not familiar with-- so I was a little thrown when you started talking about this. So it's tying the Real Estate Commission to congressional districts?

DOVER: OK. Let me explain. Currently, the, the Nebraska Real Estate Commission-- commissioners are set up by congressional district. And

the problem we ran into is that when the law was written, that it referred to a specific year that the-- before they were redrawn. And then what happened was when we needed to appoint a new real estate commissioner-- I was looking back at a antiquated district-- or, drawing of a district, and it was not automatically updated to the new congressional district. So what my bill, LB151, does is, basically when a new real estate commissioner needs to be appointed, it will always be based on the current congressional district.

M. CAVANAUGH: And what is the role of the, the real estate commissioners?

DOVER: The, the Nebraska real estate commissioner basically sits on the Nebraska Real Estate Commission and is-- oversees the licensees in the state of Nebraska, the real estate licensees.

M. CAVANAUGH: So there's three members, one for each congressional district? Or is there multiple?

DOVER: There's one at large. There are also-- one for each congressional district. And there's also the sales-- people-- the sales agents are represented and also the brokers are represented.

M. CAVANAUGH: OK. Thank you. I appreciate that. So-- I'm just trying to quickly look and see. LB1417 is a bill that is eliminating quite a few commissions. That's not-- this is not one of the commissions that's being eliminated?

DOVER: No. Defin-- definitely not.

M. CAVANAUGH: OK. All right.

DOVER: And I, and I did serve, I did serve on the real-- Nebraska Real Estate Commission for six years.

M. CAVANAUGH: Oh, so you're kind of an expert for Congressional District 1?

DOVER: Correct.

M. CAVANAUGH: OK. So this wouldn't have impacted you. You'd still be representing that congressional district.

DOVER: Well, you're, you're-- you have a specific term that-- then eventually you're termed out, just like we are.

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M. CAVANAUGH: OK. Well, thank you for answering my questions. Thank you, Mr. President. I yield the remainder of my time.

KELLY: Thank you, Senator Dover and Cavanaugh. Seeing no one in the queue. You've heard the motion. All those in favor say aye. All those opposed-- request for a machine vote. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

KELLY: LB5-- LB151 advances for E&R Engrossing. Mr. Clerk, next item.

CLERK: Mr. President, next item: LB94. First of all, Senator, I have E&R amendments.

KELLY: Senator Ballard, you are recognized for a motion.

BALLARD: Mr. President, I move the E&R amendments to LB94 be adopted.

KELLY: Members, you've heard the motion. All those in favor say aye. Those opposed, nay. The motion carries.

CLERK: Mr. President, next item: Senator Slama would move to amend LB94 with AM2063.

KELLY: Senator Slama, you're recognized to open on the amendment.

SLAMA: Thank you, Mr. President. And good morning, colleagues. I'll give everyone a quick refresher on LB94 before hopping into the amendment, AM2063. So, Mr. President, members, I bring LB94 today for your consideration. The bill was advanced last session from the Banking, Commerce and Insurance Committee on a vote of 8-0 and was advanced from General File to Select File without any dissent. Supporters at the committee hearing included the Nebraska Bankers Association and representatives of the Nebraska Uniform Law Commissioners and the Nebraska Uniform Law Commissions. The Uniform Commercial Code, UCC, governs commercial transactions in granting and perfection of security interests and personal property. The UCC is updated periodically to keep up with new types of personal property and evolving markets. Beginning in 2019, amendments to the UCC were considered and formulated to address emerging technological developments. This included addressing such things as virtual currencies, distributed ledger technologies, and digital assets. LB94 would adopt UCC Article 12 and make conforming amendments to other articles of the UCC relating to controllable electronic records as

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contained within and recommended for adoption by the ULC in July of 2022. The Legislature previously adopted the then-existing draft of Article 12, which took effect on July 1, 2022. So in essence, we've already implemented the draft version of this set of statutes into law. We're just simply updating Article 12 with what's become the finalized language for Article 12. At that time, the Legislature, pursuant to the passage of LB649, the Nebraska Financial Innovation Act, sponsored and passed by now-Congressman Mike Flood, expressed its intent to subsequently adopt the final version of Article 12-- which is this-- adopted by the ULC. LB94 would bring Nebraska law into conformity with the ULC final version of UCC Article 12. For AM2063, I've introduced it, and I would also request your support on that as well. The bill, introduced last session, contained a delayed operative date of July 1, 2024. Since the bill was not enacted last session, AM2063 makes technical changes, providing that the bill will become effective three months after the conclusion of the legislative session. In addition, thanks to the help of Senator Clements' office, AM2063 also clarifies that nothing in the UCC is construed to support, endorse, create, or implement any kind of national digital currency or central bank digital currency. Some of you may have received communications after LB94 advanced last session, suggesting that the bill would somehow-- was somehow a clandestine effort to pave the way for a national digital currency that would inhibit the use of Bitcoin and other cryptocurrencies. AM2063 makes it absolutely clear, if you read the language of the amendment, that that is absolutely not the case. In visiting with some of the individuals spreading this rhetoric, they acknowledged that a national digital currency may only be adopted pursuant to con-- congressional action or federal regulatory fiat. So the thing that they were arguing that this bill does, only the feds could do. As a result, LB94 has no effect on the ultimate adoption or rejection of the national digital currency. And AM2063 expressly provides that the UCC does not advance or promote the adoption of a national digital currency in any manner. UCC Article 12 addresses transactions between private individuals in controllable electronic records. This new article addresses the realities that financial technologies have advanced beyond the existing UCC and that a new article is needed to address commercial transactions in digital and electronic assets. UCC Article 12 is not a threat to cryptocurrencies, but will rather help bring them into mainstream commerce. UCC Article 12 will allow private parties to know the procedures to provide custody, control, transfer, and trade safely and legally in private cryptocurrencies such as Bitcoin. In closing, I

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would ask for your green light on the adoption of AM2063 and the advancement of LB94 to Final Reading. Thank you, Mr. President.

KELLY: Thank you, Senator Slama. Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. I'd just like to tack on what Senator Slama stated in the back half of her opening and-- as it relates to digital currencies and any other cryptos and so on. This bill has nothing to do with that other than it updates the Uniform Commercial Code so that in the event that any other type of digital currencies out there-- that it would be covered by those lenders out there who have security interests filed and that they can-- and can perfect their interest. I want to be abundantly clear, as Senator Slama was, this in no way promotes a digital currency of any kind. I would go further that I've had emails from people saying, are you supporting a central bank digital currency? Let me be abundantly clear. I've signed on to a bill as a cosponsor that would ban the use of a central bank curren-- central currency-- central bank currency in Nebraska should one be ultimately created by the Federal Reserve. The, the bankers associations are adamantly opposed to it. We're supportive of this bill because it actually updates the Uniform Commercial Code. That's all we're doing. Has nothing to do with central bank digital currency. It does just have us in a position that we're fully protected, from a securities standpoint, with any kind of digital asset that might be out there. So I want to make sure that that's clear because I've gotten emails on that, as, as Senator Slama. And that's not what this bill does. I would encourage your green vote on this bill and the amendment. Thank you.

KELLY: Thank you, Senator Jacobson. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. I also support AM2063. And the language on line 5, 6, and 7 was language that I had requested, saying "the Universal Commercial Code shall not be construed to support, endorse, create, or implement a national digital currency or central bank digital currency." There were some people who had questions about the basic bill, whether it had a, a loophole that could be used for the central bank digital currency. And I'm pleased to work with Senator Slama and the bankers association that they didn't think it had any effect like that. But this just points out in black-and-white that this-- and Nebraska shall not be supporting any central bank

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digital currency. And so I ask for your green vote on AM2063 and LB94.
Thank you, Mr. President.

KELLY: Thank you, Senator Clements. Senator Blood, you're recognized to speak.

BLOOD: Thank you, Mr. President. I actually stand in full support of both the amendment and underlying bill. But I have a quick question if Senator Slama would be willing to yield.

KELLY: Senator Slama, would you yield to a question?

SLAMA: Yes, of course.

BLOOD: Senator Slama, I appreciate the clarification with the amendment. You did such a good job of explaining it. The, the question I have-- because I think it's important for us to know when these outside parties come in and try and influence policy-- do you feel comfortable sharing with us who was trying to do that?

SLAMA: No. I'll keep those communications confidential.

BLOOD: Fair enough. I would just like to point out that this is a really good example of how we do have so many outside influences who come in and bring misinformation in and try and influence policy in a negative way. I think that the, the bill itself was self-explanatory, but the amendment needed to shore it up to help clarify this misinformation. And I think that that shows how dedicated Senator Slama and her committee are to making sure that the, the policy that gets passed in this body is good policy. Thank you, Mr. President.

KELLY: Thank you, Senator Blood. Senator Wayne, you're recognized to speak.

WAYNE: Thank you, Mr. President. I support the underlying bill. I just stood up to make an announcement. Starting this Friday and every Friday for the rest of the session, we are doing Cardigan Sweater Fridays. So please start wearing your cardigans on Fridays. Thank you very much. Thank you, Senator Wayne. See no one else in the queue, Senator Slama, you're recognized to close on the amendment.

SLAMA: Thank you, Mr. President. I hope Senator Wayne recognizes that I have now instantaneously changed my outfit in recognition of Cardigan Sweater Friday. But I do appreciate everybody's support of AM2063 and the underlying bill. And, and I do appreciate-- I, I don't

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want the input of the public to be taken as a negative on this bill in any way whatsoever. I was more than happy to work with Clements on making the change with AM2063 just to make a quick change in language, and that language is: The Uniform Commercial Code shall not be construed to support, endorse, create, or implement a national digital currency or central bank digital currency. I am completely fine with putting that in the bill, and had expressed to any groups: you just give me the language that'll make you comfortable. And this is the language that got everyone on board. And I was happy to make that change, to put everybody's concerns, whether founded or not, at ease. So I'd encourage a green vote on both the AM and the underlying bill. Thank you, Mr. President.

KELLY: Thank you, Senator Slama. Members, the question is the adoption of AM2063. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 40 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM2063 is adopted.

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

KELLY: Members, the question-- Senator Ballard for a motion.

BALLARD: Mr. Pre-- Mr. President, I move that LB94 be advanced to E&R for engrossing.

KELLY: Members, you've heard the motion. All those in favor say aye. All those opposed say nay. LB94 is advanced to E&R for engrossing.

CLERK: Mr. President, next item: LB279. Senator, I have E&R amendments.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the E&R amendments to LB279 be adopted.

KELLY: Members, you've heard the motion. All those in favor say aye. All those opposed say nay. They are adopted. Senator Ballard, you're recognized.

BALLARD: Mr. President, I move that LB2-- LB279 be advanced to E&R for engrossing.

KELLY: It's a debatable motion. Senator Kauth, you're recognized to speak.

KAUTH: Thank you, Mr. President. And members, I bring LB279 today for your consideration. The bill was advanced from the Banking, Commerce and Insurance Committee last session on a vote of 8-0 and was advanced from General File to Select File without dissent, along with the committee amendment. Supporters at the committee hearing included the Nebraska Bankers Association and the Nebraska Independent Community Bankers Association. LB279 would eliminate the requirement for executive officers of a bank to make annual reports to the bank regarding the amount of loans or indebtedness on which they are a borrower, cosigner, or guarantor, the security therefore, and the purpose for which the proceeds have been or are to be used. The legislation would bring state banks into parity with national banks, as federal law does not require annual reports of this nature for national banks. Banks in Nebraska are subject to supervision and examination by a number of regulators, depending on whether the bank is state or federally chartered. The policy of the state has been to provide parity between state and federally chartered banks, evidenced by the existence of a wild-card statute, which is updated each year by the Legislature to allow state banks to have all the rights, powers, privileges, benefits, and immunities which may be exercised by a federally chartered bank doing business in Nebraska. Both state and national banks are subject to restrictions regarding loans to their executive officers. An executive officer is defined as a person who participates or has authority to participate, other than in the capacity of a director, in the major policymaking functions of the bank. Whether or not the officer has an official title, the title designates such officer as an assistant or such officers serving without salary or other compensation. Certain bank employees are designated by statute as executive officers unless excluded by resolution of the board of directors or by the bylaws of the bank from participating other than in the capacity of a director in the major policymaking functions of the bank. And the executive officer does not actually participate in such functions. Until 2006, executive officers of both national and state banks were required to report to their own bank regarding individual indebtedness of the executive officers to other banks. The Financial Services Regulatory Relief Act of 2006 removed this requirement for executive officers of national banks. Last year, in the course of examining a state-chartered bank, the Department of Banking cited the bank for a violation for failure to have executive officers' outside indebtedness reported to the Bank

Board on an annual basis. Not having had these reports made to the Bank Board for many years, upon learning that national banks were not subject to this requirement, the banker requested the Nebraska Bankers Association to consider introducing legislation to eliminate this reporting requirement and to bring state banks into parity with national banks. In eliminating this reporting requirement, the substantive restrictions on loans by depository institutions to their executive officers will not be altered, and the authority of the Department of Banking and Finance to take enforcement action against the depository institution or its executive officers for violations of the executive officer lending restrictions will not be limited. With sufficient protections in place to allow regulators to enforce restrictions on loans to executive officers, which relate to the safety and soundness of the bank, state-chartered banks should be placed on par with their national bank counterparts by removing the reporting requirements for executive officers as proposed under LB279. Under current law, the bank board of directors may obtain information regarding the executive officers' outside indebtedness by obtaining a credit report in lieu of the annual report of outside indebtedness. The Department of Banking and Finance has expressed an interest in allowing a bank's board of directors the flexibility to continue to obtain the credit report if the annual reporting requirements are to be eliminated. The Banking Committee amendment adopted last--

KELLY: One minute.

KAUTH: --session will allow the bank board of directors to continue to obtain a credit report annually on their executive officers. The amendment was acceptable to both the Department of Banking and to the supporters of this bill. I would ask for your support in advancing LB279 to Final Reading.

KELLY: Thank you, Senator Kauth. Senator Albrecht announces some guests under the north balcony: her husband, Mike; his son, Scott; their daughter-in-law, Lisa; and grandchildren, Isaac, Ben, and Evelyn. Please stand and be recognized by your Nebraska Legislature. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Colleagues, I do rise in support of LB279. I just wanted to add my voice a little bit to the conversation. I think Senator Kauth did a really good job of explaining what this does. But just to clarify it a little bit: the intent behind LB279 is to put Nebraska-chartered banks in parity with the national charter banks. So I'm relatively new to the Banking Committee. I didn't quite

understand the importance of the Nebraska charter and keeping banks chartered in Nebraska. But it is very, very important to us as a state. And so what this does is it makes the same requirements for the Nebraska charter as the, the federal charter banks. And so what we're essentially doing is we're increasing the likelihood and the benefit of the Nebraska charter, which is good for our state overall. I've spoken with the members of the Banking Committee about this and other folks who work in the banking industry, and they've confirmed for me that this is obviously going to be good for our state, good for our economy, and good for our local banks. So I just wanted to make sure I echoed that sentiment and explain why this did come out 8-0. I think it's good for the state overall. I also want to say that I know we have the Cardigan Fridays starting, that Senator Wayne's talked about, but it seems like there's a coalition of us who have inadvertently started Turtleneck Fridays: Senator Ibach, Senator Halloran, Senator Conrad, myself. There's been a number of turtlenecks popping up around the place, so we might have some factions starting in the, the Legislature here based on Fashion Fridays. But I just want to urge my colleagues a green vote on LB279. Thank you.

KELLY: Thank you, Senator Dungan. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I couldn't let that go unanswered. I, I'm a strong believer in wearing a tie, so I would be in the tie faction, myself and Senator Ballard. And Senator Ballard and I did-- not put to him on the spot-- did have a conversation about perhaps adopting Casual Blue Suit Friday. So if you feel so inclined, you can wear a tie and a blue suit. Maybe not as light blue as Senator Ballard's. It's a bit ostentatious for my tastes. But just saying. You know, certain level of decorum, a tie and just a, you know, maybe a royal blue would be appropriate. But I-- so I oppose Senator Dungan's proposal of turtlenecks. I, you know, at least Senator Wayne's wearing a tie. He's wearing a cardigan, but he's got a tie on, so he respects the institution. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator-- Senators, you've heard the motion to advance LB279 for en-- E&R Engrossing. All those in favor say aye. All those opposed say nay. It is advanced. Mr. Clerk for items.

CLERK: Mr. President, next item: LB52. I have E&R amendments, first of all, Senator.

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KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move the E&R amendments to LB50 to be adopted.

KELLY: Members, you've heard the motion. All those in favor say aye. All those opposed nay. They are adopted.

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

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move that LB52 be advanced to E&R for engrossing.

KELLY: Members, you've heard the motion to advance to E&R Engrossing. All those-- Senator Lippincott, you're recognized to speak.

LIPPINCOTT: LB52 was introduced on behalf of the Nebraska Military Department to increase the statutory cap on the Nebraska National Guard State Tuition Assistance Program from \$900,000 to \$1 million. The implementation of the \$900,000 cap was established with the passage of LB243 in 1999, 25 years ago, when the tuition reimbursement amount was increased from 50% to 75% of the UNL tuition rate. In 2020, LB450 increased the reimbursement rate to 100% of resident tuition and extended a 50% tuition reimbursement to graduate and professional degrees. And in 2022, the Legislature approved LB779 to remove the ten-year limitation on access to the State Tuition Assistance. The State Tuition Assistance is one of the most popular benefits the Nebraska National Guard offers. And, of course, we know that we've got a Nebraska Air National Guard and also a Nebraska Army National Guard, those two branches. A degree is required for junior officers to, to progress in rank for senior enlisted members and for promotion enhancement. As service members improve themselves through education, our National Guard units become more professional and more capable. That educated force is not only in our military units, but it is also your neighbor, in the civilian job market, and also the workforce. As of February 2023, the National Guard notified me that we're in risk of exceeding the current \$900,000 cap by \$40,000, meaning that there will be roughly 29 Nebraska National Guard members that will be impacted or denied State Tuition Assistance. This will significantly impact our service members and, in some instances, require them to find alternative payment methods: out-of-pocket, loans, grants, or disenroll from school entirely. This number is expected to increase

with the coming semesters. Now, many states offer some form of military educational assistance that appeals to individuals who are looking for their next home, and Nebraska must remain competitive. It's noted that LB52 received no opposition testimony and was unanimously advanced by the Government, Military and Veterans Affairs Committee. I'd like to also just read a quick update on a fiscal note from just one month ago. Historically, as tuition costs are rising, and with the expansion of the program, the Military Department has expended an increasing amount of their available funding. In fiscal year 2023, the department expended 99.8% of their available funds in addition to one-time ARPA funding in the amount of \$67,000. The one-time ARPA funds allowed the department to meet \$69,000 need for tuition reimbursement requests, as was included in the fiscal note from last session. With full utilization of funding, including the one-time ARPA funds, not all eligible service members were provided tuition reimbursements due to the lack of available funds. In some instances, service members who were approved were not reimbursed in a timely manner due to the lack of funding for the fiscal year and were placed into pending repayment until the following biennium's apportionment.

KELLY: One minute.

LIPPINCOTT: As tuition costs are rising, the tuition reimbursement program's expansion, and the elimination of one-time ARPA funds, the Military Department will not be able to meet all service members' tuition reimbursement requests at the current spending cap. I would close with a quote from our very first commander-in-chief who said, quote: The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional to how they perceive the veterans of earlier wars were treated and appreciated by their nation-- George Washington. Thank you, sir.

KELLY: Thank you, Senator Lippincott. Members, the question is the advancement of LB52 for E&R Engrossing. All those in favor say aye. Those opposed say nay. LB52 is advanced for E&R Engrossing. Mr. Clerk.

CLERK: Mr. President: LB52A. I have nothing on the bill, Senator. Excuse me. I have, I have E&R amendments, Senator.

KELLY: Senator Ballard, you're recognized for a motion.

BALLARD: Mr. President, I move, I move the E&R amendments to LB52A be adopted.

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KELLY: Members, you've heard the question. All those in favor say aye. Those opposed say nay. They are adopted.

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

KELLY: Senator Ballard for a motion.

BALLARD: Mr. President, I move that LB52A be advanced to E&R for engrossing.

KELLY: Members, the question is the advancement of LB52A to E&R Engrossing. All those in favor say aye. All those opposed say nay. It is advanced. Mr. Clerk.

CLERK: Mr. President: LB628. First of all, Senator, I have E&R amendments.

KELLY: Senator Ballard, you're recognized.

BALLARD: Mr. President, I move the E&R amendments to LB628 be adopted.

KELLY: Members, you've heard the motion on the E&R amendments. All those in favor say aye. All those opposed say nay. They are adopted.

CLERK: Mr. President, Senator Jacobson would move to amend LB628 with AM676.

KELLY: Senator Jacobson, you are recognized to open on the amendment.

JACOBSON: Thank you, Mr. President. I'm going to, I'm going to give you a prelude here that this is an incredibly boring bill. But it's filled with technical adjustments. And it's pretty much all been done by attorneys and CPAs. So I'm just warning you out of the gate. As it relates to the L-- or, the e-- LB626-- or, the AM, we're actually changing the word "organization" to "organizations," and we're changing the words "regulatory body" to "regulatory board." And I'll get into the crux of the, of the bill itself. But that's all I've got to say on, on the amendment, AM676.

KELLY: Thank you, Senator Jacobson. No one else in the queue. Senator Jacobson, you're recognize to close on AM676.

JACOBSON: Waive my close.

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KELLY: And waive the closing. Members, the question is the adoption of AM676. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 36 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM676 is adopted.

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

KELLY: Senator Ballard for a motion.

BALLARD: Mr. President, I move that LB628 be advanced to E&R for engrossing.

KELLY: Members, you've heard the motion. All those in favor say aye. All those opposed say nay. LB628 is advanced for E&R Engrossing. Mr. Clerk.

CLERK: Mr. President, a single item: Senator Aguilar, name added to LB307; Senator Blood, LB984; Senator Lowe and Senator Moser, as well as Senator Kauth, to LB1087; Senator Brewer, LB1301. Finally, Mr. President, a priority motion: Senator Moser would move to adjourn the body until Tuesday, January 30 at 10:00 a.m.

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