

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate August 8, 2024

KELLY: Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the ninth day of the One Hundred Eighth Legislature, First Special Session. Our chaplain for today is Senator Lippincott. Please rise.

LIPPINCOTT: Dear father, we offer our praise and thanksgiving to you for your many blessings. And we would pray the words of the Apostle Paul as he wrote to the Colossians, that we may continually ask God to fill you with knowledge of his will, through all the wisdom and understanding that the Spirit gives, so that you may live a life worthy of the Lord, and please him in every way, bearing fruit in every good work, growing in the knowledge of God. We especially want to ask you, dear Lord, for the health of Rita Sanders' husband, Rick. I ask, dear God, that you would comfort him, give him strength and courage to face the physical conditions that he is now facing, and we ask for your help in that respect. Bless today; give us ears to hear, minds to think. And we thank you, dear God, for your love for us, and your acceptance, and your mercy and grace. We pray this in Jesus' name. Amen.

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

DEKAY: 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: I call to order the ninth day of the One Hundred and Eighth Legislature, First Special Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

KELLY: Are there any corrections for the journal?

CLERK: I have no corrections this morning, sir.

KELLY: Are there any messages, reports or announcements?

CLERK: There are, Mr. President. Your Committee on Enrollment and Review reports the LB4 to Select File. That's all I have at this time.

KELLY: Thank you, Mr. Clerk. Speaker Arch, you are recognized for an announcement.

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ARCH: Thank you, Mr. President. I-- colleagues, I just want to give you an idea as to what today looks like. Obviously, we have an agenda before us, but, as Senator Linehan indicated in the briefing this morning [COUGH] excuse me. As she indicated in the briefing this morning, there were some corrections to the amendment-- the committee amendment that she reviewed, and the committee reviewed last night, that doesn't reflect the intent of the committee. And they've sent-- they have sent those corrections upstairs to Revisors, to make sure that it is as they intended. And so, the Revisor's office is working on that right now, and, once Senator Linehan receives that revision of the committee amendment-- the draft committee amendment, then she's going to hold an executive session. At that time, assuming that that committee amendment then is voted out of committee, it goes back up to Drafters-- Revisors, for one more round, to turn it into the committee amendment, and then she intends to then place it on file here. So, the question is timing on that, to allow that to occur. We're going to-- when we get done with LB4, assuming that it-- it's, it's not an all-afternoon, but, whatever it might be, when we get done with LB4, we'll stand at ease until that committee amendment comes back down from Revisor after, after the vote. I don't really have an estimate of, of how long all that takes; I know that they're, they're working diligently on that amendment right now. Once it comes out of executive committee and goes back upstairs, and comes back down, it could be about an hour. So, just wanted to give you a heads-up that we'll just-- we'll stand at ease, as we've done many times in the past, waiting for, waiting for revision back from our offices. So, thank you, Mr. President.

KELLY: Thank you, Mr. Speaker. Mr. Clerk, please proceed to the first item on the agenda.

CLERK: Mr. President, the Health and Human Services Committee would report favorably on the gubernatorial appointments of 3 individuals to the Commission for the Blind and Visually Impaired.

KELLY: Senator Hansen, you're recognized open.

HANSEN: Thank you, Mr. President. All right, colleagues. So, I got the confirmation reports here, 3 of them having to do with the Commission for the Blind and Visually Impaired; we're going to do as one group. And then finally, we have one with the leg-- the Board of Emergency Medicine-- Emergency Medical Service, excuse me. And so we'll, we'll do that one last. So, we're gonna do 3, vote on them-- all 3 at one time, since they're all the same committee. And then we'll do one more after that. So, the first one we have is Brent Heyen for confirmation

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by the Legislature, for the Nebraska Commission for the Blind and Visually Impaired. Mr. Heyen is a life-long Nebraskan, born in Friend, Nebraska and growing up near Syracuse, Nebraska. Mr. Heyen received a bachelor in biology from Chadron State College, where he served as the treasurer for the Nebraska Association of Blind Students, and later as the fundraising committee chairman for the Nebraska chapter of the National Federation of the Blind. Mr. Heyen works in the hospitality industry here in Nebraska, and expressed a strong desire to give back to the community that has given so much to him, through service on the Board. So, I would ask for your green vote here in a little bit for Brent Heyen. Secondly, for the Health and Human Services Committee, we're reporting Miguel Rocha for confirmation by the Legislature, for the Commission for the Blind and Visually Impaired. Mr. Rocha earned a bachelor of management information systems from the University of Nebraska here at Omaha. He also earned a bachelor of business administration from California State University, "Stansislaus," as well as an associate's degree in business administration and management from Columbia College. Mr. Rocha has served as commissioner of the Nebraska Commission for the Blind and Visually Impaired since January 2023. He has also been employed by Rocha Enterprises, WG Management LLC, and Aldelo. Mr. Rocha's background in information technology and business administration provide many opportunities for this commission. Thirdly, and lastly, for this group, we have Patricia Schonlau for com-- confirmation by-- for the Commission of the Blind and Visually impaired. Patricia Schonlau earned a "machelor's" of art-- master's of art in special education and rehabilitation for the blind from the University of Northern Colorado. She has also earned a bachelor of arts in music education from Central Methodist University, and obtained a Missouri teaching certificate for K-12 blind and visually impaired children. Patricia also served as commissioner of the Nebraska Commission for the Blind and Visually Impaired since May 2024. She has also worked for the Missouri School for the Blind, St. Louis County Schools special education, St. Louis Society for the Blind and Visually Impaired, Bureau for the, for the Blind, and Rehabilitation Services for the Blind, and altern-- Alternatives for the Blind in Living and Employment. In addition, she has been a board member for Paraquad Independent Living Center, and has been a past president of the Missouri Council for the Blind and Disability Media, Inc., as well as a ca-- chairperson for the Blind Task Force Committee under the Missouri Department of Elementary and Secondary Education. Her, her education and work experience show her devotion to assisting people with dibis-- disabilities. So, with that, I would ask for your green vote for all 3 candidates for the Commission for the Blind and Visually Impaired. Thank you, Mr. President.

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KELLY: Thank you, Senator Hansen. You are the last one in the queue, or there's no one in the queue. You're recognized to close, and waive. Members, the question is the adoption of the committee report from Health and Human Services. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 44 ayes, 0 nays, on adoption of the committee report, Mr. President.

KELLY: The committee report is adopted. Senator Dorn would like to recognize some guests under the north balcony: Amy Stearley, Pam Stearley, Addie "Dingman"-- Digman, and Rosie Digman, Fran Digman and Calla Rempe. Please stand and be recognized by your Nebraska Legislature. Returning to the agenda. Mr. Clerk.

CLERK: Mr. President, the Health and Human Services Committee would report favorably on the gubernatorial appointment to the Board of Emergency Medical Services.

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

HANSEN: Thank you, Mr. President. The Health and Human Services Committee is reporting Doctor Shaila Coffey for confirmation by the Legislature for the Board of Emergency Medical Service. Doctor Coffey earned a bachelor's degree in emergency medical services from Creighton University, as well as a doctorate of medicine from UNMC. Doctor Coffey then completed a residency and fellowship in emergency medicine, totaling a decade in education and training in the area of emergency medicine. This is Doctor Coffey's first term on the board, bringing relevant professional experience through her employment dating back to 2009, when she first began work as an EMT with Midwest Medical Transport here in Lincoln, Nebraska. Doctor Coffey will be a valuable addition to the board as someone who has seen every level of emergency medicine in the state, and has made it her life's work and passion. We would ask for your green vote to approve Doctor Shaila Coffey to the Board of Emergency Medicine. Thank you, Mr. President.

KELLY: Thank you, Senator Hansen. Mr. Clerk, for an announcement.

CLERK: Mr. President, the General Affairs Committee will meet now in executive session under the south balcony. General Affairs now, under the south balcony.

KELLY: Seeing no one else in the queue, Senator Hanson, you're recognized, and waive closing. Members, the question is the adoption

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of the Health and Human Services Committee report. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clark.

CLERK: 37 ayes, 0 nays, in adoption of the committee report, Mr. President.

KELLY: The committee report is adopted. Mr. Clerk, for the next item on the agenda.

CLERK: Mr. President, the Natural Resources Committee would report that the committee voted to retain the gubernatorial appointment of Bradley Dunbar to the Nebraska Natural Resources Commission in committee.

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

BOSTELMAN: Thank you, Mr. President. The gubernatorial appointment of Mr. Brad Dunbar to the Natural Resource Commission was referred to the Natural Resource Committee for the confirmation hearing during a current re-- special session; with just a few days notice, Mr. Dunbar was out of the state, and un-- unable to appear within the 5-day required timeframe. The Natural Resources Committee met in "dizecasesh"-- executive session on August 1, and voted 8-0 to retain the gubernatorial appointment of Mr. Brad Dunbar, to be acted upon at a later date during the next regular session. Thank you.

KELLY: Thank you, Senator Bostelman. Seeing no one else in the queue, you're recognized to close, and waive closing. Members, the question is the adoption of the committee report from Natural Resources. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 32 ayes, 0 nays in adoption of the committee report, Mr. President.

KELLY: The committee report is adopted. Mr. Clerk, please proceed to the next item on the agenda.

CLERK: Mr. President, Select File, LB4. There are no E&R amendments. Senator Conrad would move to bracket the bill until January 7, 2025.

KELLY: Senator Conrad, you recognized open on your motion.

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. It's good to see everybody again this afternoon. And, just like our animated and productive, constructive conversations off the floor, we

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have continued the hard work and the dialog to try and find solutions and a path forward during this very unusual special session. I know there were a few senators who wanted to add some additional thoughts today, and, considering that we have such a limited agenda before us, I thought that I would at least leave the first motion up, to help to structure debate this afternoon. And then, I do plan-- and just want to be clear about this-- do plan to remove some of the other motions that I've filed, to help structure debate. I understand that Senator John Cavanaugh has been working with legislative leadership to put in an important procedural motion later, about how we attend to the treatment of this appropriations bill to play-- pay for special session. And I do think it's important to point out that, here we are on Day 9. We don't have any sort of property tax relief plan to the floor of the Legislature, despite the fact that the Governor set the time for the special session, has priorities for his bills to be introduced for special session, worked all summer to tout his plan for a special session, and everyone, including legislative leadership, acknowledges that the Governor's plan is indeed, as predicted, dead on arrival. Not because of partisanship, not because of personal animus, but because it remains poor policy to try and tax our way out of a tax situation. So, I'm excited to continue the dialog. I hope that the Governor and other senators quickly pivot to other solutions that are before the Legislature that hopefully would have a chance to achieve consensus, to ensure that we get property tax relief to Nebraskans who most need it; that we don't needlessly risk our great public schools and public education, whether that's in an urban environment or a rural environment; that we don't needlessly risk our infrastructure and roads, cared for by local governments, or on the state level; that we don't hinder critical economic development issues; that we don't take risky moves with our strong fiscal position in regards to our budget and our cash reserve. And, folks, it's important to remember why the parameters for this special session are, of course, out of alignment with our political history, but also just making things so chaotic and frustrating for senators, for citizens, for stakeholders, and I'm sure for the Governor as well, who nevertheless orchestrated this process, and now takes no responsibility for it. But, the point being, it's next to impossible to rewrite the state budget, rewrite the tax code, rewrite the school funding formula in a special session with, you know, just a, a few weeks in front of us. And here we are at Day 9, and it seems that the Governor was, I guess, upset about some comments that happened in legislative debate yesterday. And I just want to reiterate that the Governor has a right to free speech, as do state senators, each one of my colleagues here on the floor. I defend the governor's right to utilize his speech as he sees fit, and I hope

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that he would afford the same sort of respect for the political speech and political advocacy that we are each bringing forward on behalf of our district and, and on behalf of our state. Again, not because of partisanship or personal animus, but rather, as illustrated by the fact that the Governor's plan, which not only the Legislature has not supported, and has declared dead on arrival and is moving away from, but also, the Governor himself has pivoted away from the toxicity of the plan that he put forward. So, all of this wrangling and rhetoric is really just a distraction from the bottom line that Governor-- at the heart of Governor Pillen's plan, and at the heart of the amendments that are currently being worked out by the Revenue Committee, is nothing more than a major tax increase and a major tax shift onto working Nebraskans, onto seniors, onto local businesses, that risks our schools and our infrastructure, and our sound fiscal policy, while offering very little in terms of actual property tax relief, and is not ready for prime time. These complex issues should be taken up in a thoughtful, deliberative way, as part of our regular session, which will start in just a few short months, so that we can ensure that we kick the tires; we can ensure that we do our due diligence; we can ensure that there are not unintended consequences. Because that's how we typically legislate in Nebraska, with transparency, and deliberation, and thoughtfulness-- and, yes, compromise and consensus, which I am always going to bring a joyful heart and enthusiastic spirit to trying to have a constructive solution, whether it's with the Governor or my colleagues here on the floor of the Legislature to address key issues that are impacting Nebraskans. So, I know a few other senators wanted to add some ideas today, but nevertheless, here we are in Day 9; we've accomplished very little, if anything. And that's not the fault of the Legislature. We didn't set the time that we convened; we didn't set the parameters of the call. The ideas that we've put forward that would not increase taxes, or would give Nebraska citizens the right to vote on common-sense policies like expanding on-- online gaming, or taking a more sensible approach to our drug policy, as many of our sister states did. Let Nebraskans vote on those measures, and then we can take those new streams of revenue and pour those into property tax relief. Those are, I think, issues that are widely popular with the people. It is important that we let our second house speak on those topics, and there is a bunch of other good ideas that senators have put forward during this legislative session as well, in good faith. But, the Governor and legislative leadership needs to quickly continue their fast run away from the Pillen plan in LB1, because it is toxic, it is dead, and any sort of Frankenstein, hodge-podge approach that's taken up behind closed doors, without due diligence and analysis, is

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just too risky. And, if the centerpiece of that plan remains a tax increase and a tax shift, it will hit the same wall of opposition. Not due to personality or partisanship, but because it's poor policy. You want to talk about tax exemptions? I would love to have that conversation; let's look at some of those, and let's bring down the sales tax rate for everybody. That's good policy. But we shouldn't be taxing business inputs-- but that should be our approach to thoughtful sales tax kind of structure, and we need to have a plan in place when it comes to how we fund our public schools. I read the amendment put out by the Revenue Committee last night-- that was approximately 140 pages, I think-- at least, twice, and I do appreciate that they're trying to take into account different point of views that were brought forward at the public hearings. But, again, I draw your attention to, to the end of that lengthy amendment. And it's nothing more than intent language about how we're going to fund our great public schools moving forward, and simply scrawling in craya-- crayon an IOU to our schools is, is not good enough. We have to make sure that we have clarity in regards to how we're taking care of critical core functions of government that touch every corner of Nebraska. Simply kicking the can down the road with some sort of general intent language that we'll figure--

KELLY: One minute.

CONRAD: --out school funding later is not sufficient for our kids. And, if that's all we have available on Day 9, we should quickly reconsider this session. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Wayne would like to announce a guest under the south balcony. Cameron Mathis of Omaha, please stand and be recognized by the Nebraska Legislature. Senator Erdman, you are recognized to speak.

ERDMAN: Thank you, Mr. President. Good morning. Something very rare and unusual happened at my house yesterday: it rained 1.2 inches. For us, that's amazing. One other time we got that much rain, it rained 40 days and 40 nights. That was a joke. What I laid on your place today-- on your desk-- is an opportunity for us to have a discussion about the EPIC consumption tax being placed, or activated, or accepted over a period of time. We, the group that's been working on the EPIC consumption tax, have always thought it should be a constitutional amendment, so it can't be adjusted. We have now concluded that we think it's a-- it's a-- imperative that we share with you the opportunity to have a discussion about how we implement those things in the consumption tax that will be beneficial for all Nebraskans. So,

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I laid at your place 17 suggestions that I have, and I'm looking forward to having a comment and, and conversation about these. First of all, we would eliminate all sales tax on used goods. There'll be no sales tax on groceries. All personal services, like mowing your lawn, cleaning your house will have sales tax. No business-to-business sales tax. So, in other words, there'll be no business on buying your farm equipment, or anything else that you use for your business. I am suggesting that the bonded indebtedness for schools, cities and counties that are in place would stay on the property tax rolls as they are. We would allow the schools to continue with the building fund at 10 percent, or 10 mills. If they want to raise it past that, it would require a vote of the people. Then, we would also allow for an opportunity for those local units of government, if the state did not meet their obligation, that they, with a vote of the people, could raise property tax to make up the difference, very similar to what we've done with the junior colleges. We would fund all school operations, except for the bonded indebtedness and the building fund. The distribution model that we would start that discussion from is LB16. LB16 has a comprehensive plan that shows distribution of the funds back to every local units of government. We would also ask that we reform TEEOSA to fit into the proposal that we're about to discuss. The income tax rate would be set at zero. We know-- it's been proven that when you lower the tax rate, you get more revenue, because when you have income tax, you have your throat on the economy. So, if you take your foot off the throat of the economy, it will grow, and we will collect more taxes, and they'll be-- I mean, we'll collect more revenue, because we will have economic growth like we've never had before. We will eliminate the most regressive tax of all, inheritance tax. We will eliminate all property tax over time; we'll work towards that. We would ask that Dr. Ernie Goss determine the rate of the percentage of the sales tax. The Imagine Act, the Nebraska Advantage Act, and any other incentives would have to be reval-- reevaluated to see how they fit into this proposal. We would also deme-- delete the emergency clause that's in LB16, and the starting date would be January 1, 2025. For the insurance companies, the insurance people that have been whining about changing the premium tax-- we're not going to mess with the excise tax, that's a premium tax; we will leave that at 1 percent, so, we're not going to adjust that. All other excise taxes would stay in place.

KELLY: One minute.

ERDMAN: This is a starting point. We have never been afforded the opportunity to have a discussion. We have been presenting this proposal for 3 years. We say on this body, "we want to consider all

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ideas," except yours. Today, this session, is an opportunity for you to meet that requirement. Give me a chance. Give us a chance to talk about this. Because I'll tell you right now, nothing I've seen being presented has got 33 votes. This could be the option that wins the day, right here. Thank you so much.

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

SLAMA: Thank you, Mr. President. Good afternoon, colleagues. So, to start off-- and I'll pivot to the larger debate of this session after this, but I do rise opposed to the advancement of LB4 for, for purely technical reasons. And that is-- and if anybody wants to tune out after I'm done making this point, you can, but, like, this part's actually important. LB4 specifically lays out the costs we're covering for this session. Once we put it on Final Reading, we would have to bring it back to Select File to amend it to reflect the costs accrued during a special session. Everybody knows right now we have no idea when the special session will end, so, the costs associated with the special session are indefinite. So, we should actually not be passing LB4 on to Final Reading, where it can't be amended. We're locking ourselves into a number that doesn't accurately reflect the costs associated with this session. With that, I would encourage a red vote on the advancement of LB4. As we've heard already, if a bill fails to advance, it can be brought back up again, so that would merely remove it from the agenda for today, until we have a clear idea of what the costs for this special session will be. But, on that note, I did miss out on the debate yesterday, and I know that it's been requested that we take up a little bit of time, as we're waiting for a bill to get down to the Revenue Committee to vote on. And I want to make it clear, because it may have gotten lost in all the noise in the coverage of session, that property tax relief is my top issue, and that's why I stand opposed to what's been proposed so far. Our, our Governor, he came to my district and-- District 1, southeast Nebraska-- we are hardworking people; lots of family farms, lots of small businesses. Governor Pillen came and pretended to be one of us. And that's the part that really gets me fired up, is he came down for a town hall where he said, "I'm one of you. Take my word for it. I'm the one who has the magic bullet that will solve your property tax crisis." And he used people that are hurting, who work for a living and are hurting under the burden of high property taxes, to try to get them to blindly support a bill that will force them to pay more in taxes. And the only one that's really going to be walking away with any kind of financial benefit from this deal are people like Jim Pillen, Bill Gates, Ted Turner, the largest landowners in the state. To boot, on top of that,

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now we're throwing together a poorly-thought-out state funding plan for K-12 education. Everybody who's run math on what's been proposed so far has figured out that the math is at least off by 9 figures. Guess who's going to be holding the bag when we have a shortfall in revenues, when we have a shortfall in funding? It's going to be our rural schools. This week and next, we're going to be having a very uncomfortable conversation about what the largest wave of school consolidations will look like if this proposal passes. If you're in a rural county with 2 schools in it, and you're voting for LB9 the way it's been proposed, you're voting for one of those schools to shut down. The way the math works out now, this model cannot sustain itself. This bill is not ready for prime time. We should not be here discussing a bill that, less than 24 hours for no-- from now, we'll be asked to vote for on General File. And moreover, we should be putting together plans that actually provide relief, property tax relief, for working middle-class Nebraskans--

KELLY: One minute.

SLAMA: --family farmers. Things like homestead exemptions, freezing valuations and real caps on government spending. At the root of every single tax crisis is a government spending crisis, and we're failing to address that single issue. And until we address the real issues facing Nebraskans, we're not going to touch the property tax crisis. We might give relief to people like Ted Turner, Bill Gates and Jim Pillen, but working Nebraskans will be left paying more, and that's why I'm going to fight this plan every step of the way. But, on that note, I would suggest everybody votes against LB4 for purely technical reasons. Thank you, Mr. President.

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

WAYNE: Thank you, Mr. President. Colleagues and Nebraskans, please listen carefully. I sent a text and an email out before session, and I said property taxes reminds me of a song by the late, great Patrick Swayze, "She's Like the Wind." If you know what that song was about, it was about not being able to close the deal and get, and, and get this woman to, to marry him and to be his, his wife or his girlfriend. And for 8 years-- we always talk about it, we always come close to it, but we can never close the deal. And so I want to take the second verse, and make sure people understand why I say that. The second verse starts out with "I look in the mirror, and all I see; a young old man, with only a dream. That she'll-- am I just fooling myself?" See, if I sing it, I know the words. "Then I'll-- then she'll stop the

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pain; living without her, I go insane. I feel the breath of her face. [SINGING] Her body close to me; can't look--" [SPEAKING] see, I was about to go. "Can't look in her eyes; She's out of my league." That's what it comes down to. We have talked about property tax for 8 years. And every time we get close, you feel the, the breath of her, right on your face. You feel it, so close. We get to 31, 32, sometimes 29. And I always thought it was a distraction of all the other noise in the Legislature during a session. But this special session has taught me it's really the complexity of property taxes that is the problem, and that should tell you a lot about our system, and why it's so hard. And I was the first one who sent a long email saying it's less than 24 hours, and I don't know when we're coming, I don't know the call, and I'm really pissed off about it. But here's what I would tell people today. We're down here; let's try to find a solution. We're all not going to get what we want; we're all going to have to just turn our head and say, "I think I can live with that." But, we're here; whether we like it or not, we're here. So let's have real conversations, let's see what we can live with, and see what we can't. And the reason why I'm trying to do something this special session is because this is my last session. And I know you can say, let's kick it down the road, kick it down the road. But, I'm going to tell a little secret to my colleagues on my side of the aisle: there are current Republicans against the current plan. What happens after the election? Are those 5 or 6 senators going to swing over to a yes vote? And if they do, what will that bill look like? What will that bill look like next session, where, right now, we have the ability to negotiate and figure something out? But what will that look like when my two colleagues in front of me are gone, and somebody takes them? Does anybody know where their successors is? That's two more votes. Senator Slama, that's another vote. It's not hard to get to 5 or 6 when we start talking about elections. So, I want people to put that in perspective when they say, "Let's just wait," because you don't know what's going to happen in my own district. We have one person who, kind of, is not necessarily telling everything they're supposed to say, and one person who's--

KELLY: One minute.

WAYNE: --being transparent. Who gets elected? We can seize this moment right now to do something. It may not be what it looks like right now; we all may be unhappy. But, understand how to count in this body, and understand what elections can do to this body. We are losing 14 senators-- 15-- and if you think the dynamics aren't going to change, wake up. So, let's get to work, and let's figure it out. And if we can't, that's fine. But let's make a good faith attempt, because I

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don't know what tomorrow may bring. And none of y'all do either. And we got some critical votes that may change after this election. Thank you, Mr. President.

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

JACOBSON: Thank you, Mr. President. First of all, I want to say-- I want to second what Senator Wayne just said. Except for the singing part, OK? Not the singing part. But the rest of it, I think he's spot on. We can sit here, as we have in the past, and talk about property tax relief. I'm tired of talking about tax-- property tax relief. We have an opportunity right now to make a difference. If we fail to seize the moment, shame on us. Our constituents expect us to pass a real property tax relief bill. For years, this Legislature has repealed sales tax exemption after sales tax. They've exempted it out. And what'd they say? They said, "We're cutting your taxes." No you're not. You're shifting it to property taxes. Now, what we're going to do is bring about 500 million, million dollars of sales taxes back on to the sales tax rolls, along with some other sin taxes, along with some savings at the state level, and we're going to bring real property tax relief by bringing down your school levy. That's real property tax relief. At the same time, we're protecting all the school districts. There's a lot of talk about EPIC, but EPIC doesn't do anything to protect schools, or anybody in rural Nebraska, because all that money would come to Lincoln to be redistributed. So what we're doing is, we're putting real caps on cities, counties-- with growth exceptions-- and we're looking at modifying TEEOSA to where it fits for every public school in the state. Senator Linehan, chair of the Revenue Committee, held a session this morning and she laid out how many school districts will continue to lose TEEOSA funding. Lincoln Public Schools, I believe it's about \$23 million that they will lose; if we do nothing, Lincoln Public Schools lose about \$23 million. I believe Millard, which is another one of the big ones, lose about \$9 million. Well, they won't lose that money, they'll lose that funding from the state. And who will pick it up? Property tax payers will pick it up. And how will they pick that up with caps on the levy? It's really simple. The values went up. It's whac-a-mole. If you don't control budget spending, you could control levy, and the values go up, and it increase your taxes. You can control valuations, and the levy goes up. You have to control the spending. This is not a difficult concept. For those who are upset about we're trying to do so much in a short session, let's be really clear. Governor Pillen made it perfectly clear that he was going to call a special session this summer. He put together a working group to work with him to come ar-- come together

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and bring a plan in place. He had multiple town hall meetings across the state, where he indicated to folks what he and the working group planned to bring in terms of a base bill to, to start with. Every state senator knew that. Then about a month ago, he indicated what date he wanted to start the special session. And then, we have the special session, OK, and we're working out details-- the Revenue Committee is-- on all of the other bills that got introduced. As the Speaker has indicated, we had a record number of bills and resolutions then introduced. 105 total, for a narrowly-called special session to work on property taxes.

KELLY: One minute.

JACOBSON: Thank you, Mr. President. We have time to deal with this one issue. We go to the 90 day session-- what'd we have last year? 600 bills introduced, to deal with over a 90-day session? We got one; we got one issue to deal with here. We owe it to our constituents. Get a bill done. Allow this debate on the floor to make this bill the best it can be, and let's pass something. We owe that to our constituents. Thank you, Mr. President.

KELLY: Thank you, Senator Jacobson. Senator Kauth, you are recognized to speak.

KAUTH: Thank you, Mr. President. I want to reiterate what Senator Wayne said; this is an incredibly complex issue. And also, what Senator Jacobson said; we have the time now. We can focus on this. It's is incredibly complex, and I think our-- last year, we had almost 1,000 bills introduced in the 90-day session, and then another 600 or 700 introduced in the short session. This is the time to work on this. Property tax, to remind people-- in 2023, we brought in \$5.3 billion worth of property tax, \$3.6 billion in income tax, \$2.3 billion in sales tax. Property owners are paying more than double what the sales tax is. According to Dr. Ernie Goss, property tax is the most "reesgressive;" sales tax is the least regressive type of tax you can do. When your home makes up the vast proportion of your wealth, constantly taxing it-- it prevents you from being able to build that wealth; it prevents people from being able to get into home ownership, and it prevents people from being able to maintain it. There are people who are losing their homes. I did talk with one person as I was out in the district; she-- her property taxes went up. She went into foreclosure because she was trying to make them-- get them paid, and her house was purchased by someone from out of state, who is now renting it back to her. She lost everything that she had invested. So I want us to keep people at the forefront of this discussion. I've

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asked a lot of my constituents to email me, and tell me what's happening. What do they think about this discussion? How are property taxes impacting their lives? This is from one: "Nebraska needs to reduce property taxes. We have lived in Oklahoma and Kansas, and the tax burden was much lower there, especially in property taxes. Sales taxes are a choice. So, I'm not opposed to a slight increase in sales to shift the tax burden. Get rid of the exemptions; rein in spending. Many people, such as retirees, are leaving Nebraska, most to southern Sunbelt states, because they can do the math and see that it does not make sense for them to stay in a high-tax state. I did a quick Google search, and the Tax Foundation ranked Nebraska as the twelfth-highest overall tax burden. This does not reflect Nebraska values, and it is not acceptable. Significant reductions in property tax are needed." Next one: "I'm retired, 75, and a recent widow. I live on a fixed income, and am fiscally responsible, living within my means. I live in a small villa in Bennington. The valuation on my home was increased by 31.1 percent in 2023, which increased my property taxes substantially. I sent an appeal to the tax assessor's office, but my appeal was denied. Currently, my property taxes account for almost 20 percent of my monthly income. This is putting an undue burden on me. When I talked with Walt Peffer in May of 2023, he said the large increase in valuations was a result of his predecessor. However, I've heard the same disappointing news, that valuations have, once again, increased 20 to 40 percent this year. These huge increases are driving many residents out of their homes to other states, where taxes are less. My 3 children and 6 grandchildren all live in the area, and I want to remain in my home, but unless something drastic is done to lessen our tax burden, I will have to consider a move out of state. I hope our legislators will consider how they can lower our taxes, and mean it when they say, "Welcome to Nebraska, The Good Life," because our current tax situation does detract, deplete, and diminishes the good life that we have here in Nebraska." The next one: "I strongly urge you to support property tax relief for our district. My house is my investment, but with ever-increasing valuations in taxes--"

KELLY: One minute.

KAUTH: Thank you, Mr. President. "I struggle, as a single woman, to find the finances to continue to pay. My story duplicates many in Omaha, specifically Millard. Relief is needed and necessary now, not sometime in the future. Thank you for your listening ear." When I hear these people saying these things, and, and I kept it-- I told them these would be anonymous, because many of them were embarrassed to be in this situation; that they're working so hard, they're doing all the right things. One of these stories, they contacted me and said, "We're

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actually going to put our house on the market, because we have to move to a rental property." That's not good. We have got to fix this. We're here now, and I would like to compliment all of us senators who are here. I don't know if people out there realize this, but one-seventh of our legislative body is dealing with really difficult health issues, either themselves, or their families. This takes a lot to be here, and I'm so pleased--

KELLY: That's your time.

KAUTH: Thank you, Mr. President.

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

DEKAY: Thank you, Mr. President. I have to start out by saying kudos to Senator Wayne on his remarks earlier. We may not want to be here, be-- but we all campaigned on it, and now it's in our laps. We need to deal with this going forward. Let's look at the whole state, and not just what our district is having going on in our district. All entities have to be at the table, be willing to compromise a little, to possibly gain a lot. Proportionately, it doesn't matter how big or small a business is; if it works to benefit one, again, proportionally, it will benefit all. Ag producers are being foreclosed on every year. That land, is, is their retirement plan, their benefit package, and when they are out of business at the age of 65, or whatever time that takes place, what will they do then? How will they comprehend what's going forward in their lives? Demographics do help mold each and every one of us, and let's work hard to address every district in the state. I understand what property tax does to my district, and let's have an honest debate about, about it. In my district, and in rural Nebraska, por-- 4 percent of the rural sector create 29 percent of the property tax revenue. And if we do what we said we would do when we campaigned, we would welcome these conversations with each and every one of our senators in this body to understand their problems, and the-- in their demographic area of the state, and let's deal with it and have honest debate about it. If we do have honest debate, I would welcome any conversation with any senator that addresses their problems in their district. Thank you for your time.

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

ALBRECHT: Thank you, Mr. President. Well, a lot of people back in my neck of the woods don't get the Lincoln Journal Star, but I just really wanted to take time today to put Nebraska first. I believe this was just an article written by Matt Schulte: Everyone says they want it; chambers of "combress," business professionals, advocacy groups, newspaper editorial boards-- until it costs them. Nebraskans are pleading for it. But we can't get it done. What are we talking about? Property tax relief. Over the years, I've talked to thousands of Nebraskans, and when you ask Nebraskans what they want, you will hear, over and over again, that they want property tax relief. I've heard the cry for property tax relief from farmers, business owners, teachers-- many represented by the same advocacy groups who opposed Governor Jim Pillen's property tax relief plans this last week. Every time a proposal comes forward to significantly lower property taxes, the current one or the handful that have come before, the organizations that supposedly represent these groups with common interests line up at the podium to oppose it. Why would these groups oppose the very thing members-- that their members want? It's, it's quite a could-- "codeveretdum". What, what's the solution? Will it take courage? These organizations oppose property tax relief efforts that target the tax benefits carved out of-- for their members, and they don't want to lose them. For example, the grocers have carved out sales tax exemption on all food items, whether they're healthy or not, so we're supposed to not make any of those changes to sales taxes that would provide significant property relief-- property tax relief. Business groups fought hard to lower income tax, so that they don't want their efforts threatened by property tax reform. Farm groups have exempted seed sales, equipment purchases, fuel purchases, etc., from sales tax. To associations and unions, anything that threatens those sales tax exemptions must be opposed, even if it kills property tax relief their members desperately want. Lobby groups have been successful in creating legislation that favors their members, and don't want them-- that favoritism to be threatened. But Nebraskans aren't one-dimensional; farmers, grocers, teachers-- they're all property tax-paying community members. We need to realize that any significant level of property tax release-- relief will require a level of shifting. Government size is not going to magically shrink by 50 percent to meet a halving of the property tax. So, if we are going to make significant changes, we must realize that many special interest and sales exemptions must go away to make property tax relief happen. You know, just for the Nebraskans that don't know this, we have over \$7 billion of tax exemptions on the books that have been there for many, many, many, many years. It's time to take a look. On with his article, he says: So how should a lobby group acts? What

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should they do differently? I propose that they stop being the logjam in bringing the property tax relief debate forward, and start helping to clear it. Instead of being perfectionists [SIC] for a group's individual interests, find a way to say "yes" to something. Bring proposals, and remember that constituents desperately want property tax relief. Fight for them as taxpayers. Furthermore, we need to acknowledge the broader implications of property tax relief. High property taxes affect everyone, from the young family trying to buy their first home to the elderly couple on a fixed income, trying to stay in their home. Ripple effects on local economy are significant.

KELLY: One minute.

ALBRECHT: Lower property taxes mean more disposable income, which can spur local spending, stimulate small business and strengthen our communities. Just imagine the positive impact on a local farmer who, instead of paying an exorbitant amount of taxes, could invest that money back into the land, equipment or new technologies. Imagine the small business owner who, who could hire additional staff or expand their operations with money saved from their property taxes. The real possibilities that could significantly improve the quality of life in Nebraska. While the resistance from special interest groups is understandable from a self-preservation standpoint, but it's shortsighted. True leadership involves making tough decisions that benefit the broader community, not just a sel-- select few. It's time for these groups to step in-- up and acknowledge the needs of the members, and work toward a solution that brings much-needed property tax relief to all Nebraskans. Let's make property tax relief a reality and not just--

KELLY: That's your time, Senator.

ALBRECHT: Thank you, sir.

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

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. I am always grateful to hear the diversity of perspectives that my friends and colleagues bring to the legislative floor as part of these important debates. And, just because my good friends Senator Kauth, and Senator Albrecht, and Senator Jacobson touched upon these issues, I, I do think it, it is worth pointing out a couple of things. There, I think, is a significant amount of disagreement from Governor Pillen and some of his allies in the Legislature about whether or not

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valuations are the problem, or are not the problem; I personally think that the skyrocketing valuations have exacerbated a very significant perennial problem, and is a huge part of why we need to focus on solutions, moving in to, to next year. And, I do want to point out that nothing in the Pillen plan, nor in the Revenue Committee amendment to our plans really does anything to address the valuations, and, and I think that is a missed opportunity, because it's something that, that we can and we should look at. I actually signed on as a co-sponsor to Senator Brewer's bill, which, admittedly, would be kind of a short-term Band-Aid to freeze valuations for a couple of years, to allow more time for a deliberative process, and I think Senator Brewer has put that forward as kind of a 'Plan B' that people might be able to come behind. And it is generating, I think, ever-growing support, so, I do want to thank him for his leadership on that, and acknowledge that that's another plan that we could put out there-- another idea that we can put out there that doesn't have some of the same sort of complexities and risks, that doesn't have the toxicity of the Pillen plan and the Revenue plan, that doesn't bring with it the tax increases and shifts, particularly onto working Nebraska seniors and local businesses, that doesn't risk our schools in the same way. And, to the compelling stories that Senator Kauth has given voice to, and other senators, we hear some of those same stories in our district as well. But here's the problem: the way to help a Nebraskan on a fixed income stay in their home is through targeted, proven solutions, like expansion of the homestead program, or expanding that into a broader circuit breaker program, which the Nebraska attorney general has opined is constitutional, and over 20 of our sister states have utilized. If the goal is truly to help Nebraskans who are on a fixed income deal with the skyrocketing valuations that push them out of their homes, we can do that. We can do that with 40 plus votes. We can figure out a way to do that. So by reading tearful yearm-- emails, but only talking about solutions that benefit not a Nebraskan who's trapped on limited income in their home, but talking only about solutions that puts more taxes on to folks living on a limited income, and benefit the largest, wealthiest landowner is a classic bait-and-switch. It's not intellectually honest. So if the goal is to address the Nebraskan who's crunched by valuations-- skyrocketing valuations-- we have this in each of our districts; that is a real problem. We will work shoulder to shoulder, hand in glove to fix that, by addressing it through homestead or circuit breaker. We can pay for it through new revenue--

KELLY: One minute.

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CONRAD: --streams, budgetary adjustments, or other sort of more modest, sustainable approaches that are not tax increases, hikes or shifts. If the goal is to help that Nebraskan, put forward a plan that matches that goal, that answers that question. You have it. That's where Senator Jacobson, Senator Kauth and others' rhetoric fails. The plan doesn't match the problem; the rhetoric doesn't match the, the goal. This is the classic bait-and-switch that we have to be thoughtful and careful about, because if the goal is the goal, to help Nebraskans stay in their home, we can fix that easily. But that is not what is before us, Nebraska. And Nebraskans are smart; they're not going to be fooled by a brochure, or by "bisleading" rhetoric. Thank you, Mr. President.

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

DAY: Thank you, Mr. President, and good afternoon, colleagues. I was not planning on speaking on the mic today. I'm here in my soccer jersey and-- with no makeup, with my little afternoon snacks. But I had a few things that I wanted to make sure that I shared with Nebraska today on the record, especially since we've had several colleagues get up on the mic and start talking about honest debate, and working in good faith, and how, how they really, really care about property tax relief. And I will tell you, what we know is that there is one way to pay for property tax relief without raising taxes on Nebraskans and without cutting jobs, and that is a new source of revenue, or two. And we have said time and time and time again, an expansion of gambling and the legalization of marijuana use in Nebraska are two sources of revenue that would easily pay for property tax cuts. And we had several bills introduced this session to do just that. And you know what we did in General Affairs exec session just a few minutes ago? We killed all of the gambling bills; they were all IPPed, except for one that was saved for the next 24 hours, potentially. When we're talking about honest debate and good faith negotiations, that means leaving all options on the table. If we don't adopt some form of expansion of gambling, or legalization of marijuana, we are going to go with the Governor's plan, which is meaning we are raising taxes on, potentially, 80 percent of Nebraskans, the largest tax raise in state history. And we're seeing, as of right now, about \$70 million in appropriations cuts. Do you know what that means? People-- hundreds of people in Nebraska are going to lose their jobs. Raising taxes on Nebraskans and eliminating their jobs, but providing them with property tax relief, is nothing that anyone wants. And yet, we are actively working to eliminate any other options that have been put on the table in good faith. All of those

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gambling bills were killed this morning. There's one left. How are we going to pay for the property tax cuts? OK, so we've got one gambling bill left; that certainly won't pay for it on its own. Are we going to legalize marijuana? You know the answer is no. I know the answer is no, because I've tried to talk to them about it. It's not even a consideration. Do you know how we're going to pay for the property tax cuts? We're going to raise taxes on low- and middle-income families; on our own constituents. We are raising taxes, the largest tax raise in Nebraska history, and we are cutting hundreds of jobs. We are implementing taxes that are going to shut down businesses, or drive them out of state.

KELLY: One minute.

DAY: We're trying to shuffle taxes from municipalities into the state budget, and essentially eliminate growth in the cities that we live in. That's how we're going to pay for property tax cuts. But we don't have to, because that's their plan, and we provided alternative plans. And yet, actively IPPing-- indefinitely postponing-- killing those bills. It just happened. So, don't get up on the mic and talk to me about good faith negotiation or honest debate, because that has not been happening since the end of session all summer, and it certainly hasn't happened since the beginning of this special session. Thank you, Mr. President.

KELLY: Thank you, Senator Day. Senator Kauth, you're recognized to speak.

KAUTH: Thank you, Mr. President. I'm going to pick up where I left off, and continue reading from my constituents: Property taxes are out of control. We've lived in Omaha for 29 years, less one year where we moved back to Denver. That move to Denver 20 years ago slapped us in the face to the ridiculousness of Nebraska property taxes. We purchased a house in Denver valued \$300,000 higher than the house we sold in Omaha, yet our mortgage, with interest, taxes, and insurance, was significantly less. How does that make sense? It was great. Then, we moved back to Omaha, and have been tortured with property taxes ever since. My wife and I continuously discuss the burden of our property taxes, and the only solution we come up with is to escape this state. But we don't want to leave our adult children. We're basically trapped, to have the benefit of staying a close knit family. We also desire moving to a new home that size and design more matches our lifestyle, not-- that-- now that our children are grown and not living with us any longer. The reality is, if we want to make a move and continue to be a homeowner, all roads lead to yet higher property

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taxes, and a life sentence of constantly-increasing property taxes. I never thought that the burden of property taxes would be one of the major topics in my annual planning reviews with my financial advisor. That's sad. Please help, and fight to correct this relenting burden. The next one: I've been a teacher for the state of Nebraska for 19 years. For the first time ever, I can no longer afford to live and work in this state. Due to a recent tax and insurance increases, my mortgage payment has increased by 500 a month. I would like to know what you are doing about this. How are you helping your citizens afford to continue living here? Next one: Due to rising inflation, the pitiful growth in new homes and other factors, my property valuation for 2024 tax year increased by 20.56 percent from 2023. My property tax bill for 2023 was \$5,657.02. If the tax rate remains the same for the 2024 property valuation, I will now owe \$6,820.45. That's an additional \$1,163.43. This amount would pay for one full month of childcare for my family. According to CNBC, 44 percent of Americans cannot pay an unexpected \$1,000 expense from their savings account. This increase in tax dollars would exceed this \$1,000 limit, and possibly place Ne-- many Nebraskans into a situation where they will not be able to pay their property taxes, thereby putting the property at risk by either having liens placed upon them, or being forced into foreclosure. In order to uphold the rights of property owners, the Legislature must act to "protact"-- to protect Nebraskans from this economic attack that has been created by the negligence of economic policy. The next one: My home has not increased in projected value since 2022. The seller's market has cooled. Borrowing rates have substantially risen, and therefore, property values have stabilized. There's absolutely no justification for the county to continue to artificially inflate my taxes at this point. Property taxes in a Nebraska are already among the highest in the country, and, to be perfectly frank, our taxpayers do not see any additional benefit from the high taxes we pay. I'm not a native Nebraskan, having lived in three other states previously. Honestly, I cannot name one single way in which paying higher taxes in Nebraska has benefited me in cont-- in comparison to the other places I've lived. I'm a father with a two-year-old son, and another baby boy on the way in September. I provide for my family, and the financial pressures are ever-increasing. Our homeowner's insurance premium--

KELLY: One minute.

KAUTH: --nearly doubled this year. Thank you, Mr. President. Which I'm told happened nearly across the board in Nebraska. On top of that, now Douglas County is attempting to send my property taxes soaring. If my protest isn't accepted, and this trend continues, it is not likely

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that we will stay here in Nebraska long-term. Our area of Omaha has been a good place for my wife and I to start our family; I would prefer not to be forced out by oppressive taxes. And finally, the next one: Please do something, all caps, about these outrageous property taxes. Your constituents can't afford any more of this. Thank you, Mr. President.

KELLY: Thank you, Senator Kauth. Senator Holdcroft, you're recognized to speak.

HOLDCROFT: Thank you, Mr. President. I rise in opposition to the bracket bill, and in favor of LB4, and I would also like to read some of the emails I've received from constituents concerning our efforts here. The first one says: Senator, I cannot attend the town halls, but here is my input. Nebraska needs to reduce property taxes. We have lived in Oklahoma and Kansas, and the tax burden was much lower there, especially on property taxes. Sales taxes are a choice so that I am not opposed to a slight increase in sales tax to shift the tax burden. Get rid of the exemptions, except for food, of course, and rein in spending, especially school districts. Many people, such as retirees, are leaving Nebraska, most of all to southern Sunbelt states like Florida, Texas, Tennessee, Georgia and Arizona because they can do the math and see that it does not make sense for them to stay in a high-tax state. I did a quick Google search, and the Tax Foundation rated Nebraska as the twelfth highest overall tax burden. We are right up there with the bluest states. This does not reflect Nebraska values, and is not acceptable. Significant reduction in property taxes are needed. Thank you for considering my views, and your service. The next one here: Senator Rick Holdcroft, my name is Scott Strico [PHONETIC]. I am a resident of the Whitehall neighborhood, and I was-- reside at this address, and he gave-- even gave his phone number. I have newly purchased my first home and have often times had concerns and wonders about the cost of homeownership. I am blessed to have had the opportunity to purchase, as many in our great state have. The issue is the rising cost of homeownership; valuation increases, which in turn increase taxes. This model works well for the coffers of the state and the city of Omaha, but not so much for the hard-working Nebraskan. I do not have to tell you about the need for property tax reform, but I will provide to you a view of my thoughts. Nebraska needs to figure this animal out. This system is not working. What is the alternative? At this point, we need to try something-- try something. We cannot continue to let another year go by and continue with the same an-- antiquated approach. Cut the property tax, and then reduce spending, reduce spending, reduce spending. One of the state figures out-- one of-- one of the state figures-- once the state

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figures out how to bring in additional revenue, not by taxing the heck out of the Nebraska people, then the state can increase spending. The leaders of this state need to lead Nebraska into a new chapter. We have-- the city of Omaha seems to believe that spending is the way. Spending is, in part-- is financed by the high taxes. Cut the cord, and let Omaha figure out another tax base for its projects. Maybe that means reducing spending; a novel approach. We have large salaries for the police, fire and city officials. Why? This is just one example of waste. We are a conservative state, but we have a system that appears to support runaway spending. Maybe I am wrong, and it is not run-- runaway. But the point is, the tax structure of our state is not working, and we need reform.

KELLY: One minute.

HOLDCROFT: Thank you, Mr. President. Pillen is making this a priority, and so I am encouraging you also to make it a top priority. And one more, from Shelly Heisler: I was unable to attend the meeting to discuss property tax relief yesterday here in Omaha; I would like to go on record with my thoughts. As a property "oper" in a SID near Gretna, my rates are pretty high. We've held-- we've lived in our home for 20 years, and the property taxes are going to be at a rate comparable per month as the mortgage, and it's not sustainable for the long haul. With that said, I am not really complaining about the tax rates themselves; my SID has actually lowered rates in recent years, and has done a great job of being fiscally conservative. I understand why the school taxes are so high due to the high growth in Gretna, and I have been very happy with the education that my, my 3 children receive through the Gretna Public Schools. My youngest is now taking classes at Metro, and I have to say, I am very happy with them as well, and don't mind contributing through my taxes. I believe strong--

KELLY: That's your time.

HOLDCROFT: Thank you, Mr. President.

KELLY: Thank you, Senator Holdcroft. Senator Hansen, you're recognized to speak.

HANSEN: Thank you, Mr. President. I just wanted to touch on a couple of things, and I appreciate my colleagues reading some of the emails that we pretty much get every day, sometimes by the dozens, about the, the lifestyle that gets put on our constituents because of high property tax rates, and the inability to, to pay bills, or inability to take care of their home, the inability to even live in the state of

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Nebraska. And so, I, I, I appreciate them reading some of those emails out loud, because we get those all the time, and phone calls all the time, just like that. I want to touch on a little something my colleague Senator Conrad brought up about rhetoric. You might have "urnge"-- heard her mention that a few times. And yes, rhetoric does matter. And so, maybe one of the, the buzz-quotes you're probably going to hear during this whole time-- probably heard it last year quite a bit, too. And it is a buzz-quote, pretty much-- is that this is the largest tax raise in Nebraska history. And I beg to differ, because we-- a) we're talking about sales tax exemptions; these are services that are not being taxed that we have given an exemption to, and these have happened over the course of 40, 50 years. And-- we-- then, either a lobbying group or special interest group has convinced the Legislature that, that, for some reason, we should not be taxing limousine services, because it's going to affect tourism; we should not be taxing pet grooming services, because it affects this group. And then, we vote to get rid of it, right? And so, over the course of the last 40, 50 years, these have built up, these have built up, these have built up, and now we're left with this whole host of sales tax exemptions that we have not dealt with. And the one biggest thing I hear about from constituents is, "Why aren't you doing more like what South Dakota does? Do it more like what Iowa does." And with this bill, getting rid of some of these sales tax exemptions was, technically, is not a, is not a, increase in taxes. We're just getting rid of sales tax exemptions. Again, you can play with words however you want; that's where rhetoric matters. We're following what South Dakota and Iowa have done. We're moving in that direction. We're changing the direction of the ship away from the iceberg. And I think we're making the right steps. So, this is not the largest tax raise in Nebraska history. I beg to differ; it's actually the largest property tax reduction in Nebraska history. Frankly, it might be the first property tax reduction in Nebraska history, but it is the largest. I hope people keep that in their mind first. And so, bef-- before I yield my time here, I also want to mention one thing that Senator Justin Wayne said. He says: You know what, we do not know what tomorrow brings. I do know what tomorrow will bring if we don't do anything. Rental rates will continue to go up. Senior citizens will not be able to live in their homes. People will not be moving to our state, or moving out of our state. That's what tomorrow will bring; I guarantee it. So, with that, I'll yield the rest of my time to Speaker Arch. Thank you.

KELLY: Thank you, Senator Hanson. Speaker Arch, you have 1 minute and 55 seconds.

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ARCH: Thank you, Mr. President. I'm about to invoke cloture on LB4, and so-- but I wanted to, I wanted to talk about LB4 for just a second before, before we get to that vote. First of all, I want to, I want to indicate that yesterday I read a number and it was incorrect. I think I read that-- I read a number of around \$149,000 for the-- for what adds up in this bill; actually, it's \$126,860. So it's less. But, but-- I just wanted to correct that. The other thing I wanted to say was, I know that people were talking about the Americans for Prosperity clock; that clock is running on a calendar clock, not a, not a session day clock, and so, we're, we're today at Day 9, and I think that that clock indicates Day 15. And so, please run with our numbers, not, not what's out there. But I want to talk about today, and, and what happens now. So, as we pass LB4, assuming LB4 passes on to Final, it obviously is not going to have the correct number. So, it, it is going to have a 10-day number, and, and we don't know what that number is; we're at Day 9, so, you know we're, we're close to that 10-day. There is a possibility we could pull it back, but there's also another possibility that we could pass it on Final with 10 days, and we have a deficit appropriation in January. So, we can cover our costs that way as well. Remember, these costs are, are really just 3: it's per diem for senators-- having nothing to do with salary-- per diem for senators to pay expenses, pages and Sergeant at Arms, and overtime costs for Revisor and Clerk-- the ones that are hourly-- and printing costs. So, we have full-time staff in the building, they're not the-- you know-- so, at any rate, I would ask that you move this forward to Final, and we will adjust numbers in a couple of different ways. Thank you, Mr. President.

KELLY: Thank you, Speaker Arch. Mr. Clerk, you have a motion on the desk.

CLERK: I do, Mr. President. Speaker Arch would move to invoke cloture, pursuant to Rule 7, Section 10.

KELLY: Speaker Arch, for what purpose do you rise?

ARCH: I would ask for a roll call vote, regular order.

KELLY: The request for-- is for a roll call vote, regular order. Mr. Clerk, the question is-- the question is cloture.

CLERK: Senator Aguilar voting yes. Senator Albrecht voting yes. Senator Arch voting yes. Senator Armendariz voting yes. Senator Ballard voting yes. Senator Blood voting yes. Senator Bosh voting yes. Senator Bostar voting yes. Senator Bostelman voting yes. Senator

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Brandt voting yes. Senator Brewer voting yes. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting yes. Senator Conrad voting yes. Senator Day. Senator DeBoer voting yes. Senator DeKay voting yes. Senator Dorn voting yes. Senator Dover voting yes. Senator Dungan voting yes. Senator Erdman voting yes. Senator Fredrickson voting yes. Senator Halloran voting yes. Senator Hansen voting yes. Senator Hardin voting yes. Senator Holdcroft voting yes. Senator Hughes voting yes. Senator Hunt voting yes. Senator Ibach voting yes. Senator Jacobson voting yes. Senator Kauth voting yes. Senator Linehan voting yes. Senator Lippincott voting yes. Senator Lowe voting yes. Senator McDonnell voting yes. Senator McKinney voting yes. Senator Meyer voting yes. Senator Moser voting yes. Senator Murman voting yes. Senator Raybould. Senator Riepe voting yes. Senator Sanders. Senator Slama voting no. Senator Vargas voting yes. Senator von Gillern. Senator Walz voting yes. Senator Wayne. Senator Wishart. Vote is 42 ayes, 1 nay, Mr. President, to invoke cloture.

KELLY: Cloture is invoked. The-- members, the first vote-- or, the next vote is on the motion bracket. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 3 ayes, 39 nays to bracket the bill, Mr. President.

KELLY: The bracket motion fails.

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

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

BALLARD: Mr. President, I move that LB4 be advanced to E&R for engrossing.

KELLY: Member, you've heard the motion to advance to E&R Engrossing. All those in favor, say aye. All those opposed, say nay. It is advanced. Mr. Clerk. Mr. Clerk for items.

CLERK: Mr. President, the committee report-- your Committee on General Affairs, chaired by Senator Lowe reports LR2CA as indefinitely postponed.

KELLY: Mr. Speaker, would you approach?

CLERK: Mr. President, priority motion. Senator Linehan would move to adjourn the body until Monday at 1:00 p.m.

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KELLY: Speaker Arch, you're recognized to speak to the motion.

ARCH: Thank you, Mr. President. I mentioned at the beginning of the-- of our day today that, that we would stand at ease for a period of time. And, Senator Linehan has spoken to me, and said that that committee amendment needs additional work. And so, she wants-- this is at her request, that she would like to adjourn the body until 1:00 on Monday. With that, I, I say to you, this is, this is a decision of the body. This isn't my decision. This is a, this is a motion before you and, and your, your decision as to whether or not you want to provide additional time for the working of that committee amendment. So, with that, this is, this is the motion before the body, and I think I'm the only one that can speak to it, but, that is--those are my thoughts on this motion today. Thank you.

KELLY: Thank you, Speaker Arch. There's been a request for the call of the house. Members, the question is, shall the house go under call? All those in favor, vote aye; all those opposed, vote nay. Mr. Clerk, please record.

CLERK: 36 ayes, 3 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 and record your presence. All unauthorized personnel, please leave the floor. The house is under call. All unexcused members are present. Members, the question is the motion to adjourn. There's been a request for a roll call vote. Mr. Clerk. Request-- rever-- the only person who can request reverse order is the introducer. Mr. Clerk.

CLERK: Senator Aguilar not voting. Senator Albrecht voting yes. Senator Arch voting yes. Senator Armendariz voting yes. Senator Ballard voting yes. Senator Blood voting no. Senator Bosn voting yes. Senator Bostar voting yes. Senator Bostelman voting yes. Senator Brandt voting yes. Senator Brewer voting yes. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Conrad voting no. Senator Day voting no. Senator DeBoer voting yes. Senator DeKay voting yes. Senator Dorn voting yes. Senator Dover voting yes. Senator Dungan voting no. Senator Erdman voting yes. Senator Fredrickson voting no. Senator Halloran voting yes. Senator Hansen voting yes. Senator Hardin voting yes. Senator Holdcroft voting yes. Senator Hughes voting yes. Senator Hunt voting no. Senator Ibach voting yes. Senator Jacobson voting yes. Senator Kauth voting yes. Senator Linehan voting yes. Senator Lippincott voting yes. Senator Lowe voting yes. Senator McDonnell voting yes.

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Senator McKinney voting no. Senator Meyer voting yes. Senator Moser voting yes. Senator Murman voting yes. Senator Raybould. Senator Riepe voting yes. Senator Sanders. Senator Slama voting yes. Senator Vargas voting no. Senator von Gillern voting yes. Senator Walz voting no. Senator Wayne. Senator Wishart. Vote is 33 ayes, 11 nays to adjourn.

KELLY: The motion is adopted. The Legislature is adjourned.