

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate April 18, 2024
Rough Draft

KELLY: Good morning, ladies and gentlemen. Welcome to the sixtieth day of the One Hundred Eighth Legislature, Second Session, here in the George W. Norris Legislative Chamber. Our chaplain for today is Senator Arch. Please rise.

ARCH: Let us pray. Dear God and Father, we humble ourselves before you as your servants, to lead this great state of Nebraska. We ask today, as we have asked many times, that you give us all that we need to accomplish your will in our decisions, even today, this last day of session. We ask that you grant us wisdom, strength, moral courage, faith, and perseverance, to lead by word, example, and our decisions. We pray for those senators who will be leaving this body, that you would draw them to you and keep them close to you. We thank you for giving this Legislature such dedicated staff, who sacrifice their time and efforts to help us be excellent in all that we do. Above all, we thank you, our great God, for the privilege of serving you this year. In Jesus' name. Amen.

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

BREWER: Please, 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 sixtieth day of the One Hundred Eighth Legislature, Second Session. Senators, please record your presence. Roll call. Record, Mr. Clerk.

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

KELLY: Thank you. 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. Bills were presented to the Governor on April 11, 2024. Additionally, communication from the Governor. Engrossed LB1027, LB1029, LB1030, LB1031 and LB1031A, LB1035 and 1035A, LB1051, LB1069, LB1073, LB1085, LB1088, LB1095, LB1108, LB1167, LB1195, LB1200, LB1200A, LB1214, LB1270, LB1326, LB1370, LB484,

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LB484A, LB685, LB685A, LB686, LB71, LB71A, LB829, LB829A, 5-- LB852, LB856, LB867, LB867A, LB870, LB870A, LB874, LB876, LB876A, LB880, LB903, LB904, LB904A, LB926, LB932, and LB934 were received in, in my office April 11, 2024, and signed on April 15, 2024. These bills were delivered to the Secretary of State on April 15, 2024. Signed Sincerely, Jim Pillen, Governor. Additional communications, engrossed LB52, LB52A, LB164, LB164A, LB196, LB196A, LB204, LB204A, LB253, LB287, 287A, LB358, LB358A, LB399, LB600, LB600A, LB631, LB631A, LB1017, LB1070, LB1092, LB1120, LB1169, LB1284, LB1284A, LB1288, LB1300, and LB1300A, LB1301, LB1301A, LB1306, LB1306A, LB1329, LB1329A, LB1335, LB1344, LB1344A, LB1355, LB1355A, LB1368, LB1368A, LB1393, LB1394, LB1394A were received in my office on April 11, 2024, and signed on April 16, 2024. These bills were delivered to the Secretary of State on April 16, 2024. Signed Sincerely, Jim Pillen, Governor. Engrossed LB1197, LB262, 60-- LB262A, LB910 were received in my office on April 11, 2024, and signed on April 16, 2024. These bills were delivered to the Secretary of State on April 16, 2024. Signed Sincerely, Jim Pillen, Governor. Engrossed LB62, LB62, LB62A, LB233, LB840, LB1074, LB1074A were received in my office on April 11, 2024, signed on April 17, 2024. These bills were delivered to the Secretary of State on April 17, 2024. Signed Sincerely, Jim Pillen, Governor. Explanation of vote from Senator DeKay. Notice that-- from Senator Aguilar, as Chair of the Executive Board, that the LR298 Legislative Oversight Review Special Committee has elected Senator Arch as the Chairman of the committee, and Senator Wayne as the Vice Chairman of said committee. Additionally, suggested reference report adopted Thursday, April 18, concerning L-- the reference of LR495. Agency reports electronically filed with the Legislature can be found on the Nebraska Legislature's website. Additionally, a report of registered lobbyists from April 17, 2024, will be found in the Journal. That's all I have at this time, Mr. President.

KELLY: Thank you, Mr. Clerk. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR466, LR470, LR471, LR472, LR473, LR474, LR475, LR476, LR477, LR478, LR479, LR480, LR481, LR482, LR483, LR484, LR486, LR487, LR488, LR489, LR490, and LR491, LR492, LR493, and LR494. Senator Lowe, you are recognized for an announcement.

LOWE: Thank you, Lieutenant Governor. Welcome to day 60, everyone. This was a nice weekend. It was a nice long break for us as, as we spent our time. And on Saturday, April 13, my third grandson was born.

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Really, I didn't have that much to do with it. It is-- his name is John Spencer Lowe, the sixth. We have a problem with our names in our family. We just don't go out of the box too often. He was 9 1/2 pounds. 20.5 inches long, and size 11 feet. Welcome to the world, Johnny. We're proud to have you here.

KELLY: Thank you, Senator Lowe. Speaker Arch, you are recognized for an announcement.

ARCH: Thank you, Mr. President. I received some questions about today's schedule, and want to announce we are going to recess for lunch today between 12 and 1. There's also been a request to have a group photo of senators at the front. So those of you that want to participate in that group photo, if you would go immediately to the front at noon, that would be appreciated. Thank you, Mr. President.

KELLY: Thank you, Speaker Arch. Members, please find your seat for Final Reading. Mr. Clerk, the first bill on Final Reading is LB25.

CLERK: Mr. President, Final Reading, LB25. As it pertains to LB25, Senator Bosn, I have a recommit motion with a note that you would withdraw.

KELLY: So ordered.

CLERK: Mr. President, in that case, Senator Wayne would move to return to the bill to Select File for a specific amendment, that be to strike Section 2.

KELLY: Senator Wayne, you are recognized to open.

WAYNE: Thank you, Mr. President. Colleagues, I just wanted to take time real quick, and it'll be really quick. While we all give our speeches later on, I just want to take a moment to say thank you to my staff, and specifically, Andrew Northwall, Precious McKesson, Conner Kozisek, Kozisek-- I always say that wrong-- Angenita Pierre-Louis, Megan, Megan Kielty, Josh Henningsen, Jake Seeman, who has been there the entire time, and my good friend, Trevor Fitzgerald. I would not be where I'm at today and understand this process if it wasn't for my staff. And so, I had this motion already filed, and I thought it'd be appropriate for me to thank them, particularly Jake, for being here for 8 years with me. If-- those who don't know, he actually ran against me in the primary. I don't know. Sometimes, I wish he would

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have won. But I really appreciate my staff. And I think it's really important that every once in a while, we make sure that everybody recognizes we wouldn't be successful if it wasn't for them. And I just want to take a moment to do that. And I'll withdraw my motion. Thank you, Mr. President.

KELLY: Without objection, so ordered. Mr. Clerk.

CLERK: Mr. President, I have nothing at this time.

KELLY: The first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 37 ayes, 7 nays to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Mr. Clerk, please read the title.

CLERK: [Read title of LB25].

KELLY: All provisions of law relative to procedure having been complied with, the question is shall LB25 pass? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Blood, Bostar, Brewer, Cavanaugh, Cavanaugh, Conrad, Day, DeBoer, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hunt, Linehan, McDonnell, McKinney, Murman, Raybould, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, Wishart. Voting no: Senators Albrecht, Armendariz, Bosn, Bostelman, Brandt, Clements, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Kauth, Lippincott, Lowe, Meyer, Moser, Riepe. Not voting: Senators Aguilar, Arch, Ballard, and DeKay. Vote is 28 ayes, 17 nays, 4 present not voting, Mr. President.

KELLY: LB25 passes. The next, next bill is LB126. Members, the first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 38 ayes, 5 nays to dispense with the at-large rating, Mr. President.

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KELLY: The at-large reading is dispensed with. Mr. Clerk, please read the title.

CLERK: [Read title of LB126].

KELLY: All provisions of law relative to procedure having been complied with, the question is shall LB126 pass? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Blood, Bosn, Bostar, Bostelman, Brandt, Brewer, Cavanaugh, Cavanaugh, Clements, Conrad, Day, DeBoer, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Raybould, Riepe, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, Wishart. Voting no: None. Not voting: None. 49 ayes, 0 nays, Mr. President, on advan-- adoption of the bill.

KELLY: LB126 passes. The next bill is one-- LB126A. Mr. Clerk.

CLERK: [Read LB126A on Final Reading].

KELLY: All provisions of law relative to procedure having been complied with, the question is shall LB126A pass? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Blood, Bosn, Bostar, Bostelman, Brandt, Brewer, Cavanaugh, Cavanaugh, Clements, Conrad, Day, DeBoer, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Raybould, Riepe, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, Wishart. Vote is 49 ayes, 0 nays, Mr. President.

KELLY: LB126A passes. Mr. Clerk, items for the record.

CLERK: Thank you, Mr. President. New LR from the Education Committee, which will be referred to the Executive Board. That's all I have at this time for items.

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KELLY: The next bill on Final Reading is LB388 with the emergency clause.

CLERK: Mr. President, LB388. Senator Slama would move to return the bill to Select File for a specific amendment, that be to strike the enacting clause.

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

SLAMA: Thank you, Mr. President. And good morning, colleagues. Well, we all knew this was coming, I think. And the queue is already pretty well loaded. But I do stand opposed to LB388, and I am grateful we're going to take some time to discuss what is really-- I see as a large tax increase. This bill, even with the amendment that pared it down, is still one of the largest tax increases in state history, with over \$200 million in new taxes. The average Nebraska family, whether they own property or not, will see increased taxes next year. On average, Nebraska families will pay an additional \$300 in taxes as a result of the tax hikes included in LB388. Most Nebraskans will receive \$0 in property tax relief. The majority of Nebraskans already claim the LB1107 property tax credit, including the vast majority of farmers and ranchers. The thought that a large number of Nebraskans aren't getting this tax credit already is just simply not true. If you have an accountant doing your taxes, unless they are just blissfully unaware of what our tax code is, or even if you file your taxes on TurboTax, like a lot of people, that credit's already included. So frontloading only means that you're going to lose a little bit of that money in the pass-through. The only Nebraskans who will see any tax relief under this legislation is a minority of homeowners who do not currently claim the LB1107 credits. For the third of Nebraskans who do not own property, their taxes will go up under this legislation. For the next-- for 60-- for the 60% of homeowners who already claim their LB1107 credits, their taxes will go up, as well. This bill is likely unconstitutional. We discussed this a lot on Select File. LB388 contains the tax on advertising, which is currently being litigated in the state of Maryland for being unconstitutional and costing the states a large amount of money to defend, and also, forcing the state of Maryland to pay back the taxes they collected with this, with interest. LB388 is an unsustainable form of revenue. This bill is reliant on forms of taxation that will not be reliable revenue generators. Tobacco users are notoriously sensitive of price increases and will buy their tobacco products across the border, rather than pay

higher prices. To illustrate this-- like, let's be clear, the majority of Nebraska's population lives within an hour's drive of the border of another state with lower cigarette taxes than the state of Nebraska. With a significant price increase in those cigarette taxes, what do you expect the consumer's behavior is going to be? They're going to make the short drive across the river or across the riv-- across the border to make their purchases there. Additionally, the advertising tax generates the most revenue in this bill, and the fact is that it could get thrown out, out in court-- threatens the entire structure of the bill. The public, based on my emails, has an overwhelming negative perception of this bill. Every public poll done on different versions of this piece of legislation, when you explain what the bill actually does, rather than simplified talking points that are revisionist history at best, show Nebraskans disagree with the concept of raising taxes to lower taxes, potentially, in other areas. A poll done in January by Americans for Prosperity found 70% of the Nebraskans opposed raising sales taxes to provide property tax relief. Even the people who reached out to my office because they got a call to action, saying that they should encourage their senator-- I even got a text to support LB388. Actually, I got texts, contact my senator to both support and oppose LB388. So we're, we're walking through that now. I am notifying my senator at this moment what my thoughts are on the bill. A February poll-- but like when people reached out to support, when you explain what the bill actually does, they backed off in their support. Because at the end of the day, the relief that we're saying people are going to get is already claimed by people through the LB1107 credits. A February poll paid for by NACO and the League of Municipalities found that 94% of Nebraskans did not want their sales taxes raised. Another poll conducted by AFP at the end of last month found that, again, that 71% of Nebraskans opposed a tax shift. The polling also showed that 7 in 10 Nebraska landowners opposed the tax shift. Opposition against the plan did not change among those polled, whether they'd read about the tax shift plan in the media or were hearing about it for the first time. The bill also fails to tackle the root problem of our property tax problem, which is local spending. The caps included in the bill contain many exceptions, including a 3% or inflation increase, 6% increase for public safety salaries, and an emergency exception. No analysis has been done to show that these caps will be effective in slowing the growth of property taxes. Now, that's my speech on this bill. That is all of the policy that I'm , I'm going to talk about. I think we've pretty well fleshed out every part of

this bill. We've talked about it ad nauseam, and I'm going to spend my other times on the mic, should I get any, doing the director's cut of my farewell speech. Because right now, it runs at like 2 hours long. And I'm pretty sure there would be no one left, including my own family, for that. But I do think it's important that we approach this debate in a thoughtful way. Because this-- I think we all know that this isn't going to be the last day of session. We're going to be stuck working with each other this summer, sometime, for a special session, to either address this issue or some other issue. And that's OK. I would rather handle this specific issue, our tax code, in a longer process, over a special session, when it's the one thing we're focused on. And to all the senators who are getting pressured one way or another, getting told you won't get reelected if you don't vote blank, vote in what you believe in, and support that with your entire jest. Like, get up, stand tall for what you believe in. And I don't care what color you put up on the board, whether it's green or red. But don't you dare put a color up on that board because somebody told you to or threatened you. You're here to represent your district. There are 40,000 people in your district. A majority of them would see a tax increase as a res-- as a result of this bill. There's nothing, there's nothing in your Rule Book or our state statutes, or the State Constitution that says you have to do this. And I worry there is a-- there's this phenomenon in nature, of when a certain group of animals gets to stampeding, they'll follow their leader. And it doesn't matter if they see 300 of their colleagues in front of them fall off a cliff, they'll continue going off that cliff. They won't stop and go, wait. Hold on. What are we doing here? Let's take some time to think about this. Why, why is everybody jumping off a cliff? Take these next 2 hours and be thoughtful in how you're thinking about this. If you haven't read the bill already, read the bill. Don't read the talking points the lobby gives you or somebody else gives you. Read it for yourself, and decide for yourself. And whatever that is, have the color you put up on your board be your honest opinion of this bill. And with that, I'm, I'm done talking about LB388. I'm sure we'll spend plenty of time talking about it. But I do want to take some time to dig into my farewell speech, because I want, again, to set the table for this to be a positive discussion. This is possibly our last day in the Legislature, and this is my last day in the Legislature as a state senator, for a while. And I just have different pieces of advice that I've been randomly typing up, because I have no idea what my farewell speech is going to say. The first piece of advice-- and if you're

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sitting back, going, this 27-year-old has absolutely no business giving anybody any advice, you're probably right. But I'm going to anyways, because for this day, I can speak on a mic and have it be in the permanent legislative record.

KELLY: One minute.

SLAMA: And that's a wonderful gift that I hope everybody who's going to be coming back next year really appreciates. The first people I'd like to provide some advice to are the young people watching at home. So whether it's the pages or the staff, I have a big problem in the state of Nebraska with people being told to wait their turn. Wait until blank, wait until you have a kids, wait until you turn 30, to be a leader in your community. Don't you dare ever listen to that. That's the worst advice you can possibly get. And like my other advice, is that 90% of the advice you're going to get as a young person is garbage. You have to find your own path, own your own experiences, and do your own thing. Because you are, you are the only you in this world. You don't have to do what other people tell you to do. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Good morning, colleagues, I rise in opposition to LB388, and thank my friend, Senator Slama, for structuring the filibuster in the debate this morning. The fact that her and I don't see eye to eye on many issues should be a powerful signal that we are aligned in our opposition to this measure. She outlined many of the substantive and technical and process concerns very well. And I want to reiterate those and, and compliment those. The intent and the purpose and the ultimate goal that Governor Pillen, Senator Linehan, and others have brought forward is to reduce the pressure on property taxes. That goal is laudable, and supported by every one of us in this Chamber. We disagree, however, with the how. When the Governor set the, the target of achieving a 40% property tax reduction, his plan from December through today was to raise taxes. And no matter how you slice it, no matter how you cut it, it's the largest taxing increase in Nebraska history, or at least close thereto. We need to also remember what our predecessors and we have done together recently, on tax reform. Just last year, we passed, in 2023, an increase in the amount of relief granted under the Property

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Tax Credit Act, and a 3% annual cap on school districts. We reduced the top individual and business income tax to 3.99 by 2027. And according to the Nebraska Farm Bureau, those cuts would result in a 30% property tax cut, just last year. Following the 2023 session, Governor Pillen convened a task force of key leaders to address the problem-- valuations. The effort failed. And instead of exploring real solutions, the decision was made to push forward and to raise taxes. This proposal was rightly panned robustly, by stakeholders and citizens across the political spectrum, including myself, the Platte Institute, Americans for Prosperity, the Chambers of Commerce, the Grocery Industry Institute, OpenSky, and others. As Senator Slama noted, the polling was particularly critical of increasing taxes to cut taxes. Nebraskans are smart, and didn't buy what we were trying to sell them. So what happened? The committee hearings for the original tax bills, LB315, LB345, etcetera, garnered robust opposition that was wide and varied. And after a very revealing public hearing on the substantive bills, the committee chose instead to advance a shell bill, LB388. That means we don't even have the benefit of a committee statement before us to demonstrate the widespread opposition to these proposals. I'm not being critical, but I do want to note that for the record. On General File, we saw a chaotic debate and a last-minute agreement to move the shell bill forward, to allow for more negotiation and consensus. I appreciate and understand, in the spirit of collegiality, why members decided to allow those negotiations to move forward. On Select File, we were given a 63-page amendment at 10:18 p.m. before the debate started the next morning, that was substituted during debate the next day. Members and stakeholders did not have meaningful time to review the amendment or discuss with colleagues. Additionally, the updated fiscal note with the amendment was just posted yesterday. But what we did learn, that there was no consideration for key public safety actors to be unbound from the caps, like county attorneys and public defenders. We learned that there were concerning technical problems lifted by the Platte Institute and others, binding and handcuffing future Legislatures in our ability to provide additional tax relief or to fund key services. We found that the unconstitutional nature of the largest piece of revenue generator impacting online ads and Nebraska broadcasters--

KELLY: One minute.

CONRAD: --was not addressed. Thank you, Mr. President. We saw a huge additional tax increase with Senator Hughes's floor amendment, and

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here we are on Final Reading. We cannot change it. We cannot amend it. Pure and simple. A vote for cloture is a vote for the largest tax-- one of the largest tax increases in Nebraska history. There's no other way to characterize it-- as is a vote for the bill. We still don't really have a clear sense of what we're voting on. We don't need to rush forward and jump off a cliff together. We shouldn't fear a special session. We should embrace it. We should hit pause today. We should use our minds, our common sense, and our hearts and what our constituents are telling us, to turn back increases in taxes on most Nebraskans, go back to the drawing board this summer, roll up our sleeves, and get it right. I'm prepared and honored to do that with every member of this body and Governor Pillen. LB388 has a laudable goal, but the solution contained therein hurts Nebraska taxpayers, businesses, and consumers needlessly--

KELLY: That's your time, Senator.

CONRAD: --in a time of economic prosperity. Thank you, Mr. President.

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

LINEHAN: Thank you, Mr. President. And good morning, colleagues. I hardly know where to start. I mean, the largest tax increase in history. And now, I don't know history that well. But I think in 1989 when they did TEEOSA, they raised the sales tax \$0.02, \$0.02, and they increased income taxes. So hopefully, my staff is listening and they will go find out. Now, the dollars might be less, because dollar-- a dollar today is worth a lot less than a dollar was in 1989. So for people listening at home, that is baloney. It is not anywhere near the largest tax increase in history. Even though I know you've gotten things wrapped around your papers that say so, it's not true. And we did work. It's pretty insulting to the Revenue Committee when I hear colleagues say that we didn't study, we didn't look. Many of us were involved in meetings with the Governor last fall. Senator McDonnell, would you yield to a question?

KELLY: Senator McDonnell, would you yield?

McDONNELL: Yes.

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LINEHAN: Senator McDonnell, you were in the meetings on valuation and taxes last year with Governor Pillen, right?

McDONNELL: Yes.

LINEHAN: And at one point, someone in those meetings suggested-- it might have been one of the Chamber's representatives-- suggested that we tax groceries. Right?

McDONNELL: Correct.

LINEHAN: And you said what?

McDONNELL: I said, at that point, as we go through the discussion, I believe everything should be on the table. And, and we ended up having 10 2-hour meetings over that 3, 3-month period. So I, I don't disagree with bringing things to the table. But if you bring groceries to the table, for me, personally, I will filibuster that bill, regardless of you give me 9 of my other 10 things on the floor. We're all going to have our breaking point. We're all going to have that tipping point. And if you decide to do groceries and put a tax on groceries, I will not only be a no, but I will filibuster it on the floor of the Legislature.

LINEHAN: Thank you, Senator McDonnell. Because the Governor said several times in those meetings, if you're not with us, if you don't want to do any of this, then you should leave the meeting so we know. So in those meetings were representatives from the Chambers, business community, realtors, like everybody was in the meeting. It was actually too big of a meeting, I thought, when I got there. I'm like, we're not going to get anything done. And the Governor said multiple times, if you're not in this to solve the property tax problem, you need to tell us now and you need to leave. Nobody left. But now, the same people that were in the meetings and their representatives are spending hundreds of thousand dollars on ads against the very things they sat in the room and said they were OK with. Well, I shouldn't say that. That's not true. They didn't leave the room. So it's beyond frustrating to me. And the Chambers, Blueprint, Platte Institute, and as of yesterday, OpenSky, all say we need to expand the base. We need to expand the base, but it's a bad idea to tax pop and candy. Really? What are we going to expand if we can't tax pop and candy? And for the idea that this is a tax increase, here's the numbers, guys. We

collect, as a state-- locals collect over \$5 billion in property taxes. \$5 billion, up a billion from when my class got here. We collect about 3 in income taxes, and we collect 2 in sales tax. Now, I don't think you'd have to be out of the eighth grade to look at those numbers and say, oh, they're a little out of balance. The other thing I've heard since we got here, is we-- the state doesn't put enough toward education-- public education.

KELLY: One minute.

LINEHAN: We're way, we're way low on public education. So we did a lot of that last year. We don't have time before things move this fall, but this is a step in correcting that. The idea that people would change their mind, or run around and be all confused because of the threats from the lobby, is not acceptable, folks. The lobby doesn't get elected. They get paid. We get elected to do what's right for Nebraska. And today, we ought to make the decision that, yes, I'll pay taxes on pop and candy so grandma doesn't have to move out of the house. Really? What is the question in that? Cigarette taxes are going up. They haven't been up for a long time. It's not, it's not going to stop somebody from smoking. I really don't think it is. But I don't think it's a bad idea to tax tobacco. It is-- it's not OK that our--

KELLY: That's your time.

LINEHAN: --property taxes are as high as they are. That's what's not OK.

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

KAUTH: Thank you, Mr. President. First, I want to contradict something that Senator Slama said about property taxes, that the LB1107 is being used by everybody. In the Millard area, only 50% of the people are filing for their property tax re-- rebate. So we're not using it the way it should be. So frontloading it will make a significant difference. As Senator Linehan said, property owners are bearing the brunt of the taxes in this state, 2 1/2 times more than the sales tax. That is a lot. This bill, LB388, will lower our property taxes. Now it won't lower it as much as we had hoped because of all the cut-- changes and cuts we had to make to it, but it will still lower our property taxes. The other thing it does is it puts that hard cap on

political subdivisions, so that they have to go to a vote of the people before they can raise it. We need to make sure that that gets passed. That is critically important. And I, I echo Senator Linehan. I get really, really frustrated when I hear people saying the way to lower taxes is to broaden the tax base, broaden the tax base, broaden the tax base. That means we expand the things that are being taxed. Right now, we have 100 special interest tax exemptions. Now when I say special interest, I mean that lobbyists have come in and convinced someone, hey, listen, this won't take that much out of the budget. It's just a couple of million dollars. We shouldn't tax because of some reason. Well, guess what? Those little bits add up, and property owners are taking the brunt. So when groups like the Platte Institute, OpenSky, Americans for Prosperity, all of the Chambers talk about lowering taxes by broadening the tax base, we are listening. We are trying to do that. And then, to have the special interests say, oh, but don't touch ours. Definitely, definitely broaden that tax base, but not mine because mine is special. Mine is different. So to have those same groups advocating against this, and as Senator Linehan said, spending thousands of dollars to run ads, to say, hey, don't do this, to whip people up. So when, when the grocery industry says they're going to tax groceries, they mean they're going to tax pop and candy. And when I go door to door and I talk to people about that, their first thing is, why isn't that already taxed? They didn't even know. So there's a huge disconnect, and there's a lot of manipulation by the advertising that is happening right now. And I'm really disappointed in some of those leadership groups that are, you know, advocating for broadening the tax base, but hitting us hard when we actually try to do our job. I got this email from the Nebraska Aviation Trades Association, and I want to read it. It says, Dear Senator: On behalf of the Nebraska Aviation Trades Association, we would like to thank you for addressing the wishes of Nebraska citizens and their concerns about the property tax burden. We also wish to clarify our stance on the issue of LB388, which is on Final Reading. It has recently come to our attention that the lobbying firm representing our organization has been misrepresenting our position on LB388. To be clear, we have not taken a position on that measure. As a contract lobbyist, he is working hard on behalf of his other clients. However, he did not consult with us about this bill. We do not condone this type of representation, and hope to receive better quality service in the future. Our service is to the agricultural industry. We understand the burden they face with the extremely high property

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taxes. LB388 helps to relieve the pressure placed on our customers-- the farmers and ranchers of Nebraska. We believe this shift in revenue sources proposed is a positive move for the state. We have no opposition to any of the LB388 amendments made, to date. As LB388 stands, it will not increase the tax burden on our industry, and it will help relieve the burden on our customers.

KELLY: One minute.

KAUTH: Thank you, Mr. President. We are sorry our position has been misrepresented. In closing, we would like to thank you for addressing the property tax problem in Nebraska, which has been crippling most of our customer base. So that is one industry that looked and saw what was happening, this, this outrage at how dare we try to broaden out the tax base? How dare we try to lower people's property taxes-- and said, wait, wait, wait. We agree. How many other of these lobbyist groups are not quite accurate in what they're saying? I would like people who own property to look at this, and say, hey, wait a second. If I save \$1,000 on my property tax per year, what can I buy? What does that change? How does that impact my life? Thank you, Mr. President.

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

MOSER: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. Well, the overwhelming theme of contact I've had with citizens in my district and across the state is that they feel that property taxes are out of whack. And if you look at property taxes as a whole, they raise about \$5 billion, and about 60% of that is for the schools. And so, about 3 of that \$5 billion is-- goes to public education. So, you know, how do you address that? The Governor had some meetings across the state, with some senators and interest groups, and spent a year trying to come up with a plan. And the problem is, is-- the real basis of the problem, I think, is property taxes are so-- such a big number, that even changing sales tax 1% only raises somewhere in the neighborhood of \$500 million. And so, you'd have to raise the sales tax-- to get rid of the \$3 billion, you'd have to raise the sales tax 6%. Well, that's not going to happen, obviously. Even the \$0.01 sales tax increase was stripped out of the bill, trying to get to this point. So if this bill isn't the answer-- it has some issues that catch people's ire-- what is? You know, how

can you say you're trying to do something about property taxes and not vote for this bill? This raises revenues that are going to be used to offset property taxes. That's the long and the short of it. And if you don't vote for this, then what? I was kind of disappointed to see some of the content of some of the ads I saw in the press. You know, between the 2 biggest newspapers in the state, I think they're circulation is around 100,000. So 100,000 people got those ads. I got 6 calls, and 2 of those calls were in favor of LB388. And I got, I don't know, maybe a dozen emails. And those were split also. So the lobby pressure, to me, is not what makes my decision. The people who elected me want something done about property taxes. This bill does something about property taxes. Are you for addressing the property tax problem, or are you not? That's going to be told in the vote that's going to come up here, in an hour and a half. I'd encourage everyone to vote for LB388. I think it's a step in the right direction. It doesn't fix the whole problem, but you can't correct 20 years of poor funding to schools in one bill. We've had numerous bills that have been credits toward your property tax paid for schools, and those have helped. This is going to ramp and amp that up. So I'd encourage my colleagues to vote for LB388, and let's at least do something to help address the property tax problem.

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

FREDRICKSON: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. Happy day 60 of session. I rise today-- I'm, I'm, I'm, I'm listening really closely to this conversation. I think LB388 is one of the bills that we are obviously debating this year, that I think is-- has probably the most eyes on it, if not the bill with the most eyes on it, by, by Nebraskans, and by many of us in here, as well. I've said this before. I, I, I really-- and I generally mean this, when I say I really appreciate the work of the Revenue Committee on this. I think Chair Linehan is going to be incredibly missed when she leaves this body. She brings a lot of knowledge to, to the table, and she's been an incredible leader of that committee. And I also really respect-- and I-- I've had this conversation with the, with the Governor directly. I respect the ambitious goal that he set, with lowering property taxes at the rate that he has outlined. I think it takes a lot of courage to set that ambitious of a goal on such a complex and nuanced issue that, you know-- look no further than the conversation we're having this morning. Clearly, there are a lot of

stakeholders who are very passionate about this, who care a lot about this, and have a lot of opinions about how we go about this. And so, to set a really ambitious goal to address the property tax issues we see in our state, which I think we can all agree is something that does, in fact, need to be addressed, I think takes a lot of courage and, and dedication, and, and, and frankly, passion. And I think we should never apologize for being passionate about something. It shows that we, we care and we're invested. And if-- I'd much rather have that with the executive branch and with all of us in here, as colleagues, than folks who are, who are kind of checked out. So I, I think that's really admirable. What I will say about LB388 is-- and, and the, the reason I'm, I'm not quite there with this, is that, you know, I think that there are-- there-- at this point, there's just-- there are too many loose ends here. And, you know, I was thinking a lot about, you know, our constituents, and folks who reach out to us about this. And I was looking at the emails I received, and I asked my staff about phone calls that we've gotten and everything. And I've received hundreds and hundreds and hundreds of emails on, on LB388 this year. And I, I counted 3 in support, out, out, out of all of those. It's, it's very clear to me that my constituents are, are not in support of this plan. And I think that, you know, there's, there's something to be said about that. I also will say there's a lot of talk about special session being inevitable. If, if it's inevitable, I, I don't think there's any-- I'm not afraid to roll up my sleeves to, to get to work, to meet with colleagues, to meet with the executive branch, to meet with stakeholders, to find out what is the most effective, responsible way to do this. And I'm, I'm happy to do that over the interim, if that-- if that's where, where this ends up going. That said, I have a few more things to say about this, but I do want to yield some time to Senator Slama. And I'm doing the politician thing where I'm talking too much, so I'll yield the remainder of my time to Senator Slama.

KELLY: Thank you, Senator Fredrickson. Senator Slama, you have 2 minutes.

SLAMA: Thank you, Mr. President. Thank you very much, Senator Fredrickson. I, I appreciate that even though we disagree, probably, on, like, 90% of things, we can come together on this. And I get that tensions are running high. It is the last day. This is a tough subject to talk about, but I think we are talking past each other. You can agree, and we all, I think, can agree that high property taxes are an

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issue. But you can also have that position and recognize that LB388 is not a solution, nor is it sound policy. The, the core funding for this bill is a digital ad tax that's probably going to be found unconstitutional and costs our state far more in legal expenses and in interest than any of the relatively small amounts of money we're going to be able to collect before an injunction is filed against the collection of the tax. To respond to Senator Kauth, who is my seatmate--

KELLY: One minute.

SLAMA: Thank you, Mr. President. Capping growth on your property taxes is not a tax cut. You're decreasing the increase. And moreover, the cap on political subdivisions, you've got 3% plus room to cover inflation, a 6% increase for public safety salaries, and an emergency exception. Moreover, we still have a soft cap for our schools, which we can discuss as to whether or not it's a good policy move or not. But a soft cap for our schools-- and schools amount-- account for the majority of your property tax bill every year, and they can override that. Over 160 of the 244 school districts of the state of Nebraska overrode that cap last year, as a matter of course. They did not spend the money, but they overrode it. So if you're sitting here, saying that a cap is property tax reduct-- property tax reduction--

KELLY: That's your time.

SLAMA: --I'm not buying it. Thank you, Mr. President.

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

WAYNE: Thank you, Mr. President. Well, my morning started out really interesting, because I forgot one of my staff members when I thanked my staff. So Rolf Kloch, I apologize. He managed my schedule for the last 2 years, and had to make more phone calls canceling meetings because of my schedule than me actually attending meetings. So he took the brunt of that for me, and I really, really appreciate it. So sorry, Rolf, Rolf. I know I'm not going to change anybody's mind on this, so I'm just going to figure out a way to shorten my speech by giving some points out now. So, I want to talk a little bit to Senator Lowe. Senator Lowe, we had a great time. I know you've never voted for any of my bills. And I think he voted one out of committee, and I

appreciate that this year. But I appreciate serving with you. It's been a great time. And I think your efforts here should not go unnoticed. One bill that stands out to me is, I think it was couple years ago, LB792. It was the rural health complex, that you made sure that your community could provide more healthcare for-- and train more professionals out in the Kearney and rural area. And that was a significant investment from the state. And I think that will do tremendous things in your community for the next 10 to 20 years. And I, I, I just appreciate you always being candid with me, and always being honest with me. And even though you were always a no, you, you, you at least were respectful, and helped me figure out how to make my bills better. So I thank you for that. Senator Halloran, I appreciate your Article V commitment to the constitution. It was interesting, because when I was on Government the first 2 years, people were asking me, why, why, why would I support this constitutional amendment? And it always came down to this for me. That-- our constitution was created where over half of us in this body would not be in the room. Women weren't allowed. African Americans, Native Americans, Pacific Islanders were not allowed. Hispanics were not allowed. And so, I always took the position that if there was ever a constitutional convention, just imagine what we could do if we had more diversity in the room, and different thoughts in the room, and how much better our constitution might be. So I was never afraid of the convention. And last year I got to participate in a mock simulation, and they actually adopted 2 of my proposals. It was pretty significant. We had a lot of conversations, and particularly around Oklahoma and Montana-- were, were great times. But I've always just admired how Halloran found some issues, and stuck to those issues, and made sure that every day, we got a update on how much debt we have. And so, I appreciate Senator Halloran, for taking the lead on that issue and educating me on that issue. To my good friend, Senator Erdman. Man, I won't even try to get emotional, because I know I will be. We have shared more text messages over the last 4 years than I think we ever talked our first 4 years, and just appreciate him educating me on the rural issues. And I learned so much about surface water just last week, talking to him about the, the water issues out in his district. And so, I, I just appreciate every time we would have a conversation, he would tell me he's there or not there, and the reasons. And I admire the fact that he continues to push the EPIC tax. And if you think about EPIC tax, you know, you don't have to think, why is it a crazy idea? It's just based off of numbers and math, and you can't lie about the math and

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what the numbers are. But instead of trying to go against the EPIC tax, I think people should figure out why the EPIC tax works. And for me, the reason why I always thought I was interesting, is because it's a-- a increase in a consumption tax that really, if you look at if we grow our state--

KELLY: One minute.

WAYNE: -- by a million people, it actually equals out to about the same number as the EPIC tax and sales tax. So I'm not afraid of the EPIC tax. I would prefer to grow our state, so we can increase our sales tax through, through growth. But I think it's a real good conversation, because the math-- "the math maths." And it works. And so, I just think having that perspective and bringing it to the table all the time, has been critical for at least my growth in this body. And he will always be a friend, and I look forward to fishing with him soon. Thank you, Mr. President.

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

von GILLERN: Thank you, Mr. President. I stand this morning in favor of LB388, and I would like to share a few of my thoughts regarding that bill. Several weeks ago, I met with a group of lobbyists, and was asked several interview-type questions. And one of those was, you get the best of me when, and you get the worst of me when? And my response to the worst of me question was you get the worst of me when you lie to me. And I almost feel that I owe an apology to the people of Nebraska, because I should have said, you get the worst of me when you lie to me and when you lie to Nebraskans. In this past week, lie after lie after lie has been told about LB388. Now you can define half truths any way you want, but to me, a half truth is a half lie. And a half lie is just as good as a full one. So I want to talk about the ad that was in the paper-- in the newspapers here, recently, the-- in the past couple of days. And I'll address a few things individually. That ad said that groceries will be taxed. Now, oftentimes we go to Webster's to find out what things actually mean, and that's an interesting exercise that I encourage all of us to do. Groceries are defined as food and supplies provided by a grocer. Well, that would include cleaning supplies, toilet paper, charcoal for your grill. There's lots of things that grocery stores sell that are already taxed. So I guess one could say the groceries are already taxed.

That'd be a half truth, wouldn't it? What the ad obviously implied and got people in a panic over was it food would be taxed. So again I looked up-- I don't know-- what does food mean? What's the actual definition of food? Food is defined as anything-- let me back up. If you want to define food as anything you put in your mouth, then yes, the removal of exemption of pop and candy would be taxing food. But food is defined as Webster's by material consisting of essentially protein, carbohydrates, and fat used in the body of an organism to sustain growth, repair, and vital processes to furnish energy. So I guess this is the challenge I give to the sponsors of that ad. I challenge you to go for a week, eating only candy, energy drink, and sodas. You let me know at the end of that week whether that's food. The ad called out the new tax on hemp and CBD products. Currently, neither of these products are taxed. Again, we, we don't tax things that are necessary for our survival. We don't tax food. We don't tax rent. There's lots of things that we don't tax because they're necessary. I don't think-- I don't know. Is hemp, CBD-- is it necessary for our survival? I don't think so. Sponsors of the ad-- this has already been talked about-- sponsors talked about this would be the highest tax increase in the middle class, class ever passed in Nebraska. Well, if all LB388 did was collect taxes, that would be different. But the reality is that LB388 returns tax revenue in direct property tax relief. Is it the perfect solution? Probably not. I don't love every bit of it, but it's the best that I saw proposed this year. And more importantly, and Senator Kauth has hit on this repeatedly, it's what Nebraskans have universally asked us to do, is to reduce property taxes. The ad pointed out the increase in cigarette tax, but it didn't point out that Nebraska, even after this increase, is relatively low compared to many other states. There are states that tax 3-- \$3-- \$3.30 per pack on cigarettes. This will increase our tax to a dollar. The ad said that veterinary services will be taxed. Again, a half truth. Pet services will be taxed. Pet grooming, washing, those kinds of things, that will be taxed. Veterinary services for pets. Not veterinary services for large animals, which, by the way, are part of our food chain, therefore not taxed, and part of a business input. Lottery tickets, currently not taxed. Not sure why that shouldn't be.

KELLY: One minute.

von GILLERN: Thank you, Mr. President. Additionally, a letter was sent to the Governor and copied to all senators yesterday, which echoed

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much of what was in the ad, and was referenced by the following groups: Americans for Prosperity, Nebraska Chamber of Commerce, and 9 other groups. Other groups came out this past week criticizing LB388, including the Platte Institute, and OpenSky, and others. Here's the irony in this. For a number of years, we've been told that the only way to resolve Nebraska's property tax problem is to broaden the base. Folks, getting rid of exemptions is broadening the base. Interestingly, those who have said repeatedly and consistently that we should broaden the base include Americans for Prosperity, Nebraska Chamber of Commerce, the Platte Institute, and OpenSky-- same people that came out this past week against LB388. So, I'm kind of confused. I don't know about the rest of you. And maybe the whole point and the whole motivation behind these ads was to create confusion. Each elimination of a tax exemption is the definition of broadening the base.

KELLY: That's your time.

von GILLERN: Thank you, Mr. President.

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

JACOBSON: Thank you, Mr. President. I rise in support of LB388. I, like many, a couple of years ago, had the opportunity to walk and knock on doors when I was running for reelection. There was one common theme. One. Everyone I talked to-- lower my property taxes. Now, I'm sure if I asked those same people, would you like for us to raise sales tax? They would tell me no. If I asked them, would you like me to raise-- or have you start paying taxes on pop and candy, they'd say no. But if I followed up with that question and said, but if that would lower your property taxes, how would you feel? There's no doubt in my mind what their answer would be. Do it, and lower my property taxes. Let me give you an example of what's happened since 2013. Since 2013, taxes levied-- property taxes levied in Nebraska were \$3.4 billion in 2013. In 2023, \$5.3 billion. Now, that's a-- if you look at that, that's a 56% increase over the last 10 years cumulatively, on the property taxes assessed. Let's compare that to what Senator Linehan had said before. Sales tax collections last year was \$2.3 billion at state level. 2.3. Property taxes have gone up by that amount. They've gone up by the total amount of collection of sales taxes. We talk about property tax-- or we talk about tax shifts.

There's a tax shift going on now, and there has been for the last 10 years. It's a shift to property taxes. So when I look at this-- and people say, well, it's all local spending. But where's the local spending going? 60% of it generally is going to your public schools, who have to comply with state and federal mandates to educate children. And that burden is on our local prop-- our local property taxpayers. The state provides some food through TEEOSA. They provide some through, through base-- as of last year, foundation aid. But that's largely borne by local property taxpayers. And they're sick of it. I get so frustrated when people tell me-- and I'm going to speak to the same things that Senator von Gillern said. All the people we're getting emails from, saying, oh, no, no. Don't do this. Cut spending. I would like everyone in this room, including everyone who sent those emails, I need your list. I need your list of spending cuts that are going to provide the dollars we need to provide real property tax relief. Send it to me. Own it. Put it in the newspaper, just like you did this. And say, I believe in these spending cuts. I dare you to do it. But you won't. Nobody wants to cut spending. Everybody wants to spend more money. Look at the money we came into last year, and it all got allocated. Look at all the A bills. That's why property taxpayers are sick and tired of waiting, tired of waiting for the-- this Legislature to take some real steps for property tax relief. We cut income tax, record income tax savings. It was critically important to get Nebraska more competitive. The State Chamber, Omaha Chamber, Lincoln Chamber, all were fully on board. But you know what? We had an agreement when that happened. We had an agreement that there was going to be dollar for dollar property tax relief. And now when it comes time for that property tax relief, you're on the other side of the fence. All we need to cut is spending. Let's be patient. No, I'm tired of being patient. My, my constituents are tired of being patient. They want real action. What's in LB388, first and foremost, is we're taking the dollars that are currently out there on the LB1107 credit, which is the income tax rebate-- many taxpayers-- I would say in my district, about 46% of the taxpayers in my district and, and Linc-- and, and actually, in Lincoln County, actually apply for the credit today. This will automatically give them that credit, and it'll go against their property taxes. Think about those who are paying their taxes directly. They're going to see that credit right on their property tax statement without having to do anything. They don't have to pay an accountant to go find all your properties, and do all this extra filing, and bill you for it, it happens automatically. And

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everybody gets that relief. For those that are, that are having their escrows, those that are making tax payments--

KELLY: That's your time.

JACOBSON: Thank you.

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

MURMAN: Thank you, Mr. Lieutenant Governor. I rise up in opposition to the floor amendment and in support of LB388. We have seen a tax shift to property taxes in the last 15 or 20 years. The tax, tax shift shifted dramatically toward ag land beginning in 2008. Many schools in greater Nebraska became unequalized shortly after that shift began. Now, 160 plus out of 244 school districts are unequalized. If we do nothing, more school districts will become unequalized next year and the following year after, including many of our largest school districts. Since 2008, property taxes on ag land are up 126%. Property taxes on residence are up 90% since 2008. And on commercial, they are up 84%. When schools become unequalized, that means no state TEEOSA aid goes to those schools. We are blessed in the last couple of years to take large steps to provide property tax relief, but much more needs to be done. With LB388, we are not asking for another large step, but we're only asking to continue to shuffle forward with property tax relief. Part of LB388, of course, is frontloading, and that's something that is widely asked for by property taxpayers. As been mentioned many times on this floor, only 40 some percent are actually, asking for that, that property tax relief that was provided in the last couple of years. And then, another part of LB388 is the spending caps. And those are, are badly needed if we have-- need to have some assurance that any increase in revenue from the state will be re-- refunded in a, in a equal amount with property tax relief. So we do need these increases in revenues to continue to provide that property tax relief. And looking at other states, when they are talking about increasing revenue, they don't look at increasing property taxes at all. It's, it's totally broadening the base, and we do that with the sales tax. And that's the way it's been-- being done all over the country. And as been mentioned before, many of the interest groups that are opposed to-- at LB388, actually, that's what they have been advocating for, not only here in Nebraska, but all over the country. So, the sales tax is the most fair tax, because you-- a

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person-- a taxpayer does have the discretion as to whether or not to pay sales tax. If they-- if the consumer does not want to pay sales tax, they don't need to have-- they, they don't have to purchase that item. Now, if you're talking about property taxes, if you live in a home, and whether you own the home or rent a home or an apartment, you're going to pay the property taxes one way or another, either through your mortgage payment, if you're an owner-- and you may not even realize you're paying that high property tax because you're just paying your mortgage payment.

KELLY: One minute.

MURMAN: Thank you. And if you're a renter, you are paying that property tax. Because the owner of the property needs to make a profit, so you're paying that property tax through your rent. And we, we have to be very careful with income tax because the state has to be competitive, not only with surrounding states, but with all the states in the country. Because if we are going to keep people here in this state and business here in this state, we have to be competitive with income tax. And also, to encourage people to move to the state and businesses to come into the state, we have to be competitive that way. So I think LB388 is a-- as I said, a shuffle forward to continue to provide property tax relief for our citizens of the state of Nebraska. Thank you, Mr. Lieutenant Governor.

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

CLEMENTS: Thank you, Mr. President. I stand in opposition to the floor amendment and in support of LB388. I want to thank the Revenue Committee for the work they've done. I know they worked hard, looking at all kinds of different options. And I agree with Senator Murman, that there has been a tax shift in the last 20 years. More of our local funding has been transferred to property tax. And the small sales tax increase in LB398 [SIC] is a step toward rightsizing our tax structure. We have more sales tax exemptions than other states do, and the few exemptions that are being removed are reasonable. They had other ones that were proposed that they took off the table because of opposition, and they came up with ones that were going to be the most favorable-- least objectionable, I maybe should say. Then the 3% caps in LB388 are part of-- one reason I really do support those. They're-- the caps are not perfect, but they're what the Revenue Committee

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could, could do to get votes enough. If you restricted the growth in local spending even further, I don't think you'd have the votes to pass it this far. The caps do apply to cities, and counties, and schools. And in the long run, they are going to be helping control the property tax increases. And without LB388, we'll be having larger property tax increases than we have. And so I-- then I wanted to switch to the green sheet today. If you look at the bottom of page 2, the far right column is-- shows negative \$142 million. That's the number we are trying to get to zero. If you look up just a couple lines, LB388 is transferring \$115 million to the Cash Reserve, which is available money to offset the \$142 million negative. So we're, we're still going to be-- that, that would show us still about \$27,000-- \$27 million negative. It's-- still be acceptable. But if we don't pass LB388, we're going left-- be left with that negative \$140 million number, which is going to be a problem for future budgets. With that, I yield the rest of my time to Senator Linehan.

KELLY: Thank you, Senator Clements. Senator Linehan, you have 2 minutes, 3 seconds.

LINEHAN: Thank you, Mr. President. And thank you, Senator Clements. So my great staff, which I will talk about later today, found some information I find quite convincing. In 1989, the Legislature passed an infamous, some say, bill called LB1059. It will produce-- this is from the history of TEEOSA. It would increase taxes by \$242,971,136 in new revenue. So, I looked up what 200 and-- almost \$245 million would be in today's dollars. It would be \$580,701,000-- 1-- \$15. So for anybody to say, this-- it's outrageous. And it is a shift. It's not an increase. These were real increases, guys.

KELLY: One minute.

LINEHAN: They raised income taxes, and they raised sales taxes. I have all this, if anybody is interested in actual facts. They also raised income taxes-- the Legislature did-- in 2003. They raised the lowest rate by \$0.05-- or 5%-- or .05. They raised the, the next to the highest by 11, 11-- .11%, and the top rate to 6.84, which only last year we managed to bring down. I don't have the fiscal notes for those years, but I'm quite certain it was more than \$240 million. It-- to say that this somehow is hurting people, is-- it's-- I don't-- I wish I had better words for vocabulary. Is it a lie? Yes. Is it misleading? Yes. Is it untruthful? Yes. And I know we are all involved in

politics, and people take part of something and twist it a little bit. But this isn't twisted a little bit. This is ridiculous. They say we're taxing groceries. We're hurting families. And we all know, and we all agree. Every vote we took last year and most we took this year--

KELLY: That's your time.

LINEHAN: Thank you.

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

HUGHES: Thank you, Mr. President. I stand in support of LB388 and against the floor amendment, FA451. I am also very frustrated with the conversation today, and about all the mailings, text messages, emails, about the massive tax increase-- the biggest one in history. I cannot believe the misleading information that is being sent out to all my constituents. I have had phone calls, texts. In fact-- let's see, it was 2 nights ago. I'm on-- sitting on the couch at 8:30 at night, and I get a call from a constituent, an older gentleman from York. And he's like, Jana, I, I had to call. I got this out of the newspaper and it said to call my senator, so I'm calling you. And we had a half hour discussion about it. And he's like, I can't believe you're going to tax groceries. And I'm like, well, we're not taxing groceries. We're just-- it's just pop and candy. And he's like, oh, well, that's OK. Misleading, misleading, misleading. And all these people are, are freaking out now about this package, and it is nothing but good. All the conservative groups say we need to increase the tax base. Well, we're here trying to increase the tax base a little bit, adding pop and candy. We have to start taxing services. We've become a service-based society, and we don't tax those things. I also want to address a comment made on the floor, about the vaping tax amendment that was added on in Select, and how this is just an increase from the vape tax that we put in place last year. Is it an increase? Yes, it is. But what was put in place last year is a pittance of what it should be. \$0.05 a milliliter for closed system vape products is not even close to what it should be. \$0.05 a-- one milliliter of vape is equivalent to a pack of cigarettes, in terms of nicotine. We tax today, a pack of cigarettes at \$0.64, and we're doing it at \$0.05. So this amendment moves it up to 20% wholesale. 20 states in the nation do a wholesale tax, and that average is 42%. We-- this amendment is

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20%. I think that is very reasonable and getting more in line of what it should be. And I also want to talk about this bump up in cigarettes that everybody is just going crazy on. The last time cigarettes got bumped up was in 2003. And we are going up to a dollar a pack. Oh my gosh. Everybody's going to leave the state to buy their cigarettes. Really? Kansas is \$1.29. Why would you go down there and pay more? Iowa, \$1.36. That's right by Omaha. Are you going to go over to Iowa and pay \$1.36, or are you going to stay in Nebraska and pay \$1? Colorado, \$1.94. South Dakota, \$1.53. There's only 2 states that touch us that are less. One is Wyoming, at \$0.60. I don't think we're going to make the trek over to Wyoming to buy our cigarettes to save money. And then Missouri is the lowest in the nation, and they are at \$0.17. The other thing I want to mention that no one has talked about, that, that is in this package, is the earned income tax credit that got added. And that tax credit goes from 10- 10% to 15%, which is a 38-- or 33% increase. We are going to help 121,000 households, 121,000 households, that are the lowest income earners in our state. Everybody talks about how there aren't more workers for the service and retail sectors. And now, groups are screaming because we're going to tax pop and candy. But we're not going to let this earned income tax credit go through? The other piece of this is--

KELLY: One minute.

HUGHES: --the-- thank you, Mr. President-- is the frontloading of that tax credit. Do not make me-- take my money, as a state, when I write my property tax check to the county, and then make me ask for it back. So to finish, this bill is good. Is it perfect? No, probably not. I think there's more work that can be done. I think we're willing to push up our, our sleeves and get back to it, and do more to, to broad-- broaden the base. But do not sit there and say we need to broaden the base, and then we add a few things to broaden that base, and then everybody comes in here and scares everybody to death that we're increasing the taxes. So I support this bill. I do not support the floor amendment. Again, I think there's more work to do, but this is a good start. Thank you.

HUGHES: Thank you, Senator Hughes. Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. Good morning, colleagues. Good morning, fellow Nebraskans. I stand in support of Senator Slama's

floor amendment and 100% against LB388. I know fellow Nebraskans out there watching the debate, they understand exactly what's going on. This is a, this is a tax increased. This will impact their budget. How do we know? We know that sound economic data tells us that, that this impacts our working families-- our hardworking Nebraska families more. This does not provide them relief. Remember last year? We gave that ginormous and accelerated tax reduction to corporations and the highest earners in our state, but neglected our Nebraska working families. Economics show that working families are the ones that take any, any benefit they can from their tax reductions and pour it right back into the economy, and generate economic development and economic growth. The one thing I was-- wanted to say, that, that famous quote, those that do not learn from history are doomed to repeat it. We've heard all of my colleagues talk about the history. How did property taxes become the fall guy for everything, from public education to unfunded mandates and other expenditures that the state has cost-shifted down to the counties and the cities? This history of cost-shifting and neglecting the funding for public education to property taxes didn't just start with this administration. Senator Moser talked about it. We heard from Senator Murman tell-- talk about it, as well. This started easily, more than 16 years ago, shifting that burden of public education-- ranking Nebraska 49th, as the lowest state in funding public education in the United-- second lowest state in funding public education. Cost-shifting with other budget matters on funding to counties and cities, as well as numerous unfunded mandates that Senator Blood has advocated that we pay more attention to, contributed-- all of this contributed to the reliance on property taxing-- on property taxes. I am for a, a working session where we examine everything, and not just focus on those limited removal of tax exemptions. We need to study the whole thing. We need to look at the tax exemptions currently there. We need to look at tax credits that should have a sunset. We, we need to look at every element. Unfunded mandates, I have 6 pages of unfunded mandates from the county and the cities. The solution should be thoughtful, should be transparent, with full hearings, and not shell bills, comprehensive assessment, cost-benefit analysis, so that we avoid all these unintended unfunded mandates. Here's one you don't, don't see or hear about: the lid on cities and counties. What happens? We are obligated by our labor union contracts that have been negotiated 3, maybe 5 years if they're-- if we're lucky. But we're obligated also to pay the pension for public safety. We have no choice in the city of Lincoln. It's an ordinance.

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We must pay the actuarial recommended amount. And sometimes, it's going to exceed that 6% easily. I am all for that. Most importantly, this tax increase impacts our hardworking Nebraska families, and they know it. We need full transparency. We need to work together. Any, any city or county that has to go through an election to increase that funding-- I bet none of you know, except maybe Senator Moser, that if you put something on the ballot, that municipality has to pay for the printing of that ballot, the mailing of that ballot. That, that costs our cities and counties money. So I ask, let's--

KELLY: One minute.

RAYBOULD: Thank you. Let's do a thoughtful approach. Let's look at everything. Let's talk about everything. Let's fully vet everything, and-- for transparency, I'd like to yield the rest of my time to Senator Conrad.

KELLY: Senator Conrad, you have 45 seconds.

CONRAD: Thank you, Mr. President. Thank you, Senator Raybould. Just quickly, why are we raising taxes in a time of economic prosperity? Colleagues, I'd ask you to look at the general fund receipts from March 2024 that just hit your inboxes. They're 40-- almost 40% above the forecast, some hundreds of percent above the forecast, some thousands of percent above the forecast. It makes no sense to raise taxes in a time of economic prosperity. We should utilize this revenue to pour into property tax relief. We can and should do that instead of raising taxes to accomplish the same. That's why tax shifts, tax swaps, and tax increases are poor policy. And to my colleagues, in regards to the exemptions, everybody has always said removing--

KELLY: That's your time.

CONRAD: --exemptions, reducing the rates. That's not what's happening here. Thank you, Mr. President.

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

HARDIN: Thank you, Mr. President. I stand in support of a special session to focus on transforming Nebraska tax policy. Nebraska's tax policy, all of it, is broader and murkier than just LB388. Many people have aired their support or their opposition to it, and largely split

down the middle. When we have that reaction to a bill, it tends to indicate that the content of the bill does not create problems as much as it reveals problems. Voting for LB388 relieves certain challenges while creating some new ones. Not voting for LB388 does something similar in reverse. So the underlying problem is like a beach ball. We try to keep stuff below the surface of the water, and it's just a matter of time before it gets away and comes ripping out. In the spirit of revealed problems, the tax issues are too important, and then, have been incrementally paralyzed for decades. It's beyond time to strike down Nebraska tax policy and start over. We need to give birth, not try to resurrect. We need to transform, not tweak. We need courage, not convenience. Voting for LB388 does not transform our tax policy. Voting against LB388 does not transform it, either. Our tax policy in Nebraska is bleeding from an artery. It's not a need of a Band-Aid on your toe. We have the sixth worst package of taxes in the United States, according to the Tax Foundation. It takes courage to do something entirely transformative, and that will take time. We have just shy of 2 million people in this state. 49 of us and the Governor decide tax policy. Bring on the special session. It's time to be transformational. It's time to be courageous. Thank you, Mr. President.

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

LOWE: Thank you, Lieutenant Governor. When I campaigned 8 years ago, I promised I wouldn't raise taxes on anyone. And I'm fulfilling that promise today. I will not be voting for LB388. And you know, this bill would probably benefit me more than any other bill that we will pass or have passed in my 8 years. I am a property owner. I own property across the central part of, of Nebraska, so this bill would probably, probably benefit me if I would vote, vote for it. But I'm not going to vote for it because I made a promise. I made a promise to the people that I would not vote for a tax increase on anybody, which a tax shift does. And that's what this is, is a tax shift. For the last 8 years, we've done a great job of reducing our spending, of controlling our spending, and that's the way we should do it. The only way to hold us level-- because we're not reducing our property taxes the way we have with the, the other bills we've passed, that we've said were reducing property taxes. We're, we're holding our property taxes level at this point in time. And that's an achievement. That's something that we haven't done before. We ought to be very proud of what we've done. We

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need people to take advantage of this. It's on your tax form. Take advantage of it. With that, I yield the rest of my time to Senator Slama.

KELLY: Thank you, Senator Lowe. Senator Slama, you have 3 minutes, 5 seconds.

SLAMA: Thank you, Mr. President. And thank you very much, Senator Lowe. I, I find myself agreeing very much with Senator Hardin, although I would adjust his comparison of LB388 slightly. I would say that our current tax system is bleeding from the carotid. And to address that, LB388 tries to put a Band-Aid on your pinky. If you look at the text of LB388, if you already claimed the LB1107 property tax relief credits, you will see no property tax relief as a result of this bill. You will be paying more taxes on items that you and your family buy. I'll say it again. If you already claim the LB1107 property tax credit, you will be seeing no tax relief as a result of this bill. Now, Senator Kauth got up and talked about her constituents in Millard not claiming the credit. The credit exists. I mean, if you can't go through TurboTax and click the box that you own a house and that you're eligible for this credit, that's on you. And moreover, I wasn't aware that the property tax crisis our state is facing was focused in the neighborhoods of Millard. As I understand it, our property tax crisis is rooted in our rural economies, our farmers who support our economies, and who are already taking this credit. What we're doing here is taking the air out of our potential of doing something big. We've already invested billions in property tax relief over the last few years. We put \$1 billion last year towards public school funding, with foundation aid for our rural schools for the first time. LB388 doesn't do anything transformational. The only thing it transforms is that if you're already taking your LB1107 credit, you're going to be paying more in taxes on items you already buy. Read the bill.

KELLY: One minute.

SLAMA: Thank you, Mr. President. Read the bill. I know people are being promised right now, well, we'll take out blank part you don't like in a special session. We're already well on our way to a special session. And the things that we're promising are taking out parts of the bill that we're going to vote on, that you don't like? We're going to be back here already. So don't vote for a bill that you don't like

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because we'll come back and fix it this summer. Come back this summer with the attitude that we can do something transformational with our tax code. Believe that we can do more than this for the taxpayers of the state of Nebraska. Thank you, Mr. President.

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

HUNT: Thank you, Mr. President. Believe that we can do more than this for the taxpayers of Nebraska. Senator Slama said that exactly right. As usual, Senator Slama and Senator Lowe are making perfect sense, are saying exactly the right things. And a vote for cloture on this bill-- you know, folks, it's 10:45 a.m. on the last day of session. We're not going to fix this bill. And looking at the vote card for this, there's a lot of people in the middle. There's a lot of leaners going one way or the other, who are talking about fixing the bill. The time we're going to have to fix the bill is going to be in a special session, where we start from scratch. And it sounds like that's where we're heading. It's not my preference, but I don't fear a special session. I think that the way that this hurts taxpayers, and businesses, and consumers in Nebraska makes it the wrong solution for Nebraskans. It's not going to be transformational. Responding to a few comments made-- first of all, landlords never lower the rent. The rent never goes down. I would challenge any property owner who's a landlord in this body-- I think there's at least 9 or 10 of you-- to name one time you lowered the rent for your renters because you got a property tax credit. And what's LB388 going to give you for property tax credit? \$100, that you then pay back for all the taxes you pay on your pop and candy, etcetera? Raising taxes on digital ads is going to really be a blow for small businesses, especially in your small communities. If there's any small business that exists in rural Nebraska, that's just depending on the population locally to keep it afloat, that's not going to work for much longer in this economy. You've got to be online. You've got to be advertising. It's the way business works for, for the vast majority of businesses, of course, not all. But shifting the taxes is not a tax decrease. This is an increase on taxes for Nebraska taxpayers. It's a nonstarter. All of you know it. I think that we should just dispense with this bill. And I would like to give the rest of my time to Senator Danielle Conrad. Thank you, Mr. President.

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KELLY: Thank you, Senator Hunt. Senator Conrad, you have 2 minutes, 43 seconds.

CONRAD: Thank you, Mr. President. Thank you, Senator Hunt. Friends, what are we doing here? At the same time that we're pushing forward with-- and I think I said one of the largest, and I apologize if I misspoke, and thanks for clarifying. This would be the second largest tax increase in Nebraska history. We're pushing forward with a huge tax increase while we claw, claw back benefits for federal retirees, while we push down homestead benefits for disabled veterans. What are we doing? This makes no sense. And don't forget, all of this talk and rumor and thread or what have you about a special session, there's no problem with starting from scratch. And it's not a guarantee that we're gonna fix anything. There's an E clause on this bill. If this bill moves today, a special session later this summer, later this fall, whatever, doesn't fix the immediate harm. And it remains to be seen what the substance of that special session would be, and if the votes would be there to fix any of this. The broadcasting piece, the veterinary piece, the commitment in perpetuity to our state revenues that hinder our ability to provide targeted tax relief, or take care of state services, none of these things are a guarantee to fix in special session. And once those dollars are removed from the equation, what's next? What's the magical option in special session then, to replace the revenues, if you've already conceded that these are not sound policy?

KELLY: One minute.

CONRAD: There are solutions to be had. Thank you, Mr. President. Let's look at sensible drug policy. Let's look at online gaming. Friends, we could reduce property taxes and commit ourselves to a smart path on marijuana, and embrace additional gaming. Those are ways that we can and should heed the call of the people that want us to embrace a modern criminal justice system and pour that into tax relief, just like they showed us at the ballot when they approved gaming, for example. There's so many solutions to go after valuations. The assessors have provided those to us. They weren't vetted and they should have been. There's smarter policy than simply increasing taxes. And look no further than OpenSky, and don't try and tell yourself otherwise. This proposal, as amended, even with the EITC-- which, by

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the way, I've championed my entire time in the Legislature, and most of the folks--

KELLY: That's your time, Senator.

CONRAD: -- supporting it--

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

ALBRECHT: Thank you, Mr. President. I rise in support of LB388. Serving on the Revenue Committee for the past 2 years, I'm very proud to say to the Nebraskans that we have, in the last 3 years, this being the fourth, worked diligently on property tax relief. And every year we get a little bit further. But to those who are going to be here next year-- this particular year, on LB388, we were asked by the Governor to reduce the property taxes by 40%. And as much energy as we've put into this, we'll be lucky to get to 22%. But it's a move. It's a move in the right direction. If we don't do this today, am I interested in coming back and spending \$40,000 or however much it costs to have us all come back for a special session, and use taxpayer dollars? That's not real smart, to be able to do something like that. But this, this earned income tax credit, right now, people are getting anywhere from like-- like around 10%. It'll improve up to like 15%. But 33% of the population, 121 [SIC] working household families will be benefiting by this. When we met all summer long and into the fall with all the different organizations that have been talked about here-- and they all did say, yes. We're with you, we're with you, we're with you. And the Governor's message was we're all spending too much money, including us, at the state level. It's not just cities, counties, and schools. But if we don't do this-- if we don't do this today, these caps won't be on cities, schools, or counties. Our taxes are bound to go up. I understood-- even in Lancaster County. Get ready. 32% they could go up, if we do nothing. If we do nothing, we have property taxes, 6% increase in compensation for understaffed law enforcement officers, firefighters, correction officer positions-- so we're just going to forget about them. Don't worry about them. That's above and beyond the cap that the cities and counties will have. Are we not in need of law enforcement? Do we want them to build their, their different groups up so they don't have to keep jumping from one organization to another? Do they not deserve an increase in their, in their wages, to keep them in one particular county or city? You know,

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we've got a lot of things that we've worked out through the last 2 years that I've spent on Revenue. But to-- the-- I think, I think the audacity to look at our Revenue Committee like we don't know what we're doing and we haven't tried-- and people can giggle what they'd like behind me. But we have tried to work with everyone. When you have people behind the glass-- and this is my last hurrah, so I get to say whatever I want to say, for the people, for my district, for the people who I represent throughout the state of Nebraska. When we have groups that worked with us, in good standing, that everybody kept saying, yes, we're with you, we're with you, but we are-- we have taken so much out of this bill. And this is what we have to work with today. We don't do this--

KELLY: One minute.

ALBRECHT: --our schools aren't going to be funded the way they are. We were, we were going to be 8th in the nation. When I came here, it was like 48, 49th. You know, maybe if this passes, we'll get to 28th. That's a huge step. But 8th would have been better. There's-- when I came in 8 years ago, all of us said, hey, we're going to tackle this TEEOSA. We're going to do this. We're going to do that. We all stood on property taxes and reducing them. But if we can't control spending at all levels of government, and the people of Nebraska expect something out of us that we're going to get something done-- we say no to LB388 today, we're letting down all of Nebraska. And just because it's-- Senator Slama's FA451 is about the broadcasters. Geez, if they would just take the money they just spent in the last 4 or 5 days, telling all, all of our folks to call their senators--

KELLY: That-- that's your time, Senator.

ALBRECHT: Thank you.

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

ERDMAN: Thank you, Mr. President. Let me start with this. We have, for 57 years, talked about property tax relief. That's the wrong conversation. We need to talk about property tax and tax system reform. That's where we need to go. Senator Hardin alluded to that in his comments. We have continued, since 56-- since '67, to put a Band-Aid on amputation. That's what this is. This bill absolutely does

nothing for 60% of those taxpayers that pay property tax in the state. Nothing. I was the 33rd vote to keep this bill alive. I wish I'd have voted no. For you see, I did that for several reasons. One, I wanted LB1331 to have a chance to come to the floor, the Education bill. And secondly, I thought maybe there would be a little bit of leverage that could be applied, that I would be part of the conversation when they go forward, trying to adjust LB388. They did not contact me once. Not once. I met with them. I said, I'm willing and able to work with you to try to fix this, and make it so it actually does do property tax relief. Didn't contact me. None at all. If I had it to do over again, I would have never been the 33rd vote, and we wouldn't be here talking about this. \$200 million-- \$216 million is not claimed annually because people don't file it on their taxes. When you frontload LB1107, the very best that I'm going to get in property tax relief is 2% greater than what I'm currently getting. 2%. The county assessor in my county said valuations are going up 28% in '24. If the local units of government stick to the caps that we put in place if LB388 passes, that's 3%. If my property tax goes up 3% and I get a reduction of 2%, guess what that is? It's a decrease in the increase. This bill doesn't mean squat to anybody. Bring on the special session. Let's talk about what we can do to make this work. This is not it. And I guarantee you this. I won't cast the 33rd vote again, for something like this, thinking I was going to get some kind of leverage or have an opportunity to talk about the solution. And you might say I have a bad attitude, because you didn't con-- contact me. You're exactly right, because this is not the solution. Taxing one candy bar and not another is not the solution. You have to broaden the base. And I mean broaden the base, not with these things that they're trying to do here. They don't mean anything. So when you vote for this and you go home-- and those people that you talked to in your constituency-- and they say, hey, my property tax actually went up. And you can thank those who voted for LB388. That's exactly what's going to happen. Senator Moser talked about having a solution. I got a solution. I have one. Had one for 3 years. Senator Wayne alluded to that. Nobody comes and talks to me. Nobody wants to see, see how we can make it work. But they continue to want to put a Band-Aid on an amputation, thinking that we're really doing something. If you want to do something, vote no on LB388, force a special session, and we'll actually do something that makes sense. This does not. And by the way, I'm going to give you another little bit of advice here. Not again, this year, will there be 49 senators in this room. You call a special session, there will not

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be 49 of us here. And I'm not saying I'm one of those that won't be here, but there are people who have obligations to be out of the country or whatever their obligations are--

KELLY: One minute.

ERDMAN: --that they're not going to be back for a special session. And that person that's missing may be your 33rd vote. So don't let the Governor's staff or the Governor convince you to vote for LB388 because we're going to make adjustments in special session, because he has no proof that he's going to have 33 votes in the special session. None. So don't be swayed by what they're promising you in the future. Understand what's on the board today. Vote no on LB388. Thank you.

KELLY: Thank you, Senator Erdman. Senator Meyer, you were previously dropped from the queue. You're recognized to speak.

MEYER: Thank you, Mr. President. Well, there's certainly been a lot of conversation this morning that covered an awful lot of ground. And I've had the fortune to be kind of on the sidelines this 7-- the last 7 years, and watch what was going on down here. And the first thing that I remember every year, that the Governor and the Legislature would always make the promise, no new taxes, no new taxes. Well, the truth of the matter is they were letting something called property valuation increases do the dirty work for them. I know that sounds kind of harsh, but that's the exact, the exact things that happened, as you went across Nebraska. And if you surveyed 100 people in District 41, 100 people would say, I would gladly take the taxes in LB388 if I could have some sort of property tax relief. And, I mean, that-- that's without debate in my area. There's also been some talk about border bleed. Do you want to talk about border bleed? Let's talk about farmland real estate values in taxes to the south, north-- percent of what they are in Nebraska. If there's border bleed, it's people going there to invest their hard-earned money rather than investing in farmland in Nebraska. And that's a huge difference, a huge difference. And the other thing that, that has hit me here that we've heard a lot about, and maybe justifiably so, about what a hardship caps would have on city, county fire departments, EMS and all that-- and, and all of those very, very good services that we definitely need. Why would you vote against this when those are-- when, when, when this state revenue goes directly to help all of those services? I mean, I, I guess I just don't understand that. And, and it

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will be interesting to know that come August, if that's when the time comes, that we're going to all sit down as one big family and work this whole thing out. Well, that hasn't happened over the last 30 years, and I haven't seen anything new and earthshaking and transformative come out. This was the closest thing we've had to being transformative. If we could have passed the 1% sales tax, we would have had \$3,000 foundation aid per student, and that would have been transformative to every school district in my-- in District 41. That would have been huge. So I guess, I-- I'm, I'm in support of LB388. I think the tax increases are very-- the tax-- increasing the-- or taking off the exemptions is very, very common sense. When you talk to people about those in relationship to the real estate taxes, it's pretty much, oh, yeah, I'd gladly make that trade. So with that, I'll yield some time to Senator Linehan.

KELLY: Senator Linehan, you have 1 minute, 50 seconds.

LINEHAN: Thank you. And thank you, Senator Meyer. Here-- I want to talk about something we haven't talked about near enough this morning because it wasn't my idea, but I thought it was a good idea. In this bill is a 5% increase in EITC, earned income tax credit, 5%, 150 bucks. Now that might not sound like much, but I figured, what, what would you-- how much would you have to spend to pay \$150 in sales tax? You would have to spend \$2,000-- over \$2,000-- over \$2,100 on pop and candy and cigarettes and CBD, over \$2,000 to make up for what the earned income tax credit on average would provide working low-income families. Nobody has talked about that this morning, especially those that came and made an offer so we could get to Final. It-- it's ridiculous. So I don't-- I-- I'm just-- we are actually providing in this bill a tax break to low-income working people. I think Senator Raybould talked about that, others have talked about it, this hurts them. Only if they spend over \$2,000 on pop and candy, that's what they would have to spend to make up for the loss of the increase in earned income tax credit. That's what compromises are supposed to do. We had a discussion last week. We had several senators say I can support it if we have this. We included it in the bill, and somehow because of the lobby--

KELLY: That's your time.

LINEHAN: Thank you.

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KELLY: Thank you, Senator Linehan. Senator Hunt would like to announce some guests in the north balcony, fourth graders from St. Pius X and St. Leo School in Omaha. Please stand and be recognized by your Nebraska Legislature. Senator Brandt, you're recognized to speak.

BRANDT: Thank you, Mr. President. I wholeheartedly support LB388. This is a great first step toward meaningful property tax relief. Well done, Revenue Committee. Heads up, next year, I will be introducing a bill that will automatically sunset every sales tax exemption every 5 years. 20% will be looked at each year. If they are worthy of exemption, they will be renewed. If not, they will be used to broaden the tax base for all Nebraskans. My constituents are overwhelmingly asking for property tax relief and also personal property tax relief which this bill does not contain. Included in this bill is a 33% increase in earned income tax credits for 121,000 working families in the state of Nebraska. Also, I don't believe anyone has mentioned again today, 75% of the benefits of this bill go to homeowners and business owners. Only 25% of this goes toward ag land owners. So the perception out there that farmers and ranchers are the main beneficiaries of this bill are false. The main beneficiaries of this bill are all people in the state of Nebraska. Again, I support LB388, and I would like to yield the rest of my time to Senator Linehan.

KELLY: Thank you, Senator Brandt. Senator Linehan, 3 minutes, 15 seconds.

LINEHAN: Thank you, Mr. President, and thank you, Senator Brandt. We're not going to be on this much longer. But I, I certainly hope that everybody here understands we are doing exactly what Blueprint Nebraska said. We cut income taxes. When I got here, when my class got here, the highest rate on corporate was 7.51, the highest rate on individual was 6.84. That will go down to 3.99. We have put \$1 billion of state revenue, over \$1 billion, into property tax relief. We-- the Revenue Committee has worked not just when we were in session, but all during the year. And we're going to, now, decide today that we can't tax pop and candy or CBD or increase tobacco taxes, much less than all but two states all around us. And next fall, what's going to happen is-- because valuations are going to go up and we didn't do this-- yes, I love LB1107. I claim my tax credits. I had to pay less in state income taxes this year. That doesn't mean it's right. That doesn't mean you leave half the people in Nebraska that don't claim it and pat yourself on the back and say you've done a good job. We haven't. You

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shouldn't have to pay a tax-- we're, we're talking about sales tax on pop and candy, that's bad, but making people pay taxes and then file and then get it back, that's OK. And that half of them don't get it, that's OK. And a chance to increase the EITC for working families, 121,000 working families to increase and help them buy food, guys, buy food. We're not-- we're going to pass that by.

KELLY: One minute.

LINEHAN: I-- I've had a really-- I feel very productive, my class, I think we've done a lot of good things. And, yes, I'm willing to come back to summer, this fall, whenever, but I hope we have a lot of conversations between now and then about all your perfect answers to this problem, because it's easy to say, no, no, no, that's real easy. So everybody who's saying that we can do better, I hope you have those ideas to the Revenue Committee by the end of June. Thank you, Mr. President.

KELLY: Thank you, Senator Linehan. Speaker Arch, for an announcement.

ARCH: Thank you, Mr. President. The introducer has requested that we pass over LB388 and LB388A. I'll honor that request and ask that we proceed to LB937. Thank you, Mr. President.

KELLY: The next bill on Final-- members, please return to your seat for continuation of Final Reading. Mr. Clerk, for items.

CLERK: Mr. President, as it pertains to the agenda per the Speaker's instruction, engrossed LB937, Final Reading. First of all, I have a motion from Senator Machaela Cavanaugh with a note that she would withdraw. In that case, Mr. President, I have nothing further at this time.

KELLY: The first vote on LB937 is to, to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 39 ayes, 4 nays to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Mr. Clerk, please read the title.

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CLERK: [Read title of LB937].

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB937 pass? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Blood, Bosn, Bostar, Bostelman, Brandt, Brewer, Cavanaugh, Cavanaugh, Clements, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Riepe, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, Wishart. Voting no: none. Not voting: Senators Conrad, Day, DeBoer, and Raybould. Vote is 45, 0 nays, 4 present, not voting, Mr. President.

KELLY: LB937 passes. The next bill is LB937A.

CLERK: [Read LB937A on Final Reading].

KELLY: All procedures of law relative to procedure having been complied with, the question is, shall LB937A pass? All those in favor vote aye; all those opposed vote nay. Record, record, Mr. Clerk.

CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Bosn, Bostar, Bostelman, Brandt, Brewer, Cavanaugh, Cavanaugh, Clements, Conrad, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Riepe, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, Wishart. Voting no: none. Not voting: Senators Blood, Day, DeBoer, and Raybould. The vote is 45 ayes, 0 nays, 4 present, not voting, Mr. President.

KELLY: LB937A passes. The next bill is LB1023. The first vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 40 ayes, 3 nays to dispense with the at-large reading, Mr. President.

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KELLY: The at-large reading is dispensed with. Mr. Clerk, please read the title.

ASSISTANT CLERK: [Read title of LB1023].

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB1023 pass? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Blood, Bosn, Bostar, Bostelman, Brandt, Brewer, John Cavanaugh, Clements, Conrad, Day, DeBoer, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Raybould, Riepe, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, and Wishart. Voting nay: none. Not voting: Senator Machaela Cavanaugh-- Senator Machaela Cavanaugh voting yes. Vote is 49 ayes, 0 nays, none are excused, Mr. President.

KELLY: LB1023 passes. The next bill is LB1023A.

ASSISTANT CLERK: [Read LB1023A on Final Reading].

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB1023A pass? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Blood, Bosn, Bostar, Bostelman, Brandt, Brewer, Cavanaugh, Cavanaugh, Clements, Conrad, Day, DeBoer, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Raybould, Riepe, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, and Wishart. Vote is 49 days, 0 nays, Mr. President, on the Final passage.

KELLY: LB1023A passes. The next bill is LB1317 with the emergency clause. Mr. Clerk.

ASSISTANT CLERK: Mr. President, the first item on the bill, Senator Machaela Cavanaugh had M01398. I have a motion to withdraw.

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KELLY: Without objection, so ordered. The first vote on LB1317 is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 41 ayes, 6 nays to dispense with the at-large reading.

KELLY: The at-large reading is dispensed with. Mr. Clerk, please read the title.

ASSISTANT CLERK: [Read title of LB1317].

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB1317 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Blood, Bosn, Bostar, Bostelman, Brandt, Brewer, Cavanaugh, Cavanaugh, Clements, Conrad, Day, DeBoer, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Raybould, Riepe, Sanders, Slama, Vargas, von Gillern, Walz, Wayne, and Wishart. Voting nay: none. Not voting: Senator Kauth-- Senator Kauth voting yes. Vote is 49 ayes, 0 nays, none are excused, Mr. President.

KELLY: LB1317 passes with the emergency clause. The next bill is LB1317A with the emergency clause.

ASSISTANT CLERK: [Read LB1317A on Final Reading].

KELLY: All provisions of law relative to procedure having been complied with, the question is, shall LB1317A pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Blood, Bosn, Bostar, Bostelman, Brandt, Brewer, Cavanaugh, Cavanaugh, Clements, Conrad, Day, DeBoer, DeKay, Dorn, Dover, Dungan, Erdman, Fredrickson, Halloran, Hansen, Hardin, Holdcroft, Hughes, Hunt, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, McKinney, Meyer, Moser, Murman, Raybould, Riepe,

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Sanders, Slama, Vargas, von Gillern, Walz, Wayne, and Wishart. Vote is 49 ayes, 0 nays, all-- none are excused, Mr. President.

KELLY: LB1317A passes with the emergency clause. The next bill is LB1363. Mr. Clerk, for motions.

ASSISTANT CLERK: Thank you, Mr. President. The first motion, Senator Machaela Cavanaugh had MO1393, but I have a note she wishes to withdraw that.

KELLY: Without objection, so ordered.

ASSISTANT CLERK: In that case, Mr. President, Senator Dover would move to recommit LB1363 to committee. Mr. President, the next motion, Senator Dover would move to return LB1363 to Select File for a specific amendment. That being, strike the enacting clause.

KELLY: Senator Dover, you're recognized to open on your motion.

DOVER: Thank you. The first thing I'd like to say is there's things that the other senators are trying to achieve here, which is, of course, getting rid of the inheritance tax. And I, I would say that the inheritance tax should go away. It's an unfair tax. It is really burdening a small number of people who are then going to pay for a number of things that they shouldn't have to pay for. And I really think the whole idea behind taxation is fair taxation and where that expense is spread out over a larger number so it doesn't unfairly burden a smaller number of people. And I do believe that Senator McDonnell has some very nice things in there, too. But the problem I really have is the funding source so I, I really have no issue with what's trying to be funded here. The problem I really see is the source of funding. I first got my real estate license in 1983, I think some of you are aware of that, and went full time in 1988. I've been on the [INAUDIBLE] affairs with the realtors since then. And we have consistently fought and consistently fight to keep the cost of homeownership down. And everything about the funding of this really goes in the opposite direction. And I think I'll just start here by reading what Governor Pillen stated in the State of the State address. He said: The demand for workforce housing is so great that homes are sold before the doors are even hung. But it's not just a rural Nebraska issue, housing affordability and availability is an issue in our cities, too. Part of the shared problem is the local

overregulation of affordable housing. That is why I am partnering with Senator Lowe on lowering the regulatory burden of affordable housing. A recent UNO study showed that regulation as a component of construction is over \$40,000 higher here. I'm going to repeat that. Overregulation costs \$40,000 higher here than the national average. This is simply unacceptable and makes no sense. We must cut red tape and make homes affordable in Nebraska. And I don't think there is any senator here-- and I would-- I would say-- I, I mean, I won't always say that I think I know what other senators are thinking, but I honestly and truthfully believe that there are no senators here that don't recognize that affordable housing is, perhaps, 1 or 2 of our largest challenges we have. If we don't have affordable housing-- we talk about people not staying in the state, etcetera. If you can find an affordable house, a house that you can afford and raise your family in, then there's a problem. And this doc stamp funding is making housing less affordable. Increasing the doc stamp tax by \$1 to pay for the repeal of inheritance tax and nonhousing-related programs, why are we-- why are we increasing the cost of housing for, number one, nonhousing-related programs. I think Senator McDonnell's programs are, are, are fantastic. I think-- and, and I, I mean honoring the veterans, looking for money to fund more grants so we can go out and get other people to help subsidize-- the federal government to subsidize our tax burden. I think those are fantastic ideas. I just really don't agree in the funding source, and I think it causes an unnecessary increase in housing costs in Nebraska. And why, why do we say how can we have more affordable housing at the same time? Why are we deciding to tax it more? That's exactly what we're doing, we're raising taxes. We talk-- it amazes me. And I understand-- I mean, I kind of-- I don't know if I really understand it, but I see down here so often we're, we're swapping taxes or whatever or raising taxes, those kind of things. And really the inheritance tax reduction is simply a tax swap. It, it simply is going to burden the cost of home ownership and to offset an unfair tax. I agree with that, but why are we taxing affordable housing to get rid of an unfair tax? That just-- that is not logical. Thank you. And then, again, it, it exacerbates the situation making homes even more unaffordable. If LB363-- LB1363 is adopted, a seller would pay \$1,138 on a \$350,000 home. Just for those who aren't necessarily involved in construction, really, \$350,000 home actually is, as far as new construction, is what I would consider affordable. And the thing is, we don't have-- only have a problem with affordable housing. We have a-- we have a problem with

overall housing stock. We need more houses and we need a more affordable houses that we can get. Any increase in the doc stamp tax inhibits the buying and selling of real estate and makes housing less affordable. As this tax grows larger, sellers may start negotiating who pays for the tax. I don't know if everyone's aware of it, but-- and I think, actually, Senator McDonnell-- Senator Jacobson, sorry, alluded to this in earlier debates. Basically, you have closing costs and title insurance and it-- and it's-- it, it rose up to kind of a significant amount over the years. And eventually-- I mean, any, any contract to purchase a, a house is negotiable. I mean, you can negotiate anything you want. And so what evolved then-- and this is a local thing-- I mean, across the country different things are done. But in our area, and I believe pretty much across Nebraska, the buyer sells half-- pays half and the seller pays half for closing costs and also title insurance. And that my concern was as we burden housing with higher doc stamps, you could-- you could very well see that being negotiated. And I know there's also an argument out there that the seller doesn't pay for it, but the-- excuse me, that the buyer doesn't pay for the doc stamp but the seller pays because it's a tax on the sale of his property. But I can see where possibly this money would be split 50/50. And to be quite truthful, who knows what. And then there is also the argument, who brings the money to the table? And the person that brings the money to the table is the buyer. So you can make the argument that in the closing statement, you see that as a-- the doc stamps as a seller charge, but who's bringing the money? So I would-- I would make the argument, and I think it's there that really the seller brings the money to buy the house and he's paying really all expenses, and the seller simply is left with whatever his, his net proceeds would be. So I just see that this is really opening a door and then actually looking to really create a complication with the closing statements and think-- and, and those kind of things and who's going to pay for everything? One thing I've heard also is when's the last time that we raised the doc stamps? I mean-- I mean, can you just-- Senators, can you just follow me for this one? What kind of argument is it to raise taxes when you say when's the last time we raised it? I mean, what, what would the public think if we're saying we're raising taxes because we haven't done it for a while? That makes absolutely no sense to me. And then there's the argument, do you think that housing hasn't gone up? Well, you know, it's gone up. So has the amount of taxes paid in the transaction gone up? Well, it does. And, and if housing costs double, guess what? The doc stamp fee is doubled.

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And so I think this argument that-- well, it hasn't-- when was the last time it was raised, hasn't been raised for a while. Well, one reason it hasn't been raised, because the realtors have diligently and consistently fought to keep housing affordable and not increase the cost of house-- of housing to transfer title to go to a new buyer. So I would-- I would-- I would actually do a big shout out for the-- for the Realtors Association for fighting increases in doc stamps so we can keep housing more affordable. And according to the National Association of Home Builders in 2023 priced out estimates-- in Lincoln, for every \$1,000 increase in the price of a home, an additional 70 households are priced out of the property. Can I repeat that? For \$1,000 increase in the price of a home, an additional 70 households are priced out of the property. So you can, you know, do the math, look at the increase. But I mean, we are telling people who might be able to afford a home that, sorry,--

KELLY: One minute.

DOVER: --you're not going to qualify-- thank you-- you're not going to qualify for this house. And, again, you can make the argument the seller is paying. But, no, the buyer brings the money, the buyer's paying it. Also, affordable housing in Nebraska is-- again, I said this before, it's death by a thousand cuts. Every increase is just a few hundred dollars here and there. But those increases add up and prices-- and price families out of homes. Property owners who are transferring properties should not be taxed to pay for something completely unrelated to the transfer of housing. Can I repeat that? This tax-- I mean, I will take it back. There was an agreement where Senator McDonnell said, well, I'm going to move some of that money over to affordable housing. So that went-- I believe, was either 8 or 10 cents. I mean, I am sorry, when you're raising it as much as they're raising it and then they give Affordable Housing Trust Fund 8 or 10 cents, I don't think that's really a commitment of funds for that. LB1386 [SIC] is a tax shift and will harm Nebraska property owners.

KELLY: That's your time, Senator.

DOVER: Thank you.

KELLY: Thank you, Senator Dover. Senator Conrad has some guests in the north balcony, ninth graders from North Star High School. Please stand

and be recognized by your Nebraska Legislature. Senator McKinney would-- announces some guests in the north balcony, members from the Urban League of Nebraska. Please stand and be recognized by your Nebraska Legislature. Continuing in the queue, Senator McDonnell, you're recognized to speak.

McDONNELL: Thank you, Mr. President. Good morning, colleagues. I, I appreciate Senator Dover, he's talked to me about this legislation, he's, he's told me his concerns. I disagree with him, but I do appreciate him reaching out, contacting me and, and wanted to have a discussion. Just a little refresher of where we were and where we've come through the, the Revenue Committee, what we've done some compromising on the floor with some senators and, and where we are today. LB1363 is designed to refine Nebraska's Documentary Stamp Tax Act, enhancing business and economic growth with a particular focus on the state's Military sector. This includes key initiatives like the Department of Defense SkillBridge Program, which facilitates a smooth transition for service members into civilian life through relevant industry, industry training and apprenticeships or internships during their last 100 days of service to our country. This program is crucial for retaining talent in our state, enriching the lives of our veterans and spurring economic development. Initiated in 1968 following the proactive repeal of Federal Documentary Stamp Act in 1965, the documentary stamp tax has been a cornerstone of our state's financial strategy. The last revision in 2005 set the tax rate at \$2.25 per thousand of value, highlighting our commitment to addressing community needs and promoting statewide growth. Given the 59% increase in Consumer Price Index, CPI, since 2005, the amendment proposes a modest increase in the documentary stamp tax. This adjustment aims to generate sustainable revenue for our counties and facilities and significant reduction in the inheritance tax, thereby balancing the needs of Nebraskans with fiscal responsibility. The proposed amendment introduced substantial revisions, including a significant reduction in inheritance tax rates, Class 3 and Class 2 beneficiaries from 8%-- to 8% from 15% and 11%, respectively. While maintaining the existing exempt-- exemption amounts, the strategic adjustment underscores our commitment to fiscal prudence and community support. Furthermore, the amendment details enhancements in several key areas. The Affordable Housing Trust Fund will see increased funding to better coordinate low-income housing efforts statewide. The Military Fund will capitalize on the potential of the 2,000 individuals separating or

retiring from Offutt Air Force Base each year by aligning with the SkillBridge Program, mirroring successful strategies employed by states like Florida and Texas. This initiative not only adds-- not only aids our veterans, but also fortifies Offutt-- Offutt's-- Offutt against base realignment and closure threats in the future. The creation of a grant service office is pivotal in improving Nebraska's ability to secure and utilize available funds more effectively. With over \$1 billion in potential funds missed last year due to inadequate applications or lack of applications, altogether, this office will ensure Nebraska is better positioned to leverage the tens of millions of dollars available for our state initiative over the next decade. Moreover, Federal Qualified Health Centers will intensify their focus on serving the homeless and the-- and the residents of public housing with specific emphasis on supporting the mission of Charles Drew Omaha to cater to those communities. This targeted approach ensures that some of our most vulnerable population receives the necessary care and support. So where we are currently-- and just to make sure-- some of the handouts that we've given to you over the last few weeks, also you'll, you'll see some from Senator Clements that he has handed out. Currently, the one that I handed out, you go through the current doc stamp, and that's at \$2.25. It covers the counties at 50 cents, Affordable Housing Trust Fund at 95 cents, Site and Building Development Fund at 25 cents, Homeless Shelter Assistant Trust Fund at 25 cents, Behavioral Health Service Fund at 30 cents. When you look at that handout that we gave you, now it's adjusting the county to \$1.15, as we talked about to reduce the inheritance tax, Affordable Housing Trust Fund to \$1.13, Site and Building Development Fund to 25 cents,--

KELLY: One minute.

McDONNELL: --Homeless Shelter Assistance Trust Fund to 25 cents, Behavioral Health Service Fund 34, 34 cents. And the new ones I just described, the grant service to 5 cents, the Military Support Fund to 5 cents, and the Federally Qualified Health Centers to 3 cents to a total of \$3.25. Are we increasing the doc stamp? Yes we are. Are we trying to do some things in this based on the services that the doc stamp has provided over the last 58 years? Yes. Are we reducing the inheritance tax, which I know Senator Clements is going to speak more in detail about that. This is not where we started. We started at \$1.25. At that point when we first went to the Revenue Committee, we were not talking about the inheritance tax at that moment in time. We

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were talking about all these other services that we think will put people in a better position to be the best version of themselves.

KELLY: That's your time, Senator.

McDONNELL: Thank you, Mr. President.

KELLY: Thank you, Senator McDonnell. Senator von Gillern, you're recognized to speak.

von GILLERN: Thank you, Mr. President. I'm not going to belabor this point, but I do want to make a few quick comments about LB388 before I talk about LB1363. I want to thank Senator Linehan. I want to thank the Governor and his staff and members of the Revenue Committee for the hard work that they put into LB388, hours and hours and hours of work trying to come up with a plan that could work for all Nebraskans. And as I said before on the mic it wasn't perfect, but it was as close as we thought we could get. What I do know about all those folks is that they're resilient. We'll dust ourselves off, we'll come back. We'll work just as hard this summer to try and get property tax relief done for all Nebraskans. To taxpayers, I hope we can get something done this summer, because if we don't you're going to see significant property tax increases on your next statement. And that is a fact. That's not-- that's not hyperbole, that is a fact. Personally, frankly, I'll have to work through my growing cynicism about certain elements of the lobby and their win-at-all-cost strategy. Maybe this is my naivete, but surrender your integrity and character has long-term impact, and it takes a long time to earn that trust back. So good luck. Now in reference to LB1363, I stand opposed to the bill, as it clearly is a new tax. It-- it's, it's a tax that exists, but it's raising new money to do new things. Part of the reason I spoke about LB388, because I find it incredibly ironic that if you stood against LB388 that you could somehow suppose-- support LB1363. That's-- I, I can't correlate the two of those. I understand what Senator McDonnell is trying to do. It's all good things that the money would go to, but we need to call it what it is. And it is-- it is more taxation. It's an increase in taxes. And, again, if you're opposed to LB388, I, I don't know, I only see about 7, 8 people in the queue and we had about 49 in the queue, I think, regarding LB388. So I would certainly think that the same philosophy would hold true to others regarding this bill. And to say that the doc stamp rate has not increased, as Senator Dover noted, is, is true. The rate has not increased, but to say

additional money hasn't been generated over the years is not the case. I just got to thinking about the first house I bought very long time ago was-- we paid \$50,000 and the doc stamp fee would have been \$112.50 on that. Today, that same house, the doc stamp fee would be \$562.50. So that's a fivefold increase and directly follows inflation. So more money is being brought in through the doc stamp. The collection of doc stamp fees is, of course, directly related to the inflation rate. So for all those reasons, I stand opposed to LB1363. I'll probably not vote for the floor amendment, but I'll wait till we get to 3-- or LB1363 and I'll be a no vote on that. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Good morning, colleagues, I rise in support of Senator Dover's efforts, and I appreciate the hard work that my friend Senator McDonnell has put into this measure. I have been legitimately opposed from a policy perspective, I think, at each round of debate. And, and here's why. Much like the debate on LB388, I, I am concerned about an increase in fees or taxes, however you want to characterize it, particularly on the housing industry, which hurts our ability to advance our shared goals when it comes to improving access to affordable housing and hits middle-class folks, I think, the hardest. The other reason that I am opposed to this, not just because of the increase, but because of the dilution, and I think this is not a statement on the awesome projects that Senator McDonnell listed out here. These are worthy, important projects. I, I think that they are deserving of funding. However, I'm worried about the dilution of housing funds for housing purposes to other purposes, much like we've seen in the TANF debate, much like we've seen in the budget debate, much like we are talking about in this context. And I understand that they are trying to think creatively and innovatively to lift up these worthy projects. I absolutely understand that. But I, I think that this measure should be passed over and we should go back to the drawing board and get it right. If we are already under the agreement that we're going to come back in special session to do a big look at taxes, to do a big look at a lot of the big issues that are out there, let's, let's put this in the mix along with now the new inheritance tax pieces that were added very, very late on Select File. As, as Senator Dover and others have talked about, there are, I think, some unintended consequences that came forward with that late edition in

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regards to the fiscal impact and reflected on your fiscal note that may be a windfall or an overpayment to our partners in local government that we need to be clear-eyed about in that regard. Additionally, friends, I just wanted to lift up the Affordable Housing Trust Fund is, is an issue that has always generated a lot of support across the state and across the political spectrum, and we have very clear, specified uses for how those dollars are supposed to be allocated, and, and they're meant to be allocated specifically for housing needs, really specific housing needs. And Senator McDonnell and others are exactly right, states are moving in a different direction to utilize created innovative thinkings about how to use Medicaid funds, for example, to improve access to housing, recognizing the clear correlation in connection between housing and health. So perhaps that might be a better way to strengthen this fund. That might be something else that we should have on the table for further exploration. But any dilution away from affordable housing is going to hurt affordable housing. And that's, that's something that I'm deeply concerned about. And if there are going to be additional funds in this fund, they need to be dedicated to affordable housing. We've, we've heard from rural Nebraska. We've heard from urban Nebraska. We've heard from housing advocates. We've heard from the business community. We need to be working together to do more when it comes to lifting up options on affordable housing.

KELLY: One minute.

CONRAD: Thank you, Mr. President. And, and we should be very wary about anything that would impact those shared objectives, whether that's increasing the taxes or fees and whether that's dilution of the purpose for, perhaps, again, very worthy projects, but not directly connected or tied to the specific statutory purposes the Affordable Housing Trust Fund was meant to cover and that we should ensure fidelity thereto. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Riepe has some guests in the north-- in the south balcony, fourth graders from Karen Western in Omaha. Please stand and be recognized by your Nebraska Legislature. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB25, LB126, LB126A, LB937, LB937A, LB1023, LB1023A, LB1317 with the emergency clause and

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LB1317A with the emergency clause. Senator Hughes, you're recognized to speak.

HUGHES: Thank you, Mr. President. I am going to say with LB1363, I do support it for the majority that we're bringing the inheritance tax down, we're getting, getting rid of the last tier, and just starting to kind of chip away at that tax, which I think across the board everybody understands we really do not want for the state of Nebraska. But I'm going to use this time, it was brought to my attention that today is Lineman Appreciation Day. And for those of you that don't know, linemen are the, the folks out there that maintain our electrical lines that are used for distribution and transmission. They have a hard job in the elements, and we don't really realize how much we need them until storms hit and you lose power, and then we really want to know what the linemen are doing. And, honestly, Nebraska, in the last 30 days, we've kind of been inundated with some storms. The end of March, there was ice up around St. Paul area and a lot of lines were knocked out there or it was mostly wind, I guess. And then the beginning of April, we had storms west of Ogallala and in that part of the, the state, and a lot of crews were sent out there to help those guys get power back up. And then just a couple days ago, we've had tornadoes and winds across Nebraska. And so these guys work hard and I just wanted to give a shout out to Lineman Appreciation Day. Thank you, Mr. President.

KELLY: Thank you, Senator Hughes. Mr. Clerk, for items.

ASSISTANT CLERK: Thank you, Mr. President. First of all, communication from the Governor. Dear Mr. President, Mr. Speaker, and members of the Legislature: Pursuant to Article IV, Section 15 of the Nebraska Constitution, I have allowed LB20 and LB20A to become law without my signature. The Attorney General and the Secretary of State have identified significant potential constitutional infirmities regarding the bill. These issues relate to LB20's compliance with several provisions of the Nebraska Constitution, but not limited to Article II, Section 1, Article IV, Section 13, Article VI, Section 2. Although there are potential constitutional issues with LB20 and related provisions of existing law, I will allow LB20 and LB20A to become law with neither my signature or my-- nor my endorsement of LB20's constitutional validity. I encourage the Attorney General and the Secretary of State to promptly take such measures as are appropriate in light of the constitutional infirmities referenced above. Signed

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Jim Pillen, Governor. In addition, on that matter, I have a communication from the Secretary of State. Also, a certificate indicated that, that has been received in the Secretary of State's Office. Both of those were both LB20 and LB20A communications with certificates. And additional communication addressed to the Clerk from the Exec Board. Dear Mr. Clerk, Under the Legislature's Workplace Harassment Policy, training on the subject of workplace harassment is required at least once each biennium for all members and employees of the Legislature, and a report of all who have not taken the training must be published in the Legislative Journal at the end of each biennium. As required under this policy, in-person workplace harassment training was held on January 13, 2023, and all members and employees who did not attend the in-person training were provided with an opportunity to watch a video of the training. Pursuant to the policy, this letter is to inform you that all members and employees of the One Hundred Eighth Legislature either attended the in-person training or watched a video of the training during the current biennium. Should you have questions, please contact my office. And signed by Ray Aguilar, Chairman of the Exec Board. Communication regarding the reference of LB496-- LR496. An announcement, the Appropriations Committee will meet in Room 2022 upon recess. Finally, Senator Machaela Cavanaugh would move to recess until 1:00 p.m.

KELLY: Members, you have heard the motion to recess. All those in favor say aye. Those opposed, nay. We are in recess.

[RECESS]

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

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

KELLY: Do you have any items for the record?

ASSISTANT CLERK: I have no items at this time.

KELLY: Please proceed to the first item on this afternoon's agenda, Mr. Clerk.

ASSISTANT CLERK: Mr. President, we are continuing with the consideration of LB1363 on Final Reading. Senator Dover had offered a motion to return to Select File for a specific amendment, that being to strike the enacting clause. That motion is now pending.

KELLY: Returning, returning to the queue, Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. This bill was Senator McDonnell's documentary tax bill, but also he allowed me to add in provisions of my inheritance tax bill just for this one-- first year. My bill had a 5-year phase out, but this would just affect the first year that we're dealing with now. And the reason I've worked the last 4 years on inheritance tax is because there's only going to be five states that have inheritance tax once Iowa's goes away next year and we're chasing retirees out of Nebraska. It's a saying that goes: Don't get caught dead in Nebraska. I wanted to give you an example of that. My brother's been a guardian for an elderly lady for a number of years. She's 99.5 years old and I think her estate is probably about \$2 million. At the current 11% inheritance tax rate, her nieces and nephews will pay \$220,000 of inheritance tax. If we pass this bill, it will drop from 11% to 8%, which would be \$160,000 still, but it would save \$60,000 of inheritance tax for those heirs. And this, you know, this 99.5-year-old has no children so that's going to go to the niece and nephew rates. She, she had a house, but doesn't have it anymore, but if she still had her house, it would have been a \$200,000 house and the 11% inheritance tax would have had to have been \$22,000 to inherit that house. The documentary tax at \$3.25 would be \$650. I think they'd rather pay \$650 of documentary tax at the increased rate than \$22,000 of inheritance tax or at least lower the rate by \$60,000 in this bill. And in both cases, a \$200,000 house sale, the realtor probably is going to make 6%. The realtor is going to get \$12,000 in either case whether this bill passes or it doesn't. If the tax is higher or lower, they're going to have to pay the realtor probably \$12,000, but inheritance tax \$22,000 versus \$650 of documentary tax. You can just see why if she moved out of Nebraska for 6 months, that would be a \$220,000 savings 6 months from now. And I worked on inheritance tax for 4 years, this was my priority bill, LB1067 that's now amended into LB1363 and I've done as much as I can to work with people the first go-around, it was blocked by NACO and NACO-- I met with them, they wanted-- it was NACO who wanted the documentary tax increase, although I was considering it, but they really pressed for

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the 65 cents that's in the bill. So I worked with them and I reduced my rate that was going down to 5%, this is-- leaves it at 8%.

KELLY: One minute.

CLEMENTS: Thank you. So I changed my rate to fit in with the 65 cent documentary tax increase. There are very few other fees that counties have that could replace the lost inheritance tax revenue as it phases out. And of the dollar tax increase on documentary tax, the counties are getting 65 cents and housing is getting 18 cents. Only 13 cents is going to new projects out of that dollar. Senator Dover did not vote for the original bill because I think he was saying it would have increased property tax. And that's why I met with NACO to try to work out something. And so I have worked very hard to get to this point. I would appreciate your consideration on LB1363. Thank you, Mr. President.

KELLY: Thank you, Senator Clements. Senator Wishart has some guests under the north balcony, her husband Joe Coleman, her father David Wishart, and her mother Sarah Disbrow. Please stand and be recognized by your Nebraska Legislature. Senator Linehan, you're recognized to speak.

LINEHAN: Thank you, Mr. President. Good afternoon, colleagues. I rise in support of-- is it 13, I can't see that far but-- LB1363. So this bill has gone through modifications, which that's the way ever since I've been here 8 years, that's how bills get to Final Reading. I am all in and have always supported Senator Clements' efforts to do away with inheritance taxes. I, I find it a little confusing that when-- let's just take an average house, I think this-- I can't remember if it's an average house in Lincoln or Omaha, \$250,000. So doc stamps would be \$2,500-- increased \$2,500. And were threatened and threatened and worrying about that when the property taxes on that house every year, every year are at least \$5,000. So I-- there's some kind of disconnect here. It's OK to have property taxes at \$5,000 every year, but a \$2,500 increase on exchange is hugely problematic. I, I think inheritance taxes are incredibly unfair. I think they're unfair if it's your own child, and then if it's not your own child, it becomes ridiculously unfair. I, I don't think the doc tax increase is going to keep somebody from buying a house. I do think that property taxes, writ large, will keep people from buying houses. When a third of your mortgage is tax payment. So the counties, I think they're in agreement

that they don't enjoy taking money from heirs, children of heirs, or having heirs have to sell a house because they can't afford to pay the inheritance tax. And they've worked out an agreement with Senator Clements and he's not made any agreement, he won't come back next year and work on this to make a step toward reducing inheritance taxes. I, I want to thank him for all the work he's done on this. I want to thank Senator McDonnell for-- he's doing one of those magical things where you think you're done, and then you come back and you keep working. And he's been-- the whole time he's been here, he has been amazingly successful in working with people, working across the aisle, working to get bills across the finish line. And I would like to see this bill passed today. Thank you very much, Mr. President.

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

ERDMAN: Thank you, Mr. President. This LB1363 is somewhat of a difficult bill for me in a way, raising the doc stamp is an issue that I understand and I understand what Senator Dover is talking about. I think the last time we raised it was, like, 2008 or something and it went from \$1.75 to \$2.25. So I think if you consider inflation and net present value of money, it's, it's probably greater than a \$1 increase. But this, this is going to be a difficult vote for me. But one of the things that I've said in the past, and I'm going to repeat again, when the counties receive the ARPA money that they got, that we sent them on '20, '21, we should have taken all of the inheritance tax. And I'm a little disappointed that we're not taking it all now. I'm not one that's in favor of replacing that revenue, so to speak, but I understand that you have to do some things in this body to get a bill passed. But NACO has stood in the way of a lot of things that need to be done here in the legislative body. I served as president of NACO in 2011. I know how that NACO body functions. It's the most convoluted organization I've ever been involved in. They have 21 board members, 11 of them are supervisors or county commissioners and 10 of them are other elected officials. So what you have is you have management and labor sitting around the table making decisions on policy. Now you talk about a problem, that is a problem. I know of no other business model that has management and labor voting on policy. And so when NACO has an opinion on an issue, more often than not it's because the elected officials, the clerk, the treasurer, the assessor, the county attorney, the sheriff, all those elected officials have influenced that governing body to agree with them. It's not

necessarily the right thing to do, but it's what happens in an organization or an agency that's made up the way that is. So my vote would be with take it all, no replacement revenue at all. That would be my vote. So I am considering voting for LB1363 even though I don't like the dollar raise in doc stamp. The other issue that I have with LB1363 is any of the money going to workforce housing or in low-income housing or any kind of housing. So I'm really at a quandary of how to go forward and I understand Senator Clements' inheritance tax issue very well. Thank you.

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

DOVER: Thank you. I just want to address some comments that Senator Linehan made. She said that, that this amount will not cause people not to buy houses. I just want everyone to understand that, that has been said a thousand times over on every little incremental price increase when it comes to homeownership. And it's because of the realtors fighting this issue for at least the 35 years I've been around that would be able to stop increases like this funding going to things that aren't associated with housing and tax relief and a tax shift. So I agree it's not going to cause people not to buy it, but again, again and again and again a thousand times over, it, it makes houses-- that's a-- that's why we don't have affordable housing. I've, I've been around long enough, I remember where I could sell a house for less that you would buy-- rent an apartment. And it was in-- it was 19-- around 1990s. We're far from that today. I agree with the inheritance tax needs to go. And I'll say this, the cause is just-- the funding is just wrong. The biggest problem I think everyone needs to be aware of that in this-- in this agreement with the lobbyists and, you know, they get paid to, to do a good a good deal, from the numbers that Senator Clements gave me, he took \$7,894-- \$7,000-- excuse me, \$7,894,250 from the counties in his adjustment to inheritance tax. But listen, everybody, he replaced it with \$11,363,276. Can you run those numbers? Basically, he took a dollar and he gave them back \$1.43. I don't know about you, but I would take that deal all day long. And here's this, who-- so who overpaid for that dollar in return? It's the taxpayers. And I think that's wrong for us to try to do a \$1 savings and then pay \$1.43 to get that savings. That is not a tax savings. That's not even tax shift. That is a tax increase, a 43% tax increase. The one thing I think people need to understand, too, with this change that it will increase \$2.1

million per year. That's \$2.1 million per year in additional cost in the doc stamps. And so, basically, that's a year, every year-- that's every-- that's forever, \$2.1 million. And that will increase because housing costs go up. And so it ends up that, basically, home sellers and buyers are now paying for county budgets and inheritance tax relief. I think that's wrong to burden home sellers and home buyers to offset the inheritance tax. I think that it's wrong to ask home buyers and home sellers to offset county budget, as I just don't know in what world that should exist. And why are we paying \$1.43 of the people's and the state's money to get \$1 in relief? If anyone can add that up, I, I, I would love to see that math. So then you ask what-- and, and I really believe housing is an issue. And I think that there-- I-- there was a concern I had with, with a bill that I have in committee that said if we do not do something that someone's going to come along and say, guess what, we have to raised doc stamps in a long time. And, and, and so there was some concern with, with helping with affordable housing. And sure enough, guess what happened? We have two people here now saying that we haven't raised doc stamps in a way, and using that for funding things that are not associated with housing. Can I ask Senator-- oh, no, he looks like-- Senator McDonnell is--

KELLY: One minute.

DOVER: --Senator McDonnell is on the phone. So-- thank you-- I just want to just go on to say that this is a tax-- this isn't a tax shift. I mean, a tax shift you get dollar-for-dollar relief. This is a tax increase when you're paying 43, 43 cents on the dollar-- \$1.43 for \$1 to get a benefit. And I don't know how anyone would consider that a benefit. Thank you.

KELLY: Thank you, Senator Dover. Senator Brewer, you're recognized to speak. Senator McDonnell, you're next to speak.

McDONNELL: Thank you, Mr. President. Good afternoon, colleagues. So Senator Dover is talking about the loss of the counties would look at based on the inheritance tax. So during this process, having these discussions and saying that it's going to be a windfall at \$1.43 for every dollar is not what the counties are telling us. Based on the idea that what they've gone through with their finance department, and this was an ongoing process that we were looking at when we were talking about, you know, what, what is 5 cents worth? Where are we at right now with the counties? And as you're well aware with your

handouts, we're currently at 50 cents with the counties. This is moving that up to \$1.15, that 65 cents. So the idea of-- I'm sorry, we had already moved it up once and then we added the, the 65 cents so it's a total of increase of 65 cents based on what the counties-- and based on another 35 cents which the Revenue Committee had voted out of committee based on some of the things that we had been-- we had been talking about. The Military Fund, annually, 2,000 individuals either separate from or retire from Offutt and the SkillBridge coordination aims to strategically attract as many of those individuals as possible. States such as Florida, Texas have implemented similar legislation. The grant office in the past year, and that was-- the grant office was for 3 cents-- sorry, the grant office was for 5 cents. And the past year, over \$1 billion of potential funds were left unclaimed or poorly applied for due to a lack of coordination, unlike other states that maintain a grant office and represented in Washington, D.C. to ensure effective coordination in coming, coming decades of tens of billions of dollars that's going to be available for our state. Now we're-- and not I'm not saying that our state is going to win every one of those grants that we apply for that's going to be awarded. I'm just saying right now, we are not being competitive with those federal dollars that we are paying-- our citizens of the state of Nebraska are paying to the federal government that we have an opportunity to get those back, or some of those dollars back in the, the federal from the federal grant. And then the, the Federally Qualified Health Centers serving the homeless and the public housing residents play a crucial role in, in providing primary care to marginalized, marginalized communities, including the homeless and residents of public housing. These things, as, as was mentioned earlier, these three new areas are coming up to about 13 cents. We've added-- going back to the history in 1965, it was mentioned by Senator Erdman earlier that the last increase was 2005. So you're looking at programs that we've funded through the, the doc stamp with the Affordable Housing Trust Fund, currently at 95 cents, the county is 50 cents, Site and Building Development Trust Fund, 25 cents, Homeless Shelter Assistance Trust Fund, 25 cents, Behavioral Health Services, 30 cents, for \$2.25. That is currently going on right now in the state of Nebraska with the documentary stamp. As we speak today, that is how we're using those dollars. What we're saying is that based on some of these new programs and the three new programs or the grant service office, Military support, and the Federally Qualified Health Centers, trying to come up with an additional 13 cents for those programs, but

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also looking at inheritance tax again, looking at the idea-- and I think Senator Clements did a good job based on those dollars and having a chance to reduce the inheritance tax with what we're talking about through the, the, the, the inheritance-- the documentary stamp process. Now as we discussed earlier today, we're most likely going to be here for a special session. I know the work ethic of the, the other 48 senators here. I don't think a special session bothers us a--

KELLY: One minute.

McDONNELL: --bit. The idea of coming back here and doing the people's work, I understand that. I think all of us understand that, all of us are willing to make those sacrifices. Look at the sacrifices you've made so far with your careers here trying to serve the citizens of Nebraska. So the idea of coming back for a special session that, that doesn't bother me. I wish we would have done more today with LB388. Again, moving that, that ball forward. But looking at today what we can do to reduce inheritance tax, there's an opportunity right now in front of us. There's also an opportunity with 13 more cents to help a lot of people in the state of Nebraska that need it and continue to fund things like we, we have in the past with the affordable housing and the, the behavioral health and the homeless. So I, I think this is a good practical step going forward. Again, looking at every dollar matters and what that seller pays for-- currently, for a documentary stamp. It is going to go up a dollar.

KELLY: That's your time, Senator.

McDONNELL: Thank you. Thank you, Mr. Speaker-- or Mr. President.

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

JACOBSON: Thank you, Mr. President. Well, from the time that this bill was on General File, I made the statement that I would only support the bill if it would do two things. First of all, I wanted to make certain that we preserved the tourism organization. And I also was concerned that if we're going to reduce inheritance taxes, that we make sure that we have a pay-for at the county level. Because I really do not want to see property taxes rising because we're taking an income source away from the counties. This bill is in the right direction, but it went off the tracks for me when you start looking at

three new sources-- new uses of funding for these doc stamps. And that's where I'm a hard no on this bill. Now we just got done talking about LB388, and I want everybody to listen carefully on this. Even though this funding is coming from doc stamps, and I'm not hearing anybody yelling about the percentage of increase that's occurring here. I didn't hear that now, run the math. We're \$2.25, we're going to \$3.25. And that's fine according to many. And we're going to create new uses for those dollars, not for other tax relief, but to new spending, perpetual spending. So we look at the money that's really earmarked for the Charles Drew House in Omaha. And let's face it, there's only one. When you start looking at the Qualified Health Centers, there's one in the-- in the state and it's in Omaha. And they would get 3 cents, which doesn't seem like a lot until you recognize that that's \$524,000 in year one. Now that's year one because as we all know valuations go up, and if we stay at \$1 that 3 cents is going to go up every year in perpetuity. Documentation stamps right now, 50 cents goes to the county. Why does it go to the county? Because they're the ones who do all the work to file this, maintain the records and so on. That's why they get the 50 cents, 95 cents goes to Affordable Housing Trust Fund, which generally gets divided between rural workforce housing and middle-income work workforce housing and that's \$16 million a year. I'm OK with that. But then when you start looking at Site and Building Fund Development, Homeless Shelter Assistance, Behavioral Health, they take up the rest of that to get to \$2.25. So if we were raising \$1 and going to give it to the counties and make a full dollar-for-dollar reduction in our inheritance tax, I'm on board. But I agree, I want inheritance taxes to go away. But if we're only going to go part way there and we're going to use one of our few funding sources that aren't going to be a tax increase from, from income tax, sales tax or property taxes, then we got a problem. In my mind, these new uses need to be come-- they need to come through the Appropriations Committee, and we need to look at those on an up-and-down vote. And I'm going to tell you, with the failure of LB388, I'm not happy. I'm not happy because we're not delivering property tax relief to the, the constituents in District 42. And I can tell you next year I'm going to be back, and I'm going to be looking at every A bill that goes through. Because one way or another, we're going to find those expense cuts and I'm going to start by voting no on LB1363. Thank you, Mr. President.

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

CLEMENTS: Thank you, Mr. President. I just wanted to remind people why I've been doing this for 4 years. Started with a, a man in his 90s that was in a 100-year farm family, had about \$5 million worth of assets, mostly real estate, and no children. And his niece and nephew paid \$640,000 of inheritance tax to keep the farm in the family. And they barely were able to do that, it was a question at one time, and that really woke me up. The judge said that's the biggest check Cass County had ever received. And so keeping people in Nebraska is really what I think this is about. And the last 2 or 3 years we've reduced-- we have eliminated income tax on Military retirement because we have people leaving Offutt and going over to Iowa. Well, we've done-- got rid of that. This year, in 2024, anybody with Social Security benefits will be tax free, 100% exempt in Nebraska, and that's to help keep retirees from leaving us. But they're still subject to inheritance tax, 1% if they have children, but 11% or 15% if they don't have children. And back to-- well, regarding that, this bill is only going to reduce it about 10%. There's \$80 million or more per year going out on inheritance taxes on assets that already have been taxed over and over in the past. It's a double taxation. So I am-- even if this passes, we're, we're not there yet. And I've got an interim study that I'm going to be working with NACO and interested parties to, to look at county funding and ways to reduce the inheritance tax in the future so that, you know, everybody can get along. Regarding the difference between the increase in the doc tax versus the decrease in inheritance tax revenues, we did have a disagreement with the counties. Some thought 50 cents would be about enough in doc tax. Others said, nope, 65 cents, and the, the statistics are fairly rough, I guess I'd put it. And so for them to get on board, they needed to have 65 cents to make sure it was going to replace revenue. Some counties were not going to be replaced with a 50 cent increase. But 87% of the doc tax increase is going to current programs that already have doc tax. The only 13% is new projects and I really thank Senator McDonnell for being willing to give up that much and to accommodate the inheritance tax provisions. And so, you know, back to the 99-year-old lady, if she had the \$200,000 house, this would be \$650 of documentary tax total. It'd go up-- it'd be an increase of \$200. But remember that the realtor is still going to get probably 6% or \$12,000. And why do you think people need to raise the asking price of their house? Is it

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because the doc tax is \$650 or is it because the realtor commission is \$12,000? I think we have people who are contributing to the increase in housing costs--

KELLY: One minute.

CLEMENTS: --more than what the doc tax would affect them. Thank you, Mr. President.

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

RAYBOULD: Thank you, Mr. President. Good afternoon, colleagues. I do want to commend Senator Clements for his work with the inheritance tax. But I'm saddened to hear that-- I thought after we gave it tremendous amount of deliberation during the session, and I think the consensus of the entire body after listening to testimony provided by the counties and other organizations that they work with, how fundamentally important it is to look at alternative revenue streams to, to the counties to supplant the loss of inheritance tax. And I think I, too, put in for the interim study to study alternative means of providing that funding for the inheritance tax to the counties, because I think the counties did a terrific job of demonstrating how fundamentally important it is to their budgets, to their capital improvement projects, and to the overall functioning of government in the county level. But, however, I do think Senator Clements looks at that glass half full. You know, he, he talks about the elderly woman with the inheritance that her niece or nephew would get. But, yes, they would have to pay the inheritance tax, but it seems like they would be getting \$682,000 of money that they had no expectations of receiving, which most families would consider an exorbitant amount of money, and would make a tremendous difference in their lives, absent the fact that the estate would pay that inheritance tax. And I think it's, it's the same way if you look about inheriting a ranch and, and passing it down, maybe not to that first generation of family members, the children, but even so, to be able to inherit a ranch at the values of ranches today and to be able to somehow structure a loan to pay the inheritance tax, that's a windfall that most people don't anticipate. And, you know, I've heard this double taxation, double taxation, double taxation. Well, you know, the federal government has a way bigger, more burdensome estate tax. And if anybody who's gone through estate planning, they can attest to that. But I did want to say that

along with LB388, you know, last year we took transformative steps in creating the Educational Fund Trust Fund to be able to take a tremendous amount of our revenue and just sequester it for public education funding. And I'm, I'm not sure why we have to keep going back and going back. You know, it didn't take-- it took many, many years, you know, more than 20 years for us to get into this predicament with property taxes. What makes us think that we can resolve it in one session or two sessions without thoughtful, deliberative discussions and looking at all alternatives and not just removing sales tax exemptions. However, that should be one consideration. When it comes to the inheritance tax, I had hoped that during the interim, we would look into it with greater detail instead of doing a new, added value tax onto Nebraska taxpayers. I don't think Nebraska taxpayers should have to foot the bill for inheritance tax. What I would like to suggest, and I'd love to be part of the interim study, is that we seriously delve into unfunded mandates. These are things that the State Legislature passes that goes down to the cities and counties, and the cities and counties have to find ways of funding these legislative bills that they must execute on. So let's look at unfunded mandates over the summer. Let's look at sales tax exemptions wherever, whenever appropriate.

KELLY: One minute.

RAYBOULD: And also let's look at tax credits. In my mind all tax credits should have a sunset. All tax credits should be audited. All tax credits should demonstrate a return on investment on our taxpayer dollars. These are all elements that should be considered as we try to go forward with another version of LB388 or Inheritance tax. We can't just do these things and increase taxes and do cost shifting. That doesn't make any economic sense, and it doesn't do justice to solving the problems that we're facing. Thank you, Mr. President.

KELLY: Thank you, Senator Raybould. Senator Dover, you're recognized to speak, this your final time before you close.

DOVER: Thank you. I'd like to-- I've heard a lot of arguments about this and how bad the inheritance tax is and those kind of things, and I-- and I think the-- I think the debate is getting kind of off course as far as my concerns about it. Again, I'd like to say, I just-- we just-- I just-- I just paid the inheritance tax to the county here when my mother and father passed last year and-- or actually it would

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have been the-- Thanksgiving Day and 3 days after Christmas, my mother passed. That would have been back in 19-- '22, we paid inheritance tax on that. And we-- I think inheritance tax is a horrible tax. We have a lot of taxes that we-- that we-- are, are horrible taxes. But I just want to know-- I'm not in disagreement with Senator Clements and, in fact, I talked to him, I'd like to work with him, you know, in the upcoming session to, to get rid of inheritance tax and find a workable solution, a workable funding source that does not unfairly burden affordable housing. One that does not burden home sellers and home buyers. The transaction allows people to, to transact and to, to pass title to homes. And, and this is just the wrong funding source. I'm also more than willing to-- can I actually-- Senator McDonnell, are you around? Senator McDonnell.

KELLY: Senator McDonnell, will you yield to some questions?

McDONNELL: Yes.

DOVER: I just want to say that, Senator, I, I, I really think that the grant is important that you have worked in there. I think we need to look for more dollars to offset the tax dollars we're paying here in Nebraska. And I just was wondering, wasn't there-- wouldn't there be a better revenue source than this? I mean, couldn't we-- can we do it a different way than to, to tax, tax affordable housing or housing?

McDONNELL: Well, you know, from the start when we first introduced this bill and looking at the, the history of the doc stamp and, and going back to 1965 and then looking at where we were in 2005 and talking about what's going on with the CPI of going up 57% and we haven't touched the doc stamp, we thought the doc stamp and working with the Governor's Office and his team and others that we felt this was appropriate and, and took a look at the documentary stamp. As the-- as the session went on, coming through the revenue process, LB1363 being kicked out onto the floor, working with Senator Clements and others about the inheritance tax and bringing them together, we felt at this time, again, with the Governor's support, that we felt that the inheritance tax or the-- excuse me, the, the doc stamp to try to relieve the inheritance tax and to try to fund, as we have in the past, some of these programs was the best-- the best way to go, especially when you're looking at 5 cents, potentially, for the new grant office on the federal dollars. And we had over \$1 billion last year that we never even applied for. Not saying that we would have got

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all-- that billion dollars. But the point is, let's say we've gotten 20% of it. So you're talking about using that and going back to the affordable housing and some of the other traditional assistance we've had for the homeless and for the behavioral health that we currently are funding with the documentary stamp at \$2.25, we felt this was a-- was a good fit going forward with the Military, with the, the grant office.

DOVER: All right. Thank you. Thank, thank you very much. I don't want to run out of time here. Thank you. I just want to say I agree with the grants. I think-- I think that'd be an excellent use of General Funds. And I would be more than willing to work with Senator McDonnell. I think we're going to come back in August. I think this is just not necessarily a good idea, but I, I just want to say this on the floor that I'm willing to work with Senator Clements on getting rid of inheritance tax. And I'm working-- willing to work with Senator--

KELLY: One minute.

DOVER: --thank you-- Senator McDonnell on finding a better source of funding not to burden housing to get that additional grant money. So I'm in total agreement with both of them on those two topics. I think that you have to ask yourself why are we taking such a small group of home buyers and sellers? Why are we burdening the one thing we're trying to-- it's, it's either number one or number two in Nebraska, why are we further burdening affordable housing in the state of Nebraska and housing in general? And, I mean, I'd like someone to stand up and actually answer that question, anyone that would be interested, is why are we increasing taxes on home sales when that is-- that is the number one or number two problem in our state? And I would just encourage you not to really take a small group to fund another small group disproportion. I'll say this is, just so you know, a large portion of the people that do pay inheritance tax don't even live in this state.

KELLY: That's your time, Senator.

DOVER: Thank you.

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

BREWER: Thank you, Mr. President. Well, I want to stand in opposition to FA448 [SIC] and in support of LB1363. I think the grant issue has been pretty well addressed. I think the one that has been ignored is the, the Military Fund part of this and folks understanding the impact of it. So right now, STRATCOM has been in a battle to keep the headquarters here. And some of you I've talked to understand that STRATCOM is unique in that it is a 4-star headquarters. A lot of states have bases. South Dakota has a base in Rapid City, Ellsworth, but they don't have a 4-star headquarters. So USSTRATCOM controls all the bombers, all of the submarines, all the nuclear missiles and silos and Nebraska is fortunate to have those headquarters. Now, it hasn't kept Nebraska from having the BRAC-- and for those that aren't familiar with what BRAC is, that's Base Realignment and Closure-- from taking a look at, at Offutt. And why would they look at Offutt? Well, the flood we had a few years ago did a lot to make folks question whether or not Nebraska is the right place to have this 4-star headquarters. So what we-- we have to remember, because you're talking about affordable housing and housing needs, but you got 8,207 service members on Offutt Air Force Base. You got 2,100 civilians. You got 10,639 retirees and over 18,000 dependents. Now, I don't know exactly what the impact would be if they all have to go find a new home. STRATCOM would be what you would probably lose, Offutt would probably stay. But keep in mind that can be commanded by a one star and a lot, lot less people. It's the STRATCOM headquarters is the prize. So what this fund does is a lot of things that we weren't able to finish in a project we started 2 years ago, and that was to take all the combat multipliers, all the warfighter issues that we did not want the Military to pay for on Offutt, because they need to focus on figuring out how to find, fix, and kill our enemies. They built the things we built with that fund. Things like running trails, workout areas. We even went so far as to, to improve the golf course. Those are not warfighter things that we should be spending money on, but they are quality-of-life things that you need to have so that your base does not end up on a BRAC list. So if we had other ways to help fund them, that-- I'm, I'm open to that, too. But we have a way here with the Military Fund that's on top of the grants and the federal programs that we can help them. Part of this, too, is that transition period. So as they finish up that, you know, several thousand a year that, that their time ends in the Military, they're at Offutt Air Force Base and they have to transition into the civilian market, that funding helps them to find jobs and to stay in the community. And that's how

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you're able to grow your base. Now, I think we've done a lot of things to help in just the last 2 years so that we are able to keep more, but this is kind of the final piece of this that we we're trying to put together so that we could successfully keep the engineers and all of the technicians, the folks that have already been trained by the Military that we need--

KELLY: One minute.

BREWER: --thank you, Mr. President-- that we need to keep in the community. So if you-- if you look at the fact that-- Senator Clements is probably the one person I trust the most in this body that's going to give me honest, straight-up answers on issues. And he's worked this inheritance tax thing hard, and he's figured out how we can step it down so we don't have that sudden impact on the counties. And if you look at the impact that makes and the positives the bill has, I think that you'll come to the realization that, that LB1363 is the right answer. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Good evening, colleagues. I rise in support of Senator Dover's effort and appreciate the sound intentions of Senator McDonnell in bringing forward this measure. He's been clear about his purpose throughout. I think he has been responsive and thoughtful to criticisms or concerns that have been raised during the process and he has worked to allay those and to address those. And that is deeply appreciated and worthy of our, our appreciation. I, I do, however, still have concerns about the increase and about the dilution. And some of the great things contained in this proposal, like addressing Military needs, like addressing the ability to ensure that we have a strong presence in Washington to help draw down more of our federal dollars, bring those dollars home to our state, those, those are all great purposes. Those are all important ideas. However, those are general-- those, those, those really have a, a broader kind of general implication than just the narrow focus on housing, for example. And this is something that we started to tease out during budgetary debate about fines and fees and cash funds and the difference between General Funds. And it, it kind of-- there's, there's some common threads that we're now weaving into this debate as well, wherein these funds were carefully cultivated, negotiated with

the key stakeholders on the front lines of our real estate markets to figure out ways to improve housing in Nebraska. That-- that's, that's the purpose, that's, that's really what we should be focused on and the dilution of these funds to other, albeit worthy programs and ideas, these aren't General Funds. That's what General Funds are for, for things that serve a general purpose. Earmarking specific cash funds, specific revenue sources for projects beyond what they were intended to be collected for is where we start to get into problems. We saw this discomfort with the State Unemployment Insurance Trust Fund during the budget debate. We've heard about this in regards to the TANF fund. We're seeing again now, I think when it comes to the housing dollars, and I appreciate that's why we've seen a very interesting chorus of voices across the state, across the political spectrum raise up and say I just-- I don't think this is the right solution. And the other piece that I want to lift up here are a few. Contained in this proposal now is a kind of scaled down version of Senator Clements' work in regards to what was first elimination of the inheritance tax and is now a reformation of the inheritance tax. And I, again, appreciate his laser focus on that and trying to find a path forward. But again, colleagues, if we're coming back to a special session this summer, let's make sure to hit the pause on this and take that up with a broader look at our tax structure and what that means, and what those implications mean for property taxes at the local level. Senator Clements has an interim study on this. We're coming back for a special session on taxes. There is no reason to rush forward at this moment--

KELLY: One minute.

CONRAD: --in order-- thank you, Mr. President-- to address concerns with the inheritance tax. We need to proceed thoughtfully and carefully to make sure that we're not having unintended consequences when it comes to hurting access to affordable housing. When it comes to negative impacts on the housing market, when it comes to potentially putting more pressure on property taxes with the reformation of the inheritance tax. We can and we should get it right. I think we're actually closer than we realize, but we, we should embrace this time that we're going to have before us over the next many weeks or many months to make sure that we can feel that this is a sound proposal to help us move forward with targeted tax relief, as we should be focused on. Thank you, Mr. President.

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

JACOBSON: Thank you, Mr. President. Well, I'd like to just go back over again for those people that were here for the LB388 debate and why I get so frustrated when people tell me, well, we just need to cut expenses. We just need to cut spending. Watch what's going on here. Watch what's going on. OK, we've got a well-intended bill that Senator Clements brought which was to step down the inheritance tax. Let me explain to you what's going on there. Currently, at the state level, you pay a 1% tax on the estate if you are a son or daughter of the person who passed away, whose estate it is. If you're a cousin, you pay-- you currently pay 11% or if you're-- also referred to as a Class 2 relative, and then you take someone who's totally unrelated, Class 3, you're paying a 15% tax. Senator Dover is correct, many of those don't even live in the state of Nebraska or what I watch with bank accounts is they get their money and then they move. So what this-- what is happening in the inheritance tax cut is the 1% is staying in place. So those direct descendants, sons and daughters, aren't getting any cut at all. The cut is going to the cousins and to those distantly related. And they're going down to 8%, both of them. So the biggest beneficiary are people who are totally unrelated, as Senator Raybould mentioned, people that are getting a windfall from the great aunt that I never even knew. And we're giving them a savings. And that's fine if we're going to go take the steps-- and I like the approach that Senator Clements has taken, we're going to step this down and we're going to fund it as we go. I totally agree with that. Again, where this goes off the rails is what something that Senator Dover had said earlier. But we're taking a bunch of the savings by-- or we're taking a bunch of the dollars through this \$1 increase and redirecting it for other purposes. No. If we're going to raise the doc stamps \$1, then it needs to go to the uses that we need it for. It needs to go back to the counties, and we need to reduce the inheritance tax more this year. Because as we move into the future and we could talk all we want about, well, we're going to find ways to find that revenue replacement. Please people, give me an example of what we're going to do, because I can tell you what's probably going to happen is we're going to increase other fees, motor vehicle registration, go on down through the list. And you know what the cry is going to be next year, oh, my God, we're raising fees 50%, 75%, 100%. Because that's what we heard on LB388. When we wanted to raise sales taxes up a penny, it was

the largest tax increase ever. We can't do it. OK, fine. But then where are we going to find the revenue replacement if we want to eliminate the inheritance tax in the future? I can also tell you when it comes to spending, I completely agree with Senator Brewer. The purpose there is, is audible-- it's laudable. I, I, I agree with what he wants to do there. But let's fund it through general appropriations if you want to do it and let's have that debate. But the problem is, is that if we look at every good idea that people bring--

KELLY: One minute.

JACOBSON: --thank you-- Senator Clements could tell us how many A bills came last year and how many A bills came this year. We could have spent the budget two times over with everybody's good ideas on how to spend money. We got to come up with good ideas on how to cut spending. That's our mantra going forward. That's what it needs to be going forward or none of this tax relief is ever going to become reality. That's what I want to continue to be focused on. Thank you, Mr. President.

KELLY: Thank you, Senator Jacobson. Senator Ibach would like to recognize some guests in the south balcony, fourth graders from Bryan Elementary in Lexington, Nebraska. Please stand and be recognized. Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. You know, I felt in my earlier remarks I did not acknowledge Senator McDonnell and his, his great efforts to try to fund a lot of unnecessary issues that I care deeply about, too, that deserve additional funding. But it goes back to fundamentally, I don't feel that our Nebraska taxpayers, particularly working families, should be the one holding the purse strings from their hard earned dollars for paying for these type of elements and the doc stamp. So I certainly support Senator Dover's efforts to strike this and, and really come up with more appropriate ways of finding a solution for some of these pressing issues. And I could be wrong, and I could have misread the consensus of the body when we did talk about inheritance tax. I don't believe it was the consensus of the body to move forward on Senator Clements' proposal to do that step down at this point in time. I don't think that's what the body was thinking. What I heard loudly and clearly is that the body wanted to do that interim study to figure out what are the additional revenue sources that can help the counties fill in that revenue stream that

was predictable, believe it or not, and reliable to help them take care of important issues of infrastructure needs that they just can't keep up with the increase in infrastructure costs. One of the big things about infrastructure that we hear time and time again. You know, there was like \$1.6 billion in requests from the \$46 million revolving fund to help with water infrastructure needs throughout the entire state of Nebraska. \$1.6 billion in requests for a \$46 million fund. Infrastructure costs are increasing. But, you know, I wanted to also thank Senator Holdcroft because he passed me a note saying that LR394 is going to be an interim study on unfunded mandates. And I think that is one of the solutions. We talked about Department of Motor Vehicles, I don't know who mentioned that, maybe Senator Jacobson said that, but with Department of Motor Vehicles, all that is processed with the county and we're talking millions and millions of dollars. The county gets reimbursed, maybe, I think, \$5,000 for being-- offering that administrative surface-- service. So there has to be some rightsizing on that. And I just want to jump back to double taxation. And I think the nomenclature and how we're tossing that about is, is clearly wrong. So when we look at double taxation, I think it's fair to say that we are all taxed on income that we earn. It's an income tax. But when we take that very same money and go out and buy things, guess what? We're paying sales tax on the things that we purchase. I don't think anybody in this Chamber has ever raised that as an example of double taxation that we should be very concerned about, and that's how I feel about the inheritance tax. Because in the case of inheritance tax, the deceased, maybe the aunt that we keep talking about has paid on her \$200,000 property taxes, say, for like 65 years. So the aunt has been paying back taxes. But when it comes to her estate, she passes on, there's a different entity that pays the estate tax. It's not that niece or that nephew or that distant relative that pays it, it's the estate that pays that tax. And so I feel that we're still not ready for the inheritance tax--

KELLY: One minute.

RAYBOULD: --thank you, Mr. President-- discussion until after we do an interim study and really find alternative ways for this revenue. But there are plenty in unfunded mandates. I think that's something that we need to, to look into. And for that reason, and because this is a, a-- an additional tax, I can't support this bill. And I was going to

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say if I have any time left, I'd yield it to Senator Dover but-- how much time do I have left?

KELLY: 33 seconds.

RAYBOULD: Senator Dover, I don't think-- are you here? Would you like 33 seconds?

DOVER: Yeah, I will. Yes. Thank you. I just wanted to say how much I respect Senator Brewer, I wanted to-- and the Military, and I think everything-- and same with Senator McDonnell, those are fantastic things to fund. This is simply not the right way to fund it. Thank you.

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

MOSER: Thank you, Mr. President. Good afternoon, colleagues and Nebraskans. So, essentially, the document stamp tax is a sales tax on property when it's sold. And we've talked about how much it costs on a \$100,000 house or a \$300,000 house, but it's paid on agricultural land also. So, you know, if you sell 160 acres at \$10,000 an acre, you're going to wind up paying a lot of money in document stamp tax. And the document stamp tax is already indexed for inflation, because when the valuation of real estate goes up, the document stamp tax automatically increases with it. And prior to the last couple of years, real estate has been appreciating around 3.5% a year. And in the last couple of years, it's gone up way, way more than that. And then you increase the amount of the document stamp tax from \$2.25 to-- well, it's-- as a percentage, it's 0.325%, that's another 44% increase. Probably some of these things could be funded without increasing the document stamp tax from \$2.25 to \$3.25. But some of the arguments used against LB388 were that we were doing a tax shift. Well, what's a bigger tax shift than increasing the document stamp tax to pay for inheritance tax? That's a tax shift. So I, I don't see those arguments against LB388 as valid. But, nonetheless, I think this is a tax increase. And if you vote for this, you're voting to increase taxes.

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

WAYNE: Thank you. I don't think I'm gonna change a lot of people's minds on this issue so I want to send a, a big thanks to my 8 years to the State Patrol. An individual I went to high school with is standing

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in the back, Dusty Black, he's here most of the time that I've been down here. But the biggest thank I want to give-- the biggest thanks to State Patrol is all the times you saw me speeding coming down the Lincoln, and you just flashed your high beams at me and didn't pull me over. I know after today, that goes away. I know you will pull me over and give me a ticket, but I, I just really, really appreciate the amount of money you saved me on my drives down here. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. Friends, this, this is our final day and the, the second half of the biennial's regular session. And if there is a silver lining about special session, I am deeply grateful about continuing the work with each of you during that time. Many of you will be leaving the Chamber far, far too early. So I'm grateful that we'll have a chance to come back together to continue to deliver for Nebraskans, perhaps this summer and this fall. The other piece that I wanted to mention in regards to that, though, and as this is a day of reflections and ceremony in some regards, kind of looking back, not only, of course, each member on their time of service, but on the year as a whole. And when we came back together in January of this year, everybody was kind of walking on eggshells. Everybody was incredibly trepidatious and worried about what kind of session we might have and still had some scar tissue from last year all the way around, but had worked really hard over the interim to get to know each other better, to go deeper on the issues, to be thoughtful about crafting a consensus agenda together. And thanks to the leadership of Speaker Arch and so many members who came together and said we're going to focus on the top issues impacting Nebraska. Everybody agrees that's workforce development and then trying to figure out how do we really address that. So we have to look at the solutions attendant thereto. We have to look at childcare. We have to look at housing. We have to look at education and job training. Yeah, we have to look at tax burden and, and revenue infrastructure as well. We have to look at healthcare. We have to look at all of these pieces that go into quality of life to retaining and recruiting talent for our incredible business partners all across Nebraska. And we've, we've made strides there, but we know we have more work to do. So when it comes to the housing piece, we, we should really ensure if we're going to have an increase in these taxes or

fees, we, we really have an unmet housing need right now with existing funds. And I know that this bumps it up a bit, which is important. But if we're going to make a commitment for more here, it really needs to be focused on housing because the need far, far outpaces what we have available. And this is something that impacts rural Nebraska, impacts urban Nebraska, that housing advocates are talking about, that business leaders are talking about. If we're serious about doing more to address our housing challenges, which go to healthcare, which go to quality of life, which go to workforce, then we need to put every available penny into housing. And we need to explore what programs are working and not working when it comes to housing, but that-- that's just another issue that I wanted to lift up. Because whether it was Senator Jacobson's incredible work on healthcare measures this year, whether it was other members stepping forward, Senator Fredrickson to do good work on childcare, both of these friends happened to be in my line of sight right now so I'm thinking about their good work in those ideals, whether it was the priority bill I chose to try and focus on reducing barriers to employment and occupational licensure reform, the more we stay focused on those challenges with a host of different good ideas to address them helps us serve the institution that we love proudly,--

KELLY: One minute.

CONRAD: --helps us to deliver-- thank you, Mr. President-- for Nebraskans who deserve no less, and should continue to be our North Star today and as we head into special session together and as we prepare for the next year. The more we focus on common ground, commonsense issues that really deliver for Nebraskans, that's befitting of this proud institution. And it-- and it feels good to be a part of that effort which-- with each of these members in the body. So I do think that we're probably closer than we are far apart on this, but we need to make sure fidelity for those housing dollars stays with housing. And we figure out another way to take care of these other awesome programs that are out there. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Erdman would like to announce some guests under the south balcony, his wife Cathy Erdman, Zoey, Nora and Lucca Drew and Kara Acino. Please stand to be

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recognized by your Nebraska Legislature. Senator Jacobson, you're recognized to speak and this is your final time on the motion.

JACOBSON: Thank you, Mr. President. Well, I want to speak a little bit first directly to the bill, and then I want to make a few comments about some of the colleagues here that will be leaving us after this year. I've learned a lot in the time that I've been here, in the short time that I've been here, about how you get bills across the finish line. So I got to tell you, Senator Wayne is the master. OK? So I want to stay in touch with Senator Wayne because he's the guy that knows how to build a massive bill. I can't remember, Senator Wayne, what the title was last year, something for the third-- preserve the third? Yes, preserve the third. So if you get enough people who have their bills in your bill, you got the votes. OK? This guy is a master at that. But, seriously, Senator Wayne, one of the brightest people in this body, really going to miss him. He's been incredibly effective as a-- as a state senator. And I don't know of anybody in this body that doesn't like Senator Wayne. So I've appreciated your time here. I can also tell you that my friend Senator Erdman-- now, believe it or not, Senator Erdman and I agree on most things. We probably aren't quite lined up on the EPIC tax, but, but beyond that, we're pretty much aligned on a lot of issues and I've appreciated his tenacity, his stick-to-itiveness, and the, the fact that he came down here charged-- hard-charging and is leaving the same way. So, Senator Erdman, thank you for your service here. I've also gotten to know better, Senator Halloran, who I knew early on from my days where I grew up in that part of the-- of the area. And another farmer who's been in the body and I've appreciated his efforts down here and getting to know he and Ann and and so really appreciate the time that they've been here. I have to mention Senator Walz, who sits behind me because I'm not sure who's going to take over for her next year because she's the one when I get up and say things that she seems or thinks are controversial. I didn't know I said controversial things on the floor, but, but I evidently do because she reminds me of that when I get done. So I want to thank Senator Walz for her keeping me in line. Senator Linehan, I don't know where to begin. Thank you for all of your leadership over the years. It's been a privilege sitting next to you. I always find it interesting where I'm sitting between you and Senator Blood, and, and I'm telling you what, there are times when I'm trying to figure out what I should be doing. But I got both of you to thank to keep the input coming. So I feel like I'm smarter because I

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sat between the two of you. But thank you again for your service. Thank you, Senator Blood, for yours. Senator Bostelman, I got to have the opportunity to serve on the Natural Resources Committee, what a great leader, really knows the subject matter. I learned a lot under him. And, of course, Senator Slama is going to be leaving. I don't know why she's leaving, but she is. But I've appreciated all of her help on the Banking Committee and her leadership there. And for somebody as young as she is, she knows the rules inside and out. Again, probably one of the other smartest people in the body that we're going to be leaving-- losing and, and so I appreciate the time that you've spent here. And I would-- I don't want to be remiss by also thanking Senator Meyer for coming in and being the pinch hitter. It's been fun watching you develop during your time here in this session. I wish you were coming back, but enjoy your retirement. And thank you for your service here as well. With that said, again, I'm very focused on how can we provide fair, equitable tax treatment for all Nebraskans. I believe that our system is not working the way it should.

KELLY: One minute.

JACOBSON: Thank you, Mr. President. I continue to be opposed to anything that's going to impact property taxes. When I looked at this bill, my big concern is, I do want to see inheritance taxes go away, but I'm not going to do it at the expense of raising property taxes. So that's got to be part of the deal. And at this point, I don't think this bill is the way to get there because I think we've got to be focused on there's not going to be dollars available to make the tax cuts in the future if we don't become much more wise about the things we do to look at-- we're running out of places to find money. OK? And we better be spending it right. And for that reason, I'm going to have to oppose LB1363. I will support the motion to return to Select, but I will oppose the bill and the-- and the amendments to follow. So with that, thank you, Mr. President.

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

DAY: Thank you, Mr. President, and good afternoon, colleagues. I rise, as well, in opposition to LB1363. In having discussions with Senator Dover and some others, I do struggle with the mechanism in this bill. And I, I agree that we have to do a better job of working on a, a more

fair system of taxation in Nebraska, instead of trying to rush things through and create a kind of a, a hodgepodge patchwork of reducing taxes here and then trying to make up for it over here with this type of thing. I think we have to put more thought and effort into that. And if we're coming back in a special session, I think we will have the opportunity to do that later this year. I know that we need to take this to cloture here about 2:40. So I thought I would hop in the queue and, maybe, get into some of the sappy I'm going to miss my colleagues conversations that some of the others on the mic have had. This is my last session of what is going to hopefully be my first term as a state senator, and it has been the most difficult job I've ever had in my life with probably some of the lowest lows and the hardest moments I've ever experienced in combination with some of the highest highs and greatest accomplishments I've ever had. And it's a really interesting-- it's a really interesting and unique place and a really special place. Senator Dover and I were talking this morning, in my LB126, he had a bill that was related to homestead exemption that was wrapped up in there so we both deserved some congratulations on that bill. And as I was congratulating him, he mentioned, you know, this is-- this is what happens when we're willing to work together and not put ourselves into boxes. You know, I'm a Democrat over here, I'm a Republican over here, and we're not going to work together, or we're not going to come, come together to compromise on legislation to get something done. And this is how it works. If you would have told me 4 years ago when I first got elected that I would be working alongside Senator Slama to filibuster LB388 on a tax bill this morning and agreeing with both her and Senator Erdman on the mic, I would have told you that it's highly unlikely. But it did happen. And I think that that's-- that articulates what's so, so special and unique about this place. And I hope to come back for 4 more years. But if I don't, I will tell you that it has been an absolute honor to serve with every single one of you. And, Senator Jacobson, I think I know why Senator Slama is leaving. I remember the first few weeks of becoming a mother for the first time and how precious that time is when you have this incredible little human being that you created that is so completely dependent on you. And all you want to do is spend every waking moment with that little being and do everything you can to make sure that you're doing all of the right things for them. And I think that she is-- I will not speak for her, but making the right decision for herself and her family and I, I deeply respect that. This-- it's, it's hard to say, this session, I was very, very happily surprised by the

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collegiality that happened. And I told him this personally, but I have to mention it on the mic. I feel like Speaker Arch was handed an incredibly--

KELLY: One minute.

DAY: --thank you, Mr. President-- I think that Speaker Arch was handed an incredibly difficult situation, and I think he excelled in his leadership this session and showed that he has great strengths in the area of leadership and getting anyone and everyone from across the political spectrum to listen to him and to follow him. And he-- I have great admiration for him and the incredible efforts that he has done. And I think that that is reflected in the success of this session and the fact that we're all standing up here on the last day talking about how much we're going to miss each other. So, yeah, maybe I'll hop in again and we'll keep talking. But appreciate all of you. Hope to see you, maybe, in August. Thank you, Mr. President.

KELLY: Thank you, Senator Day. Speaker Arch, you're recognized for a message.

ARCH: Senator McDonnell, the primary introducer, has asked me to pass over LB1363 and LB1363A and, once again, I will honor that request. Mr. President, please proceed to LB1402. Thank you.

KELLY: Senators, please take your seats to resume Final Reading. Mr. Clerk.

CLERK: Mr. President, pursuant to the Speaker's announcement, LB-- Final Reading, LB1402, Senator DeBoer would move to recommit with MO1388.

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

DeBOER: Thank you, Mr. President. I wasn't-- I had forgotten that I had filed the motions. I wasn't planning to speak quite so soon. But I'll say again about LB1402 what I said the other night, which is that the primary good that public schools provide is that they provide us with a place to send every student in this state, and that is something that we need to cherish, and we need to keep strong in our public schools for that reason. There's 116 or something different languages which are spoken in OPS, if you think about that, and trying to educate that many different students with that many different

languages, it isn't particularly surprising to me that their reading rates are lower than we'd like them to be. Folks say we need to send kids to private school to send them to a smaller classroom. I say we need to bring smaller classroom sizes to every kid in Nebraska, and that does take money, and we need to find the money to do that to educate our kids properly. Because you've heard people say that we need to make sure that every kid gets a good education, that that's the foundation. I 100% agree. And the way that we do that is we make sure that our public schools are thriving. Right now, we don't have enough teachers. There's a shortage on teachers and on paras. I wonder what something might look like that would say we're going to take teacher pay or-- I mean, sorry, class size and say you get some kind of bonus if you have a class size smaller than this for every one of your students in your school. What does that look like? There are solutions, and we need to find them. For me, putting public dollars into private schools is not the solution. Not just because of the public schools, but also because of the private schools. When a government gets involved in something and gives money to something, after enough time of getting money to something, it wants control. Private schools by remaining privately funded, retain control. I just fundamentally believe that those things should be separate, that public schools with public dollars provide opportunities for every child in the state, no matter what, no matter how many other schools, no matter how many private schools have rejected them, there is a public school in this state that will take you. It's a little bit-- and this is-- I apologize for the very nerdy reference here, but it's like the, the, the carrier of last resort. We call it the COLR in the T&T world. We subsidize the ongoing work of those who provide 911 and basic service to telecommunications in the rural areas of our state, but we don't provide those ongoing services if you don't have that requirement that you provide to absolutely everyone. So we have-- we have an, an analogous example there where we take the responsibility to provide for everyone and we put public funds behind that responsibility. We say that responsibility, in and of itself, to make sure that everyone has the option, is something that we want to put forward with public school money or with public money. That's why public schools are important. That's why public money in public schools is important. How do we fix our public schools? Yes, we put more money into them. If we really, really want every kid to start doing better, we probably need to address class sizes in a lot of our schools, in a lot of parts of the state. There are, however, other

parts of the state where there are very few students in each classroom. They don't have a lot of opportunities because there aren't very many people in their whole school district. Are there ways that we can create more partnership school districts? I think there are three associated school districts or associations of school-- there's a special mechanism where you can associate, you're not consolidated, but you're kind of associated. I think we only have three of those. There are probably ways we can be creative that will help so that some of our smaller school districts have more opportunities for their students. Maybe there's something we can do with distance learning and partnering. I've wanted to look into having a large school district and a small school district partner, so that if a kid in Ord, Nebraska wants to take Russian and that's offered at Northwest High School in Omaha, maybe they can find a way to do that remotely. There are probably some things that we can do to increase our educational outcomes throughout the state. And for me, this just isn't it. So I will continue to oppose this bill. I also very much believe that we should let people decide. I had a conversation with someone yesterday, and he said if you have enough money you can get something on the ballot. Well, that's true, but if you have enough money, you can probably get anyone elected, too. At some point, the people still need to be able to decide. And folks said they didn't like how this got on the ballot. Well, whether or not you don't like how it got on the ballot, it's on the ballot. And I trust the voters of Nebraska to be able to weigh the information and decide. I trust the voters of Nebraska to be able to educate themselves and not be swayed by, you know, one group throws money in, another group throws money in, but to look to what they want. We are, after all, still a government that is for the people, by the people, and of the people. And in order to continue to be that, when we have opportunities for people to vote like they do here, they ought to have that opportunity to make a meaningful vote. So those are the reasons that I will continue to oppose this bill. Thank you, Mr. President.

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

SLAMA: Thank you, Mr. President, and good afternoon, colleagues. I, I appreciate the debate we're having on LB1402. And just to continue on with what Senator Wayne and others have been doing, and kind of spreading the good vibes on the last day. Normally, we just do the farewell speeches and head out. But thanks to a little bit more

condensed of a schedule, we've got actual serious debate. And I'm grateful for the tone and tenor of today's debate and I've, I've got Win, I'm feeding Win. I was pregnant with Win during debate on LB574 last year. So this is kind of full circle on that front. And I bring up LB574 not to open old wounds or anything of the sort, but on the final vote of LB574 I was sick as a dog. I had hyperemesis and I was so sick that I was in the hospital for it. Came back down, and if you know me, you know the pride I take in not, not wearing makeup and not showing up here in sweats, I genuinely try to make an effort most days to look halfway presentable. So I was white as a sheet on the floor in sweats, literally left AMA and headed down here and ended up being the deciding vote on LB574. And, again, I'm not bringing that up for anything related to the issue, but in that moment in which I am just looking like hell froze over, the Democrats who knew how I would vote gathered around my desk to keep photographers from taking a photo of me. And it was people I-- like, most of them I was fine with, I could function, but there are people who, in the years I had worked with them, I had struggled to think of one positive thing and one positive interaction and there are people gesturing because they know exactly who they are. And this place just has this incredible ability to, even when you're a pessimist like I am, to prove the beauty of human spirit, the beauty of Nebraska spirit, even in negotiating the really tough things. Like in the most intense debate of the entire year, the people who disagreed with me most and who were also going through one of the most emotional votes of the entire session, knowing that I was the 33rd vote, took that time to choose kindness. And it's too long of a story to put into my 3-minute speech, and Kelly would have gaveled me out, and it would have been really a bummer to have that story be cut off. But I wanted to bring that up, especially as we're talking about LB1402 and coming to the end of session until we get called back into a special session in August. Like it takes all the meat out the farewell speeches, honestly. But this place operates best when we can disagree on policy and we're thoughtful about it and we don't make it personal and we don't make it petty. And I'm just so looking forward in the years to come, even though I won't be here, I'm going to be hanging out with this little guy who gets to job shadow me today to see what this Legislature does because you have an infinite amount of opportunities. And starting with this bill to give kids an opportunity that in years past was decided by the income your families had. And I'm, I'm very excited to encourage everyone to vote green on LB1402,

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and very excited to give kids opportunities regardless of what your parents make because--

KELLY: One minute.

SLAMA: --thank you, Mr. President-- because your educational opportunities in the state of Nebraska should not be dictated by whether or not your parents can afford to give them to you, because I would give this little guy the world in a heartbeat, and I'd live in a cardboard box if it meant he had a happier future. And I am so grateful to Senator Linehan for her years fighting for this issue. And it has just been a wonderful 6 years serving with each of you. And I'm sure I'll get super schmaltzy again during my farewell speech, but thank you, Mr. President.

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

LINEHAN: This is so weird. I've been writing my farewell speech, and there's the day that Senator Slama is talking about [INAUDIBLE] how that day looked from where I was sitting and what we were doing. And, and I was-- just this noon, I said is it too soon to talk about that? And I was, like, too soon. It's not anymore. You brought it up. OK. The issue at hand. I'm fighting for school choice because, frankly, I fight for kids. My first bill, which I worked with Senator Patty Pansing Brooks, was so kids could learn to read. Her brother, who turned out to be the top of his law class, was told when he was in third grade he would never go to college. He couldn't read. He wasn't bright enough and the future was pretty bleak. At which point, her mother decided to get on the school board and change things up. And that-- if you know Senator Pansing Brooks, she didn't fall far from that tree. I can remember the last day of that hearing or it was on Final Reading just like this, and it was first thing up, I think. So 8:00 in the morning, 25 people in her office crouched all together and, and they want us to pull it down. And I was hopeless because without her, I couldn't have got it done. And she walks in and she goes who are you people, there's so many of you? And I thought, OK, we're going to win. And then when we were on the road-- we did our school tour that summer because we didn't get it passed. We go into the schools, I was-- unbelievable-- I know you won't believe it, but I was pretty quiet. And we come out, we get in the car, and Senator Pansing Brooks would go, why are you letting me be the bad guy? I go,

I'm really not. You just-- they say things-- especially, I remember one school we talked-- a teacher had been a teacher for 25 years in junior high and he told her that he had never had a dyslexic kid in his classroom. I thought she was going to wring his neck. I-- literally, I was like, it's OK-- it's OK. Teacher shortage-- two bills I've worked on to address teacher shortage. I worked on bills to address the shortage of special ed teachers, of any other teachers that we were short on, STEM. I was trying to think of STEM. We love school choice in Nebraska, that's why we have 244 school districts. And they're not all in a third district. We have seven school districts in Douglas County. And could ask Congressman Osborne how it is when you try to say we don't need that many school districts, even in Omaha, Nebraska. So we let people choose because they can move to Bennington, or they can move to Elkhorn, or they can move to Westside, or they can live in OPS and they can pay private tuition. So [INAUDIBLE], the only people we decide shouldn't have choice are low-income people. Now, how can that be fair? How would you like to drive your child-- and it doesn't mean the school is not a perfectly good school, that-- it has nothing-- it's about is the school the perfectly good school for that child? All my grandkids in Nebraska are in public school and they could all afford to be in private. And maybe by the time they're in high school, they might decide that's what's best for them. The idea that we separate out who it's OK to have choice and who it's not OK--

KELLY: One minute.

LINEHAN: --is not OK. I haven't-- last year-- and I was fine with it last year, we put additional \$328 million into public school funding. We set aside \$1 billion trust so we wouldn't have to roll-- play with the levers on TEEOSA. We tried this year, we tried and probably be back this summer to do it. We tried to give another \$700 million to public schools. I have said and will continue to say, we don't pay [INAUDIBLE] teachers near enough. That's why we have a teacher shortage. If you don't-- if you pay them less than they can make working at McDonald's, you're not going to have teachers. So these issues aren't-- and for all the-- now millions of dollars that have been spent against this, it's incredulous to me, like, what are you scared of letting poor children have a choice.

KELLY: That's your time, Senator.

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LINEHAN: Thank you, Mr. President.

KELLY: Thank you, Senator Linehan. Due to some issues in the queue, next in the queue are Wayne, Fredrickson, Raybould, Bostelman, and Conrad. Senator Wayne, you're recognized to speak.

WAYNE: Thank you. And I was in the queue and some things happened so Bostelman and I ran up there real quick because we-- when I looked back it changed. So it's not games being played, it's just a glitch. Look, first, I will start off by just saying if people want to give me time, I can talk a whole bunch. But first I want to talk about my colleague Senator McDonnell. Just real quick, I would say for those who don't know, our first year, me and Senator McDonnell almost got in a physical altercation. We were smoking some cigars and having some drinks and, actually, it was over one of, actually, one of these bills. But it was over Senator Hilger's bill at the time, preemption bill on, on 2A, and I was getting beat up and he wasn't. And I reminded him of our skin color differences and things kind of went south from there. And we were actually separated by Senator Lautenbaugh and Justin Brady out in the-- out in the hall. So that was a good night that we got separated. But the reason I bring that up is I, I love the way he thinks big, and he always thinks big, and he's practical. And he tries to figure out a solution and will negotiate until we hit a wall. And even then, he'll come back with one more way to figure out how to do it. And that is something that I always appreciate about him. The second thing I appreciate about him is he figured out how to build a lake without flooding Ashland, so it's no longer called Lake Lautenbaugh, it's called Lake McDonnell when it gets built. So I really appreciate that. And I just had the honor of, of working with him on numerous bills to get things done. And so now I want to turn to the issue at hand. The only people who are denying choice are the people who have choice. The people who are standing up here talking why this bill is bad or shouldn't do this are the same ones who are opting their kids into private schools or have the ability to pick up and move and go somewhere else. And that is my fundamental problem with this position. So I got a lot of emails from-- and calls from former teachers of mine asking me, let the voters decide and why I think that's a different issue. It's a different issue because what I heard on this floor was it was a tax credit for the rich. What I heard on this floor is all about the tax credit, 1 to 1 tax credit. It was all about the tax credit. This is a direct appropriation. That is a different issue than what is before

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the taxpayers. The taxpayers are voting on whether a tax credit should go to an individual to give a grant. That is a different issue for this body. And that is why I'm 100% comfortable with voting on this issue. The other thing is, I started having more conversations with people that I know, people in my neighborhood, and my family. And then I started thinking about the NSEA, how they were against Senator Vargas in our first term coming out, how they endorsed Senator Lindstrom for Governor, who not only voted for vouchers and I think at one point voted for a charter school bill. But, yet, when it comes to Senator McKinney's campaign this year, they are silent when all he has done was fought for the schools and the kids in his district. Senator Blood was running for Governor and got a co-endorsement with Senator Lindstrom. And if this is their number one issue, then why didn't she get an endorsement on her own? Is it because she's a woman? Because Senator Lindstrom sure did and he voted for these bills. And why isn't Senator McKinney getting that same respect? Because he voted for it? What's the difference? White man, black man.

KELLY: One minute.

WAYNE: North Omaha, where the kids are actually going to some of the poorest performing schools, and you won't endorse him because he is trying to help his community. The irony and the bigotry that I see going on here is crazy to me. Nobody has to hear from one of their neighbors about how their children can't succeed because their classrooms have 36 in it, and how they can't opt in to another school because they're all full. Nobody's having that conversation with me. And we sit here and say let's wait and make education-- public education better. For how long? When I asked Senator Matt Hansen that question, he paused for 7 seconds and said I can't tell you how long it's going to take, maybe 50 years.

KELLY: That's your time.

WAYNE: Thank you, Mr. President.

KELLY: Thank you, Senator Wayne. Senator Fredrickson, you're next in the queue.

FREDRICKSON: Thank you, Mr. President. Good afternoon, colleagues. I think everyone kind of started off their speeches with kind of acknowledging the end of the session and I feel like I need to do that

as well. You know, this is my-- this is the, the end of my first biennium serving in this Legislature and I really kind of had the awareness this morning when I was driving in that the makeup of this body is going to be entirely different next year and that's something that's a bit challenging for me to accept because I think we're finally hitting a stride together. And I think that's-- you know, I think there's a lot to be said about it. I think Speaker Arch's leadership in here, as well as, a number of folks in here who've worked really hard over this past year and this past interim to, you know, have a productive session. I also just want to-- you know, I, I have a complicated relationship with Senator Linehan, I think, because I absolutely adore her. And she's laughing a bit, I know that, but she knows that I-- her and I don't see eye to eye on this issue. And I'm, I'm really sad to see both her and Senator Wayne, who just spoke before me, I'm, I'm really sad to see both of them go, as well as a number of all the graduating class. But, you know, Senator Linehan has a-- has a prowess in here that I think is unmatched by any of us. And I think a lot of us could only aspire or dream to be as powerful and strong of legislator as, as she is. So I have-- I have the utmost respect for her. And I, I do also want to say, I, I think, and I mentioned this, I think, during General or Select, I forgot we're trying to debate on this bill, but the thing that we think-- I think we all agree upon on this is that there's-- it's very clear that there's, there's a lot of passion in this room and a passion among us about providing quality, strong education for, for Nebraskans. And, again, I just want to keep coming back to that because it, it could be otherwise, you know, I mean, we could have folks in here who are checked out about this. And I think that there's a lot of strong feelings about this because we all really do want strong opportunities for our kids. Like, like many of you, I-- I've gotten hundreds of emails about this bill throughout the entire session. This past weekend, in particular, I, I couldn't go anywhere in my district without being stopped about this specific issue. I got stopped at the grocery store. I got stopped at the coffee shop. I got stopped when I was walking my dog. I, I, I had so many people come to speak with me about this issue over this past weekend, including folks who weren't in my district but had other-- were in other districts, all within Omaha. And, you know, the thing that really stuck with me is one person pulled me aside who was actually a supporter of LB753 last year and, and, and said to me-- they said, you know, one thing that I can't get over is that LB1402 seems like it's just a side step of the vote

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in November. And this is someone who lives in Omaha, who's a supporter of LB753, who could not-- told me that they could not stomach LB1402 passing because of what that means, not because of the issue, but what that means for respecting the voice of the people of Nebraska and everyone who collected signatures, and everyone who's passionate about this issue, who put a lot of time and effort into this, only to have that not move forward. And that's something that stuck out to me, because that was the first time I heard the argument around LB1402. That wasn't about the issue of school choice, it wasn't about the issue of opportunity scholarships, it was more about what are we doing with LB1402 from a bigger perspective? What does that mean for our structure as a state in terms of how we allow our voters and our constituents to have a voice on issues that come before them and become before us and what we do in this Legislature? And it, it, it struck me because what that said to me as well is that people are paying attention to this and I think that that's something that we need to be--

KELLY: One minute.

FREDRICKSON: --thinking about-- thank you, Mr. President-- is that if LB1402 passes that sunset LB753, you know, it takes away-- it sort of deflates the ballot initiative. If LB1402 does not pass, LB753 is still the law of the land, and the voters of the state will get to make their voices heard on whether or not they agree with this as a policy for our state. And so regardless of where you stand on this issue, that is something that I think we all need to be paying attention to, especially the Omaha area. You know, folks are really paying attention to what we're doing here today. Thank you, Mr. President.

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

RAYBOULD: Thank you, Mr. President. Thank you, colleagues. You know, I am a product of Catholic Jesuit education, from elementary to high school to college to graduate school. My children went to Catholic elementary and Catholic high schools. Every single one of the schools I've attended, and since being in Nebraska, I have attended numerous fundraisers, Blessed Sacrament Table for Ten or Pius X High School, and they all had fundraisers for their educational foundation, educational fund that provided tuition assistance, reduced tuition, or

even free tuition for families that requested it. So for, for my colleagues to say, you know, it's unconscionable that we're not allowing families to have this opportunity of choice. You know, my parents made the choice knowing full well that they had to pay tuition. My husband and I made the choice for our children and those parents that want an alternative choice so that their children can go to a private school, have the choice. And guess what? They have always had that choice to go to a private school. They have always had that choice to request tuition assistance and free tuition. And that's what all those schools I've attended and my children and the ones here in Lincoln, Nebraska, offer to families. They have always offered them that opportunity, even if they didn't have to pay. I appreciate Senator Fredrickson's comments on LB753. The one thing that's different about LB753 is their, their measurable outcomes and tracking, thanks to Senator Hughes and some of the amendments she put there. On LB1402, and I'm going to read some statements from Lincoln Public Schools that they provided in their testimony. First, in LB1402, the law does not measure learning improvement. Well, I thought that's what this bill was all about, giving children a choice so that they can thrive and learn and improve. There is nothing in LB1402 that documents any improvement and testing on academic performance. Since no measure of academic performance or financial investment in academic programming are made, improvement cannot be measured. And this portion of the goal cannot be achieved in LB1402. And I've said this before, I am so into benchmarks, measurable data, precise elements where we know that we're succeeding, that there is a return on Nebraska taxpayer dollars for this. Second, the law is not intended to help all children. The \$25 million appropriation proposed in LB1402 could not help improve the quality of education available to all children when according to Section 77-7103, subsection (4), other than for race, scholarship granting agencies and the schools that receive these scholarships can establish requirements in their enrollment practice to limit certain children from attending their schools, making it impossible for this program to be available to all students. Side note: public education is a requirement for all children. All students are accepted. Based on the requirement of LB1402, private schools could receive state-funded scholarships even though they could discriminate in the enrollment practices for any reason other than race. This includes, but is not limited to sex, disability, gender orientation, religion, domicile, homelessness, pregnancy, and behavior, or academic issues. This opportunity to discriminate in

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enrollment is not based on capacity, but on the policy of enrolling only those students who meet certain requirements. Public schools cannot discriminate against any child wishing to enroll in their--

KELLY: One minute.

RAYBOULD: --school-- thank you, Mr. President-- who live in their boundary areas. If a school district does not have the capacity in its school or in a program to allow another student from outside the district to join the district without taking the place of a resident student, the school district can refuse the transfer. The one thing I think we're talking about today is our legacy as state senators. There were several referendums that I agreed with and didn't agree with, but we let it go to the vote of the people, the second house, voter identification, death penalty, Medicaid expansion. We need to allow Nebraskans to have their say on this issue and not do this bypass. So I do not support LB1402. Thank you, Mr. President.

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

BOSTELMAN: Thank you, Mr. President. I stand opposed to the recommit motion and I do support LB1402. The reason why I do is something that Senator Wayne just talked about over time, and Senator Linehan has both talked about over time is, is about the children. And it's about the children and the needs of the children. And when I talk to superintendents, and I'll talk to teachers the same way, is are you in education because of the child and the ability of that child to learn and doing the best you can for that child to make sure that child can achieve the best they can in education or are you just about having that child in your classroom? And if we're talking about trying to be able to give that child the best opportunity they can have to achieve the best they can, then why would we oppose to providing those who can't afford the opportunity to go to a private school, to give that child that opportunity? We already do this in 529 college savings plans. We already do that. We already do that in early childhood education. We already do that in our college and universities. And what we don't do is we don't allow it through K-12. And this is an appropriation for the parents to give that child that opportunity they need to achieve the best they can in school, to do the best they can for that student. That's what we're talking about. Here's a quote from one parent: I believe it's a start of a new beginning for them. I want

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to see them achieve their highest level of performance. It would mean everything, everything as a single mom to be able to give an opportunity I never had. That's what this is about. That's why I thank Senator Linehan for bringing this-- the dollars-- the, the ability to pay-- you're ability as a parent to pay for a child-- to not limit that child to reach their potential. I yield the rest of my time to Senator Linehan.

KELLY: Senator Linehan, you have 3 minutes, 3 seconds.

LINEHAN: Thank you, Mr. President. And thank you, Senator Bostelman. I appreciate it very much. So the Opportunity Scholarship Program that we passed last year is law. The-- is law. There have been over a thousand kids who have applied for scholarships. We're going to work really hard to make sure we can meet those needs. And there's a bunch more that we expect to apply. It is not OK to stand up-- I'm sorry, Senator Raybould. It's not OK to stand up and say that anybody who wants to go to parochial school or private school, Christian, Lutheran, Catholic, can do so today. It's just not true. It's not even close to true. Schools turn kids down every year because they, they can't afford to serve them. It's also not true to stand up and say public schools can't discriminate, when I've said for 3 or 4 years now, the first question on the option form is do you have an IEP? I, I don't know how they've gotten by with it for so long, frankly. And you also-- as Senator Wayne suggested, you can't opt in to Elkhorn. No. To go to school in Elkhorn, you got to have \$100,000 for the lot. Not the house, the lot. And it is very popular. And it is an excellent school. And I'm very proud of Elkhorn. Westside. Yes, Senator Fredrickson. You talked about Westside. Why don't you ask Westside-- Dr. Lucas-- school board-- if they want the fact that 33% of the kids in Westside are option kids, 33% opt-- that's why Westside doesn't like this bill. I've always understood that. They like their option kids from Omaha, because it helps them keep their neighborhood schools. I lived there. I know Westside really well. I guarantee you, Senator Fredrickson, they don't want it on the ballot, whether Westside should have 33% of their kids--

ARCH: One minute.

LINEHAN: --opt in from outside the school district. And the state, meaning people in Lincoln and Kearney, and Grand Island, and all over the state pick up the tab, to about \$12,000 a kid. Do you want to put

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that on the ballot? I don't think so. I do not think so. Thank you, Mr. President.

ARCH: Senator Conrad, you are recognized to speak.

CONRAD: Thank you, Mr. President. Good afternoon, colleagues. First, I want to add a incredibly strong and heartfelt note of my admiration to Senator Linehan. I have admired her from afar before I rejoined the body, and it has been an absolute joy to have an opportunity to work with her upon my return to the Legislature. I think she is one of the most talented, incredible political leaders we have seen in Nebraska. And as a woman leader in Nebraska, I don't think she has yet to receive her due credit. And I, I say that, even though we have significant disagreements on some policy and some political issues. Her career and her service speaks for herself, as do her-- as do the results, for the work that she pours her heart and soul into. And I, I think that she's a role model for many women across Nebraska, and I'm, I'm very honored to have the opportunity to serve with her. I'm going to live some very, very boring, technical, but important arguments that I started to tease out on Select File, in regards to how the repealer of LB753 may or may not work with the decision on the referendum that has been filed and certified by the Secretary of State's Office. I had asked rhetorically, I would like to see, perhaps some sort of information brought forward by proponents, or the Secretary of State, or Attorney General if LB1402 passes. And I think it's headed in that direction, I mean, we'll wait and see what the votes say. But I, I, I think that we need clarity as to what the decision-making process is for whether or not LB753 stays on the ballot. What is the timeline? What is the criteria? What does that mean for petition sponsors, for petition signers? What does that mean for the people who are currently donating to the program or benefiting from the program, all of these kind of looser, unanswered questions. I think we may be a bit in unchartered territory here, but every single person is deserving of clarity on that point. So, I want to reiterate that. Additionally, Mr. President and colleagues, LB1402 does not have a severability clause. And it's too late, upon Final Reading for us to add one to it. So-- hang with me for a second-- if LB1402 passes, and there is a legal challenge to the propriety of the state directly appropriating or indirectly appropriating money to a nonpublic school, and a court agrees and invalidates the portion of LB1402 that appropriates the money, what impact does that have on the related part, regarding the repeal of LB753? Just because the Legislature does

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not include a severability, of course, that does not mean that a court wouldn't find a more narrow basis for making their decision. Our Supreme Court has long held that the cardinal principle of statutory construction is to save and not to destroy. Therefore, a court should refrain from invalidating more of the statute than necessary. However, if a court agrees that the indirect appropriation scheme or direct appropriation scheme, as some proponents are talking about today, violates the Article VII, Section 11 provisions of the Nebraska Constitution that then repeals LB753, could that be severed and still take effect? So there's additional standards for what the court has artic-- Nebraska Supreme Court has articulated in regards to a determination of severability, found in *State ex rel. Bruning v. Gale*, 2012. And I won't go through all of those on the record, because I fear I might run out of time. But however, if you apply some of those factors, you-- it has to become clear--

ARCH: One minute.

CONRAD: --that the Legislature-- thank you, Mr. President-- can always simply repeal an earlier passed law. So we could always repeal LB753. But the combination of the repeal of LB753, combined with the adoption of LB1402 could arguably confuse or somehow conflate these issues moving forward. So say we move forward. LB753 is repealed in this measure. People go to court, and then the Supreme-- and then the SOS removes it from the ballot. Then people go to court to challenge LB1402 and the repealer on 70-- LB753 is gone. So I want to lift up that sequence and that probability to make sure that all people involved in these critical decisions are thinking through how these interrelated systems work together, preserving the power deserve-- reserved to the people for themselves--

ARCH: Time, Senator.

CONRAD: --and to the Legislature, as granted by the people. Thank you, Mr. President.

ARCH: Senator Albrecht would like to welcome some guests, 18 fourth grade students from Emerson Hubbard Elementary in Emerson, Nebraska, and her grandson, Isaac Albrecht and Lisa Albrecht, daughter-in-law. They are located in the north balcony and under the north balcony.

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Please rise and be welcomed by your Legislature. Senator Blood, you are recognized to speak.

BLOOD: Thank you, Mr. President. Fellow senators, friends all-- and you are almost going to hear that for the very last time today. So. I do stand in support of Senator DeBoer's motion to recommit, and I am against the underlying bill. And I'm going to say my plea one more time. Please do not deny Nebraskans the right to vote. Who are you to ignore the referendum petition? 117,000-plus Nebraskans felt that they wanted the right to vote on LB753. Who are we to try and supersede it and go around the will of the people? And yes, millions of dollars were spent on both sides, by the way. Because both sides felt very strongly about the issue. And I did help with the petition drive. And I can tell you that there were just as many people that were in favor of it that were against it. And both signed, because they thought they wanted to put it to bed once and for all, to quit wasting precious time in the Legislature on it and get back to business on the kitchen table issues, like property taxes. You-- if indeed you vote for this underlying bill, directly inhibit voters ability to vote on a critical decision that affects our educational system. You know, I've told this story before, but I have a friend, Charlene Ligon. And her mom, among a long list of activism, was the woman who took the poll tax to the Supreme Court, Evelyn Betts. In fact, I think the first time that we voted-- we debated voter ID, I left a autographed copy on Senator Murante's desk. I don't know if he ever figured out it was me, but I left him the gift because I wanted him to read that book. And the reason I bring this up is because historically, we know it's wrong to create barriers to voting. I was never a big fan of the voter ID, but when it went to the poll-- to the ballot and people voted in favor of it, I support it, because that's what Nebraskans want. If you go to my office, you'll see that I keep a note under my glass top, that says the magnitude of people that voted in favor of the death penalty in my district, to remind me when I'm voting on issues, what's important to the people in District 3. Not something that I necessarily would have supported, but it's not the "District of Carol," it's the district of-- of District 3 and the people who live in it. If this is such a great idea-- and you've told us over and over and over again, this is a fantastic idea and anybody who's against it is wrong-- then why are we scared to take it to a vote? Why is that the wrong thing to do, and why are we trying to get around it? If this is such an awesome idea, maybe we should have spent the millions, instead of fighting it, and

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having people physically block folks who wanted to come and sign the petition, paying people as blockers, why didn't we spend that money to promote what a great idea this was? But instead, it was the usual us versus them shenanigans. We have the reason-- we have the ability to take this great idea to the voters. We've done it before. Death penalty, Medicaid expansion, minimum wage. You're going to see all kinds of things on the ballot this year. Paid family medical leave-- all the things that we can't seem to get done in this Legislature, by the way, that the people in Nebraska tell us they want done. If they're the second house, why do we continue to ignore that? You--

KELLY: One minute.

BLOOD: --are taking away their right to use their voice to tell you how they feel, once and for all, about public dollars going to private schools. And guess what? Then we never have to have this debate again. And we can get on to more important things, like affordable housing, like lowering property taxes and doing a better job with assessment, like feeding hungry kids, helping people with disabilities. All important issues. I don't doubt that anybody feels passionate about this being for the kids. That's not the issue. The issue is the referendum is going to be on the ballot in November, and it is your jobs to let it happen. Thank you, Mr. President.

KELLY: Thank you, Senator Blood. Senator Dover would like to announce some guests under the north balcony, Craig and Lois Padgett, Mark Dahlheim, and his wife, Ann Dover. Please stand and be recognized by your Nebraska Legislature. Senator Erdman, you're recognized to speak.

ERDMAN: Thank you, Mr. President. I stand in favor of LB1402. Always have. Always been for school choice. When I was first here, the first year I had an issue, we had an issue in my district about substitute teachers. And 12 superintendents from the western part of the state had contacted me about trying to fix that for them. And so I asked them to review what other states do and come with an idea of which state we should follow. And the conclusion was that we should adopt the procedures and the protocol they use in Wyoming. And I introduced a bill to do just exactly that. Every NSEA member, every person in education in the eastern part of the state come out against me, because most of those schools have a contract for substitute teachers. And it did not advance out of committee. Several years later, they were having difficulty in the eastern part of the state getting

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substitute teachers. Then they were interested in doing something. Education-- public education or government schools, whichever you want to call them, in this state are failing our young people, failing to teach them to read in third grade. Senator Linehan and Senator Pansing Brooks toured the state, several years ago, to discover that. One of the things that I thought was very interesting, she said. In Lexington, probably the poorest school in the state, the poor kids could read. So poor people can learn if they're taught. So our schools are failing a vast majority of the kids, who have a proficiency in third grade in English and math, in the teens, but that's OK. Omaha Public Schools has a graduation rate of 74%, but that's OK. So I was wondering if Senator Fredrickson would yield to a question or 2.

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

FREDRICKSON: Yes. Of course.

ERDMAN: Senator Fredrickson, thank you for doing that. So it's my understanding, Senator Fredrickson, that 30%-- 33% of the students that are in Westside are opt-in option students. Are you familiar with that?

FREDRICKSON: I don't know the exact percentage number, but I know there's a number that do opt in, yes.

ERDMAN: OK. So are you OK with the state paying for the opportunity for those kids to opt in to Westside?

FREDRICKSON: Well, I think if you--

ERDMAN: Are, are you OK with that?

FREDRICKSON: I mean, I, I-- you know, the state law currently is TEEOSA. That's the formula we use. And so I support the formula that we-- as we currently have it. Yes.

ERDMAN: OK. So what you're saying is you support people who choose to go to a different school if it's paid for by the state? Is that what you're saying?

FREDRICKSON: I think that is-- with, with state appropriations, public dollars, if it's a public school, then yes.

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ERDMAN: So why would you be opposed to having people who can't afford to go to a private school not have the opportunity to do that? If you're OK with people choosing--

FREDRICKSON: Well, my--

ERDMAN: --what public school to go to and somebody pays for it, including the state. Why would you be opposed to the state paying for a person who can't afford it to go to a private school?

FREDRICKSON: Because private schools don't provide the same opportunity. So, for example, if a student has a disability, or an IEP or other issues--

ERDMAN: Yeah. Yeah, I don't agree with that, but--

FREDRICKSON: Well, I have--

ERDMAN: Thank, thank you for your answers. That's all I have for you.

FREDRICKSON: You're welcome, Senator Erdman.

ERDMAN: So as Senator Wayne alluded to, the fact that most of the people that are opposed to this bill and to school choice, have a choice. But they don't want other people who can't afford it to have a choice. So with that, I want to yield the rest of my time to the fish whisperer, Senator Wayne.

KELLY: Senator Wayne, one minute.

WAYNE: Thank you, Mr. President. And thank you, Senator Erdman. So to me, this is not a complicated issue anymore, when you think about the child. Let's forget the politics. You say-- we continue to say we want the best for every child. And we want every child, regardless of their race, income level, to have an opportunity to be successful-- the best opportunity to be successful. We want to give all the tools from tax credits to-- ability-- tax credits, to everything we offer. We offer everything for families to make the best choices for their children. But yet, when it comes to this, we want to limit. When it comes to the daycare that they choose, we don't say it has to be public. When it comes to a college the family chooses, we don't say it has to be public. We provide--

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KELLY: That's time.

WAYNE: Thank you, Mr. President.

KELLY: Thank you, Senator Wayne. Senator Armendariz, you're next to speak.

ARMENDARIZ: Thank you, Mr. President. I, I, I did want to address the referendum that keeps being brought up. Let the people vote. Regardless if the referendum goes through. People vote. People vote it up, vote, vote it down. Whether this bill advances or not, this isn't the end of what we need to do with the public schools. We are not obligated to take everyone at a public school. We are obligated to educate every child of this state. And if you look at the results, as I'm flipping through Schools at a Glance, we at best average 50% in proficiency, and at worst, 17. We are not educating every student of this state. That is our obligation. We are getting confused with we need to keep the public schools running with what we're really supposed to be doing is educating all of our children. And I don't know if anybody would say 50% and below is educating our children. We wonder why we, we lose the best and the brightest, because some of them do come out of our institutions and go to our universities, and leave? We aren't cultivating the best and the brightest in our public schools, because we're acting like that's the only way we can do it, in those institutions we built. They're no longer performing at the expectation that the taxpayer had invested \$5-plus billion to do. And that's OK. All the taxpayers that don't work for the government, that don't work for the schools, can listen. You work for a private business. And if you're a private business is, is putting out a subpar product, do you go back and figure out how to make a better product? Absolutely, or you go out of business. And for some reason, people are under the impression that the schools just keep going, regardless of the product. I asked a superintendent, how do we get good results? And he answered, good results are subjective. I don't understand how that is subjective. And he gave an example-- well, some people want this kind of experience in school. No. We as taxpayers want our kids to read and do math at a high level. That average, to me, should be 85% or more. And if it's not, we should be working and turning over every single stone until we get there. Poverty. I grew up in poverty. I knew how to read. I knew how to read at a high level, as did a lot of my peers that all grew up in poverty. You can be smart and grow up poor. It's not an excuse. Foreign language. I had a great friend that came

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to this country at 18 years old and did not speak a word of English. And we know the later you learn English, the harder it is. She was 18, went to Westside, learned English, graduated by 19, and went on to Yale. And she was from Poland. You can learn English and graduate at a very high level. The set-- the foreign language-- and especially if they're coming in as children, and, and coming into our public schools at 5 years old, that's no longer an excuse either. We, as taxpayers, need to be activist investors in our public school system and demand higher results coming out of them. If not--

KELLY: One minute.

ARMENDARIZ: Thank you, Mr. President-- we need to find all kinds of different opportunities to get there. Why aren't we mandating behaviors in classrooms? I know if I have a child in a classroom and the classroom is constantly disruptive, I want to get my kid out of there so they can be there to learn. If there are kids that are disrupting classrooms, they need to be immediately removed and sent home. It's not my problem that their parents work 3 jobs. That is not the responsibility of the teacher. And if we have parents that are not engaged, then we need to mandate they get engaged, if that's the problem. We can't just sit back on our hands and say, oh, we have to underperform, because we have parents that aren't engaged, we have disruptive kids that have a lot of problems at home. We have different mechanisms to deal, deal with mental health issues. We have different mechanisms to deal, deal with lack of involvement.

KELLY: That's your time, Senator.

ARMENDARIZ: Thank you, Mr. President.

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

DOVER: Thank you. I remember, I was, I was in high school, and I met a, a kid. And I think he was actually at a bonfire event one, one weekend. And I think a lot of you remember those kind of things, back in the '70s. And we became good friends. He'd been sent from north Omaha up to Norfolk-- and invited me down and-- after he spent the summer with his grandparents, I went down there. And he described what the schools were like. And the doors were chained shut. There were drug dealers there and everything. And I keep hearing-- even today, I

keep hearing, and I've heard over the years, is if we just had more time, more money, I don't know. I would think that almost half a century would be enough time. And I think there's been enough money spent. And even when Senator Chambers tried to get north Omaha out of OPS, he was defeated by who? The lobby. And so I'm really concerned that we don't always do the right thing. And I mean, how long are we supposed to wait? What else are we supposed to do? And I don't think that money is a, is a solution, but I do think opportunity scholarships is a solution. I spoke with a senator who votes no, who votes his party line, and I talked to him-- I called him and I talked to him. I said, hey, how are you going to vote? What if we passed opportunity scholarship? And this was last year. And they said, well, we really need to spend the money here. We don't need spend it there. We shouldn't [INAUDIBLE] this with public schools. We shouldn't-- and then-- I said, no, no, no. Stop. Just tell me, do you think it'll save lives in north Omaha? No, we really need to-- I said no. Stop. I won't say who it is, and I will not say who it was. And I said, listen. Will this save lives in north Omaha? You what they told me? Well, yes. And then they voted no. So, I mean, this is not about-- all of these discussions about public money-- you know, public money is being mixed with private. This is about saving kids' lives. In north Omaha, I was, I was over at-- staying at the Marriott last session. And a gentleman was drive-- was going to Creighton University. He was very happy. I mean, was fan-- fantastic kid-- his vocabulary, dress, attitude-- wonderful. And I happened to say, where are you from? He said, well, I'm going to Creighton University. I'm from north Omaha. I'm just making a little extra money on the weekends driving the van for Marriott. And I said, fantastic. And when I heard north Omaha, because of an issue, I said, so what about your other friends from north Omaha? He immediately went from happy-- he looked down. And he shook his head. And he said, he said his friends would never have the life he had. I'm telling you, this isn't-- this is not about public education. This is not about funds. This is about saving lives, keeping kids out of prison. And I will, and I will-- you know, Senator Wayne, Senator McKinney, they know this. Why are we having this argument? I hear people in here that they talked about we need to take care of kids. We need to think about poor. I just want to say this. Where are the votes-- when it's a vote that you're going to vote against a lobby, who's been funding your campaign-- when is it-- when is it more important to vote your conscience? When is it more important to take care of the poor, take care, take care of these kids

and give them a chance? And I think Senator Armendariz has spoken very, very well to this. And as far as-- going back to those who are upset because Lou Ann Linehan came up with a new bill-- I'll tell you, Lou Ann Linehan came up with another bill because she listens to everybody's complaint. She listened to the fact that it's a, it's a-- it's for the rich. It's a tax credit. There's all this money and all these things. Well, she fixed it. She listened and she fixed it, and she brought it around. And why did she bring it around? Because there are children right now, who, their lives have been turned around because they are out of--

KELLY: One minute.

DOVER: --that environment. Thank you. They're out of that environment where they're bullied. And where are they now? They thank God for Lou Ann Linehan and the opportunity scholarship. They are in another school where they are comfortable and they can flourish. Thank you.

KELLY: Thank you, Senator Dover. Mr. Clerk, you have a motion on your desk.

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

KELLY: Senator Linehan, for what purpose do you rise?

LINEHAN: Everybody's here, so no call of the house, right? And roll call vote in regular order, please.

KELLY: Members, please check in. All unexcused members are now present. Member-- members, the first vote is the motion to invoke cloture. There's been any request for a roll call vote. Mr. Clerk.

CLERK: Senator Aguilar voting yes. 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 no. Senator Bostelman voting yes. Senator Brandt voting no. 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 no. 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

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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. Senator McKinney not voting. Senator Meyer voting yes. Senator Moser voting yes. Senator Murman voting yes. Senator Raybould voting no. Senator Riepe voting yes. Senator Sanders voting yes. Senator Slama voting yes. Senator Vargas voting no. Senator von Gillern voting yes. Senator Walz not voting. Senator Wayne voting yes. Senator Wishart voting no. Vote is 33 ayes, 14 nays, Mr. President, to invoke cloture.

KELLY: Cloture is invoked. Members, the next vote is on the motion to recommit. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 12 ayes, 33 nays to recommit the bill, Mr. President.

KELLY: The motion fails. The next vote is to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 41 ayes, 4 nays to dispense with the at-large reading, Mr. President.

KELLY: The at-large reading is dispensed with. Mr. Clerk, please read the title.

CLERK: [Read title of LB1402].

KELLY: All provisions of law relative to procedure having been complied with, the question is shall LB1402 pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Has everyone voted who wishes to vote? Record, Mr. Clerk.

CLERK: 32 ayes, 15 nays, Mr. President.

KELLY: The bill does not pass with the emergency clause. The next vote will be to advance LB1402-- to pass LB1402 without the emergency clause. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk. Mr. Clerk, please record.

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CLERK: Voting aye: Senators Albrecht, Arch, Armendariz, Ballard, Bosn, Bostelman, Brewer, Clements, DeKay, Dorn, Dover, Erdman, Halloran, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, Meyer, Moser, Murman, Riepe, Sanders, Slama, von Gillern, Wayne. Voting no: Senators Blood, Bostar, Brandt, Cavanaugh, Cavanaugh, Conrad, Day, DeBoer, Dungan, Fredrickson, Hunt, Raybould, Vargas, Wishart. Not voting: Senators Aguilar, McKinney, and Walz. Voter is 42-- 32 ayes, 14 nays, 3 present not voting, Mr. President.

KELLY: LB1402 passes. While the Legislature is in session, session and capable of transacting business, I propose to sign and do hereby sign LB1402. The next bill is LB1402A with the emergency clause. All those in-- Mr. Clerk, please read the bill.

CLERK: [Read LB1402A on Final Reading].

KELLY: All provisions of law relative to procedure having been followed, the question is-- and complied with, the question is shall LB1402A pass with the emergency clause? All those in favor-- Senator Conrad, for what purpose do you rise?

CONRAD: Thank you, Mr. President. I'd like to ask or make a point of parliamentary inquiry. I think it's definitely allowed for under our rules, but perhaps a bit unprecedented or confusion. And members seem to be confused about how the last bill, the substantive bill, LB1402, moved forward without the E clause. And now, the A bill which contains the E clause is, is providing a fair amount of, I think, just confusion for people. So it seemed that it would be proper and appropriate if the Clerk and leadership could provide just a moment of, of clarity for everyone in regards to the procedural issue. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad.

CLERK: Senator, if you point to your rules, Rule 6, Section 10 talks about the emergency clause and the votes required. When a bill containing the emergency clause does not receive the required 2/3 constitutional majority on Final Reading, then the emergency clause shall be considered stricken, and the bill without the emergency clause shall be pending on Final Reading. And the question shall be, shall the bill pass with the emergency clause stricken? The vote was

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then taken on the bill without the emergency clause, and that bill passed.

CLERK: Oh, yes. Very good. Thank you, Mr. Clerk. But I was wondering if you could also perhaps draw the connection as to whether or not LB1402A needs to move forward with an E clause or if the same rule and application applies therein, since the last bill had the E clause stricken by a vote of the membership.

CLERK: The A bill will have the E clause at this time, Senator, depending on the vote, pursuant to the same rule.

KELLY: Members, the question-- members the first vote-- all provisions of law relative to procedure having been complied with, the question is shall LB1402A pass with the emergency clause? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: Voting aye: Senators Aguilar, Albrecht, Arch, Armendariz, Ballard, Bosn, Bostelman, Brewer, Clements, DeKay, Dorn, Dover, Erdman, Halloran, Hansen, Hardin, Holdcroft, Hughes, Ibach, Jacobson, Kauth, Linehan, Lippincott, Lowe, McDonnell, Meyer, Moser, Murman, Riepe, Sanders, Slama, Vargas, von Gillern, Wayne. Voting no: Senators Blood, Brandt, Machaela Cavanaugh, Day, DeBoer, Fredrickson, Hunt, Raybould. Not voting: Senators. Bostar, John Cavanaugh, Conrad, Dungan, McKinney, Walz, and Wishart. Vote is 34 ayes, 8 nays, 7 present not voting, Mr. President.

KELLY: LB1402A passes with the emergency clause. For what purpose do you stand, Senator Raybould?

RAYBOULD: I'm hoping that you could provide further explanation. If the original bill, LB1402, was not passed with an emergency clause, how does this affect the appropriations? And the-- appropriations. Thank you.

CLERK: Senator, that's not a parliamentary inquiry. I mean, that'll be a determination that you've passed a bill in which the funding will be there, despite the law itself not taking effect for the, the time frame.

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KELLY: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB1402A with the emergency clause. Mr. Clerk, for items.

CLERK: Mr. President, bills-- this-- bills read this afternoon were presented to the Governor at 2:58 p.m. That's all I have at this time.

KELLY: Will the members of the Governor's Escort Committee, Senators Albrecht, Halloran, Lowe, McDonnell, Walz, and Vargas, please escort the Governor to the Chamber.

_____ : Mr. President, your committee now escorting the Governor of the great state of Nebraska, Governor Jim Pillen and First Lady Suzanne Pillen.

JIM PILLEN: President Kelly, Speaker Arch, and members of the One Hundred Eighth Legislature, friends, and distinguished guests, my fellow Nebraskans. It's an incredible honor to be with you as you conclude the second regular session of this Legislature. Before I get started, let me just speak-- last Friday evening. We had a devastating reminder of the dangers our men and women in law enforcement face every single day. Ceresco police officer Ross Bartlett was killed in the line of duty when his patrol car was hit by another vehicle during a traffic stop. Ross's life was defined by incredible public service. He also served as an investigator to the Nebraska Department of Corrections. And he served as a volunteer firefighter. He leaves behind his wife Tina, daughters Tiffany and Crystal, and 7 grandbabies. Their loss is profound, as is that of his community and our state. We mourn them. We will never forget his service and sacrifice. Will you please join me in a moment of silence and prayer in honoring Officer Ross Bartlett? Thank you. Let us give a round of applause to not only celebrate Officer Bartlett's life, but all the men and women who protect us and wear blue every day. If we could show our appreciation. Thank you very much. Let me begin. This Legislature has, has much to be proud of. You've made unprecedented investments in our schools, honored Second Amendment, protected kids and the unborn, and created the tools to finish connecting our roads and broadband infrastructure across the state, delivered on long, long overdue income tax cuts. And we finally made Nebraska a state where kids can go to a school that fits them best. You passed 2 fiscally conservative budget-- fiscally conservative budget, budget measures, and held the line on government growth with the mid-biennium adjustments, providing

virtually no new non-education spending. Let me say that again-- providing virtually no new non-educated spending. You swept nearly a quarter billion dollars of idled government pillowcase money, I like to call it, to jumpstart additional tax relief, based on the commonsense principle that government should not hoard public funds. You made the overdue decision to provide Nebraska's fair share of federal funds to support our seniors, build our roads, and deliver over \$1 billion in federal dollars for our hospitals. These funds will not only improve hospital performance, but they'll help with recipients of nursing scholarships, take toward solving our state mental health funding crisis, really critical investments for our health initiatives. Even in this short, short session, your hard work and countless hours yielded tremendous results for Nebraska. You passed the important protections for religious liberty. You created new incentives for service in our Nebraska National Guard. You gave businesses the tools they need to attract new Nebraskans to outstanding careers here, enhanced their childcare options, and invested in career housing. You gave schools the power to make local decisions, to protect their kids by training good guys with guns to stop bad guys with guns. You took a momentous step in ensuring the stewardship of Nebraska history will be governed with accountability to its people. You made once-in-a-generation investments in the promise of the incredible future of Nebraska's bioeconomy, which will harness federal resources to support transforming our agricultural backbone into a powerhouse that feeds and fuels the world at an unprecedented levels, while ensuring our farmers are rewarded for the true value of what they raise. You invested in Nebraska's resources and-- water resources and quality funding-- nitrates sensors and education, as well as support for using technology to solve our nitrate challenges. You strengthened our homeland security. We have long known that Nebraska is not entirely shielded by oceans from foreign interference. Today, an enemy may only be a Q stroke away from disrupting our water, our electrical, communications, and other critical systems. Against that modern threat, even a triple landlocked state must shoulder the responsibilities of national security. With that in mind, you passed legislation that will enhance Nebraska's infrastructure security, and mitigate the threats we face from global adversaries. This is just part of this Legislature's achievements, and I congratulate you on your work. The conclusion of a Legislature is bittersweet. It brings with it the departure of several of the leaders in this body. A big thank you to Senator Albrecht, Senator Blood,

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Senator Bostelman, Senator Brewer, Senator Erdman, Senator Halloran, Senator Linehan, Senator Lowe -- although, Senator Lowe, I don't know what's happened to you here in the last couple days-- Senator McDonnell, Senator Meyer, Senator Slama, Senator Vargas, Senator Walz. Senator Wayne and Senator Wishart. Everyone came here with different life experiences, different perspectives, different paths, different priorities, but with the same fundamental goal to make Nebraska a better place for our kids. I thank you. And I thank everyone for your sacrifices, as well as your families, that you all did for the good of your state. Speaking of our departing senators, the people in Nebraska require just a little bit more of your public service before you leave. Because of this Legislature's inaction this morning, Nebraskans will not see a penny of property tax relief out of this session. It's unacceptable from my seat. As I've heard from Nebraskans across our state for over 3 years, our prax-- property tax crisis must be solved now. Property taxes are so out of whack, you don't even need to own property to feel its harm in this state. Every single Nebraskan sees spiraling growth in property taxes. Yet, this Legislature failed to act. \$5.3 billion in property taxes were levied in 2023. 5.3, compared in 2013, 3.4. In your first year of this biennium, property taxes increased \$300 million. Every Nebraskan sees that out of control local government spending is the main property tax driver. Yet this Legislature failed to pass limits on spending. Every Nebraskan sees the existing property tax relief programs are not fixing the crisis. A recent report uncovered over \$420 million in property tax credits are left on the table, unclaimed. \$420 million. The share of taxpayers not claiming their credits in big school districts is jaw-dropping. Half of the taxpayers in Millard, in Westside, and in Lincoln have not claimed their tax credits. Half. Nearly 60% in Papillion La Vista district, 67% in Omaha. Yet, this Legislature failed to adopt commonsense measure to frontload it. Common sense, to see their statements instead of having to do work months later, write a check, and claim it, for those that can afford accountants. Every Nebraskan agrees that we must broaden our sales tax base and close the loopholes, the carve outs, and favored treatment defended by lobbyists and special interests. Every Nebraska-- yet this Legislature failed to take even a modest step to correct their imbalance. As I promised to hardworking Nebraskans across the state, and as most of you have promised to your constituents, together we'll fix it this year. Fortunately, we still have a chance to do that. We will work very hard to make sure this body acts on the truth, on the truth about property

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taxes, not the misstatements pressed by special interests. With this Legislature's failure to enacting meaningful property tax relief, we're behind at the end of the first half, but we still got a second half to go. I will call as many sessions as it takes to finish the long overdue work of solving our property tax crisis. My heart goes out to the seniors of Nebraska, hardworking folks in our state, who face losing their homes because they can't afford their property taxes. But-- see tax loopholes for candy, pop, CBD, and the big tech behemoths remain in law. The lobbyists and out-of-state special interests will keep fighting for their carve outs and favored treatment. But you know and I know what Nebraskans demand and expect. The lobby might imagine they've won this half, but the people in Nebraska are going to win in the end. We will finish this work and we will finish it this year. Property tax relief may not be this Legislature's only unfinished work. I will not hesitate to call a special session to complete other unfinished business, including winner take all, when I receive a clear signal from the leaders of this body that there's support to return and do the people's work this year. Let me close. It's a privilege of a lifetime to serve and do the work of the people in Nebraska. On behalf of our team, my partner, President Joe Kelly, and me, thank you and your teams for all your work, and for all your incredible public service. Enjoy halftime. We'll see you again here soon. God bless you all. And God bless the people of the great state of Nebraska. Thank you.

KELLY: Escort Committee, please escort the Governor. Members, find your seat. Mr. Clerk, for items.

CLERK: Mr. President, your committee on Enrollment and Review reports LB1402 as correctly enrolled. That's all I have at this time.

KELLY: Senator McKinney, you're recognized.

McKINNEY: Thank you, Mr. President. Brandon's bringing it. As the previous E&R Chair, it's my duty to congratulate and thank our current E&R Chair for his service to the state over the last couple years, Senator Beau Ballard. Here's a bag for you. And, and thank you for your service.

KELLY: Speaker Arch, you're recognized for a message.

ARCH: Thank you, Mr. President. Good afternoon, colleagues. Welcome, visitors. The second session of the One Hundred Eighth Legislature is coming to a close. I want to thank each of you in this body for your hard work and for the sacrifices you've made this session. We did accomplish a lot. And we should be proud of the work we have done. There were 597 pieces of legislation introduced this year, including the bills we passed today, and including those bills amended into packages. We have, in effect, sent over 370 bills to Governor Pillen for his signature, and those include A bills, as well. That number also includes a number of bills introduced and heard last year, so it wasn't all this year's bills. Within those pieces of legislation are good government policies that will grow our economy, our workforce, and our communities, strengthen our K-12 education, provide more support for our families, reform our criminal justice system, protect our valuable resources, and improve the physical and mental well-being of Nebraskans. I've been asked by many people what changed between the First Session of the One Hundred Eighth Legislature and this, the Second Session of the One Hundred Eighth Legislature? And the answer is, a lot. I think we can all agree that last session was motivating to all of us, to find a different way to legislate, and also clarifying, as to just how important, extremely fragile this treasure of our legislative institution truly is. In my end of session speech last year, I stated that it would be up to the members of the Legislature to determine what kind of Legislature we want going forward. A Unicameral that is focused on approaching governance with a solution-focused, problem-solving mindset will only happen if we want that. I made a commitment to this institution and to the members of this body that I would work with you over the interim, to assess what we have learned, lessons, both good and bad. And that's what I did, and that's what a lot of you did. We successfully hit the reset button. The interim gave us the opportunity to implement a number of changes to strengthen our institution, which directly impacted this session. In addition to spending time with our colleagues over the interim, we also conducted an interim study, LR179, to get feedback from the public regarding its participation in this representative form of government. As we discussed at the Legislative Council meeting in December, the feedback was eye-opening and enlightening. The message was clear: We, as individual senators, as a body of representatives of this institution, we needed to do better. So we made a number of changes, including new, easy-to-follow bill tracker on our website, more comprehensive information available to the

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public, improvements to the online comment portal, and very importantly, a structured committee hearing process for controversial issues. We also made a number of changes to our own internal rules of legislative procedure to make the process of debate more efficient. Each amendment to the rules was given a public hearing. Input was received, and seriously considered. Adjustments were made, compromises were made, a transparent and open discussion occurred on the floor, and we ended up with a set of rules which improved the quality of our debate, and improved the functioning of our institution. There were certainly-- were controversial issues that led to difficult debate, and there always will be. Every session are-- is going to have controversial issues, but we learned how to deal with those issues and find a way to debate them productively. I'm not going to go into all the bill details of what we passed. The Governor did a very good job with that. But I do want to talk about how you legislated this year. We definitely improved our communication to each other. That was my greatest encouragement. I saw it happening. If there was opposition to a bill, you attempted to understand the opposition's concerns and find a path forward, ultimately resulting in a better bill. We weren't just counting votes this year. We were actually working with each other, and I think we learned to work together. Compromises were made to improve the legislation. I think that was obvious by how many bills we passed with such broad support. We took the 60-day opportunity to define ourselves as a solution-focused, problem-solving Legislature, and for that, Nebraskans will benefit. For those of us continuing on to become members of the One Hundred Ninth Legislature, we absolutely have to hold on to the lessons we've learned and carry those forward, so we can be good role models for those who will join us. As freshmen senators come in-- and we'll have at least 15 in this next session. As they come in, we have to help them understand what the culture of this Legislature is. We must continue to protect this treasure, the institution of the Unicameral. For those who will not be back next year, thank you very much. You have mentored us. We want to mentor those who come behind us. Senator Albrecht, Senator Blood, Senator Bostelman, Senator Brewer, Senator Erdman, Senator Halloran, Senator Linehan, Senator Lowe, Senator McDonnell, Senator Meyer, Senator Slama, Senator Vargas, Senator Walz, Senator Wayne, and Senator Wishart, thank you. And it was a pleasure serving with you all. But as we know, this Legislature embodies more than just 49 senators. And there are many, many dedicated people behind the scenes who, without them, this Legislature simply wouldn't function. As I say your name,

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would you please stand up? I want to recognize you. First-- he's already standing-- I want to thank and recognize our Clerk. I think we could all say without Brandon, we'd all be lost. You did an outstanding job in your first 2 years of your tenure as Clerk. Your advice to me on rules and procedures was extremely valuable. Thank you very much, Brandon. Next, Assistant Clerk Dick Brown. Thank you, Dick, for your decades of service and your willingness to stay and support the Clerk in his first 2 years. Thank you, Dick. Also, Deputy Director of Committee Support, Mike Hybl, in his new role, and the Clerk's staff, who are on the floor each day. Carol Koranda, Jenni Svehla, Diane Johnson, you're well known to all of us-- and the rest of the Clerk's immediate office, who are here every night after we adjourn and here first thing in the morning. Thank you to the clerks. I often wonder what goes through the minds of our legislative pages as they sit there and they watch us. I won't ask them. But thank you very much to our legislative pages, and those-- and our supervisors, Kate Kissane and Bobby Busk, as well. The-- and then we have the Clerk's support offices, which include our Bill Room and Mail Room, our Transcribers, our Unicameral Information Office, our Legislative Technology Office, and of course, our Sergeant at Arms. Now, I want to take a moment here, before we applaud all of them. I want to talk about the Sergeant at Arms for a second. I want to recognize some of our sergeants who will be retiring, Gerry Van Ackeren, Laurie Klosterboer. Both have been helping keep us in line since 2020. And of course, our Chief Sergeant at Arms, Burdette Burkhart, who has been with this Legislature since 2015. Thank you for all your service, and please enjoy your retirement. And then, the Legislative Fiscal Office, with Director Keisha Patent, the Revisor's Office, with the Revisor of Statutes, Marcia McClurg. I'll, I'll tell you, it would be an understatement to say we kept these 2 offices a little busy this year, and a little overwhelmed. In addition to the over 500 bills and resolutions introduced at the beginning of the session, Senators, you requested over 1,400 amendments, 740 fiscal notes. These requests require both offices to work late into the evenings, on weekends and holidays. Thank you to the leadership of those offices and all of the people that staff. Thank you all for your hard work. It got a little dicey at the end, didn't it, turning those bills around as we were, as we were moving in the last days? Thank you very much for your hard work. We also have Ben Thompson, who leads our Legislative Research Division. Thank you very much for doing all of that research. The LAs really appreciate it. All of our senators really appreciate it. Ben,

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are you, are you here? There you are. Thank you-- and the, and the staff. Thank you very much. We have the Legislature's Accounting and Budget Office, led by Shelley Reed. Shelley, are you here, as well? So I don't-- there you are. Thank you. We know that Shelley and her office does a whole lot more than accounting-- and appreciate answering all of our questions. Performance Audit Division, supervised by Auditor Stephanie Meese. Is Stephanie here? There she is. I'm sure LR298 might be of some interest to you, Stephanie. We'll be, we'll be in contact, as we talk about legislative oversight this summer. Thank you. Our Inspector General of Corrections, Doug Koebernick, and our Inspector General of Child Welfare, Jennifer Carter. You also will be involved in LR298. And I saw-- where are, where are they sitting? I saw-- there they are. And then we have, of course, our Ombudsman's Office, led by Ombudsman Julie Rogers. This has been a great year-- a difficult year for Julie and her staff, but thank you very much for your work. And then, the person that we often see, sitting as presiding officer, our President and presiding officer, Lieutenant Governor Joe Kelly. Thank you very much, Joe. I see, Lieutenant Governor, you got your very own gavel. But I see it's also screwed down to the plaque, so cannot be weaponized. And of course, our committee-- and of course, all of our committee staff and personal staff, my own team, Laurie Weber, Lisa Johns, Mandy Mizerski, I want to personally thank them. Wow. You know. Thank you. I also want to thank Nebraska Public Media for its coverage of the Legislature, bringing state government into the homes of people across the entire state. Day and night, they're here. They're doing all of that work. Thank you very much to them. And finally, last but not least, Captain Mike Grummert, Lieutenant Sean Wilson, Trooper Dusty Black, and the rest of the Nebraska State Patrol, and of course, our own Capitol security team. Your support and efforts to keep us safe and maintain order are greatly appreciated. Well, thank you to everyone, for your very hard work, and for a session we can all be proud of. I had farewell at the end of my remarks, but perhaps it's see you soon. Thank you, Mr. President.

KELLY: Speaker, Speaker Arch, please approach. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. Good evening, colleagues. Good afternoon, colleagues. As is the practice, a member is typically selected to provide and provide gratitude and tribute to the Speaker, who leads our fine institution, and who works with each of us. So it

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is my distinct pleasure to have the honor and opportunity to thank you, Speaker Arch, on behalf of the body, ,on each of us, individually and collectively, for your fairness, for your integrity, for the open, candid communication, for the tone that you set, for the leadership that you provide, and for your incredible commitment and vision to professionalize and to modernize the Nebraska Legislature, particularly in the term limits era. We want to thank your beautiful wife, Brenda, and your family, for sharing so much of your time with us, and your community, and your state. We are grateful for the strides you've made on citizen and community engagement. We are excited to see where you take us on ensuring robust legislative oversight. We're excited to continue the work together on committee restructuring and rules. And we thank you, for the heart and soul that you bring to your work each and every day to make Nebraska, Nebraska better and brighter. Thank you, Speaker Arch.

KELLY: We'll start with farewell addresses. We'll call each senator to come up and give his or her address. Senator Meyer, you are first.

MEYER: Thank you and I will be brief, since I was only here for a brief time compared to the, fellow state senators that were here for 8 years. 49 people bring, bring 49 different perspectives into a body, and it's been one of the pleasures of my life to serve with you. I especially want to thank the Governor for giving me this opportunity. I also want to thank the member-- all of the members of the 2 committees that I was able to have the pleasure to serve with, the Revenue committee and the Education Committee, 2 of the hardest working committees in here, next, of course, to the-- Senator Wayne's committee. That-- that's the hardest working one, for sure, and tribute to him. I've learned so much, I hardly know where to start. But it's been an experience that my, my wife and my family will never forget. So I'm probably the first one to shed some tears, and I'm sure I won't be the last. But I said I, I wanted to be brief, so my appreciation from my heart goes out to all of you. Thank you very much.

KELLY: Senator Slama, please come forward for your address.

SLAMA: Spoiler alert. I didn't know what the order was, and I wasn't wearing any shoes. So, I'm the youngest woman ever to walk these halls as a senator. I'm the first woman to represent my district, the youngest person, the youngest and first woman to ever chair BCI, but

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at the end of the day, none of that matters to me. At the end of the day, what matters to me most is that you all treated me as a colleague. And my life has been a little bit like The Truman Show, over the last several years. I came in at 22. So you've had the chance to watch me meet a cute coworker, date him and get engaged, marry him, graduate law school, pass the bar, and become a mom. You've supported me walking through hell and back, and coming out the other side. Thank you, especially, to Lou Ann, Joni, Suzanne Geist, and Rita, for standing with me, and making a point of standing with me. Thank you to Aaron [PHONETIC], for always seeking the truth. Thank you to Dave [PHONETIC], for picking up the phone when Andrew and I needed it most, and for Marnie [PHONETIC], for joining the fight. I'll always remember the times when this place worked well, like when the Corps of Engineers said it would take an act of Congress to get the levee protecting my hometown repaired. So we got an act of Congress, courtesy of Congressman Smith, and also, a state appropriation to repair it. Or when Andrew finally asked me out on a date at the 2019 sine die party, probably the most redeemable thing to come out of that place, or-- those who know, know-- or when we invested record amounts in southeast Nebraska year after year to upgrade electrical systems in Fall City, resurface Highway 50, expand rural internet access to people that have never had it before, better fund our rural students, and expand degree offerings at Peru State. Or when we survived the largest natural disaster in our state's history in 2019, and then came back next year to help Nebraskans through COVID. To Jessica Flanigan, God definitely had a chuckle when I walked into a certain 2017 political event an hour early and helped set up. If only we knew what that day would mean. That was my introduction to politics in the state of Nebraska, and it was from just blowing up balloons at Governor Ricketts' reelect kickoff. To Governor, now Senator Ricketts and Suzanne, thank you for having the audacity to believe in a 22-year-old to represent her home region. Thank you to my A team: Sue Ellen, Tori, Natalie, Joshua, Hudson [PHONETIC], Casey [PHONETIC], and Jenny [PHONETIC]. The trains never would have run on time without you. Thank you to the Hilgers, the Geists, and the Lowes, along with the esteemed members of the "clack" for making Andrew, Win, and I your adopted legislative family. Thank you, as well, to my family. You have handled every curveball over the last 6 years with grace and far more patience than me. And Andrew, how on earth do I even try to put into words what you have meant to me? There must be a special corner in heaven for Andrew and everything that he has had to deal with, usually with me.

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To my colleagues coming back next year, read the damn bills. Don't mess with staff. Never forget the 40,000 people back home that you serve. To the staff and to the pages, don't you dare listen if somebody tells you to wait your turn when the opportunity to serve comes up. You can't control if you're the youngest person in the room or what your last name is, or if you're the only woman. You can control if you're the most prepared, work harder, smarter, and prove them all wrong. For everyone thinking this is my retirement from politics, I'm really sorry to disappoint you, but I'm 27. 27 is only an acceptable age to retire if you're a professional athlete. And well, you all may be many things, but pro athletes aren't one of them. This isn't my goodbye from Nebraska politics. It's a see you later. District 1, thank you so much for the privilege of a lifetime.

KELLY: Senator Blood.

BLOOD: So before I start, I seriously need to get something off my chest today, with several of you on the floor. So to you, and you-- well, you're kind of cool. Just kidding. But seriously-- had you worried for a minute, though. Fellow Senators, friends all-- and I bet you wonder why I say that every time I get on the mic. And I want you to know that my secret is that, that is a homage to former State Senator Don Preister, who is now on the Bellevue City Council. A man who was an exceptional senator, as honest as the day is long, compassionate, a hard worker, and smart as a whip. And so every time I say that, it was to put good things in his universe on his behalf. So everyone has an opinion as to what makes a good senator. And here's my advice, based especially on the last 2 years of my term here in the, the Legislature. I beg of you, try harder to overcome your confirmation bias. When you constantly seek to confirm what you personally believe, you will likely miss out on ways to productively connect across the aisle for much more positive outcomes. It's OK to have conflict. And God knows, we've had a lot of conflict, but I encourage you to engage in productive conflict. Listen first to understand, and extend grace to others. You only need to know why they believe what they believe and where they are coming from. You don't need to shove your own opinion down their throats. Remember to have a powerful mindset. I believe that your thoughts do affect your actions. And I have spent my adult life believing that change is possible, but you have to trust in positive intentions. Lastly, take heed to the words of Albert Einstein. You cannot solve a problem with the same mind that created it. And now my personal quote: keep your butts in

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your chairs, friends. Because I know everyone thinks I have this amazing memory, but the real truth is that I don't leave the floor. I listen, I learn, and I keep the receipts, Senator Fredrickson. Being intent-- attentive will serve you well when you need to bring history to mind in a future debate. Friends, saying goodbye doesn't mean anything. It's the time we spent together that really matters. And so today, I do not say goodbye. But I do say, try to do better each and every day to make Nebraska residents proud, and for the greater good of all. And with that, I thank my staff, Alex and Gabriel. And in case you haven't, haven't met him today, our mascot, Fred. And I wish you all a peaceful summer and no special session. Thank you.

KELLY: Senator McDonnell.

McDONNELL: 2016, when I decided to run for the Legislature. I was overwhelmed with the number of people that, that, that helped. And starting off with-- was my wife, Amy, and my son, Ryan, who was 14 at the time. And we went out and, and knocked doors. And they had never knocked doors for a candidate. And I said, I'll be close. I said, we're running on basically that I'm, I'm pro-life, pro-Second Amendment, pro-union, and I want to do something about property tax. I want to reduce property tax. So we went through the campaign. It went very well. Received 70% of the vote. Afterwards, my wife, Amy, and my son Ryan, reminded me that they were responsible for the 70% that voted for me. I was responsible for the 30% that knew me and voted against me. So they kept me humble right away. Throughout my life, God has-- he knows I, I need a lot of help. He's always surrounded me with great family, friends, and, and he didn't do anything different then, when I got down here. Alycia Brady, Neal Erickson, Tim Pendrell. Prior to that, Kate Gotsdiner, Evan Schmeits. They really do 99% of the work. I do take 100% of the credit. But they do 100% of the work. They put up with me, and not one time have they ever complained. Not once. I ask them to do quite a bit. When you serve on the fire department for 24 years, you can become very close to people. Not because you know them when you start serving and you agree with them. There could be a stupid fight over a basketball game. Next thing is you're going into a burning building and you're willing to put your life on the line for them. This place does that to you. It's not because we came here and we all agree and we're all from the same background, it's because we came here to make a difference. And we take our oath very seriously. It's a lot of work. Honor to serve, as you all know. But also, we are making a difference. My advice to you: brevity, be

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impeccable with your word, and don't let what's going around you define you. Always be the person that came here to serve. Whatever you told your constituents, whatever you told those people, agree with you or disagree with you, going door to door, that is what you're trying to do. But also, compromise is not a bad word. I'd rather have 50% of something than 100% of nothing. And I think that's what the people of Nebraska expect from us. Now, when the Governor was up here earlier and talked about halftime, anybody that's played sports, there's been times in the locker room where I didn't want to come out for the second half. Things weren't going very well. Now, I know that this is something that we can do together. Working together, we can make a difference going forward. And whatever the Governor-- when he calls that special session, I know we will all return. We will all work extremely hard, because it's not about us. It's about the citizens of Nebraska that we all serve. God bless. Thank you.

KELLY: Senator Vargas.

VARGAS: I'm going to wait till McDonnell shakes every single hand. Actually, you know what the-- the hardest part about following Senator McDonnell, is one, he had no spee-- he, he, he probably had some, you know, some notes. But he pretty much did that, just from his mind-- just from, just from the top of his mind. You know, the hardest thing about this is I've been trying to write this all night. And I want you to imagine, just how hard it is to sum up 8 years of the work that we've each done in the Legislature in a 5-minute speech. And so rather than try to focus on getting it completely right, I'm, I'm just going to focus on the things that I, honestly, I'm most proud of, and the people that got me here. So I do want to thank everyone. I want to thank all my colleagues. I also want to-- particularly want to thank my family. The best part about this is right now-- my family is not in, in the rafters right now. My family's in the office. My, my wife, Lauren Micek Vargas, my son, Luca, and my daughter, Ava. They were a little rambunctious, as you can imagine, for a 5 and 3-year-old. And so my wife was texting me, and she said, I don't think they're going to make it. Can we go down to the office? And I'm like, yes, yes, yes. I love you, too. And for the people that have seen me in the Legislature, you know, my family is a huge part of the reason why I do this work. It's the part that I get so emotional about, because every single one of us make a sacrifice to be here. And if you think that there was any way that I'd be able to do this work these last 8 years without the love and support of my wife, and my kids, and the

sacrifice that we make to be here-- it's just-- it's an amazing family in this room. It's an amazing family that sacrificed our time. So I do want to thank all the families just like mine, that have sacrificed so much for each and every one of you to be here. Because the sacrifice these last 8 years, I know it was worth it. I know it's worth it. Because when I started this Legislature-- I also wasn't doing this alone. I do want to say thank you to my staff. And there are many, many staff I've had over the years, that have sort of evolved. We have Lee, we have Sam, we have Eric. And I do want to do a very specific shout out to, to 3. This is Meg Mandy, this is Morgan Wallace, and this is Cristina Prentice. I know each and every one of us have families with our staff. That's, that's how things are. I, I have a friendship that I cannot describe on the people that I trust in my team, that have been with me throughout all of this, and have helped me to do so many amazing things. We don't do it on our own. And I, and I just want to thank you, for having my back, and for doing everything with us these last 8 years. You know, look, I ran for office the first time because I really didn't see a lot of people that looked like me in politics. I didn't see a lot of people that had my background in politics. This is not something that I wrote down in some journal growing up. I was a science teacher. I studied biology in college, and I'm the son of immigrants. My parents didn't have a lot growing up. So when I get into this body and I'm getting able to do this work-- when I get elected-- these are the-- these last 8 years were really focused on trying to figure out a way to actually solve problems that are affecting my district, and to try to help other people solve problems. And the most fortunate thing I'm able to do-- is we've been actually able to do a lot of things. Working on meatpacking plant worker safety, because I lost my father in the COVID-19 pandemic, working on public health support-- infrastructure support for maternal and child health, because I watched my wife go through pre-eclampsia, fighting for small businesses, because we have amazing small businesses in LD 7. There are so many solutions we've been able to find-- so many problems we've been able to find solutions in the Nebraska Legislature. And it's because we each get elected to do this work. And that's the advice I want to give you. We are all different in so many ways: personality, our geography, where we come from, how we got to this world. The most important thing is that we are who we are in this body. I've often said that this is an ecosystem. The weight and the reason that the Legislature works, especially the nonpartisan Legislature works, is because we each take responsibility for being

part of the solution. We're not all the same in how we debate, we're not all the same in how we reason, on how we legislate, on how we negotiate. We are representing ourselves, our strengths, our backgrounds, and the people we represent in our districts. I just want to thank District 7, downtown and south Omaha, for giving me the opportunity of a lifetime to represent this district. They took a chance on me, and they continue to take chances on me. And I will tell you this, the greatest professional experience I've had in my lifetime has been doing this work right here, and being with you in this work and serving with all the colleagues, and especially, the colleagues that I served with in my first 6 years. And a lesson to each of you in this room. For all my colleagues here, for the ones that are coming up in this next year, that are going to get elected, make sure you build relationships with them. Make sure you understand where they're coming from. Make sure you're willing to learn from them, willing to compromise with them, and build a friendship, even when you disagree on things. That's the best advice I can give you. It's the thing that I've really tried to do. And a shout out to my Appropriations Committee. When I first got elected, I was told the Appropriations Committee is an island of misfit toys. I still believe that that is the case. But I've made some of my best friends in the Appropriations Committee these last 8 years. And they are people that I will consider lifelong friends from here on in, because we get to do the work of making sure not only we balance our budget, but that our budget is a moral document that represents as many of the voices in this room and Nebraskans across the entire state. With that, I want to thank you for letting me serve. Thank you to my family, again, and my team, and my staff. And thank you to the state of Nebraska. Thank you.

KELLY: Senator Wayne.

WAYNE: This doesn't count as my time, but I'm going to talk anyway. Thanks, Senator von Gillern, for the tissue. But no, before I start, I'm just going to say, I was walking out of OPS meeting one night late, with Senator Vargas. And he hadn't announced yet. And he said, I'm going to run for the Legislature. I said, why in the hell would you do that? Two months later, I'm running for the Legislature, so. Today marks the end of an era, but more importantly, the beginning of a new chapter for our collective journeys. I extend my deepest gratitude to each of you, for your unwavering service, your friendship, collaboration during my tenure in this Nebraska Unicameral. Your dedication has greatly contributed to the betterment

of our state. And I am proudly to call many of you my friends. I want to say particular-- to my family and friends, my wife, who have supported me throughout this entire crazy time in the Legislature, my heartfelt appreciation goes out to them. To my daughter, Mya-- see, this is why the tears are going to come. I was standing where-- sitting where Ballard was when I was sworn in with her by my side. Every vote that I took on this floor, controversial or not, she was the one I had in mind. She kept me grounded. She kept me centered. And I want to thank her for being my true north and our North Star. To my son, Thomas Wayne. He doesn't quite know what the Legislature is. His name is Justin Thomas Wayne, Jr. And so, just saying his name on TV, when they're watching-- he's sick at home right now-- I'm a cool dad. So, Thomas, I got you. But to both of them, be the best versions of yourself. Fiercely pursue your aspirations and dreams. Learn from every experience, even your failures. Because they are nothing but stepping stones for your success. I find it ironic that I'm leaving this Legislature and going back to coaching, when it was coaching youth basketball that got me involved in politics. See, I used to always tell my team, don't cry and complain about something unless you're willing to get up and contribute, and do something about it. And when I was complaining about OPS one day, it was my fifth and sixth grade team who told me, you told us not to complain about it. So, what are you going to do about it? Jordan Ash [PHONETIC] and Tyler Hall [PHONETIC] called me out. And Kevin Harkins [PHONETIC] ran my campaign, so I had sixth graders running my campaign. And I won, so it was really weird. When I first entered this floor of the Legislature, I felt like a walk-on, trying to make a team. I knew that I stood out because I thought it a little different than everybody. I couldn't really-- I didn't really pick a side. But yet, it was the people who stood before me, Tanya Cook, Brenda Council, Scott Lautenbaugh, Jim Murante, John Murante, Tyson Larsen, who taught me that it wasn't about blending in, but just making a difference. To my class, look at the success that we had. I am confident in saying we are the best class ever in the Nebraska Legislature. For those who are after us, your future is still yet unknown. But for us, we did COVID, to redistricting, property tax relief, income tax cuts. We increased funding for education, rural and middle income housing. We made crucial investments throughout this entire state: Omaha, Hershey, North Platte, Niobrara, Knox County, Grand Island, Nebraska City, Fort Robinson, Lincoln, Omaha, Keith County-- oh, those are my bills. Never mind. I did all that. No, I'm joking. We did that. We did that as a

class, and we didn't do it for the media likes. We did it because it was the right thing to do. We are all going to leave here one day. We won't be able to take with us our votes. Well, I guess you can probably take your lapel pin. But we're always going to take with us the memories that we had here. As we transition to new endeavors, don't forget the legacy that we left here. Our accomplishments, no matter how small, will have rippling effects throughout this state and throughout this country. I will remember the votes and the many vetoes. I'll remember all the fights. But what I choose to cherish are the late night discussions with Senator McDonnell, McKinney, Linehan, Halloran, Bosn, Erdman, Halloran, and Brewer. And yes, even you, Tony Baker. To my fellow senators, even though-- even to those who I don't always see eye to eye, I hold your perspective in high regard. Your dedication to Nebraska inspires all of us. To both Governor Pillen and Governor Ricketts, now Senator Ricketts, despite our differences, I still plan on working with you in the future on our shared commitment to making Nebraska better. As I leave this Legislature, I do so with a firm commitment to our shared goals. Just as in basketball, sometimes the most effective defense is a good offense. In our state, we have to invest and continue to invest in our education, economic development, and growing our state. In the coming years as I prepare for a new role, possibly on a bigger court, I promise to carry the lessons I've learned from here forward. To Senator McKinney, you've done more in 4 years for your district that's been done in the last 50 years. Don't let nobody take that away from you. Senator Linehan, thank you for the ups and downs. But we say-- we came, we saw, we conquered. As I conclude, this is to Fred Hoiberg, Greg McDermott, Jim Fladerer [PHONETIC], Amy Williams, if you are looking for a great basketball coach, you have no further to look than District 13. I am waiting. I am ready to get on the court with you and teach basketball throughout this state. And you know, based on my legislative record, I get the job done. Thank you all. God bless you all. And thank you for allowing me to serve with you.

KELLY: Senator Walz.

WALZ: 8 years. Oh, man. Just think about all the things that we've been through in the last 8 years. And we did it together. There are a lot of people to thank, and I apologize if I can't thank each and every one of you. First and foremost, my constituents from District 15. Thank you for your love and your support. I don't think you will ever know how much it means to have a note of thanks from you, or to

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pass you in the grocery store and have you say thank you. It means so much, and it's a great reminder of why I ran in the first place. Thank you to the legislative staff, who keep this place running. Brandon and the Clerk's Office, how you do your jobs so eloquently, without making any faces is beyond me. Lord knows, I cannot do that. We appreciate your patience, your knowledge, and your poker face. The Sergeant of Arms, who constantly have to remind us to stay in our seats and punch in, especially that group over there. Our State Patrol, who keep us safe, and always look so handsome dressed in uniform. Right, Anna Wishart? The Bill Draft-- Bill Drafters, Transcribers, Unicameral Update staff, Fiscal Office, IT staff, pages, janitorial staff, and cafeteria staff, all who work in the Capitol, thank you, thank you, thank you. Everything you do each and every day is appreciated. Thank you to the media, for continually telling our constituents the stories of the Nebraska Legis-- Legislature, and for being the people's eyes and ears and keeping us honest. Thank you to the lobbyists, government agencies, and nonprofits for your work in your advocacy on behalf of Nebraskans, and educating us on so many different issues, and the historical perspective. Thank you, Walt Radcliffe. Legendary, in my eyes. I will definitely miss that corner bench outside the doors. You scared the crap out of me during my campaign, but I have learned to love and respect you. Special thanks to the entire education community, K-12 and post-secondary, for your dedication to our kiddos, families, our communities, and our state. Thank you to my office staff, and interns, past and present. Whoo. My campaign manager, Brandon, and my first legislative associate-- assistant-- thank you to Brandon and Zoie and Nicole. Thank you, Amanda and Noah. As you guys all know, there's a special relationship between you and your staff. They see things, they hear things, and feel things about you that no one else in this building, or even at home, will ever be able to understand. They laugh with us, strategize with us, protect us, keep us on schedule and on task. They lend a shoulder to cry on and they celebrate with us. They are truly the most dedicated people I know, and I have the best in Amanda and Noah. I really, really don't know how I'm going to function in this big wide world without you. To my colleagues, it's been an honor and a privilege to get to know you. My favorite, favorite thing about the Unicameral is that I get to know 49 senators. I really get to know you. I get to know you and better understand the state of Nebraska through your eyes. A special thanks to sweet Anna for being my seatmate the last 8 years, for being a strong advocate and an independent thinker. Thank you to Speaker Arch

for your leadership. Thank you to Lou Ann Linehan, another legend. I don't know anybody who works harder or loves numbers more than she does. I also want to thank former Senator Patty Pansing Brooks for her friendship, the infamous slumber parties that we had, and her constant reminders to love. And former Senator Sara Howard for teaching me the importance of actually talking with my colleagues and bringing people together. Thank you for your direction and ongoing support. I don't know where I would be without you, and I don't know where my keys would be or my phone would be or my billfold would be by now without you. I do want to thank the Governor and his staff, Kenny, Grant, Lee, Maureen, and Dave and the agency directors. Thank you for opening the lines of communication. It really is very important. It's important, it's effective, and I think it will produce better results for Nebraskans. I want to thank the staff at Billy's for always taking good care of us after a hard day in the, the "Leg" and your ability to be very creative with your menu items. I can order the same item on the menu and it comes out different every single time. Lastly, I want to thank my husband who's here today. You guys know I am a hugger and by the time I get home, I'm hugged out. So I really want to say thank you to my husband for just being patient with me and loving me. Thank you to my family, who allowed me to have this opportunity for making every family get together about family and not a political conversation. Keeping our family together was really important to my parents, and I'm grateful that we as a family continue to make that our priority. Thank you to my kids and my grandkids for always bringing the sunshine. I love you. After I was first elected, I was sincerely, honestly afraid that this experience would change me, that it would change who I was, my beliefs, what was important to me, and that might even change my faith. I'll never forget driving to Lincoln on my very first day of work in the Legislature, and I prayed almost all the way. I prayed that I was doing the right thing and that this experience wouldn't change who I was. But it did. It made me a better person. I'm a better person because of, of everything I've learned from the people who live in Nebraska. Every conversation, every email, and every hearing I sat in listening to people from all over the state speak about the issues that were important to them and how our decisions would affect them and the people they cared about. I'm also a better person because of what I've learned from all of you. Even though we're all different and we come from different backgrounds and live in very different areas of the state, we are all just humans. We all deserve a voice. We deserve opportunity, respect, and grace.

Colleagues, we hold so much responsibility as legislators. But I believe our biggest responsibility is to educate ourselves and allow ourselves to change and grow. So here's my advice: Learn to embrace change, learn to listen and empathize, learn to humble yourselves and put others first, and you will be changed for the better. Thank you.

KELLY: Senator Albrecht.

ALBRECHT: Nice, Brandon. Well, we'll just wait for all the hugs and kisses. Senator Walz, you're a hard act to follow. You've, you've got the teacher in you. You had all your notes and, and everyone was just taken by every comment that you were making. You're just going to hear from me from my heart. I'm sure that Glenda is just, like, cringing to think that she didn't put any notes together for me for this little ordeal. But first and foremost, I do want to thank my constituency back home. I wouldn't be here standing before you for the past 8 years. And to all of you who are running, don't worry about how you're voting on one issue because they love you or they wouldn't have put you in office. And you know, when I-- during COVID when we couldn't go door to door and all we could do is make phone calls, you know, you were darned if you did, darned if you didn't. If you had a mask on and didn't have a mask on, and you all knew where I was at on that one. But the bigger thing is they see you. They hear you. They watch you. They listen to you. You have no idea how many people are watching right now. They're watching all of us. They're proud of the work that we're doing because we all have them in mind and not our own feelings and our own bills. Never let a bill define you. Sometimes we carry these bills for people in the lobby or people back home because you just want to help them. That doesn't mean that you're doing the right thing or wrong thing, but we all have to have enough respect for one another when we're on the floor, when we're doing what we do every single day here. It's not easy. It's not for the faint of heart. Not one of us would have said yes to running had we known what we were getting into. Little did I know 8 years ago when I ran on property tax, broadband-- and don't tell the Governor, but packership-- ownership of-- what is it-- packer ownership of livestock. And we're, we're cow-calf people. OK? But when I came down here, the very first people that came to my office were the pro-life groups. And I just figured, well, why wouldn't I do that? Why wouldn't I take that on? And, you know, all the media came right behind him saying, are you sure you know what you're doing? You know, I didn't know. Sometimes innocence and not understanding things is the best, best way to start.

But, you know, did I come down here looking for that? No, I didn't. But you know what, not everybody can do that. I could from because of the experiences that I had in my lifetime, personally with my family, with others. But don't, don't ever hold back. Take the bills on that you feel are talking to you, speaking to you, and that you feel that you can do the very best you can to get it across the line, but don't let it define you. Don't let things get to you because we all have different backgrounds and different things that have happened in our lifetime. And I will definitely say that, you know, babies and kids, you know, I, I can't wait to go home and just hang out with 15 little grands, right? And I'm sure all of you are yearning for that, too. But, but just know that stay Christ centered. You know, I've told a lot of you today, it's been a slice-- it's been a slice of heaven getting to know all of you, knowing your families, knowing your spouses. I've made such great friends here. The guys in the-- in the Bible study every morning for the first 6, 7 years of my life down here I would go and hang out with the guys, and we have a lot of Christ-centered men in this room. And we had a few of the gals show up every now and then as well. But I just want to-- I'm so glad that the Speaker thanked everybody that needed to be thanked because there's no way I can even start without forgetting someone. So first I want to say to my family, who all, as all of yours, have to buy into this-- have to buy into the fact that you're going to be gone a lot. And I thought, oh, it's OK, you know, these, these little ones are just coming around. Well, now we have 15 grandkids. When we started we had about 6. The Brady Bunch got together, it exploded, now we're at 15 little grands. But, but all of them have to take whatever's going on in your life, it's in their life, too. So, you know, be kind to one another and do better every day. And when you go home at night, you should be able to give yourself an A for the day. Hold your tongues. Be, be cognizant of the fact that everybody has something going on in their life. You know, I reflect on last year and how many people in this room were sick. They had some major issues going on with their families. But you know what? I mean, we "grinded" right down. Every single person in this room had something going on, and a lot of us didn't even know. But, you know, through our faith and through people praying for us and, and the citizens of Nebraska watching us and holding us up, I think we've done a pretty good job. I have a lot to go home and be thankful for. And I know all of you will too. But give yourself grace when it comes to what comes at you on a daily basis, because it's not always easy. I do want to thank my office staff.

Glenda Ward came on, she was a teacher during COVID, and she didn't want to go back. I had five teachers apply. And, Glenda, I'm glad you chose us, and I chose you. And then we had Beverly Neel, who was with me forever and decided to retire. And I said, well, you can't do that till you find your replacement. And she did, and Jacki O'Neill, I don't know if Jacki is sitting over there, she's downstairs, probably downstairs. She's kind of quiet that way. But I appreciate both of the ladies in my office. They have kept me on track. They have, have lifted me up on days that weren't so easy. And-- but that's what we're all here for, to be together as a body. And we can-- we can throw the fits all you want, but when it comes down to it, we know that we're doing this not for ourselves, but for the state of Nebraska to make it a better place for our children, for our families, for, for everybody who, who plugs into any part of what we do on a daily basis. And I do want to make a shout out to the redcoats and the Nebraska State Patrol and our security. We had some crazy times last year, and even a few times this year where there were so many people in this building, but we all respected them. We did what we needed to do to get through each and every one of those committee hearings. So just be mindful of, of those around you. And for the Clerk's Office, that gets to stay so much later until we can all get online to find out what we're going to be doing next. And, and the Speaker and his staff as well did a great job. I'm not going to take much more time, but I want to thank my family. I want to thank my constituents back home. I mean, it's, it's just an unbelievable privilege and honor to have served in this Legislature and with all of you. Thank you.

KELLY: Senator Bostelman.

BOSTELMAN: Mr. President, Mr. Speaker, colleagues, legislative, legislative staff, Nebraskans, friends, and family, it has been a privilege to serve District 23 in Nebraska over the last 8 years. I've enjoyed meeting so many wonderful people across the district throughout the state. We have seen many challenges during these years and we came together to meet the needs of family, of neighbors, and strangers alike. Always willing, always faithful and caring. Giving when no one was looking, helping when no one else was there. The strength of Nebraska, its people. Remembering the spring of 2019 and the tragic and ravaging floods that devastated our state, cutting off families, communities, and farms, tragically taking life. Yet, so many of you came to the aid in historic fashion, rescuing many from the flood waters, providing shelter to those displaced and aiding in the

massive cleanup and rebuilding afterwards. People helping people. Winter storm Uri tested us all, causing rolling blackouts across the state, closing businesses, schools and entire communities. A crippling winter storm and major ice storm with widespread effects from Canada to the U.S. and into Mexico. You were checking on neighbors, family, and friends. We cannot leave out the challenges we faced and still face as a result of COVID, a virus that caused a great deal of anxiety and stress throughout the state, strong, differing opinions on how to treat, isolation, restrictions, and business closings. Even here on the floor, plexiglass cubicles were built to keep us from each other. Yet, we persevered. You persevered day by day helping each other. This is what I am most thankful for, the opportunity that I've had to serve such wonderful Nebraskans. People helping each other through some of the most difficult times in recent history. Making a difference. Serving your communities. Helping when no one else was looking. Giving when there was no, no more to give. It has been a privilege to serve your state as your state senator, and I thank you for that opportunity. Now, I would be really remiss if I did not mention this: broadband. Yeah, broadband. We have a very pivotal time right now over the next 3 years to make a difference for Nebraskans. I would encourage the Public Service Commission and the broadband offices to work more closely together. Let's make sure every dollar counts. Let's work together with all stakeholders and build to every home and business in this state. There needs to be no pride in ownership and getting this work done. Do or do not, there is no try. Now, I want to thank each senator that I've had the opportunity to serve with. It has been a pleasure, whether we agreed or disagreed. One bill, one bill at a time. I thank you for your dedication, your passion and service to our great state. The Legislature does not function without the many people that work behind the scenes. Thank you to all the staff that works in Bill Drafters, Fiscal, IT, Accounting, Clerk's Office, Sergeant at Arms, State Patrol, Capitol Police, building maintenance, tours, pages, and so many more. Thank you. And I want to thank my staff, Chip-- I mean, Riley, who has been with me the longest and does it all. Katherine, new in the office, hit the ground running. And believe it or not, she managed to get married during this legislative session. Congratulations. Also Laurie, my, my committee clerk, is just awesome and a true treasure. And Cyndi, my legal staff, always there researching and advising when needed. Also, the members of the Natural Resources Committee, it's called the "fun committee." Senators Moser, Brandt, John Cavanaugh, Fredrickson, Hughes, Jacobson, and Slama,

thanks for your work. Finally, I want to especially thank my wife for all her support. Thank you, Jan. Our kids: daughter Jen and husband Ky [PHONETIC] and their family, and son Micha and wife Zena [PHONETIC] and their family, along with our extended family and friends. Without your support these past 8 years would not have been-- would have been possible. God has blessed me greatly. OK, I will end this with a verse from Philippians 4:7: And the peace of God, which transcends all understanding, will guard your hearts and minds in Christ Jesus. Thank you.

KELLY: Senator Wishart.

WISHART: I wrote this speech on the plane flying back to Nebraska, most of the speech, and I was crying for 2 hours straight, and I can't even imagine what the person sitting next to me was thinking the entire flight. Hopefully, I got it out of my system and I can get through this speech. This-- I didn't though-- this farewell is not just saying goodbye to 8 years of service, but to 12 years of working in this magnificent building with some of the most important people in my life. I was 24 when I started working here, and I'm going to be 40 next year. I literally grew up in this building with so many of you who are surrounding me today in this Chamber, and it is hard, very hard, I agree with Senator Vargas, to find the words to thank people who have so deeply and positively impacted my life, but I'm going to try. First, I want to thank my family, my mom and my dad, Sarah and David were here. My mom is still here. She, she waited it out. And my husband Joe is also here today. My twin sister Vanessa and her partner Jack and the newest member of our family, her, her little niece, Coreen [PHONETIC] couldn't be here-- my little niece, Coreen, couldn't be here in person. But since Vanessa is my twin, I'm sure she's reading my mind right now and hearing everything I say. To my family, thank you for being my support system. This is a job, as all of you know, with a lot of ups and downs, and you've been there with me through it all. To Joe, you know, we first started dating when I was working as a staff member in this Capitol, and I remember you picking me up on the west side in your old beat-up truck. And I'm happy to say in 12 years you have not changed, you still drive a very old beat-up car. I know that this job has caused us to sacrifice one of the most important resources that we have in life and that's time. And I am so glad to be able to get to spend more of that with you. I want to thank my staff members, my AAs over the years: Mason, Matt, Ryan, Jamison, and most recently, Mary. Mary, you and I have known each other for

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quite some time. I first knew you as a staff member when you were working for Senator LeRoy Louden, and I am so glad that you came out of retirement to come back to this Capitol and work with me in my last year. You are the true epitome of the nonpartisan values of this building, and I'm lucky to have gotten to know and work with you. To Liz, my legislative aide for all 8 years and one of my closest friends. Wow, how time has flown. It feels like just yesterday we were working together as staff members and you for Senator Heath Mello, and I Heath would say the same. I could not have done this work without you. You are smart, impeccably organized-- she gave me Kleenexes with my speech, of course-- professional, and you have a great inner compass for right and wrong. This building would experience a huge loss without you in it. And so I am so grateful that Liz has decided to go and work with the talented Senator John Fredrickson. To the rest of the legislative staff, the Clerk's Office, the pages, Fiscal Office, Bill Drafters, Accounting, the Sergeant at Arms, security team, State Patrol, Ombudsman, Performance Audit, LRO, the janitorial, and, and all of the other staff and talented people who work in this building for the Legislature and the Governor, and for the executive branch and the judicial branch. You are some of the best human beings I know, and your commitment to your work and to supporting the state is inspiring and it's essential. And I am forever grateful to get to know and work with you. I would also be remiss if I did not do a shout out to our favorite four-legged friend, Capitol-- the Capitol cat Cameron. You bring a huge smile to our faces, especially during high-pressure situations. To the residents of District 27 in the state of Nebraska, thank you, I adore you. I grew up in District 27 and when I went away to college, I became instantly homesick for the kind people in this state and the incredible wide-open spaces. It has been the honor of a lifetime to serve you and collaborate on some really important policy changes together that have made a difference in people's lives across the state. And, finally, to my colleagues, I thank my lucky stars that our life paths intersected. When people ask me what I will miss the most, I say it as all of you. I have never wanted to live in an echo chamber of my own thoughts and people that just say yes to me, and this is not an echo chamber at all. I think we learned that today. This is a Chamber full of beautiful, beautiful diversity of people who have come from across the state, journeying here with vastly different life experiences and talents. In that diversity of thought and experience is what makes us capable of figuring out really challenging issues for Nebraskans. If I can leave

you with any advice to those who are staying here and have years of service in front of you, first, really take it all in. You blink and you'll be standing here like me. Second, lean into differences. Seek out the people that challenge you and inspire you. I see my friend and colleague Senator Brewer there and you are such an inspiration to this state and to this country, Tom, and I thank you so much for your courage. Really, colleagues, be curious about each other, why somebody thinks the way they do. What is it in their life that has led them to feel so strongly about something? Climb a mountain together, both literally and figuratively, because it's in those spaces of differences where making a difference occurs. Thank you.

KELLY: Senator Halloran.

HALLORAN: Good evening, colleagues. Good evening, Nebraska. You know, I had considered not doing a farewell speech because I'm not very good at goodbyes. You can ask my-- you can ask my family about that. Just not good at it. Anyway, two quotes from Shakespeare: Brevity is the soul of wit. And parting is such sweet sorrow. It's mixed blessings, right? When we came here, we all thought-- well, I would say this, I don't think any one of my fellow senators came here thinking only of themselves. You came here to represent your constituents. But even above and beyond that, that's-- it's, it's a generational thing. You came here for the future of Nebraska, children-- your children, grandchildren, to make it a better, better place than you found it. So I applaud you all for that. I applaud you all for your patience with me. I saw a lot of anxious looks on people's faces thinking I might come up here unscripted, but I think unscripted is fine. I did come up here-- first, I want to thank-- clearly, thank my lovely wife Ann. I have made the mistake before, maybe more than once, of being at an event and failing to introduce my wife. Now, maybe none of the other male senators here have ever done that. I'm guilty, but not, not today. Ann is my partner in life, couldn't do it without her. And my loyal staff: Rodney Krogh, Payton Coulter, Rick Leonard. You all know that-- I would say you all have very loyal staff. I think you would all say that. And I think it's true and it's important. But you all know you can't buy loyalty. You earn it, and you've all earned the loyalty of your staff, and you've all earned the respect of your constituents. Most of them-- I would say, generally, almost all of them are very grateful that you're here and thankful they're not. That's a joke. But I think it is important that, that they understand what you put the dedication to do when you're here and they respect

that. You know it, you talk to your constituents. They love you. They don't always agree with you, but they love you for what you're, you're doing and what you continue to do. And so I would just part with saying that I brought along-- I did bring along a list of all my constituents and I want to go through and thank each one of them. I'm not going to do that either, but I want to thank you all. It's been a privilege knowing you. I did mention Drew Borske. He was a previous staff member, but he abandoned ship. But I still love him in spite of that. This place seems to run seamlessly only because of the dedicated staff that everyone has already thanked and, and I thank you as well. It, it doesn't-- it-- it's, it's kind of like a pond full of ducks, right, they all seem so relaxed in the water floating along, but they're paddling like hell underneath. But that's what makes it work. So finally-- and I should have started with this-- I want to thank God for the opportunity he gave me to be here. And I want to thank God for the opportunity he gave all of you to be here as well. Couldn't do it without him. And so I would end with this: God bless you all, keep your dedication, and I'm looking forward to watching you from a distance. Thank you.

KELLY: Senator Lowe.

LOWE: Wow, those are tough acts to follow. Being this far down the list in this-- the District 37 is near the end so it's tough. I can almost throw this whole speech away because it's all been said now. Class of 2016, we made it. Julie [PHONETIC] and Fred [PHONETIC], thanks for hopping on along with the ride. First of all, I want to thank God for his belief in me and for always being there for me and for having my back whenever I needed him. Next for my wife Kim, and my boys Spencer, Alex, and Garrison. You guys have been my solid rock, standing behind me, next to me, and sometimes leading the way. Not to mention the girls that came into our son's lives. Our daughter-in-laws Shelby [PHONETIC], Katie [PHONETIC], and Emily [PHONETIC]. And, of course, their babies, which are always good for our parade. Kim, you have taught me that being humble in all cases has made me a better man, even though I wanted to be a senator. Senator Pete Ricketts and Suzanne, thanks for making that call. I'm glad I answered the phone. It's been an honor. Campaigning, I'm so glad I don't have to do that anymore. But what an eye-opening experience, I knocked on almost every door in my district, excluding the farmsteads, and I even made a few of them. My wife Kim would line up-- line up places to put-- place signs. And on the first day that we could put out signs, she put out

almost 250 small signs along with the help of my sons. Then we started our-- with the four by eights, and before long we had 80 of those put out thanks to my wife and my sons. All in all, we had over 40 small signs for our campaign. The election night excitement-- and I must say, having a place that we could host a party and not have to worry about food orders or drinks to wash down the food, that was a benefit. I need to-- I need to thank my staff at the Platte Valley for putting up with me during those times. Most of them are still there and love Crystal [PHONETIC], who bought the place on election night. That night after the election, Kim and, and the boys removed all the signs that they had put out by 7:30 the next morning. They didn't sleep. They never stopped working for me. The constituents of District 37, even though you not all agreed with me, I still have all of your emails. I never deleted a single one. While campaigning, I rented my two sons an apartment next to the parking lot east of the Capitol thinking that maybe one day I would need it. And when I won that election, I moved in with them. Now, they were in college, that kind of puts a stifle on activity. They would tell me to go to bed at night. And going back through the years, we've heard this before, but our first year we had 30 days of rules to start out the year. Then we had no money and no fiscal notes. It was accompanied by terrible floods. I wish to thank the lobby for helping us out on issues presenting both sides of the issue. Then we had to learn how to say sesqui-- sesqui-- sesquicentennial. I hope I said that right. The terrible fires across our state. The late nights with Ernie and the low lights. Massive amounts of money. Temperature checks, COVID all in all. The plastic shields, the masks, and the balcony six day-- sick days. Do you know if you hold a cold can of coke up to your forehead before you get a temperature check, it doesn't register. I heard somebody did that. Billy's in the evening. Billy's at lunch. Billy's for breakfast. Nader, thank you. The late nights last year at the Capitol building as it was shaking. I don't think it's ever done that before. The many no votes that I cast. Sorry about that. The travels across our country with colleagues and across the world with some. And the connections that we have all made together, not only here, but across the country and across the world. It's amazing. Our friends, the Nemecheks [PHONETIC], we have-- we have traveled with for years. They live in Lincoln, so they would feed us dinner occasionally at night. Bible study with fellowship of other elected officials, starting with Perry [PHONETIC] and Faith [PHONETIC], and continuing on with Aaron [PHONETIC] and Ann Marie [PHONETIC]. Thank you for being leaders in

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the word. Thank you to Brandon and the whole Clerk's Office, for you have made these 8 years pleasurable. And how can I forget Patrick O'Donnell who scared the wits out of us not once, but several times. And thank you to the young men and women who sit up in front and do our bidding throughout the day. You save our lives. And where would I be without the staff that I've had over the years, Patrick and Sam, who started me out and kept me going, then Ben and Laurie and Andrew these last couple of years, you guys prepared me for the day. You prepared what I was supposed to say, and then I would rewrite it and screw the whole damn thing up. Thank you. It's been an honor to work with you. The red coats, State Patrol, Capitol Security, Jeff and the maintenance staff. And I will miss my front row and those who have served there with me. And now, as I ride off over the edge of the world of being a geography major and back into reality, I wish to thank all of you for serving with me and I'm humbled to have served with you. Last but not least, I wish to thank God again, Kim and my sons and my daughter-in-laws and all my constituents for putting up with me over these years. Thank you.

KELLY: Senator Linehan.

LINEHAN: This is so weird. I've never stood here. Yes, I need to thank the people, constituents in District 39. It was Elkhorn, Waterloo, and Valley. I lost Valley to Senator Walz. It's very hard when-- I don't know, you won't ever-- this group do redistricting, but I think there were 60,000 in my district so I had to-- I had to-- and I-- Senator Wayne and I were in charge so I was, like, telling my constituents, I'm sorry, you're not in my district anymore. It's not-- they look at you like you're very weird. First, I want to thank my family. You all know how much I love them and how proud I am of them. I'm very proud of them. But I will admit, I am not going to miss explaining my votes to my grown children, especially when they don't agree. Sometimes I'm right, sometimes I'm wrong. They don't even agree with each other. I have to thank my staff: Charles Hamilton, Ryan Yang, Tomas Weekly. It's, it's almost unbelievable they all came at the beginning of this Legislature and they all did a fantastic job filling up for people that had been here a long time. I have to especially thank-- and I've never done this enough-- Linda Schmidt. She is the Lou Ann whisperer. I've got staff sitting back there, they can tell you, she knew in the morning when I was not going to be very pleasant. I don't know if they knew I knew this, but I think they did. Linda would warn them, it's going to be a bad day. Don't be late. Former staff: Lyle Wheeler, Mary

Jane Egr Edson, Kay Bergquist, Grant Latimer, who's now a PRO-- he was just-- he believed in me so much it scared me-- and Jack Spray. The great thing about Jack was-- I had come from D.C., we yell a lot, we expect things right now, I was, like-- I swore occasionally. I could yell at Jack for an hour and he go, uh-huh. The greatest thing about Jack. He told me his grandmother talked to him that way since he was five years old. I couldn't have done any-- anything we did here without that staff. Today, I was reminded when after LB388 got passed over, I guess is the term, the press asked me, well, you lost. I go, I lost a lot here, just people don't remember that. And then I remembered Governor Ricketts, who we wouldn't have gotten any of the tax done without him when he was here, but I spent the first 2 years with Tom Briese and I fighting with Governor Ricketts. He won, but. And I'm so proud of Governor Pillen, he has hit-- he has hit the road running, and he evidently doesn't even believe in halftime. I do, so I think we all need to work on halftime, needs to be a bit. The Speakers I've had the honor to work with. I'm just going to pull out some quotes that I remember. Jim Scheer-- I'd known Senator Scheer-- Speaker Scheer for quite a while because he was in Norfolk, and Norfolk was a big town for Hagel, and we spent a lot of time there. And then my daughter Katie worked for him when he was here. And I think it was my first year, I get up to do something, he came over and literally goes, sit down, you've had a good year, you're done. And I was, like, OK, that's, that's how Scheer handled me. Hilgers-- Attorney General Hilgers, during redistricting, which was-- it was brutal. On my birthday that year, Senator Wayne and I were supposed to be doing this hearing, he had a court date so he let me said in Omaha all by myself explaining why we were splitting Douglas County in two. Not a good day. So it was during redistricting, I think it was-- we were trying to figure out-- well, I know we were, we're trying to figure out districts in Omaha, and I don't know, it might have been 7:00 at night, and a group had just left, they said they'd come back in a couple of hours. I get up and I said, I'm going to go get a drink. He goes, no, you're not, you're gonna sit right here and you're gonna wait for me. And I did for, like, 3 hours and nobody came back till the next morning. He did let me go home about midnight. John Arch-- I have this great story but we don't have time for today and Senator Slama gave me permission to tell it today. It was the day that nobody could find her. Where is she? Nobody knows. Well, she couldn't tell us because she was in the hospital sick, but we didn't know that. So we were running around and, finally, we kind of figured out what

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the deal is. And we're thinking, she's in Lincoln, but, no, she's in Omaha. And, anyhow, I kept trying to tell Speaker Arch, I promise you it'll be funny someday. It will never be funny, Lou Ann. It's funny today. Finally. And I owe an apology to all the people up here, all the legislative staff I didn't thank enough or often enough. The Clerk, Brandon, you've been amazing. Dick Brown, thank you. Keisha, who I know I drove crazy, I appreciate all you do. Laurie in the Speaker's Office. I am-- I do tend to be driven. You can ask my children. I remember once they were here, I think it was Katie and Shannon, I was running down the hall and they were, like, that's my mom. We never-- she never worried about leaving us or losing us. That was our job. And I'm kind of that way. I'm just like, if you're with me, get in line. Let's go. The Governor's staff, it's been great fun to watch the new Governor-- well, Lee Will is not exactly new. Lee was here when we were-- we were against taking away exemptions, and Lee was here when we were for taking away exemptions, so Lee and are, like, this is whew. He was great. Kenny is-- been great to watch Kenny. David Lopez. I, I appreciate them very much. Another person that I, I can't sing his praises loud enough, and he doesn't work in the Legislature, but he works in the Department of Education. Ang I know there's some dustup this last year, what he did or didn't do. But I'm telling you what, Bryce Wilson, I didn't care it was 9:00 at night, 6:30 in the morning-- he's a farm boy-- weekends, on vacation skiing, if I had a question about school finance, he'd call me back and he'd stay on the phone with me until I understood it. And sometimes that was quite some time. I also have to thank Chris Petersen [PHONETIC]. I forgot. So if I go over 5 minutes, I'm sorry, Senator-- Speaker Arch. Chris Petersen. I've known Chris for many, many years. I knew him was, like, right out of college. You don't know how thankful staff and others should be that many, many mornings on my way to Lincoln I called Chris and just complained for maybe 45 minutes and bitched and moaned about some of you [INAUDIBLE]. And then when I get here, it was-- it was all better. He was constantly there to help me whenever I called. Always has been. The current Revenue Committee members-- I have to tell you, and I'll probably talk about him once again, but when I woke up sometime last year and they told me that they were stealing Briese, I was in a panic. I was, like, who's going to read the bill? Like, he's a lawyer. He knows what they say. I'm going to have to read my own bills. I-- who's going to talk to the ag groups? They won't believe me. I-- we can't replace him. What are you doing? And then-- and then I met Senator Meyer, and I was skeptical at

first, but he has been a great addition to the Revenue Committee and the Education Committee and I wish for Nebraska you were coming back. Others on the committee: Brad von Gillern, I don't think we could be leaving the place in better hands. Joni Albrecht, who gave me a bed and with her roommate Rita [PHONETIC] would take me home when I was exhausted and frustrated and couldn't get the wine out of the refrigerator fast enough. Sit down, Lou Ann, it'll be OK. Senator Bostar, who's always working. Always, always trying to make sure everybody gets as much as they can, which is the way the place ought of work. As many wins as we can get for Nebraskans. Senator Dungan, I still have hope. Senator Kauth, you've been a tough warrior and you're a great addition. And Senator Murman, what you did with Education bills this year-- I mean, I was sitting here one day, we, like, passed-- we have guns in school and there wasn't even a filibuster. It was, like, great job. You learn to compromise, you learn to put things together. It was amazing. Some people who are no longer here, but I'd feel bad if I don't mention them. Mike Flood-- Congressman Flood. He got on the Revenue Committee. He was-- he has his-- the whole reentry problem where, you know, nobody knows you. We don't care what you think. And one day he won all our hearts over, we were in Revenue Committee, and he said, well, if we hate it so much why don't we IPP it? We're like, oh, we're not supposed to do that. And Flood is, like, oh, yeah, let me show you. And we got so busy IPPing bills, we had to "unIPP" some of them the next day. And Senator Lindstrom, he was such a warrior on the tax issue. Well, first of all, we ran against each other for Chairman of the Revenue Committee. Neither one of us-- we-- I don't-- no one-- I really don't think anyone had misled us on how they were going to vote. It was very close. I think I won by two, but it might have just been one. He could have been mad and he could have pouted, could have took his toys home and made my life on the Revenue Committee miserable. He did everything but that. He let-- he let his [INAUDIBLE] social security-- he let his own bill go down in trying to do everything else in that tax package that year. And, of course, I've already talked about Senator Pansing Brooks, would have never got the reading bill done without her, and we didn't hardly agree on anything else. I'm almost done. Our weekend at Fort Robinson-- so, you know, I spent a lot of time in D.C., and I'm used to flying. I really don't like driving across the whole state. So everybody asked if I wanted to go to Fort Robinson for the weekend, it was a year ago. I'm, like, sure. And then it's, like, we're driving? Yeah. And I go, oh, well, pickup truck, couple of cars. A van, we're going in a van? Yeah, we're

going in a van. And I am, like, ready to hit the brakes. And then I get-- we're getting-- the van pulls up and I get in the backseat with Tom Brandt. I'm, like, we don't even like each other. This is going to be bad. But-- and this is the lesson: go on the weekends, go on trips with each other. I still couldn't ever convince him to do the right thing as far as I was concerned. Failed yet today. But I understood him, I liked him, I could talk to him. To my class: Carol Blood, Mike McDonnell, Tony Vargas, Lynn Walz, Joni Albrecht, Bruce Bostelman, Anna Wishart, Steve Halloran, John Lowe, Tom Brewer, Steve Erdman, Dan Quick, Susan Geist, Mike Hilgers, Tom Briese, Justin Wayne. I'm still not quite over them leaving us, but it's good. We have a great Attorney General and a great Treasurer. Justin, I know it's the big secret of the Legislature in our class. Why do those two get along so well? Why is she always letting him get by with stuff? Why is he voting with her? There's, there's lots of reasons. But I'll tell you one reason I always wanted Justin on my side because he's smart as hell, and he knows the rules and he protects you. It was a McCollister bill, John McCollister bill, so I thought, how bad can it be? It's my first or second year, we used to sit kind in the middle across from each other, Senator Wayne and I, and I voted yes. He comes screeching out of his seat. He goes vote no-- vote no. You can't vote for this. I don't know, it was something about felons. And he even mentioned murder. I'm, like, OK, he protected me. I'll miss you all. Last week at one of the parties-- well, I only went to one of them because I wasn't going to one at midnight. And that is my favorite, actually, but I was too tired. But a lobbyist told me, and I won't out them-- that they won't-- that he wouldn't miss a single one of us and I'm glad. I think that's something we should all be very extremely proud of. I don't want the lobby to miss me. I realize, because I've been in positions of influence before, that the people who for the last 8 years had begged me for 5 minutes won't take my calls next year. I, I get that and I don't even care. It's the nature of politics. My advice, if anything-- and I know this is tied up with the Bible-- I remember this sometime in my life, probably when I was in my 20s, somebody told me the Bible, and I've never [INAUDIBLE] so I'm hoping this is true. It says: Do not be afraid 365 times, once for every day of the year. So that would be my advice. Don't be afraid to ask questions. Don't be afraid to admit you don't know everything. Don't be afraid to try big things. Don't be afraid of the lobby. The only thing you should worry about is your conscience. God bless.

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KELLY: Senator Erdman.

ERDMAN: Question. Do I see five hands? OK. Bruce, I'm not going to talk about broadband, OK? But I, I seldom, as you may know, I seldom ever have anything written down. I kind of make it up as I go and that's going to be the similar thing to tonight. But I'm going to do it a little differently. We're going to do-- I'm going to go as long as I'd like to because I seen Lou Ann with 12 minutes. So what we're going to do is I'm going to make a presentation and then I'm going to do Q&A. So I want you to hit your light. And as it comes in, I'll answer those in that order. And if that doesn't please you, then hit your blue light and the pages will come by and pick up your question. Just kidding. I just want you to raise your hand. All right. So here we go. So one of the things that has happened in the last 8 years is I have developed a friendship with a lot of people that I never thought I'd ever be friends with. It's amazing-- it's amazing the things that we've done here together and the things that we'll be remembered for. And Senator Hardin told me last week, he said, you know, 10 years from now no one will even know we've been here. But we think it's important today, and I think it is. So I've done a couple of things as a senator that no one else has ever done. First, I painted the numbers in the parking lot. OK. Now, Senator Halloran is holding up a can of paint right there, and I was going to will that to Senator Hunt, but I thought it might be too much work so I'm going to give it to Senator-- cousin Barry DeKay. So you pick up the paint. And the numbers are getting kind of wore, Barry, so get ready, you're going to have do that, because when I was here before, I couldn't get Capital Commission, I couldn't get anybody to paint them. And so I did it myself. And so you-- I, I will that to you. The other thing that I did, and that was when I stood there for 5 minutes and never said a word. And Senator Arch was in the chair and I said, thank you, Mr. President, and I just stopped and it was really quiet. And I looked at my phone a little bit, and then Hilgers ran back there, he was the Speaker and he goes, are you going to say something? I said, I hadn't planned on it. He said, you have to say something. I said, it's my 5 minutes. So I wait a little while and then I say, Mr. President, how much time do I got left? He says, 2 minutes. So I wait again and I go, thank you, Mr. President. Everything I've said in the last 5 minutes is equal to what you've all said all night. Absolutely nothing. And I sat down. Senator Wayne comes running in the back and he goes, hey, did you just do 5 minutes of silence? I go, yeah. He goes, oh, I can't

believe it. I always wanted to do that. I said you're a little late. So how I know that I'm the only one to ever do those two things is I asked Siri, OK? So I asked Siri, has anyone in the Unicameral ever done those two things? And she answered with a question. You know, what it was? What's a Unicameral? So anyway. So as we-- as we move through this thing, I want to thank some people and I'm going to start with this. And I'm going to start with my wife. We have traveled-- hang on. Brandon told me I'd need this. We've traveled about 120,000 miles coming back and forth. That's a lot, but she's been there every day supporting and doing what I need for her to do and I appreciate that. And our three sons and their wives and our nine grandkids, they've given up a lot to see their grandpa here and not being at some of their events. Is what I was called to do, is what we've done. I have a couple other people, Kathy Graham-- I just want you to know one thing before I go any further. I interviewed two people-- as a state senator I have interviewed two people for a job. Two. Those two people are still working for me today. Kathy Graham is the greatest organizer I've ever met in my life. That lady puts it on my calendar where I'm supposed to be and she calls me and says, hey, don't forget tomorrow you're on the radio at 8:00 or she'll say, you need to be here at this time. And the greatest thing she does for me when she puts it on my phone, she tells me why I went there and how far it was. And if I ever needed to turn in a record on how much mileage I had, I have all that information, so I appreciate what she has done for me. And Joel Hunt, Joel Hunt my LA-- there's only one problem with Joel, he and I think almost exactly alike. That is a real problem. So we got to be very careful what we say and do because we're on the same page most of the time. So I appreciate those two people immensely. So I also want to thank the people up front here. Brandon, Brandon is the best Clerk that we could possibly have. And I want to thank the executive committee for advancing Brandon for our selection. Brandon, thank you. I'm going to also say congratulations on your upcoming marriage. I appreciate that. And then we have Dick Brown, Dick Brown has been here since 1977. How many hundreds of session days might that be? 4,000, maybe, whatever it is. Dick, we appreciate your service. Thank you. And the two ladies up front, Carol and Jenni, they are so serious all the time. One evening they were standing over here not long ago-- Dick will remember this, and they were standing like this-- so I went up there and I stood like that. And Dick stood at the mic and he goes-- and so I started telling them about when I went to the grocery store to buy a scratch. And so they're laughing-- they're standing over

there laughing and Dick's going-- but these people are way serious, they act like we're making laws or something. It's crazy. But that's one thing we find here, we're very serious and we need to have a little humor once in a while. So I'm leaving the humor up to Barry DeKay. He can do it. But I'm serious about that. You need to have humor. You need to be able to understand the, the significance of what we're doing. But most of the time, when we're doing a filibuster, that's exactly what it is. All right? So Lieutenant Governor Joe Kelly, baptized by fire last year. Thank you. Thank you for your service. I appreciate that. Then I want to talk about the redcoats, and I want to read to you a white slip that I got this year: time was 3:15 p.m., checked urgent. Senator Popeye: I want to talk to you about LB8765. What's with the cost of spinach, it has gone through the roof? Olive Oil: Housewives of America. Who do you think sent that to me? I think it was Burdette. Charlie handed it to me, but I think it was Burdette. So earlier we had information that those redcoats are leaving. And so I told Charlie this, this afternoon, I said, Charlie, where did you get your coat? He opened it up, it says Edwards on the inside. I said I'm going to get me one of those, and then I'm going to get me a badge out of a Cracker Jack box, and I'm gonna come back next year as a redcoat. And so I asked Jerry, is there an age requirement, a minimum age? And he said, yeah, 70. So I said, OK, I think I made that. So I appreciate those guys. So Burdette is leaving, Jim, Laurie, and Jerry are all leaving us. The only one that's going to be held over is Charlie. He's got a great job-- great big job to do to train others to be like he has been and the others. I appreciate your service. Thank you, guys, so much. Amen. And then we have the State Patrol. I told someone this morning, they send the very best and brightest here to work with us. And that is a fact. I have been impressed with those people who come and stand in the back, and they never tell me how to vote. I go back there all the time. I say, how do you think I should vote? Oh, I can't say. I said, you can say you just won't do it, right? They go, yeah. OK. So I appreciate you, appreciate what you guys do keeping us safe. The pages-- the pages will tell you that when I hit my blue light, it's on and off-- on and off. And the first time I did that, I just hit it real quick, and they're all-- they're all looking to see who did that. And so I hit it 3 or 4 times and I said that means you're supposed to come quickly. So I suggested today that instead of having blue lights, we should have a phone here that we could call down and just request them to come back. Because if you want a coffee or water, they can go in the back and get it and

come without having come all the way back to your off-- to your chair. Right? Did you hear that? Senator von Gillern, when you fix the lights, you can do that. Speaking of lights, last summer-- last session, the lights in the-- in the staff parking lot wasn't working. And Carol asked me, can you get the lights fixed? So the next time on the mic, I mentioned about the lights not working in the staff parking lot. So I made this big deal about 21st-- 20-- 20th century, we can't fix lights. And I went on and on and I get ready to walk out and somebody stopped me, they said they're going to put a new ones tomorrow. I said, good. So the next day they put new ones in. The day after I came in, I said, Carol, how are your lights working? She goes-- I go thank-- you're welcome. It's timing, timing is everything. But anyway, that is exactly what we've done here and we need to be proud of what we've done, the class of us that came in, in '16, there was 18 of us. Some have went on to do some other things, but we appreciate the fact that we've had the chance to get together to learn about what each other's beliefs are and, and their, their understanding. As time went by, I voted more with Senator Wayne than he ever thought I would, and no one would have believed 8 years ago that Senator Wayne and I would go fishing. But when he told me he was a fish whisperer, I said you're on board, baby. So that's why we're going to do that. But we have made some friends-- I have made some friends here. And I think it's very similar-- I've never been in the Military, I've never been in a foxhole, but I think what we do here and the camaraderie that we have is similar to that. We made friends for life here. So as we move through the things that we've accomplished, we think about those things that we made people's lives better by. And one of the most popular bills I ever had was in March of 2019 when the flooding happened. I had a bill that would reduce the property value that was damaged by flooding to the value what is left. That was a very, very popular bill that year. And so we got that passed to help change people's lives and how much taxes they paid. I was visiting with Governor Pilleen the Saturday before Easter, and he and I were talking about accomplishing things and what life really means. And he said, you know, we think what we do here is very important. And I said, yeah, what we do here is important. It's urgent today, but the important things are for eternity. And so he and I both agreed that when eternity happens, those things that we do that will last forever, they're the ones that count. So I would say this, it's very important that you understand what you do with Jesus. That will mean everything. So some say you're a senator, that's true today.

January 5, next year, it won't be. Being a senator is not who I am. It's something I did. I learned that the hard way when I stopped farming. You see, I'd been a farmer for 45 years. So when you stop being a farmer, what are you? So I had to work through that. When I stop being a senator, what will I be? I'll be the same person that came in that door. Let me leave you this: Never get attached to a bill that when it fails it's the end of your world. Never. I've learned that the hard way. In 8 years of priority bills, this year was the first priority bill that I got past General File. I learned to understand there's another day, there's another time. So don't, don't get too concerned about a bill that you have that you think is the greatest bill ever and it doesn't make it. Move on. Pull up your big girl and big boy pants and move on, because there'll be another day to fight another battle. I've enjoyed serving with you. I've enjoyed doing this job. And I was asking my wife if she was going to miss being here, and she said yes. And so last week when Senator Holdcroft was making rude comments about Senator Lowe-- excuse me-- and he said, Senator Lowe, Kim told me you've never been in her wildest dreams. And so I asked my wife and she said, yeah, you've been in my wildest dreams. So I just wanted you to know that. So I want to leave you with this, because it wouldn't be fitting unless I said this at least once, common sense is a flower that doesn't grow in everybody's garden. Thank you.

KELLY: Senator Brewer.

BREWER: Yeah, get that thing out of here. Yeah, that Erdman, Halloran box. All right. I'll let him get out of here. Come on, let's move with a purpose here. All right. I think over the last 8 years, Tony has written 300 speeches. He's got another one. It will go to the same place all the others went-- not-- I, I probably got to tell you that, that for the freshmen coming in, I was the least likely to be a senator for a number of reasons. For one, I really had no passion to want to be a senator. It was neighbors, folks in the district that finally pressured me into doing it. The problem is, if you don't have money, a little bit hard to run so we came up with this idea that we would just ride a mule across the district. Now for some of you, that's not a big chore. But at that time, I had 13 counties of western Nebraska to ride around and it was about 580 miles. So when I had folks that stayed with me for the whole 580 miles, you decided maybe I should bring them to Lincoln to do the job with me and that's how I ended up with some of my staff. So I want to thank Tony first, because

we had been together in uniform for 30-some years before I got the job. Then he came on down and became my LA. And unlike Erdman and, and Joel Hunt, there is nothing about Tony that's the same as I am. The person that holds the office together is Julie. And if you don't know Julie Condon, she is one of the best. She watches my six like you won't believe. She makes sure I, I don't get in trouble even if I want to get in trouble. She makes sure that everything that's done in the Government Committee is done professionally and I would be lost without her. And she, too, was on the ride helping me. Krista, who is my AA, much like others have said, she makes sure that when I go somewhere I know what I'm doing, and it's good that she does that and puts it in black and white because usually I forgot by the time I get to what I'm doing or where I'm going. Dick Clark, you know, as attorneys go, he's a good one. There ain't many of them. No offense to any of them in the room, but, no, I'll go ahead and offend you. The, the staff is really what makes it. And that's what makes your time here successful. You can say I go on all about having great ideas and all that, but they, they gel together, they figure out how to do it. Without them, we really are kind of ships that are rudderless. To the Government Committee, I thank you. You guys have had to fill in on a number of occasions. Four of the years that I've been here, I've been on chemo and we've had 21 surgeries. So John Lowe, Steve Halloran, and all the rest of the Government Committee folks that had to fill in and be the Chair when I was gone, it was not fair to you, but thank you. And who had the Kleenexes? No, if you bring them up I'll beat you to death with the box, put them back there.

LOWE: [INAUDIBLE]

BREWER: All right, well, gall dang it. All right. There are some things that you do here that will forever be in your memory. I had a harebrained idea a few years ago that I wanted to try climbing Mount Kilimanjaro and who but who but Senator Wayne hears about this and, of course, Wayne, he's like, yeah, let's do it. I said, yeah, but we got to plan this thing, this is a big strategic operation. We got to figure out, you know, all the training we got to do with equipment we got to bring and he was, yeah, whatever, we'll just do it. He was fearless on the-- on the, the part where you get ready to go. Anna hears about it-- and if you don't know Anna Wishart, she's got the heart of a lion when it comes to, to, to doing what we had to do that 2 weeks that we went up the mountain and she trained with me for months before we went to make sure I was ready, which I appreciated.

And, of course, Wayne, I, I don't know what he did, he drank beer, but he, he was shamed into success because I can throw guilt like a weapon and I did with him. So as we're a day or so into the climb and you're hurting, your legs hurt and you're back and, you know, it just-- it didn't seem near as fun as it did in the pictures. And Wayne was starting to complain, and I, I, I shared with him, I said before I left to go, I did 8 hours of chemo. I've been shot seven times and I've been blown up with a grenade. I think you need to suck it up. And, again, shamed him to, to making it to the top of Kilimanjaro. But I think when he was standing on top of that mountain and looking out across Africa, there are things that you do in life where you want to freeze that moment and just soak it in, and if it wasn't for back over 20,000 feet, you would have wanted to do that longer, but you started to black out. So for the team that went up, Ben Hansen, Dave Murman, Anna Wishart and Justin Wayne, you went way beyond anything I could dream as far as not only being up for climbing the mountain, but just for the friendship and the opportunity to spend a very, very special time in Africa. So you will always hold that place in my heart. Anna will always hold a special place because at the child advocacy, CASA event, I think the first year after we got the job, they had one live auction item, this little brown puppy. And I'm sitting there and Kent Rogert, he's sitting there and he goes, hey, no one is bidding on the pup, could you kind of help out? Well, it's Anna carrying a pup, I mean, how hard is this? I go, OK. I bid one bid and, and then someone bid against me and it just pissed me off. So I bid it up twice with my own bid, because I just wanted to make sure this guy knew I wanted that dog now. And Anna was kind of promoting it, too. Well, it turned out this dog, her name is Sammy, became my best friend. Didn't think I needed a dog, but sometimes life has these weird turns where you don't plan it and, and that dog was one of them. So, Anna, thank you for what you did there. One of the things I'll forever remember, we-- and, again, again, for the freshman class, you weren't a part of this-- but when we passed the bill to change the statue in Washington, D.C. to Standing Bear, we had no idea from one that they would give us this prime spot, because where William Jennings Bryan was, was kind of in the hallway in the basement, and then all of a sudden they move us to the main Rotunda right outside the Chamber. And there was a few that were there that day. They covered it with what looked like a parachute, and when they pulled it back and this image was glistening in the sun, it was so magnificent. And you just thought, oh, my gosh. You know, if you're going to have something to represent your state in

Washington D.C., that's what you need to have. So if you haven't been to Washington D.C., go there and see it. You'll, you'll stand proud that that says Nebraska under it. All right. I'm not going to torture you guys like Erdman did. I will leave this job and tell you that I have no plans to go on in politics. Not because I don't enjoy working with folks like you, but my DNA-- my, my purpose in life, somehow doesn't fit quite what we do here. And most of you guys saw that I didn't get on the mic unless I really had to have something to say. And, and that's just the way I am because there's plenty of you guys that talk too much that need the mic time so I'll let you have it. I will leave in a couple of weeks and go back to Ukraine. A lot of you have said, that's crazy, why would you do that? You do not have to go back to a combat zone. You don't have to go where people are dying. But I got to tell you that if you go there and you see their spirit because they had not been free, they lived under communism all these years, but then they had this period of time that they were free and they like it. And they realized that life in another way other than free was just something they couldn't handle, especially a dictatorship or communism. So they are very determined that they may all die trying to be free, but that is their destiny. And sometimes when you're over there-- first off, I've been in Iraq, I've been in Afghanistan, nobody stops you and hugs you and tells you thank you. Over there, that's fairly common. If they see the stars and the stripes, they want to thank you for what you've done in helping. And if you-- if you just get a taste of that spirit they have to want to be free, you almost wish we could have more of it here because we take it for granted. We have never known a life without it. So I will go back to Ukraine, I will do what I can to help in whatever way they need help. And I'm not worried about it because I'm of the mindset that we have so many days on this earth and that's not for us to determine, but we got to do as much as we can while we're here, so you got to squeeze everything in and out of those moments and don't look back with regret. So now I'll close my time as a senator and I will just fade away, an old soldier who tried to do his duty as God gave him the light to see that. Farewell. Thank you.

KELLY: Senator Riepe, you are recognized.

RIEPE: Mr. President, thank you. I rise for a, a point of personal privilege. As a special recognition to his service to this body, but also his service to our nation, we, his fellow legislators, along with the Governor, Lieutenant Governor, and Legislative Clerks, I ask all

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senators to congregate at the presentation of the flag, this time the Ukrainian flag for a photo at the base of the podium with Senator Tom Brewer.

KELLY: Mr. Clerk, for items.

CLERK: Mr. President, bills read this morning were presented to the Governor April 18, 2024 at 4:23. That's all I have at this time.

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

ERDMAN: Thank you, Mr. President. It is with pleasure, I move that all bills notwithstanding-- not otherwise disposed of, excluding bills on Final Reading and vetoed or line-item vetoed bills on this date be indefinitely postponed.

KELLY: Voice vote. All those in favor say aye. Those, those opposed, nay. The motion-- Senator Blood for a motion.

BLOOD: Thank you, Mr. President. I move that the Chairpersons of all standing committees file with the Clerk of the Legislature all standing committee records so that a proper record may be made of the final disposition of all bills.

KELLY: You've heard the motion. All those in favor say aye. Those opposed say nay. The motion is adopted. Senator Wishart for a motion.

WISHART: Mr. President, I move that the Legislature approve the preparation and printing of the permanent Legislative Journal, Session Laws, and Indexes by Brandon Metzler and that he be directed to send to each member of the Legislature a copy-- a copy of the permanent Legislative Journal and Session Laws. Thank you.

KELLY: Members, you've heard the motion. All those in favor say aye. Those opposed, nay. The motion is adopted. Mr. Clerk-- Senator Linehan, for a motion.

LINEHAN: OK, is this a joke? Oh, so moved. I move sine die approved. No, no, no, I didn't, I'm sorry.

CLERK: Mr., Mr. President, Senator Linehan, my understanding is the motion is to approve the Journal for the sixtieth day.

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LINEHAN: So moved.

KELLY: You've heard the motion. All those in favor say aye. Those opposed, nay. The motion is adopted. Senator Wayne, you're recognized for a motion.

WAYNE: Will Senator Arch yield to a question? No. Six-- I'm waiting. You'll see why in a second. OK. I move that the One Hundred Eighth Legislature, Second Session, of the Nebraska Legislature, having finished all business before it, now at 6:35 p.m., adjourn sine die.

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