

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 13, 2025

Rough Draft

KELLY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-sixth day of the One Hundred Ninth Legislature, First Session. Our chaplain for today is Randall Klynsma, Omaha Reformed Church in Senator Armendariz' district. Please rise.

RANDALL KLYNSMA: I'm very grateful to be with you this morning. If I-- might make one note, I pastor the Omaha Reformed Church in Omaha, which is a member of a denomination that's been here since 1725. So we're-- we are celebrating our, our tricentennial out in the Black Hills at-- event at Mount Rushmore on July-- June-- I think it's 16 to 18. I'm going to pray the Lord's Prayer. And my intent is to enlarge upon each of the elements of the Lord's Prayer, which is actually according to-- I, I don't know if any, any of you are familiar with the Heidelberg Catechism. Goes back to 1563, just to time it. And it's just a beautiful statement of what the Bible is teaching us, how we should pray. Would you join me? Our Father, who art in heaven, we thank you that at the beginning of our prayer you awaken a childlike reverence that you have become our Father through the life, the suffering, the death of your Son, Jesus Christ, and that you will much less deny us what we ask of you than our parents will refuse us earthly things, as you are the God who dwells in heaven. We are to have no earthly thought of the heavenly majesty of God and to expect from your almighty power all things necessary for body and soul. We pray that your name would be hallowed. That is, that you would grant us, first, rightly, to know you, to sanctify, magnify, and praise you in all your works in which your power, goodness, justice, mercy, and truth shine forth. And further that we would so order our whole life, our words, thoughts, deeds that your name may not be blasphemed, but honored and praised on our account. We pray that your kingdom would come. That is, that you would sow governance by your word and spirit that we each would submit ourselves to you always more and more. Preserve and increase your church. Destroy the works of the devil and all wicked devices formed against your holy word until the fullness of your kingdom come, wherein you will be all in all. We pray that your, your will would be done on earth as it is in heaven. That is, that you would grant that we and all men would renounce our own selfish will and without disputing obey your will, which alone is good, so that everyone may fulfill their calling and office as willingly and faithfully as the angels do in heaven. Give us this day our daily bread. That is, be pleased to provide for all our bodily need so that we may acknowledge you as the fountain of all good and place our faith in you alone. And forgive us our debts as we forgive our debtors. That

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is, be pleased for the sake of Christ's blood, not to impute to us miserable sinners our manifold transgressions, nor the evil which clings to us as we also find this witness of your grace in our hearts that we are purposely-- that we-- with full purpose forgive our neighbors. And lead us not into temptation, but deliver us from the evil one. That is, since we are so weak in ourselves that we cannot stand for a moment. And besides, since our enemies, the devil, the world, and our own flesh assail us without ceasing, be pleased to preserve and strengthen us in this battle. We pray this because we know that yours is the kingdom and the power and the glory forever. That is, all this we ask of you because, as our king, you have power over all things and you are both willing and able to give us all good and thereby not we but your name may be glorified forever. O Lord, we conclude by saying Amen. Shall it truly and surely be Amen. Thank you.

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

SANDERS: 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 twenty-sixth day of the Hund-- One Hundred Ninth Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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. Notice of committee hearing from the Education Committee. Additionally, report of registered lobbyists from, from February 12, 2025 will be found in the Legislative Journal. Additionally, agency reports electronically filed with the Legislature can be found on the Nebraska Legislature's website. That's all I have at this time.

KELLY: Mr. Clerk, please proceed with the first item on the agenda.

CLERK: Mr. President, first item on the agenda: motion from Senator Hardin: MO32. Senator Hardin would move to withdraw LB331.

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KELLY: Senator Hardin, you are recognized to speak.

HARDIN: Yes, Mr. President. I'm sorry. I was otherwise undertaken.

KELLY: This is on the motion to withdraw LB331.

HARDIN: This morning, I'm asking for your green light to withdraw LB330-- LB331, LR10CA, LR11CA. The dynamic impact study that will provide the data needed to properly consider the idea will not be completed until late June. I see no reason to waste the body's time with legislation when the facts surrounding this legislation will not be available. Thank you, Mr. President.

KELLY: Thank you, Senator Hardin. Seeing no one else in the queue. Members, the question is the motion to withdraw LB331. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 36 ayes, 0 nays on the motion to withdraw, Mr. President.

KELLY: Mr. Clerk, next item on the agenda. The motion carries. Mr. Clerk, next item.

CLERK: Mr. President, next item on the agenda: Senator Hardin would move to withdraw LR11CA.

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

HARDIN: Second verse, same as the first. No dynamic study in time, so we're going to withdraw. Thank you, Mr. President.

KELLY: Thank you, Senator Hardin. Seeing no one else in the queue. You're recognized to close. And waive closing. Members, the question is the motion to withdraw LR11CA. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 37 ayes, 0 nays on the motion to withdraw, Mr. President.

KELLY: Motion carries. Mr. Clerk.

CLERK: Mr. President, next item on the agenda: Senator Hardin would move to withdraw LR10CA.

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

HARDIN: Thank you, Mr. President. Same as before. We would ask the withdrawal and a green vote. Thank you.

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Floor Debate February 13, 2025

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KELLY: Thank you, Senator Hardin. Seeing no one else in the queue. You're recognized to close. And waive closing. Members, the question is the motion to withdraw LR10CA. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 37 ayes, 0 nays, Mr. President, on the motion to withdraw.

KELLY: The motion carries. Mr. Clerk, next item.

CLERK: Mr. President, the Judiciary Committee would report favorably on the gubernatorial appointment of Jeff Bucher, Bucher to the Nebraska Board of Parole.

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

BOSN: Thank you, Mr. President and members of the Legislature. The Judiciary Committee held a confirmation hearing on February 5, 2025 to consider the gubernatorial appointment for Jeff Bucher, who was appointed to the Nebraska Board of Parole, to serve a term from December 9, 2024 to December 9, 2030. Mr. Bucher lives in Hickman, Nebraska. He obtained a degree in criminal justice from the University of Nebraska and has worked as a law enforcement officer with the Lincoln Police Department for the past 34 years, serving the last 10 years as a captain. Mr. Bucher appeared in person at the hearing, and the committee voted 7-1 to advance his appointment. I ask for your support confirming the appointment of Jeff Bucher to the Nebraska Board of Parole. Thank you, Mr. President.

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

CLERK: 36 ayes, 2 nays, Mr. President, on the adoption of the committee report.

KELLY: The committee report is adopted. Mr. Clerk.

CLERK: Mr. President, the Nebraska Retirement Systems would report favorably on the gubernatorial appointment of Brian Christensen to the Nebraska Investment Council.

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

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Floor Debate February 13, 2025

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BALLARD: Thank you, Mr. President and members of the Legislature. The Nebraska Retirement Systems Committee held a confirmation hearing on Nov-- on February 7 for the appointment of Brian Christensen to the Nebraska Investment Council. Mr. Christensen was appointed by the governor to fill a vacancy on the council. His term will expire January 1, 2030. Mr. Christensen graduated from the Universe-- University of Nebraska-Omaha, with a Bachelor's in Science, Business Administration and earned an MBA from the University of Nebraska-Kearney. As a graduate of the, the Colorado School of Banking, Mr. Christensen currently serves as CEO of OneNebraska Federal Credit Union in Columbus and has more than 40 years of experience in the banking and finance industry, working with savings and loan banks and credit unions during that time. Mr. Christensen has served on multiple nonprofit boards both locally in Columbus and statewide, including stints as chair of the NEworks Northeast Nebraska Board and Nebraska Credit Union League. Many of these nonprofits he oversaw efforts in the organization to review and revise investment strategies. Mr. Christensen offers a wide variety of investment experience and will be a great addition to the Nebraska Investment Council. He was voted out of committee unanimously. And I ask the Legislature's support on Brian Christensen. Thank you, Mr. President.

KELLY: Thank you, Senator Ballard. Seeing no one else in the queue. You are recognized to close. And waive. Members, the question is the adoption of the committee report from the Retirement Committee. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 35 ayes, 0 nays, Mr. President, on adoption of the committee report.

KELLY: The committee report is adopted. Mr. Clerk, next item.

CLERK: Mr. President: Select File, LB43. First of all, Senator, I have E&R amendments.

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

GUERECA: Mr. President, I move that-- I move that the E&R amendment to LB43 be adopted.

KELLY: Members, you have heard the motion. All those in favor say aye. Those opposed, nay. The E&R amendment is adopted.

CLERK: Mr. President, Senator DeKay would move to amend with AM215.

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

DeKAY: Thank you, Mr. President. And thank you-- good morning, colleagues. AM215 is being brought to address the concerns of Omaha Public Power District. At the hearing, OPPD was concerned that LB43 would expand the authority of the Power Review Board and open up the possibility that the board could look at things beyond initial construction, such as expansions, maintenance, alterations, reconstructs, upgrades, or repairs since such terms were explicitly used in statute. After the hearing, myself, Senator Brandt, NREA, OPPD, and the Power Review Board worked out an agreement to address all of OPD's concerns while still ensuring that there would not be a way where electric-- electronic-related equipment and electronic-related components could be placed in an electric infrastructure near a sensitive military installations, subsequent to initial construction. AM215 would do four things. First, the amendment would take out the language in the original bill about expansions, alterations, reconstructs, upgrades, repairs, or maintenance that OPPD was concerned about. This change brings OPPD in support of LB43 now. Second, the amendment would now require instead of making it optional in the original bill that both electric suppliers and owners of privately developed renewable energy generation facilities consult with their vendors and submit a one-time written notice to the Power Review Board certifying that their facilities or facilities continually contain no electric-- electronic-related equipment or electronic-related components manufactured by any foreign government or foreign nongovernment person determined to be a foreign adversary pursuant to 15 CFR 791.4. As someone who has served on multiple public power boards, we typically only use one or two vendors whether it was for the initial construction, maintenance, repairs, or the expansion of projects or infrastructure. If we know a vendor does not comply with our requirements, we did not use them because of lead times, which now could be between six months and two years depending on what you need. This language makes sure the electric suppliers near sensitive military installations use vendors that comply with this act, whether it be for the initial construction or maintenance project. I've worked with NREA extensively to try to ensure this bill is, is workable for their affected members. I do want to have in the legislative record a clarification regarding the new sub-- subdivision (3)(a) in Section 2 of the bill that is no longer specifically tied to the requirements in a subdivision (2)(a). And that's the same section. Although it may imply that the 700 volts threshold and the military installation

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Floor Debate February 13, 2025

Rough Draft

language is still applicable, I think this could be a subject to an argument that the-- to co-- the contrary due to the lack of specifi-- "specificity." That is why 700 volts threshold and military installation language is again restated in (3)(a) even though it is already in the original (2)(a). I just want to be explicit on this point to eliminate any possible ambiguity and avoid an argument from any party on this point. Ideally, I don't want to have a situation where the Power Review Board is forced to address that issue at a hearing and have to interpret the language, which would then be subject to an appeal. I think the utilities, private developers, and the Power Review Board would all prefer certainty. Third, the amendment would update the date that we reference the foreign adversary list, 15 CFR 791.4, from January 1, 2025 to February 7, 2025. On this date, a change at the federal level came into effect, which simply clarifies that the Chinese special administrative region of Makar [PHONETIC] is indeed part of the People's Republic of China. This change was brought to my office attention by the Reviser's Office, which previously noted the update when working on a separate bill of mine: LB7. Finally, the amendment would a-- add the provisions of LB35 into LB43. As a reminder, LB35 clarifies that the compliance with the critical infrastructure protection requirements issued by North American Electric Re-- Reliability Corporation, otherwise known as NERC, does not need to occur until the facility reaches commercial operation date. This-- Bill Drafting Office has brought to our attention that the two bills conflict. To ensure that the change in LB35 does go through and become law without issue, LB3-- LB43 needs to be amended to include a seven-word change in LB35. Again, AM215 addresses all of OPPD's concerns which were brought up at the hearing while still ensuring that there would not be a way that electronic-related equipment and elec-- electronic-related components could be placed in an electric infrastructure near a sensitive military installation subsequent to initial construction. All the parties involved-- NREA, OPPD, and the Power Review Board-- have agreed to this amendment, are now in support of this bill. I would appreciate your green vote on AM215. Thank you, Mr. President.

KELLY: Thank you, Senator DeKay. Seeing no one else in the queue. You're recognized to close on the amendment. And waive. Members, the question is the adoption of AM215. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

KELLY: AM215 is adopted.

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

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

GUERECA: Thank you, Mr. President. I move-- nope. I move that LB43 advance to E&R for engrossing.

KELLY: Members, you have heard the motion. All those in favor say aye. All those opposed, nay. LB43 is advanced to E&R Engrossing. Mr. Clerk.

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

KELLY: Senator Guereca for a motion.

GUERECA: Mr. President, I move that LB208 be advanced to E&R for engrossing.

KELLY: Members, you have heard the motion. All those in favor say aye. All those opposed say nay. LB208 is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President: Select File, LB108. Senator, I have nothing on the bill.

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

GUERECA: Mr. President, I move that LB108 be advanced to E&R for engrossing.

KELLY: Members, you have heard the motion. All those in favor say aye. All those opposed say nay. LB108 is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President: Select File, LB21. Senator, I have nothing on the bill.

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

GUERECA: Mr. President, I move that LB21 be advanced to E&R for engrossing.

KELLY: Members, you have heard the motion. All those in favor say aye. All those opposed say nay. LB21 is advanced for E&R Engrossing. Mr. Clerk.

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 13, 2025

Rough Draft

CLERK: Mr. President: Select File, LB187. Senator, I have nothing on the bill.

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

GUERECA: Mr. President, I move that LB187 be advanced to E&R for engrossing.

KELLY: Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB187 is advanced for E&R Engrossing. Mr. Clerk.

CLERK: Mr. President: Select File, LB197. Senator, I have nothing on the bill.

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

GUERECA: Mr. President, I move that LB197 be advanced to E&R for engrossing.

KELLY: Members, you have heard the motion. All those in favor say aye. All those opposed say nay. LB197 is advanced to E&R Engrossing. Mr. Clerk.

CLERK: Mr. President: Select File, LB229. There are no E&R amendments. Senator Hallstrom would move to amend with AM112.

KELLY: Senator Hallstrom, you are recognized to open on AM112.

HALLSTROM: Thank you, Mr. President, colleagues. AM112 is before you. This is a clarifying amendment. I want to thank Senator John Cavanaugh for drawing the issue to my attention. It will carry out the original intent of the bill and make a good bill better. Basically, it clarifies that both rideshare and delivery platform drivers are covered under the provisions of the bill. We talk quite a bit about Uber and Lyft with regard to rideshare platform and drivers being treated as independent contractors under the bill as originally introduced. This would apply both to Uber, Lyft, and companies like DoorDash that deliver parcels as opposed to people. With that, just by way of background to bring you up and refresh your memory if you've forgotten. Quickly, the bill was brought to clarify that individuals engaged in the marketplace network platform are independent contractors. We accomplish this objective by excluding the services of such workers from the definition of employment under our employment insurance laws. When you look at DoorDash, the, the rationale for

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Floor Debate February 13, 2025
Rough Draft

extending and clarifying the independent contractor sta-- status under statute applies equally to Uber and Lyft drivers as well as DoorDash drivers. They are independent contractors. They decide if, when, and where they are going to work, and that is the underpinning of independent contractor status and should be extended as provided under AM112 to LB229. With that, I would yield the rest of my time to the chair.

KELLY: Thank you, Senator Hallstrom. Senator Fredrickson would like to recognize the physician of the day, Dr. Matthew Halfar of Omaha. Please stand and be recognized by your Nebraska Legislature. Returning to the queue. Senator McKinney, you're recognized to speak.

McKINNEY: Thank you, Mr. President. I still oppose LB229, and AM112 to me still makes a bad bill bad. For the reasons we stated on General, I don't think we should be passing legislation that would prevent individuals that drive Lyft or Uber or Do-- DoorDash from being employees. I think this favors those rideshare applications and not the employees, as I've stated prior. No driver showed up. No driver showed up. Although I did see a later-- letter passed around. But at the hearing, I do not remember and I don't think even on the committee statement it shows that a driver testified in favor of this bill. And I also don't remember looking on the online comments. I'll double-check again, but I don't thi-- I don't even think a online comment was submitted. We, we should be thinking about worker protections, making sure we think about people. We had the conversation about thinking about people yesterday, but that fell on deaf ears. But it is what it is. You know. We have to make sure that many of these workers, especially in these industries, are protected because they can be taken advantage of so easily. They don't control their fares. So if they're independent contractors, why aren't they able to negotiate how much they could charge per, per ride? If they're independent contractors, why aren't they allowed to do that? Because they should have some negotiating power since they're so independent. But they don't. It's just interesting. And the proponents of this bill think that, you know, the workers want it and we're going to destroy the industry. But the fact is the facts. Uber is in the United Kingdom. It's in Spain. And laws have been passed in those nations to protect the workers. And Uber is still operating in the UK and in Spain. It hasn't destroyed that. It, it, it hasn't destroyed the app. They still are providing services. So this conversation that it's going to destroy the market and make it harder for them to operate isn't true because Uber is still operating in the United Kingdom and in Spain. And they still could operate in the state of Nebraska. We

don't even need to pass this also because, according to Senator Sorrentino, we already have things in place. So why is this needed if things are already in place? It's-- it is a preemption, essentially. Because it was said, I think last week-- I can't remember when we talked about this-- that because of bills passed in other states we need to do this. But if I go my diatribe about bills passed in other states, people might get annoyed. But if we're going to follow other states, I could think of a laundry list of things we should be doing as a state that other states are doing that I think would move our state in the right direction and we probably wouldn't be in a \$40-- \$432 million deficit. But according to Senator von Gillern, we're not going broke because we have \$1 billion in our cash reserves. So it is what it is. But I'll get back on the, on the mic and talk more about this. So in all, I don't think we should be passing LB2-- LB229 because it's going against the people and it's protecting companies from a ca-- from just doing right by people. And according to a lot of conversation we had on General, this isn't even needed. It's just another step to prevent workers from exercising their rights, and that's the biggest problem with this bill. So thank you.

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

J. CAVANAUGH: Thank you, Mr. President. And thank you, Senator Hallstrom, for pointing out that I successfully issue-spotted problems in this bill. And as Senator Dungan would say, if I have a reputation in the community for anything, it's for being a problem-solver. So I appreciate getting credit. I do disagree with the intention of this bill and AM112. I think Senator Hallstrom is correct. Does more truly serve the intention of this bill? I just agree with the, the-- disagree with the intention of the bill overall. So I oppose AM112 even though I spotted the issue. And I disagree with LB229. And-- so I would encourage your red vote on both, ultimately. So we did-- I don't know if everybody got these emails, but people have emailed us a little bit in opposition to this. We did receive one from the Teamsters. They articulated their opposition, especially as it pertains to this amendment. Because the amendment, as Senator Hallstrom pointed out, is intended-- or at least he said-- was intended to treat Uber Eats and the other one-- DoorDash-- the same as it treats Uber and Lyft. But there's the potential that it starts to catch-up folks in other deliveries, doing deliveries like Amazon. You know. I don't know if everybody has these around their districts now, but there's a lot of Amazon-branded vans, electric vans that are driving around, making deliveries, and, you know, FedEx and other

folks who deliver packages. And of course, these big corporations, billions of dollars are looking for cheaper and cheaper ways to make, you know, make their profit to, to, to provide their essential service, which is the delivery of these items that you've ordered online. And there's the potential by adding packages in here that it will start to wrap up these folks who have historically been employees, full-time workers for these big corporations to the benefit of the corporations and to the detriment of those folks who used to get benefits and used to have retirements and used to be able to build a life as a result of the work that they're doing. So when people are thinking about this is like some great-- I see the letter. I haven't-- that Senator Hallstrom circulated. I haven't read it all the way through yet, but-- person talking about how this is a benefit to them to be able to do the gig economy. Of course there's people who see gig economy as a beneficial situation for them, but it's not so for everybody. And it's not a career. It's a stopgap or something else to do while, you know, you have another job, to make some more money on the side. But there are a lot of these-- historically, people have done delivery of packages is a-- they do it for however many-- 20, 30 years, retire with a pension, have insurance, ha-- are able to buy a house and build a life as opposed to people who are doing Uber on the side because their full-time job doesn't pay enough that they can afford rent or afford to buy a house or afford to save for the future. So the fact that people do these things maybe is a, an indication of some of the other failings in our society at the moment. But the whole fundamental question though is-- and we had this conversation on the first round of debate-- whether this is even necessary. So all of these folks that work for Uber right now are-- they meet the, the six-factor test-- I think Senator Sorrentino said-- six-factor test for, for contract-- or, workers and not employees. Independent contractors, not employees. And so that's-- they are, they are defined that way. And so there's not really a necessity to put it in statute other than, going forward in the future, that if there is some change in circumstance, that it puts those in-- those folks at a disadvantage if they want to enter into more of a employer-employee relationship. And it puts the, the power in the hands of these large corporations as opposed to the workers, the Nebraskans who are trying to make a living, trying to save for their future, trying to build a life. We're creating an economy that makes it impossible for someone to work one job and be able to live their life. That's what this bill is helping to set up, cro-- continuing that proliferation of corporations extracting their wealth on the backs of the working people who can't afford to live with one job.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate February 13, 2025
Rough Draft

KELLY: That's your time, Senator.

J. CAVANAUGH: Thank you, Mr. President.

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

HALLSTROM: Thank you, Mr. President. I'd like to address a few things that have been noted for the record. Senator McKinney on General File and again today has suggested that-- repeatedly asking the question, where were the Uber drivers? Nobody was an online commenter. Nobody appeared at the hearing. I have distributed at least one opinion of an Uber driver that was consistent with my testimony both in the committee and on the floor that Uber drivers overwhelmingly want the independence and the flexibility. But what-- Senator McKinney, the point that he made-- perhaps without even realizing it-- is that there was not a single Uber driver who has expressed opposition to the bill at the committee hearing or online. So we've got the suggestion that nobody bothered to show up. Senator John Cavanaugh, in a KETV NewsWatch edition, was asked something to the effect of no rideshare drivers opposed. His explanation was kind of the converse. He said these people have other jobs and they don't have time to come down and testify. I think if the issue was important enough-- here's my logic. Here's my intuition on the matter. The people that are Uber ride-- drivers-- excuse me-- are the ones that are looking at this issue and they're saying, we're currently treated as independent contractors. We are independent contractors. We'd like to have more solid footing in the status as independent contractors. Why would anybody oppose this? And Senator Hallstrom and the Legislature have our backs. They're going to do the right thing. Conversely, if I was an Uber driver and I wanted to have my voice heard if it makes my blood boil and if it makes my skin crawl that this is being proposed, I'd find a way to be there or comment online. And not a single Uber driver has done either of those things. I think when you look at the Uber-- the statistics from my original opening statement, we have overwhelming surveys that show 75% expressing their preference to remain independent contractors. Senator McKinney had referenced that there was a DoorDash survey or handout that was going around. It was the high 80s or the low 90s. If we're really interested in protecting workers, then we ought to try and do what the workers want. And in this case, hands down, clearly the workers want to be independent. If you look at Mr. Standley's testimony-- which I did hand out-- it did not become part of the record because he was unable to make it. He did have that second job. And as Senator Cavanaugh pointed out, wasn't able to make

it. He was one of those. But he did submit testimony that was given to the committee. And as you look through there, I think his comments are reflective of exactly what the vast majority of Uber drivers want and is exactly what LB229 and AM112 would accomplish. He talks about the flexibility and the independence, that if he is classified as an employee that he would no longer be able to fulfill his job duties. And I think the other thing that we're missing the point on is that the status or classification as an independent contractor-- more specifically, the exclusion from the classification of employment under the UI laws-- is contingent. When you look at the bill, the marketplace network contractor and marketplace network platform driver agree in writing that they are an independent contract-- contractor. The bill goes on to indicate that the marketplace plat-- network platform does not unilaterally prescribe specific hours. It allows the individual to drive both for the marketplace network platform-- for which they are an independent contract-- and other competing marketplace network platforms. And the marketplace network platform is not allowed to terminate the contract of the contractor for not accepting a specific service request. So if the individual doesn't want to work under those conditions-- i.e. doesn't want to be an independent contractor-- they're not obligated to continue employment. They're not obligated to sign the contract to become an independent contractor. And they can choose to be employed somewhere else. But I think that defeats the purpose--

KELLY: That's your time.

HALLSTROM: --of having secondary employment. Thank you--

KELLY: Thank you, Senator Hallstrom. Senator Spivey, you're recognized to speak.

SPIVEY: Thank you, Mr. President. And good morning, colleagues and folks and community watching online. Again, I apologize for how I sound. I'm still battling this cold. But I am here. I first wanted to just acknowledge that I currently still oppose LB2-- LB229 and just have some thoughts. And again, appreciate the dialogue of our colleagues today. I wanted to just make a note to Senator Hallstrom's point around accessibility and folks that if this was really important to them that they would show up. And so kudos to Speaker Arch for starting last session putting out a survey and really working with everyday people to better understand the accessibility of the Legislature. We know that folks cannot travel to Lincoln. It is during the time when people are usually at work. If you work overnight, then

you are going to be sleep. People don't have and understand always technology. And so while we are trying to do things through a more technology advanced system, that doesn't always work for everyone. So I do think saying that if people wanted to be here that they would find a way is not-- doesn't really reflect the intentions of everyday folks, as they want to make their voice heard, right? And so I don't think that's a reason to say that that's why we didn't necessarily see those types of comments or that type of dialogue from the folks that are directly impacted. When this bill was first brought on the floor, it just happened to be that DoorDash was here visiting. And so I was out in the Rotunda and I did speak to them just-- again, by happenstance because they were here. And they were talking about their process. And they did hand out some infographics and information to some of the senators, and they said that they are already independent contractors. So basically, how their business structure is working, they are doing what they need to do. And I'm not clear and don't understand then the reason to codify this in statute if individual companies are able to operate in a way that makes sense for them and the people that they are employing are using as 1099s. And so with that, I would love if Senator Hallstrom would please yield to a few questions.

KELLY: Senator Hallstrom, would you yield to some questions?

HALLSTROM: Yes, I will.

SPIVEY: Thank you, Senator Hallstrom. So I did receive some feedback from some community advocates and folks that are not in support of this, this bill. And one of the things that they brought up that I wanted to get clarity on is that, by enshrining this in law, will it ever take away the option for the 1099s to become employees if they so choose to move that way?

HALLSTROM: Thank you for the question, Senator Spivey. It, it will not. The same question was asked on General File. And I've alluded to the four criteria that are required in order for the independent contractor status and thus the exclusion from definition of employment to apply. And the employee must sign the agreement acknowledging that they are in fact an independent contractor. And that can go both ways. If the company or the marketplace platform network would ever decide that they wanted to do something differently, they would just discontinue complying with the statute in, in that regard.

SPIVEY: Thank you. And then my last question is around a pilot that is happening. It's called Microtransit, and it looks at creating a bus rideshare option. And so based on this new statute that you are hoping to pass, how would that affect this type of program that is hybrid, where they have a bus line and rideshare option to try to address inequity-- inequities in accessibility within public transit?

HALLSTROM: I don't know probably enough about that, Senator Spivey. I'll try and check and see. I'm not familiar with that particular new, unique innovation, but I would assume that with regard to drivers, there's a potential-- and in my mind, we ought to provide the flexibility that if minimal regulation allows that new, innovative product offering to flourish and provides employment opportunities for those who are struggling financially and need a second job that we ought to try under the eyes of protecting workers to provide that opportunity to them.

SPIVEY: Thank you, Senator Hallstrom. Thank you, Mr. President.

KELLY: Thank you, Senator Spivey and Hallstrom. Senator Guereca, you're recognized to speak.

GUERECA: Thank you, Mr. President. Colleagues, I rise in opposition to AM112 and to the underlying bill, LB209. You know, I was one of the younger senators. And as the downtown Omaha senator, I like to think that I am able to talk a little bit about the experience because I have-- I often use these rideshare applications. And-- you know, I'm a chatty person, so I have conversations with these drivers. When this bill first came up in General File, one of my fellow colleagues asked me for my opinion, my thoughts on LB209, and if I truly thought that these rideshare drivers were independent contractors. Based on my experiences and my conversations with them, I would say, eh. Maybe. Kinda, but not really. Sort of. Best way to describe it. Because truly the con-- the conditions that they face are not the-- those of an employee, a true employee or a true independent contractor. There's algorithms that modify when and where they can take-- they can accept rides. There's restrictions. There are internal systems that dictate, again, where and when they can take rides. They have to reach a certain threshold to be in certain areas. Oftentimes there isn't transparency on, on the pay and that, that fluctuates and that's not always clear. And that to me isn't the conditions that a true independent contractor faces. If you hire a plumber, he'll quote you a price and you accept that price. If you hired an electrician, you're quoted a price. And you as a consumer accept that price. That's not

the conditions these rideshare drivers face. And now it's being expanded to include other types of gig-based jobs. You know, on the campaign trail, I had conversations with constituents. I had conversations with trade groups. I had conversations with industry. And what I heard over and over and over and over again is we need workers. We need workers. I met with, with unions that said we need workers. Some of the most successful corporations in this country, we need workers. So my question to this body is, should we continue to erode worker rights to create an environment that isn't enticing, that isn't attractive to young workers? The very workers at every corner of the state we need. We need people to move here. We need people to engage in, in this great economy and live this good life. So that gets me to thinking. You know, we heard the, the comment from the Teamsters that they're concerned that the next step would may-- be an expansion of this bill to further continue to erode workers' rights. Is that conducive to a growing economy like Nebraska? To a state where we need to attract people, to entice people to come live this good life that we all know is great? I would meet with people on the campaign trail and they'd say, Dunixi, you know, you, you moved to, to this state. How do we attract young people like you? That's the question we need to ask ourselves as we go through and, and, and we pass these legislations. Are we creating an environment? Are we creating a state? Are we enticing people to come live this good life? People to come to live here, to worship alongside, to work alongside, to thrive, and to live the good life? So that's my question. Does this bill help promote the good life? And I think that will be my litmus test whenever I look at a piece of legislation that comes before me. Does this expand the good life? Does this help expand our amazing state? Does this help grow our amazing state?

KELLY: That's your time, Senator.

GUERECA: Thank you--

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

CONRAD: Thank you, Mr. President. Good morning, colleagues. I rise in opposition to AM112 and LB229. I've consistently been opposed to this legislation since it hit the floor and have expressed a variety of concerns both technical and substantive about the measure. I additionally believe that AM112 perhaps should force this to be recommitted to committee because it seems like a rather significant expansion in terms of the original scope of the legislation and that

has not really been subjected to an opportunity for other stakeholders to read the initial bill when it came in and said, OK. We're going to monitor this, but it doesn't seem to apply to the employees that we're working with. And now it seems to be that there is an expansion here at Select File that people haven't really had a chance to vet and that may have changed the public engagement level, the second house engagement level at the committee. So I'm going to think through whether or not we need to file that procedural motion today to help structure our debate and make the point, kind of see how the, how the debate goes so far. But I, I do think that the amendment itself actually, rather than making a good bill better, actually makes a bad bill worse and perhaps more vague and more expansive rather than perhaps the original intent, which was meant to be more narrow. Definitely Senator Spivey raised important questions as to how this will apply to a new innovative model in Microtransit in the Omaha metro area. We're now trying to sort out an analysis from all different kinds of entities, whether it's contractors or employees with FedEx or UPS or other delivery services that perhaps were not included originally due to the exclusion of, I guess, the, the package, the package delivery component and the measure was supposed to solely focus on ridesharing for things like Uber and Lyft. So we, we definitely need to think really carefully about that in the context of this amendment and before we move forward. The other point-- points that I want to lift up is that I, I still don't understand why this bill is necessary. And to his credit-- and I appreciate the clarity-- my friend, Senator Hallstrom, indicated that according to general contract principles, if the current arrangement wherein drivers for rideshare companies, you know, are agreeing to enter into that relationship as independent contractors and normal contract principles apply, so be it. That's working well. That's the standard-- status quo. There's really no question about that. And if, in fact, in the future, either the company or the independent contractors decide to reevaluate that existing arrangement and change their model to allow for employment, it's not prohibited by this bill. So I don't-- I really don't understand the necessity for this bill. Current contract principles already allow for the drivers in the company to establish the relationship as independent contractors, which they have. If that changes in the future, they will apparently, allegedly have that ability. I'm not aware of any other area in employment law-- and I'm lifting this because if other people do have examples, I would appreciate hearing about them-- where we, we put a blanket state law down that says an X is Y for purpose of Z in regards to this employment context. A driver for a rideshare company is always an

independent contractor. I just-- I'm, I'm just not aware of other areas of law where that comes up because we let contract principles and the test that's been established by DOL and the courts play out if there is in fact a question. The final pieces I want to reiterate in regards to this particular measure is really the overall statistics when it applies to workforce in Nebraska. We're leading the country in the number of adults working full time, year-round, and living in poverty. We're at the top of those lists, usually top one, two, or three in terms of Nebraska adults working multiple jobs. We have a significant underemployment problem--

KELLY: That's your time, Senator.

CONRAD: --and those greater issues need to be addressed in the context of this debate. Thank you, Mr. President.

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

McKINNEY: Thank you, Mr. President. And I still oppose this bill and the amendment. And the reason I mention no driver showed up, because if this was such a need, then-- and the drivers wanted this codified, they would have showed up. But they didn't. That's why I mentioned it. And the reason why this bill is being pushed is because Uber, Lyft, and whoever else wants to prevent future reclassification. You know, while gig workers are currently considered independent contractors, legal challenges at the federal and state level continues to threaten that classification. Codifying their status would preempt any potential court rulings or, or legislation that could classify them as employees. It protects company profits. If drivers were classified as employees, companies would be responsible for payroll taxes, benefits, minimum wage protections, and other labor costs. Keeping workers as independent contractors helps these companies maintain high profit margins. It also blocks workers' rights efforts. If a law explicitly defines gig workers as independent contractors, it will make it harder for workers to push for labor rights, unionization, or employee benefits. It solidifies the current model and limits future challenges. That is the purpose of this bill. It also-- you know, Nebraska lawmakers who are pushing this, Senator Hallstrom, may argue and he's probably arguing that independent contractors encourages innovation in job creation. It could be framed as a way to attract the gig economy to our state. But I don't think that's what it does. Because as I stated, in other places that have given workers rights, Uber is still operating. It hasn't destroyed their business model.

They are still profiting. So that argument doesn't make a lot of sense. And, you know, they've spent millions of dollars lobbying and probably are lobbying here. They're probably out there in the, in the Rotunda because they want to keep big profits. They don't want workers or drivers to eventually or one day say, hey, we want to be reclassified as workers. What are you so scared of if the current system is working? That's the issue that we're facing today, that they are so scared that their business model is going to be questioned eventually, that they want to make sure that the Nebraska Legislature protects them because their business model is going to be co-- questioned. Because if not, why bring this bill if, if their business model was such an amazing thing? Just trying to figure that out. If the business model was such an amazing thing, why do we need to-- a, a bill to preempt anything in the future? If the business model was working and workers were, were feeling so amazing about it, why would this bill need to be put in place to preempt anything if workers were so happy? If workers are so happy and they feel great about the model, why do we need a bill to preempt them possibly wanting to be reclassified? Ask yourself that. If it's so great, why do we need a, a bill to preempt them from recla-- trying to reclassify themselves if it's so great? Why do we need to spend all these minutes and hours talking about this if the model is so great? Why are other states having challenges if it's so great? You should ask yourself that question because if something is so great, then it wouldn't be challenged and it wouldn't be a bill trying to protect it like this. So just ask yourself those questions. Thank you.

KELLY: Thank you, Senator McKinney. Senator Spivey, you're recognized to speak.

SPIVEY: Thank you, Mr. President. And again, thank you and good morning, colleagues. And appreciate this discussion still on LB229. I wanted to revisit something from yesterday as we ran out of time and I was in the queue, specifically uplifting Senator Holdcroft and some education that he always consistently does around corrections. And I appreciate him providing fact-based information for folks that are maybe unfamiliar or are interested in, in understanding our carceral system here in Nebraska. And so I think-- and again, as we talk about workers' rights and community and what does that look like, understanding how our carceral system fits into that is an, an important piece of the puzzle that we often don't take because we look at things in a very siloed or binary manner. And so in general, corrections in our carceral system is not rehabilitative. And so I think as we think about the number and the amount of jails and prisons

that he actually named yesterday compared to our population is wild. When we think about the number of people that we are incarcerating based on our population as a state, that we are doing a disservice to people and not investing in their success or their livelihood. But we could do better. And as a body, I encourage us, as he continues to educate us about the correctional system and as we continue to have bills that touch, whether juvenile justice, workforce, or housing, that we are really looking at, how do we invest in preventative policies? So how do we look at quality and affordable housing? And what does that look like? Especially for some of our most vulnerable populations like our low-income in-- individuals or folks that are reentering and trying to have a different chance at life as productive citizens of our community. We also have to look at our public education. So are we fully funding and investing in quality education? That is a topic that continues to come up and it is very important, especially as we are looking at a deficit this year, the cost of special education. As we look at all of these parts and pieces, teacher retention, teachers with higher education, we have to make sure that our public education is not just funded and available, but is actually quality, that it's providing students and families an opportunity to really have a successful experience within our education system. We have to look at environmental issues. We have to look at-- especially wages and jobs and economic opportunity, to ensure that the options and choices where people do not lend them and lend themselves to be able to have an experience of incarceration. And as I have started to work with Director Jeffreys more in depth in this role versus my role out as a community advocate, we were talking about just what does this new prison look like, the amount that we're investing in a-- in as a state, and where there are some opportunities. And we were going through the data points. And so as you look at the data, we have about roughly 2,500 people that identify as men incarcerated in our state. 1,200 of those are black men that come from Douglas County specifically. And so black people in the state of Nebraska make up 4% of the population. You can divide that-- that's half and half-- that identify as men and women. So we are disproportionately impacted and represented in our carceral system here. And so, again, as we continue to talk about workforce issues, as we are digging into this, as we talked about affordable housing, as we talked about the deficit, we are coming from a scarcity mindset. And we're not talking about true priorities and issues that are impacting Nebraskans that this body really should consider and prioritize in order to actualize the good life that Nebraska has to offer, as Senator Guereca so eloquently put. We have to make sure that people

can access the opportunities and potential here and that we are not continuing to fail our community members. And so I appreciate being able to take some time to revisit this from yesterday and, and hopefully it provides more context as we continue important discussions around workforce and other key issues that are in front of our body and our state. Thank you, Mr. President.

KELLY: Thank you, Senator Spivey. Senator Guereca, you're recognized to speak.

GUERECA: Thank you, Mr. President. You know, I think about the-- this bill and kind of the-- anecdotally, what I've heard about how-- what the experience of these rideshare workers has been. And I think there might be an argument that it's-- at its very inception of the Uber and Lyft model, there was more control for, for the individual driver. But as we've heard, their reality and kind of how they interact with these apps, that experience has changed. And now at the moment-- at this moment, it's truly not the experience of an independent contractor. And I, I do not blame these companies for trying to lock in, lock in a model that, that's a pretty sweet deal for them. And that's OK. But let's talk about what that actually means, what the lived experience of these workers is actually is. They get hurt on the job? No workers' compensation. They suddenly lose access to their account and to these apps? No unemployment benefits. If you're a single parent who drives for 60 hours a week and you're still struggling to make ends meet, no minimum wage. It's a pretty good deal. I'd lock that in. Like I talked about earlier, in a, in a traditional job, a worker negotiates their wages. They're allowed to earn overtime. And they're guaranteed at least a minimum wage under our laws. But right now, these companies, they-- again, they get to set that-- they get to set that rate for service. Not very transparent. And what we're seeing more and more is that it cuts into the actual earnings of these drivers. So we see these platforms lower what they pay per mile, lower what they pay per minute, increase the percentage that they take. And, I mean-- again, I've talked with these drivers. They're very confusing models that often change day to day, leaving them confused about what they're actually going to be earning for providing these services. So I don't know how we honestly stand here and say that that's truly the experience of an independent contractor. And if they did get to set those rates, there'd be more of an argument. But they don't. These platforms control these price-- control the pricing, effectively making them-- these drivers be employees in anything but name. Again, these workers could wake up one morning and lose access to this platform without explanation and without the ability to appeal. If

they were truly independent, they would have control over their employment. But the reality is, is that their access to this work relies solely on these platforms that, again, can cut off these drivers without rhyme or reason or explanation, leaving workers without zero recourse to earn a livelihood. So another important characteristic of traditional employment is who controls access to the work. In a regular job, you're, you're scheduled. You'll get a paycheck. Now, these drivers, they can log in, sit around for hours, and receive nothing because the application decides when and where they get the work. They can't predict their income because these platforms control who gets the orders. It controls how jobs are distributed. And whether demand is low or high, they, they adjust those rates. So my question to you is, how can these drivers truly be independent contractors if they are completely dependent on these algorithms to--

KELLY: That's your time, Senator.

GUERECA: Thank you, Mr. President.

KELLY: Thank you, Senator Guereca. Senator Hallstrom, you're recognized to speak. And this is your last time before your close. Continuing in the queue. Senator McKinney, you're recognized to speak.

McKINNEY: Oh. Thank you, Mr. President. I wasn't expecting that that fast. But I'm back up and I still have my opposition of this bill. And we just have to ask ourselves, are we OK with what this bill does, which, in my opinion, handicaps drivers from being able to exercise their rights? If they want to reclassify themselves, they should be able to. We shouldn't be introducing bills to preempt that. Because why is it needed? If the model is such a great model, why does Uber and other rideshare apps or food delivery apps want this bill to be passed? You should ask yourself that question. I think that is a logical question to ask. If it's such a great model, why does it need to be preempted from, I guess, some attacks from other states? Because other states have done some things and-- if we're going to follow other states, well, we should not be building a new prison. We should have already legalized recreational marijuana. We should be decreasing our prison population. We shouldn't be trying to lock up 12-year-olds. Trying to think of what else we should be doing if we're going to follow other states. We should have online sports gambling. Some other things I could think of. But back to the topic. Why is this bill needed if the model is so great? I believe that question should be answered. If the model is so great, the drivers are so happy, Uber is

so happy, why is this-- why? Because currently, they're independent contractors, right? So why do we need to codify this in law if it's such a great model that is working? We have no issue supposedly in the state of Nebraska. It's such an amazing model and it's working. But no, supposedly other states are doing things and it's going to creep into the state of Nebraska and it's going to destroy the model. But newsflash, in other places where things have changed, Uber is still operating. Lyft is still operating, DoorDash is still operating. They're still making profits. So this destruction that is being predicted is not true. What would be true, though, is people would be protected and they could exercise their rights. Why are we trying to take away the rights of our people? This is a common conversation in the Legislature. We talked about it yesterday. We talked about it last week. And I feel like we're probably going to talk about protecting people and what side are you on as far as protecting people this whole session. Because seems like it's the theme of the session, about protecting people and who cares about people in this end or that end and what protection should go and not go and-- it's really interesting conversation, actually, because one day somebody might say something, then they say something else and then you just scratch your head. You're like, really? That's really interesting. But I think this is my last time unless somebody put a motion up. But Nebraskans, why do we need this bill if the model is so great? Other than trying to make sure these companies can prevent drivers from exercising their rights. That's what this bill does. It will prevent drivers from exercising their rights. And should we be passing bills to take away that opportunity and that right from drivers if we care about drivers, you know, government overreach, all those things. Just saying. This will do it.

KELLY: That's your time, Senator.

McKINNEY: Thank you.

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

M. CAVANAUGH: Thank you, Mr. President. I yield my time to Senator Hallstrom.

KELLY: Thank you, Senator. Senator Hallstrom, you have 4 minutes, 55 seconds.

HALLSTROM: Thank you, Mr. President. Thank you, Senator Cavanaugh. I was outside the glass trying to get a response to Senator Spivey's

question. So a, a, a lesson learned is, you cruise, you lose. So I do appreciate the opportunity to get back on the mic. My wife always tells me to be careful when I try to multitask, and I'm having whatever limited abilities I have tested to the, to the limit here. Senator John Cavanaugh has indicated that the bill's not needed because the-- these drivers are independent contractors. On General File and Select File, separately Senator Dungan and Senator Conrad and now Senator Guereca have all suggested, well, it's murky. It's complex. We're not sure whether they're employees or independent contractors. And Senator McKinney's been rather flexible. On General File, he indicated that they were clearly employees, and now he's suggesting that they're independent contractors and we don't need the bill. I think those three separate and distinct arguments give credence to why we do want and do need the bill. I've indicated that the flexibility is there for employ-- for the drivers to determine that they will not be treated as independent contractors. They're not obligated to take the job. And I've gone through the criteria on a number of occasions. I would want to address a statement made by Senator Conrad. Senator Conrad said that this is something unique and novel. I noted on General File, as I will repeat here, that if we look at the provisions of LB229, exclusions from em-- employment status, the statute is replete. There are 21 specific exclusions from employment. And in fact, for direct sellers, there's language very similar to what we have here in terms of a contractual agreement between the company and the direct seller to acknowledge that they are independent contractors and not subject to federal or state taxes and thus are not considered to be engaged in employment. So I think all of those factors put together would indicate that we, we should move forward with this bill. Hopefully we can get that done yet this morning. And with that, I would yield any time back to the chair. And thank you, Senator Cavanaugh.

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

CLERK: Thank you, Mr. President. And again, good morning, colleagues. The other point, in addition to the comparisons that my friend, Senator McKinney, brought forward from other jurisdictions, other countries outside of the United States that I think came up at least briefly during General File and I wanted to reiterate here today on Select File was the fact of kind of looking at how our sister states have approached this very issue in particular. And I know-- I'm sure Senator Hallstrom has the exact number handy, but generally speaking, I think about half of our sister states have decided either not to

move forward with legislation like this or have not addressed the issue through legislation. And then, you know, roughly, maybe 20, 25 have decided to move forward with legislation similar to this. And then we know, for example, additionally, that there's a fairly complex history on this very issue emanating from our sister states in at least California and perhaps also in Massachusetts from what I can find in regards to some online research, which shows that these issues have been subject to not only legislation, litigation, and also ballot initiatives. So I-- there's no doubt that this is a really-- an emerging issue and topic as our business models evolve and as we work to see if legislation is needed to supplement or somehow support what is happening with these business models and whether or not there is an issue that the Legislature needs to weigh in on. I'm, I'm just not convinced that there is necessity to move forward with this. Traditional contract principles already apply. The drivers today are organized as independent contractors. If there is a question about that-- and perhaps there is, because I, I don't think that they really have much ability to control their, their work-- those issues are easily resolved through the Department of Labor, regulatory bodies, and the courts. And, and there's just no reason for the Legislature put-- to put down a blanket law that says that these particular employees are always going to be treated as independent contractors. The business model has flourished in our sister states that don't have measures like this. Uber and Lyft are operating just fine in the other states that don't have measures like this. And the other key component that has been a big part of the dialogue and debate in states like Massachusetts and California and otherwise are things like whether or not there can be an effort to switch to become employees, whether there can be an effort to associate, to organize, to petition for changed working conditions, and whether or not things like protections that typically are afforded to employees in the employment relationship, things like basic security of a minimum wage or overtime wages or access to workers' comp systems and application of nondiscrimination provisions, all of these other pieces which are important to think about as these business models do shift, evolve, and change and are beyond the reach of independent contractors in many instances. The other piece that I want to push back on a little bit is Senator Hallstrom seemed to indicate that, you know, there is widespread support from the drivers themselves to stay in this classification. That may well be the case. The information that was presented at the committee level was from the companies themselves. And I do think if you do just some basic research, when you look at independent polling and evaluation of the drivers, the numbers

actually look very, very different. So it's important that we have a more objective lens when it comes to making-- perhaps painting with too broad brush as to what the workers and the drivers truly want in regards to--

KELLY: That's your time, Senator.

CONRAD: --their working conditions. Thank you, Mr.--

KELLY: Thank you, Senator Conrad. Senator Guereca, you're recognized to speak. And this is your third and final time on the amendment.

GUERECA: Thank you, Mr. President. And I'm glad Senator Hallstrom agrees that, you know, the, the actual status of these workers is a little murky, not quite defined. But I'll argue that, one thing is certain, they're not independent contractors. And again, I don't blame Uber and Lyft for wanting to lock in a pretty sweetheart deal. They get all the power of being an employer. They have the ability to control wages. They get to determine work availability and terminate workers at will, all without taking on the responsibilities that workers have under our laws. They want to set pay but not have to adhere to minimum wage guarantees. They get to fire workers but not provide unemployment benefits. And they want to control access to the jobs and work but not provide any job security. I don't know about you, but that does not sound like independence. That doesn't sound like fair work. But here's another thing we got to consider is who gets left holding the bag when these workers lose protections. Or to the current situation. Who gets to pick up that tab? Well, that's the taxpayers. Without unemployment insurance, these workers might have to turn to public assistance, increasing the cost. Without health coverage, they'll end up in our emergency rooms. You see, it's a pretty sweet deal. And it's the taxpayers, those who voted us in to look after their precious dollars, that get held holding the bill. No. Don't pass my sniff test. So let's do the capitalistic thing. Let's not restrict our-- the way our companies do business. Because who are we to predict how the industry looks like in five or ten years? We sat through a great session in the Government, Military and Veteran Affairs Committee yesterday talking about how we as a state need to lessen regulations, lessen the burdens that our companies have to jump through in this state. So in the spirit of that, I say let's not add on needless regulations that might one day in-- dictate and impact the way these companies do business in our fair state. So. I'm going to be a red vote on AM112 and a red vote on LB229 because let's not increase

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the regulatory burden. Yield the rest of my time. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Good morning, colleagues. I have been sitting here trying to formulate my thoughts. I'll start with that I am not going to support AM112 or LB229. But that's not what I want to talk about. I want to talk about yesterday. I want to talk about the HHS hearing I had yesterday where the head of the Department of Health and Human Services came in opposition to my bill. Why is this remarkable? Generally speaking, it's not remarkable, colleagues. Not remarkable at all. Couple of things to note. They didn't tell me they were coming in opposition. That's kind of rude, but fine. Not unheard of. But what I want to talk about are the things that he said. As the person in charge of one of the largest agencies in the state with the largest budget, with a motto that says "helping people live better lives--" helping people live better lives. The CEO of DHHS, Steve Corsi, came and testified in opposition to my bill that is intentionally expanding the Bridge to Independence program for undocumented youths so that they can live better lives because they are people, they are children and they are people in this state. And the CEO came and testified on my bill and called them illegal aliens. He dehumanized them. He said that no resources whatsoever of this government should be spent on these children, these children. And too bad for him because they've already spent the resources on them. These are children who are involved in the foster care system and the judicial system. We have already spent money on them. We have already invested in them. But he says that Nebraskans shouldn't pay for that and that Americans shouldn't pay for that. But then those same people, those same people and their families are providing necessary resources to Nebraska to the tune of \$43 million in state income taxes. I'm pretty sure that Senator Clements, chair of Appropriations, would agree we cannot afford to lose \$43 million in income taxes this year. It is galling to have the person at the head, at the helm of the Health and Human Services dehumanize children with vitriol and derogatory language. That is clearly meant to not be a policy choice, to not be serving the best interests of every Nebraskan. And these children are Nebraskans. They are in our communities. They are a part of our families. Senator Ballard had a bill in the same committee right before me giving these same children opportunity scholarships to private schools. Guess what? DHHS didn't have a problem with that. Totally fine with sending these exact same children to private school,

but not fine with spending state dollars on giving them a bridge to independence when they age out of the foster care system. Pure vitriol. That should be unacceptable in this institution and in this state. We should hold children in our hearts. We should work together to make their lives better. And saying derogatory, inflammatory things about a marginalized population of children is unconscionable. I wrestled with this so much yesterday, I couldn't even really close on my bill because I was shaking. I was so upset at what I heard an agency head say at a public hearing about children. To my core, it makes me ill. It should not be acceptable to people in this institution to have children in Nebraska spoken about like this. Marginalized communities should not be spoken about like this. It is completely unwarranted. It is completely unconscionable. And I hope that Director Corsi looks deep inside of his heart as, as a man of faith and prays about what he said and did yesterday.

KELLY: That's your time, Senator.

M. CAVANAUGH: Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. So again, I'm rising in opposition to LB29-- LB229 and AM112. And I did-- I didn't tell Senator Hallstrom, but I-- would Senator Hallstrom yield to a question? And I appreciate Senator Hallstrom's's-- oops. Sorry. Go ahead, Mr. President.

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

HALLSTROM: Yes.

J. CAVANAUGH: Senator Hallstrom, I, I do appreciate your engaging on this topic and, and having conversations. So I-- and I do-- I always appreciate people being responsive to concerns that I raise even if I'm not in favor of the bill. And so I was sitting here rereading the amendment and rereading the bill and how it changes it. And I guess my question is, you know, you wro-- wrote this to be responsive to my criticism that the bill affects Uber but not Uber Eats. My question is, is there-- is your intention to make sure that it does-- that it doesn't affect folks like FedEx and Amazon delivery and UPS and the U.S. Postal Service?

HALLSTROM: Well-- thank you, Senator Cavanaugh. There, there's probably two elements. One of the things that's still in the bill has to do with physical location. And so if you look at the traditional Amazon or Google arrangements with their workers, their drivers are currently treated as independent contractors. This would in no way affect those that are working, for example, at the warehouse. They, they would not be addressed under this because the physical location aspect of the bill is still there. And as you may recall, when we discussed the issue on General File, that language-- part and parcel, that language came about after Senator von Gillern had introduced similar legislation last year and the Department of Labor had come forward and suggested that we needed to do certain things to make sure that we didn't put other federal funding for our unemployment insurance program at risk. So that, that's still re-- is retained there. But I would make the distinction between the two, two classes of workers. Those who are at the warehouse would clearly be treated as they are currently as employees, but the drivers would be, again, treated as they are, as independent contractors.

J. CAVANAUGH: So-- OK. I appreciate that clarification. So Amazon will take-- I didn't know Google delivered anything, but. So Amazon trucks that I see in my neighborhood, those folks are currently independent contractors?

HALLSTROM: If that's a continuation of the question, yes. That's my, that's my understanding.

J. CAVANAUGH: OK. I didn't know that. So I appreciate that clarification. Thank you, Senator Hallstrom, for the clarification. So I-- well, again, this, this bill is putting into statute what sounds like a, a similar situation. I do wonder if those Amazon folks-- and now I'm starting to wonder about those, those trucks driving if the standard is that they have, you know, physical locations that-- I don't know. I guess-- I'm, I'm going to have to think through that a little bit more because my guess is that those Amazon trucks-- they're Amazon-branded trucks. They're owned by Amazon and they have their logo on the outside-- are going to an Amazon warehouse, a physical location, loading it up, delivering it, and delivering on-- and then they take a picture. I know because I get emailed, we'll say, three a day, it feels like Amazon pictures of things on my front porch. But so they're, they're being held accountable on their time and schedule and all those sorts of things. I mean, it does sound to me like they currently are being treated as independent contractors and maybe don't meet the six-factor test that Senator Sorrentino had talked about. So

I don't know if there's a question there, but then it-- that does begs the next question, which is, are we putting in statute a-- with this amendment, with AM112, are we putting in statute that those folks will be treated that way even though they're being treated that way in contra-- contravening to the standard? So I don't know. That's a concern I-- actually going to run out of time. And I actually have another time. And I had something else I was going to talk about. So I'll push my light so I can talk again. But I was going to talk about the letter and-- I'll just push my light and get back in. Thank you, Mr. President.

KELLY: Thank you, Senators Cavanaugh and Hallstrom. Senator Hunt, you are recognized to speak.

HUNT: Thank you, Mr. President. I appreciate this letter that Senator Hallstrom passed out. This is from a gentleman who drives for Uber in Lincoln, Nebraska. And he shares in this letter that he drives for Uber in addition to two other jobs. He works part time at a theater and he works as a musician. And he likes gig work. He likes to be able to set his own schedule. He likes the flexibility that it allows. And I think that's a great thing. I've done gig work before too. I don't-- I wonder if other people in this, in this body ever have. I'm looking around. Looks like Senator Spivey's nodding. Senator Fredrickson-- you have not done gig work. He just wants to-- he just wants to be a part of the conversation. But, but I guess the point I'm making is that this is an increasingly common, especially for people in younger generations, experience in the United States. I remember-- I mean, this is, this is here nor there. But Senator Linehan when she was here, one thing she said during a bill about affordable housing that has stuck in my craw and I have never forgotten it-- I probably think about it, like, four times a week, living rent free in my head. So congratulations, Senator Linehan-- is, she said, people can't afford a house? Like, she-- I guess I can't remember it verbatim, but it was basically some kind of shock that the, quote unquote, American dream of being able to buy a house was so unreachable for some people. And it's because of these things like the gig economy. And that's OK. I mean, it has to be OK because I don't think we're going to come back from it. I don't think that we're ever going to return to a time where a household could have a single income and have a mom stay home and have three kids and have everybody, you know, go to college and own a home and, and graduate and retire with a pension and-- like, I think that we're just sort of past those times and we're never going to go back. So I have no problem with gig work. I've done it myself. And this-- that's all to say this gentleman who wrote the letter who likes

doing gig work, who likes having three jobs that are all, you know, more, more part time, perhaps no benefits is often the trade-off that you do for the freedom that gig work provides. That's great. I think that people should have the choice to do that because-- we're talking about choice. Who in here doesn't think that people should have the choice to work a job like that if they want to? I would certainly never pass a law preventing somebody from having that choice. But what LB229 does and what AM112 does-- making the bill worse, making a bad bill worse-- is it takes away choice for employees and it puts all the control in the hands of employers. Senator Hallstrom says that if employers would like-- you know, Uber and Lyft, if they would like their drivers to become employees, they can-- according to this bill-- they can change their agreement and do that. OK. On what planet is that ever going to happen? Be serious. Think about if there's ever going to be a time when a corporation like Lyft or Uber would change their employee structure so that their workers could unionize. That will never on God's green earth happen. So for him to say, no, it actually preserves a choice. It actually preserves the rights of workers because they can always change the agreement. That will never happen. It will never happen. So why talk about it? This is about squashing unions at the end of the day. You know, Senator Hallstrom says, it sounds-- according to this letter, it sounds like gig workers really like being gig workers. So we are actually on their side as the big government. We are on their side and we're saying, you know, we're just-- want to give you what you want. OK. Well, what if you told me you like eating pizza-- you had pepperoni pizza for lunch yesterday and I passed a law saying, oh, now you have to have pepperoni pizza every day and you can never have anything else. Oh, I'm on your side. I'm helping you because you said that's what you like. And I'm just putting into law the thing you like. We're taking away choice. If a union fails, it fails. But workers deserve the right to try. Workers deserve the right to organize, whether they succeed or not. And it's not the job of the government to come down on the side of corporations or businesses ever and take that right away from workers. There's no realistic threat or reason or probability that Uber drivers in Nebraska are going to unionize anytime soon. But by passing this bill with this amendment, the government is saying you can never even try. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator John Cavanaugh, you're recognized to speak. This is your third opportunity on the amendment.

J. CAVANAUGH: Thank you, Mr. President. So I-- yeah, Senator Hunt went through the letter, and I was going to talk about that as well. And

one of the things that did stick out to me was that the individual who sent in the letter talked about that they didn't want to be-- let's see. I understand there isn't a huge threat to our classification status today. I'm here to say let's keep it that way. So the letter in support of this bill is asking for no change. And-- so they want the status quo. And the bill seeks, I guess, to preserve the status quo. And I would say, though, AM112 is starting to sound to me more and more like it is actually becoming expansive, that there is-- there are these big companies-- bigger even than Uber, like Amazon-- which maybe is the most valuable con-- company in the world at this point. Certainly the CEO's one of the richest people in the world-- but Amazon that is now trying to shift some of their deliveries to gig-based work because it is so much better for them. And the way it is better for them is that it is worse for the workers. Right? It gets them less pay, less security. They don't get benefits. And the benefit they get is the flexibility. And certainly, this gentleman who wrote in-- I think it was a gentleman-- wrote in advocating that they would like that continued flexibility. And of course people want to be able to make their own decision about their job and how their relationship to their employer is. They want to be able to take jobs that they want to take and they want to turn down jobs they don't want and they want to find a job that-- everybody aspires to find a job that is right for them, that works best for them, for their schedule, for their lifestyle, all those sorts of things. What this bill does is it takes away a future opportunity for one type of employer-employee relationship, or business-individual relationship, whatever you would call an independent contractor relationship in this. It takes that away from folks in this situation to have that opportunity to advocate that they would like that because Amazon will then start doing this sort of thing. And it is a little concerning that the expansion of this bill to include sealed packages could potentially-- you could see other companies continuing down that path of shifting who are currently full-time benefits deriving, pension-paying employees to gig-based employees, doing the same amount of work for a lot less pay and benefit. And of course, the difference in the money goes to Amazon and not to the customer, for sure. They're not going to lower the prices. It's going to go to the, the-- it goes to the company bottom line, right? So this is an-- another bill that is fundamentally shifting the balance of power in favor of the biggest corporations in the country as against or away from individuals. We had the conversation about shifting balance-- what-- I, I liked the quote. I was actually in the paper again today. Again, Lincoln Journal Star is a print newspaper in the city of Lincoln. You can pick it up-- I don't

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 13, 2025

Rough Draft

know-- I guess newsstands, if they still exist, convenience stores, grocery stores, or maybe have it delivered to your house. But I read it online, to be clear. But they had the quote from the Attorney General that said that the Attorney General's Office brought those cases because they were the only en-- entity that was powerful enough to stand in that place. Because one person doesn't have the ability to stand in that place or is not situated well enough to do that. This is similar to that in that it takes away the opportunity for someone to become an employer, takes away the opportun-- or, employee, takes away the opportunity for somebody to organize. The reason corporations don't like unions is because unions are strong enough to stand up against the corporation in the interest of the safety, the health, the pay, the conditions of those workers. And it balances the power between the two entities: the workers and the, the employer. And I know that a lot of people don't like that. They want it to be the free market or whatever, the co-- the company be able to do whatever it wants. But it is-- this is a statutory change that shifts the balance of power in favor of the much larger entity against the individual. And that is a real problem. We shouldn't be trying to pass laws that is weakening the individual. And that's really my problem with this bill. And this amendment expands it to even more individuals who will have that power dynamic shifted in that way. So I would encourage your red vote on AM112 and on LB229. Thank you, Mr. President.

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

CLERK: Thank you, Mr. President. Some items quickly. Committee report from the Transportation Committee, chaired by Senator Moser, reporting LB279 to General File. Additionally, your Committee on Banking, Commerce and Insurance, chaired by Senator Jacobson, reports LB325 to General File. Your Committee on Health and Human Services, chaired by Senator Hardin, reports LB13 to General File with committee amendments. Notice of committee hearings for the Transportation and Telecommunications Committee. Amendments to be printed from Senator Arch to LB298. New LR from Senator Dorn. That will be laid over. Finally, Mr. President, an announcement: Senator-- excuse me. The Government Committee will hold an executive session in Room 2022 at 11:00 a.m. Government, 2022, 11:00 a.m. That's all I have at this time.

KELLY: Thank you, Mr. Clerk. Returning to the queue. Senator Conrad, you're recognized to speak. And this is your third time on the amendment.

CONRAD: Thank you, Mr. President. And thank you for your patience, colleagues. I just had a, a small procedural question I needed to, to flag with the Clerk that was timely in nature and didn't want to lose my, my place in the queue. So that was the, the reason for the small delay. I, I do think that it's very important that-- we, we need to kind of take assessment of where we are here. I think that the amendment is a significant departure from the underlying bill and what was subject to the public hearing. So I, I really think that if Senator Hallstrom wants to expand this bill to include more businesses and more business models and more workers, we need to at least have clarity about who that is and what that means. And he could easily bring forward legislation to modify this section of law next session if it's necessary. So I, I really think that we should look very, very skeptically at the amendment itself, which indeed I believe makes a bad bill worse. And I just want to put the cards on the table that if the amendment is adopted, I think we'll have to, you know, really look seriously at filing a motion to recommit to committee to, at the very least, you know, have an opportunity for the committee of jurisdiction to evaluate the scope and application of this new language, which, you know, is raising very significant questions for how this applies to FedEx and Amazon and UPS and all the other carr-- carriers that are out there in regards to package delivery, which impacts a lot of Nebraskans in their jobs and, of course, who utilize those services as well. So the other thread that I want to make sure to pick up on-- because this is something that I hear so frequently from my constituents in north Lincoln. We have a high student population. We have a very diverse community. And we also have a really significantly high percentage of working families that are working one, two, three jobs and playing by the rules and trying to do everything right and raise their families. And they're working harder than ever and they can't keep their head above water. And it's because they don't have access to those really good, stable jobs that bring regular hours, that bring benefits, that bring protections. And so they're, they're ever more stressed trying to cover the basic necessities of life, whether it's child care or groceries or rent or gas or medical care. And-- so that's why we see more and more Nebraskans, you know-- far more comparatively to our sister states-- having multiple jobs, two or three jobs, working additional jobs even though they're retired. Now, some of that might be you want to get out of the house and maybe you're driving your spouse crazy in retirement. And that gives you an opportunity to, to be productive. But not always. They're not always taking on those jobs in that regard. They're sometimes taking on those jobs in that regard because they worked their whole lives and they've

got nothing and they're struggling. So now we want them to work and work and work past retirement. So this provides a special sweetheart deal to the largest corporations that are making record profit, possibly expands it. And it's on top of the fact that these large corporations already have favorable tax treatment. They're already subsidized through incentives. And now they're asked-- and they're additionally subsidized by the taxpayer, as Senator Guereca noted, when we are continually asked to expand our safety net to support actual working families, people who are working full time living in poverty. So now these large corporations are subsidized three ways: tax treatment, incentives, and we're picking up the tabs as taxpayers for health care and food and child care. And the list goes on and on and on. If we give people an opportunity to have decent working conditions--

KELLY: That's your time, Senator.

CONRAD: --and access to wages and benefits, it's better for Nebraska. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Machaela Cavanaugh, you're recognized to speak. This is your third opportunity on the amendment.

M. CAVANAUGH: Thank you, Mr. President. So-- again, I'm not in support of AM112 or LB229, but I want to continue my discussion. So for-- many of you weren't here when CEO Corsi was confirmed, and-- so you missed out on some of the information in his background. At that time, my staff looked into his background and put together a binder of information that I shared with every member of the Legislature at that time. And one of the things that stood out was when he was at the Wyoming Department of Family Services. They purchased a restraint chair for youth involved in the care of the state of Wyoming. It became quite a controversy. And he said that he didn't know about it. Guess I have to take him at his word. He was charged at the time. So it-- he should have known about it, but apparently he didn't. So in January of 2023, he began his employment with Epiphany and Associates. This might sound familiar to some of you, as they are the consultant currently working to cut our budgets. And-- so he began working with them in January of 2023. And then in July of 2023 is when we signed the \$10 million no-bid contract with Epiphany. And then Epiphany recommended Steve Corsi to be the DHHS CEO candidate for Nebraska. And then in August, he was appointed as the CEO of DHHS. He did not disclose that he worked for Epiphany on any of his documents in the process of applying for the CEO of DHHS. It was only because a

business card was on the ground and someone picked it up and gave it to me that it was even revealed publicly that he was an employee for the consultant that we had just hired for a \$10 million no-bid contract. By the way, prior to that contract, there is no record of Epiphany having any contract over, I think, \$150,000. So we had a no-bid contract, no vetting, hired a CEO who worked for them. Then he was CEO. And I started to get complaints from people who work in DHHS about treatment of people who might look different than the CEO, about signs being torn down that talked about diversity, inclusion. I know those are dirty words. Because heaven forbid we make the people who work with us feel good about showing up to work every day. So I bring this up because, for me, this just reinforces the pattern of behavior, from the tweets that he shared publicly before being appointed CEO that were harmful and divisive and very, very unkind about minority populations to his comments yesterday. We should hold ourselves to a higher standard. We should hold our elected officials and those that we put in positions of power to a higher standard. And if you are the head of DHHS, that standard should be a vow to honor the dignity of every human being regardless of race, creed, nationality, sexual orientation, any other category you can possibly come up with--

KELLY: That's your time, Senator.

M. CAVANAUGH: Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. Good morning, colleagues. I do rise today opposed to both AM112 and LB229. But before I get into that or talk about that, I want to say something on the mic about our friends, the League of Women Voters, who are here today. And I think we're going to be recognizing them later. Last year when they were here, I talked on the mic about the story of the yellow rose. And I don't know how many people know that story, but I think it's a really important story to put on the record yet again. And you'll see the yellow roses on their lapels, and there's a really cool significance behind that. So for those who don't know, the Nineteenth Amendment is the amendment that allows women the right to vote. That was passed in 1920. But in order for the amendment to actually be ratified, 3/4 of the states had to approve it in their statehouses. So the actual amendment passed in 1919, and then 3/4 of the states had to go through and say they also agreed. Over the next year, suffragists-- those fighting for women's right to vote-- won 35 states, and they needed one more. But

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate February 13, 2025
Rough Draft

unfortunately, there weren't a lot of states left, and it looked like the only state that was going to say yes left was Tennessee. At that time, Governor A. H. Roberts called for a special session-- my colleagues know about special sessions-- of the Tennessee Legislature to vote on the amendment. And people from all over the country essentially came down to watch what was going to happen. Long story short, the antisuffragists and the suffragists all had their headquarters set up at the Hermitage Hotel in Nashville as a way to keep their eye on the legislatures-- of the legislators. Since many stayed at the hotel, the antisuffragists wore red roses and the suffragists-- the ones fighting for women's right to vote-- wore the yellow roses. They called this the War of the Roses, which is a little bit of a Shakespearian reference for those who don't know. The Legislat-- or, the state senate met on August 13. They actually passed the, the, the bill to approve this-- 25 to 4. It was a landslide. But the suffragists knew that the House of Representatives was going to be much harder to win over. If they lost the vote there, the amendment was going to fail. The Tennessee House of Representatives met a few days later, August 18, 1920. The Speaker of the House was named Seth Walker. He was an antisuffragist and he was trying to table the vote. That means put it off essentially until the next time they met. That vote failed. It was tied. Called for a revote, it was tied again. 48 votes, 48-- 48's for, 48 against. So it all came down to one third and final vote. There was a representative named Harry Burn. Harry Burn was very conflicted. He'd been wearing a red rose the entire time, and he actually voted to table the amendment on advice that he was given from colleagues. But famously, Representative Burn had also received a letter that morning with different advice. That letter was from his mother. Her name was Febb Burn. And she told him in that letter, vote for suffrage and don't keep them in doubt. Don't forget to be a good boy. Help put the rat in ratification. He had the letter in his pocket when he stood up to vote, and he actually voted aye. So I think it's really cool that we have the yellow roses here today. Remind us of the importance of women's right to vote. But it also reminds us of the importance of one person's vote. It's kind of hard to believe that women having the right to vote in our country, A, took that long, but B, it came down to one person's vote, one person's voice. So it's a good reminder to me that everything we do in this body matters. Sometimes I know it can be frustrating when we're having conversations and people say, oh, let's just move on. Let's just stop talking. Why are we still on this subject? But it matters. And one individual's vote can change the trajectory of an entire country. So I look forward to recognizing our friends from the League of Women Voters. Thank you

Transcript Prepared by Clerk of the Legislature Transcribers Office

Floor Debate February 13, 2025

Rough Draft

all for the work that you do. And thank you, colleagues, for always paying attention to the stuff we do in here and knowing that your voice matters too. Thank you, Mr. President.

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

HUNT: Thank you, Mr. President. Thank you, Senator Dungan, for that history lesson. I-- you know, lately, it feels like the Legislature's on a little bit of a runaway train. And the conversations that we had prior to session starting, you know, the concern I had and, and many of my colleagues had who are term-limited now is the independence of the Legislature. And-- I mean, I, I'm coming in really on the tail end of getting to be influenced by some people who were here for a really long time: Senator Ernie Chambers, Senator Lathrop, Senator Conrad, of course, is back for another tour. Patrick O'Donnell, who is the longest serving Clerk of the Legislature ever in the country. Walt Radcliffe, of course, who we tragically lost at the end of last year. And I think it's going to become more and more and more of a concern for you other lawmakers here, for my colleagues here who are in younger classes, other, other classes, newer classes of lawmakers to preserve the independence of the institution but also to preserve the independence of your own mind. Bills and amendments are getting pushed through without any real scrutiny. And, you know, we're scrutinizing-- it's the same six people who have the courage to put on their light and say what they think. I don't see, you know, a lot of people who support this bill. And even-- there's some people who don't support the bill who I think are going to be red lights on it and they haven't piped up. And I think that without that scrutiny, we have too many lawmakers who are voting along party lines, who are voting with their friends instead of actually thinking critically about what these bills do, how they affect Nebraskans, what the consequences are going to be, and if it's really worth it. Think critically about what happened in our committee process this year. Our committees are much more imbalanced this year than they have ever been. Despite, you know, the best efforts, I think we ended up with probably a best possible scenario given the political landscape of the Legislature this year. I don't really think we could have done better with the committees. I couldn't have for my CD 2 caucus. But we still have some grave imbalance that is leading to bills like LB229 that historically for years and years were not voted out of committee. There are other bills like this that are getting voted out to the floor and, because of the party registration of the introducer, are getting pushed through without scrutiny, without critical thinking. Whereas in past years,

Republicans and conservatives would have raised some questions about these. There would have been some conversations under the balcony where maybe somebody pulled you aside and said, you know, why don't we let it get to Select? You can say your piece on it, you can make your points, and then we'll probably just not reschedule it or we'll just-- you know, it's got some problems. Maybe there's some amendments it needs. We have an amendment on LB229. It makes it worse.

[MALFUNCTION]. It doesn't affect any of the concerns that opponents have. And Senator Hallstrom knows from being a lobbyist forever and ever before he came here that typically you work on an amendment to assuage the concerns of the opposition, not to drive them further and further into the ground. Good policy, it requires debate and consideration, not a rubber stamp. And we're here to represent the people who sent us here, not to follow party leaders. Conservatives, think seriously. This is about being pro-worker, pro-freedom, the rights of individuals to make their own choices without government interference. And that includes the right to negotiate with your employer. Not even having a guarantee that you'll be successful. Limited government means letting people organize without interference from the government. If we pass LB229, workers won't even be able to try. Right now, they could try and probably fail. Under this bill, the government is putting their hand on the scale. It's corporate cronyism. It's not standing for workers or fair markets. It's antibusiness and it's government picking sides. It's not a conservative principle. So just know that. Thank you, Mr. President.

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

HOLDCROFT: Thank you, Mr. President. Well, we're not quite ready yet for the question, so. There's some, some work going on on this, on this amendment, so I've-- I'm going to fill in a little time here and hopefully we will be ready to get to a vote on this. You know, I-- last week, I mentioned my military leadership training that you compli-- you, you compliment in public and criticize in private. Now, that doesn't, doesn't work very well here in the, in the Unicameral because of our oversight piece of it and-- so that's why you hear the criticism for some of the agencies coming from the floor. But I think it's important every once in a while to recognize some of the good work that's being done, in particular here with the Department of Health and Human Services. I mean, we have some caseworkers out there who have been working in DHHS for decades and-- with their whole life being about trying to make things better for the, the people of Nebraska. So I've asked the department to, you know, send me some,

some good news every once in a while to-- that we can express to, to Nebraska on, on how the DHHS is doing some good things. The first thing I have is a tax credit for individuals and organizations supporting, supporting individuals with intellectual and developmental disabilities is available. In, in April of 2024, Governor Pillen signed into law LB937, establishing tax credits for individuals and organizations supporting individuals with intellectual and developmental disabilities. The credits take effect for taxable years beginning after January 1, 2025. So they've just gone into effect. These tax credits are essential for supporting individuals with intellectual and, and developmental disabilities and the people and organizations that assist them. They recognize the vital contributions of DSPs, service providers, and employers in helping individuals with IDD, IDD live their best lives and pursue meaningful employment in their communities. The act addresses workforce challenges by incentivizing the recruitment and retention of DSPs. More information about the Nebraska Caregiver Tax Credits Act can be found via the Nebraska Department of Revenue at their website. Another note: DHHS is providing cervical cancer screening for under or underinsured Nebraska women. An important resource for under or underinsured Nebraska women is the Every Woman Matters, the EW-- or EWM program. EWM is a federally funded program that pays for office visits associated with pap smears, pelvic exams, clinical breast exams, age-appropriate mammography, and diagnostic and follow-up tests. To enroll, women can fill out a health [INAUDIBLE] questionnaire. And there's a link on the website. The key to reducing cervical cancer rates lies in prevention, early detection, and education. Cervical cancer is largely preventable through regular pap tests, which provide an effective means of detecting precancerous changes. Early detection allows for timely treatment, helping to increase a woman's chance of survival. DHHS launches an interactive map for women, infants, and children, the WIC. DHHS released a new interactive map increasing access to information about WIC services in Nebraska. The tool allows people to search for WIC clinics near them and provide clinical information, including address, phone number, and a link to more details via the clinic's website. This interactive map makes-- this interactive map makes finding and connecting with a WIC clinic near residents easier than ever. WIC is a federally funded program that provides nu-- nu-- nutritious foods, health education, and breastfeeding support to women who are pregnant or just had a baby, infants, and children up to the age of five. In Nebraska, WIC serves every county in the state, with 13 main agencies and 97 sites statewide. So I will continue to come up

with these good news stories concerning the Department of Health and Human Services. Thank you, Mr. President.

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

SORRENTINO: Thank you, Mr. President. In the interest of good government, I would like to give our Legislature a chance to hear further amendments to this bill. But along the lines of this bill and I think germane to the topic, I'd like to share some experience I had with the independent contractor versus employee situation during my 34 years of ownership of a company in Omaha. We were fortunate to employ, as in common law employment, W-2 employees, 225 employees at our peak before we chose to sell the business to another entity. During that time, our most highly valued perhaps-- and we valued all our employees, but those who made the business run were those who were-- marketed our services. In our line of business, if you were not growing, you were dying. So we continued to have to fill the funnel with potential new clients. On many occasions, those employees-- which there were about 15, if I recall right-- approached myself and my other partners in a vein to be treated like other marketers, if you will, of larger firms. And that was release us from the chains of employment and make us independent contractors. And in fact, indeed, the company that eventually bought us and many other companies that size did treat their marketers, or valued employees, as independent contractors. And the reason that they wanted to be treated as independent contractors is, as their employer, I got-- my and my partners got to define not only the end result of their efforts but the means that they could go about it. And they felt that they were indeed, if you will, shackled by not being able to use their own intuition and their own efforts. While that would have changed their income slightly in that as independent contractors they would be responsible for the entire FICA load, which was 13.5% roughly, they still wanted to do that. It also would have changed the fact that in many cases we paid for their expenses, entertainment expenses. It could be meals or cars or, or country clubs perhaps, but they were indeed even willing to take on those expenses. They valued the concept of independent contractors so much that they were willing to give up certain things, including our payment of their employee benefit plans. So these people who were out in the trenches every day working very hard, 60 and 70 hours a week, valued so much that classification of employment that they would give up all the, what I would say, trimmings of being an employee. So when we refer back to Senator Hallstrom's bill in LB229 and we have letters like we were furnished

by Senator Hallstrom a little bit earlier, there is value to being an independent contractor, and those who are independent contractors value it. And even those who, in my example, were-- who were making very, very good livings, wanted to be reclassified. As the employer, we actually strongly considered it, and we strongly considered it because of the amount of money we would save. Employee benefits can run as much as 30% of an employee's salary. The fringe benefits can make that all the way up to 50%. Now, we in our industry, why did we resist that? We resisted it because we were in a very, very regulated industry and we felt that helping that employee achieve their goals by defining not only the end but the means to do it was in our best interest from a regulatory standpoint. So we resisted that temptation. But was it a temptation? Absolutely. So I think we should give real weight to not only the person who wrote this letter but the many people who called in to Senator Hallstrom's office suggesting that they do this for certain reasons that fit their lifestyle in a, in a more agreeable way. And we should honor their wishes. And I don't think this is an argument about favoring big companies. I'm not aware of either Uber or Lyft coming to Senator Hallstrom's office or any of ours with concerns about this. They're, they're OK with definitive regulations that define where this is at. To have no guidance at all I think is a mistake. We hear senators saying, let's just leave it alone. Leaving it alone leaves it subject to impertation-- interpretations that are going to end up in court. Our courts are full enough.

KELLY: That's your time, Senator.

SORRENTINO: I appreciate it. Thank you.

KELLY: Thank you, Senator Sorrentino. Senator DeKay has some guests in the north balcony: members of the Nebraska Manager's Group, Northeast Nebraska, for NREA. Please stand and be recognized by your Nebraska Legislature. And Senator Quick also has guests in the north balcony: members from Grand Island Senior High, student-- students in Grand Island, Nebraska. Please stand and be recognized. Returning to the queue. Senator Hunt, you're recognized to speak. And this is your third opportunity on the amendment.

HUNT: Thank you, Mr. President. And welcome to your Nebraska Legislature, students. I'm, I'm glad you're here. And I hope you enjoy the time here in your capital in Lincoln. I rise in continued opposition to AM112 and LB229. I think that the introducer and I think proponents know that there are significant problems with AM112 and we

might need to take some time over the weekend to negotiate to come to an agreement about how the bill is going to be formed, how debate is going to be structured, and if the bill can be improved. My concern is that-- well, first, I guess I want to-- I want to address some things that were said between now and my last time on the mic and, and that were said earlier before I got here this morning. There's some back-and-forth about, are they independent contractors or are they employees? And ostensibly, the reason that we need this bill, according to proponents, is because it's murky and we are harming employees, we are harming workers by not making it clear. They're in a state of limbo. They don't know what they are. Employees-- employers don't have certainty either. This could get tied up in the courts. This could become expensive. I don't think that's-- I mean-- it's not that I don't think-- it's not a realistic concern. Half the states have regulations saying rideshare workers can never, ever, ever, ever freaking unionize, and half don't. And Uber and Lyft runs just fine in all 50 states and numerous countries around the world where they do have stronger labor protections for workers. So that's a-- I mean, if you're trying to take up five minutes to say something, you could say that, but that's not a real concern. And then also saying that, that the fact that people on this floor have said they're employees, they're independent contractors so that proves that we don't know which is which. OK. I'll say explicitly what I think. I think they are independent contractors, rideshare workers, because that's what the agreement they signed says. They sign an agreement, a contract with the company they work for saying that they are independent contractors. I think they should be employees. I'm not saying they are employees. I'm saying I think they should be. And that's why I oppose LB229 because if this bill advances, they will always be independent contractors under the law-- not under a contract that they negotiate with their employer, under the state law of Nebraska. Workers have the right to negotiate contracts. And if a worker signs a contract saying I am an independent contractor and I don't get benefits and I don't get retirement and I don't get health care and I don't get time off and I can get fired any time, that's their right. I support their right to do that. I support the right of workers to enter into a contract. And I support the right of employers to design a contract. And if people sign it, then that's the contract. But when we put it in statute and we put it in law, we take away the right of the worker to negotiate that. That is anti-American. That is not conservative. That is not the principles that we believe in in Nebraska. The First Amendment guarantees the right to association. It guarantees the right to organize, to bargain, to petition your government for better working

conditions. And LB229 undermines these freedoms by telling a group of workers that they cannot come together and negotiate for better working conditions, not because they signed a contract with their employer, but because their government passed a law preventing it. Do you get the difference? If you're listening, do you get the difference? We believe in limited government, so why should the government step in and prevent these workers from exercising their rights? This is anti-free market. This isn't letting businesses and workers negotiate without interference from government. It's the government stepping in on the side of the company, of the employer and saying, don't worry about these workers negotiating anymore. We're on your side instead of we're on the side of the working people of Nebraska. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator Dungan would like to recognize guests in the north balcony: members of the League of Women Voters of Nebraska. Please stand and be recognized by your Nebraska Legislature. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Colleagues, I do again rise opposed to both AM112 and LB229. It sounded like when Senator Holdcroft was talking there's maybe another amendment in the works. I'm not entirely sure what that is, but I, I do think that if that's coming it's good to have a little bit more of a conversation about this. I wanted to hone in a little bit more on AM112. I know there was a little bit of a conversation about it this morning, and I think we're kind of vacillating between talking about the bill as a whole and then also talking about the specifics of the amendment. The amendment to me is interesting. I, I, I'm trying to kind of understand what exactly it's getting at. The part that we're cutting out. We're removing the language, marketplace network contractor does not include a person transporting freight, sealed or closed envelopes, boxes, parcels, or other similarly sealed or closed container for compensation. That's the part that I think we're cutting out. I'm pulling up the amendment again to make sure that's correct. Compensation, line 26. I, I think that's what we're cutting out. It sounds like that was in response to Senator John Cavanaugh being curious about whether there's a delineation between Uber and Uber Eats. And I think that maybe the thought there is that a sealed parcel maybe is the food. But I guess my concern is that this is broader. And I have a concern that if this amendment passes it actually codifies the independent contractor status for other kinds of services that I don't think we've talked about that much yet. So we've talked about Uber, we've talked about Lyft, we've talked about rideshare. One of the areas that I'm just

learning about here today and last night when I was doing some research on this is this idea of Amazon Flex, Amazon Flex delivery, where an individual can sign up to essentially be an Amazon delivery driver. I did not know that was a thing that existed. But I think that if we remove this language from the amendment, we are saying in state statute that if you're an Amazon Flex driver, you are automatically an independent contractor. What's weird about that is-- from my analysis or I guess looking at what an Amazon Flex driver does, it's different than Lyft. It's different than Uber. One of the things that Senator Sorrentino has pointed out multiple times that I think is very helpful in, in this determination of whether or not you are an independent contractor or an employee is whether or not the business dictates how you do your job. And I think that if you are a Lyft driver or an Uber driver, you have a-- maybe arguably a little bit more flexibility. But Amazon Flex drivers have to go deliver these packages where they are essentially to be sent to. And it sounds like in my reading of a lot of these Amazon Flex drivers' stories and how they, they do their jobs, there is quite a bit of control by Amazon. It sounds like-- arguably, a lot of these Amazon Flex drivers are saying they want to be employees in other states where this happens. I don't know how many of these exist in Nebraska, but colleagues, I do have a concern that if we pass AM112, it's going to have a wider reaching effect on different industries that were not contemplated in the original bill. And if the desire here is in fact to make sure that Uber Eats or other food delivery services are covered, I, I, I think that this possibly goes a little bit too far. I would agree with what I think Senator Hunt and others have highlighted, that the intent of this bill is problematic. But even taking a step back from what the bill is intended to do, we have to make sure the bill works and we have to make sure that the language of the bill achieves what the goal is, even if we agree or disagree with it. And I think AM112 doesn't do that. I think Senator Hallstrom was being genuine and trying to ensure I guess equitable application of this, of this language. But it does seem a little bit broader than I think what we originally talked about. And I hope if somebody else has more information about Amazon Flex they can maybe talk to me a little bit more about that or we can have a conversation on the mic. The last thing I'll add is I really do think this is just not the business of the Legislature. If in fact this is as clear-cut as some of the proponents of the bill say, then I think courts will make a clear determination. And if in fact this is ambiguous, then I think it's up to the courts to make those decisions and determinations. Additionally, colleagues, in the states where they have codified that these kind of employee or these kind of folks are

independent contractors, I want to stress they've provided them additional services. They have provided them with certain pay requirements. They provided them with certain benefits. None of that is in this bill. So not only does this bill seek to put its thumb on that scale in courts and determination of whether these are employees or independent contractors, but it fails to properly protect those folks with additional protections if we are going to codify them as independent contractors. So colleagues, I would encourage a "no" vote--

KELLY: That's your time.

DUNGAN: --on AM112. Thank you, Mr. President.

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

SPIVEY: Thank you, Mr. President. And I yield my time to Senator McKinney.

KELLY: Senator McKinney, that is 4 minutes, 53 seconds.

McKINNEY: Thank you, Mr. President. And I still oppose LB229 and AM112 because, as Senator Dungan pointed out, it has-- one, it makes a bad bill ba-- worse, but it also has unintended consequences that we really need to pay attention to and consider when considering this bill and this type of legislation. This is why we should take our time, actually pay attention and understand what we're doing because, number one, we're preempting the ability for individuals who, you know, drive Uber, Lyft, might DoorDash, might Instacart or whatever from being able to classify themselves as workers one day for whatever reason. Because-- I don't know. Because the industry, from everything I've heard, is great. It's working. It-- so why is this bill needed? Because I, I still haven't heard the why, the real why outside of there's other bills being-- in, in other states have passed or being introduced and we need to do that in the state of Nebraska. Outside of that, I'm not in full understanding. Because the reality is if this bill passes, it's another bill taking away the rights of workers to exercise their rights. And that is something we should caution against. Why are we trying to strip away the rights of people? For what? For what reason do we need to do that outside of making sure these companies can continue to profit, get a lot of profits and not share those with the workers, not share those with the people? But, you know. Not allow them to negotiate the prices of their rides, not

give them benefits. That is the problem. And this amendment goes-- well, it seems like probably way too far. It's already bad, but-- this bill is already bad and this amendment just going way too far. And I'm not-- no. I'm not going to say that because I've reached a reality that even if I consider why other people are not pushing back against this, it doesn't matter. Because it's obvious people are talking and not necessarily, you know, caring because I feel like people are-- already know where they're going to vote on this. But if you are listening, I think you should understand that this bill will strip away the ability for drivers to one day consider themselves as workers. Because supposedly in other states, bills like workers have, you know, decided to be like, you know, we want to be considered as workers, unionized or whatever else. And I guess in the state of Nebraska, that's something we don't want to do or allow. But it's the good life. We should come here. And nobody has a problem with this. And I'm, I'm just-- I don't know. I'll probably-- when I'm coaching this weekend, I'll probably thinking about it-- think about it some more and try to make it make sense in my head as I'm coaching. I might ask the kids how they feel about this as well, and maybe they might make it make sense for me. Because usually high school kids actually make a lot of sense. And it's really interesting the, the thoughts they have. So I'll probably ask the kids how they feel about something like this. Maybe they might bring some more clarity into my life. Thank you.

KELLY: Thank you, Senator McKinney. Senator Quick, you're recognized to speak.

QUICK: Thank you, Mr. President. And I haven't spoken on this bill all that much, but I do understand, you know, some of the intent of the bill isn't actually something that I can be in support of. So I'm not really supportive of LB229. And I'm not sure if I can support the amendment as well. You know, one of the things this morning I got to do-- I, I got to talk to some Grand Island Senior High students. And they did ask me about this bill. And so I got to talk to them a little bit about it and explain to them how this works and my take on the bill itself and what I felt like it was doing. And one of the other things that we tal-- that I talked to them about is why I wanted to come to the Legislature. And, you know, when I first came in in 2017, one of the things that I wanted to do is be a voice for working families. And I was a labor leader in Grand Island, but I also was a blue collar worker. I was a welder by trade. So working at the power plant for 28 years taught me a lot. And then my u-- union leadership roles taught me a lot. So one of the things that, that I always think

about-- people have a lot of misconceptions about what unions are all about. And so people think that we force people to, to become a union member. In the state of Nebraska, we're a right-to-work state. So you cannot-- you-- if you do have a union and you organize, it doesn't mean you have to be part of the union. You, you don't have to pay dues, but you are still represented by that union, at least in the public sector setting. One of the other things that people don't understand, they always think it's about wages and benefits. And it can be that. I mean, we do negotiate those when we go into negotiations, but also there's also safety in the workplace. Those are things we talk about, workplace rules, negotiating those rules that are going to affect you on your day-to-day work life. We also negotiated grievance process procedures, you know, making sure that not only did we follow the rules, but also that the employer followed those same rules. So whether-- you know, we didn't want something happening where someone was being disciplined, where it went from discipline to termination. You know, it could happen in a heartbeat. So it should go through the process of the grievance procedure to make sure that both sides were doing what they were supposed to do properly, whether that-- through that discipline. Maybe it was a coaching session. Maybe that individual needed more discipline than that. Maybe it was some time off from work with or without pay, whatever that was. That was all part of those grievance procedures that we would negotiate. And-- so for me, employees who work for anyone should have that right to organize. They should have that, that ability to, ability to organize if that's something that they would like to do. And so I don't-- I, I do respect that-- the Uber drivers and Lyft drivers. If they want to be independent contractors, that's fine. But they should also retain that right to organize in the workplace if they would so choose. I mean, it could come to a point where maybe they're being asked to do more than what they-- than what they thought was going to happen in the workplace. They don't want to lose their job, but-- and so they have no choice unless they can find a better job. Maybe this job still pays well enough that they can't afford to go to another job. So-- but they still should have that right to, to even talk to the employer about and negotiate. Maybe as an independent contractor, you can negotiate the, the rate that you're receiving for, for your work for the company. I don't know what this bill if that's-- if those, if those standards are just set by the employer and that's-- you, you take what you get. But I think those employees, even if they're independent contractors, should have that right to maybe negotiate that rate for transporting someone to a location. I-- they a-- they also ask me tho-- the, the, the high

school kids did too about, you know, how long I was actually a union leader. Well, I worked at the power plant for 28 years. Out of those 28 years, really, I only served in a-- in, in a union leadership role for 9 years. So in those nine years, I learned a lot. In my four years previously in the Legislature, I learned a lot. And I'm still learning more every day. I'm 68 years old and I'm still learning a lot. And on another topic, I'm, I'm going to tell my wife happy birthday today. It's her birthday. And I do want to wish her a happy birthday. And I know that's, that's not on this bill, but I-- it's still important to me, so. And I did send her a text this morning, but not before she was able to get up to receive it. So I didn't want to wake her up. So. So with that, I, I'll yield the rest of my time. Thank you, Mr. President.

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

HOLDCROFT: Thank you, Mr. President. And I have more good news about the Department of Health and Human Services. But before I do that, I wanted to mention something that Senator Spivey said about a high incarceration rate in Nebraska. We do not have a high incarceration rate in Nebraska. We have an overcrowding problem in Nebraska. In Ohio-- I'll give you that example. They have 70,000 incarcerated individuals. 70,000. And again, as you remember, we have just under 6,000 in Nebraska. So what's the difference? I mean, they, they don't have an overcrowding problem in, in Ohio because they have 29 correction facilities. 29 correctional facilities. Overcrowding is because you don't have enough cells for the number of people you have in prison. That's our problem in Nebraska. Now, I could, I could make a comment saying we just haven't kept up with the building of correction centers, but that's not the right answer either. I mean, we do need to-- we have a-- the-- we have the NSP, the Nebraska State Penitentiary that was built in 1869. OK? It's falling apart. And we need to replace that. And that is the purpose of the new prison, is to replace NSP. And, and we're working towards that. And we'll have more details on that I think later this year. But the problem is not overincarceration. In fact, we have programs in Nebraska that most states don't have and what we call problem-solving courts, where we take people who are convicted of felonies and we allow them to work with the courts for alcoholism, for drug addiction, for veterans to, to get their records expunged and keep them out of the prisons. And then, as I've already mentioned, Director Jeffrey is all about reentry. And we're going to see, I think, a big drop in recidivism. And that should un-- that should reduce the load that we have in our

overcrowding in our prisons. We'll see how that works. We will-- we'll track that in the coming months and years. But back to good news about the Department of Health and Human Services. The youth in rehabilitation and treatment centers in Hastings and Kearney received 100% compliance ratings on their federal audits from the Prison Rape Elimination act this month, with both facilities meeting all 43 of the audit's standards and exceeding two. Since 2013, the, the Prison Rape Elect-- Elimination Act, abbreviated PREA, audits are required every three years for all covered confinement facilities. The audits include a thorough review and analysis of the facility's practices to ensure its compliance with PREA. Both YRTC Kearney and YRTC Hastings have a history of perfect scores with their PREA audits. YRTC Hastings and Kearney shared their two exceedings-- exceeding standards, with-- which included zero tolerance of sexual abuse and sexual harassment through PREA compliance, staffing, and obtaining information from residents. DHS implemented the Prenatal Plus Program on January 1. The Prenatal Plus Program supports Nebraska Medicaid-eligible pregnant mothers identified by their prenatal health care providers as being at risk for negative ma-- maternal or infant health outcomes. The program aims to reduce the incidence of low birth weight, preterm birth, and adverse birth outcomes while addressing lifestyle, behavior, and nonmedical factors that may impact the health and well-being of both mother and child. Five services are provided through the PPE: general parent education and health promotion, nutrition counseling, psycholo-- psychological counseling and support, breastfeeding support, and targeted case management. And finally, services for mental health or substance abuse challenges is available for all Nebraskans in a crisis moment. The Department of Health and Human Services' Division of Behavioral Health maintains several providers in each regional behavior health authority who provide same-day scheduling and walk-in access services for substance abuse use or mental health challenges. Same-day scheduling support can include initial intakes for outpatient treatment, which will provide access to a therapist who can control treatment planning or provide therapeutic support. Clinics offer--

KELLY: That's your time, Senator.

HOLDCROFT: Thank you, Mr. President.

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

MOSER: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. The discussion of this bill has been kind of a circuitous discussion. We've talked about things that are not necessarily relevant to the bill, but the question of whether these rideshare workers are independent contractors or not I think is pretty obvious. They meet a lot of the essential questions about whether a person is an independent contractor. I have friends who are Uber and Lyft drivers. I have family members that deliver food for DoorDash. And from seeing how that works and talking to them about it, they like being independent, being able to do what they want to do when they want to do it. And they do it for extra income. It's not necessarily their main gig to make a living. It's something to fill in when they have time to-- they want a, a job, something to do, and it gives them a little bit extra income. As far as the discussion of doing what the people want versus what the big corporations want, I think that's a silly argument because the-- one of the big objectors to this bill is, is the-- some unions. And the unions, last time I checked, are big corporations. I don't know if they're as big as some of the rideshare corporations or not, but this is just a bill that says that rideshare drivers, food delivery drivers are to be considered independent contractors unless they choose not to be. That's still their right. They can, they can organize. They can change that if they want to. But they're just not going to be forced to be considered employees. Making them employees would make it a higher cost model. And the cost of riding Uber and Lyft would go up. And right now, it gives competition to the traditional forms of taxis and other ways to get around. And it gives consumers another choice. And that's why I think this bill is good. Thank you, Mr. President.

KELLY: Thank you, Senator Moser. Senator Dungan, you're recognized to speak. And this is your third opportunity on the amendment.

DUNGAN: Thank you, Mr. President. Colleagues, I yet again rise opposed to AM112 and LB229. It's funny, I actually said on the mic just a few minutes ago that I, I wish somebody would tell me more about Amazon Flex. Of course, because we have folks paying attention and watching and folks out in the Rotunda there to educate us, I've been talked to in the last ten minutes about Amazon Flex, which I think is really helpful. Absolutely Amazon Flex has a different layout and a different established dynamic than what we're even talking about with regards to Uber drivers or Lyft. I want to be clear. I do not think it's entirely clear whether or not Uber or Lyft or other rideshare drivers are employees or independent contractors. I know we can go back and forth about that-- and that's what a lot of the debate's been about. But

when you talk about these other services like Amazon Flex or other kind of delivery services like that, you're leaning so much farther into the employee territory instead of independent contractor simply by virtue of how it's laid out. My understanding from Amazon Flex is that you sign up and you have your own truck, but you got to go pick up the packages from Amazon. And you get a route, a map that shows up on your phone telling you where to go, telling you the order of deliveries that you have to conduct, and telling you essentially when you have to be there, what the block of time is that you have to drop things off. So in addition to that, my understanding is that if you are slow in your delivery or you get a flat tire or something like that, you get penalized by not delivering it in a timely fashion, it sounds like, or exactly when it was supposed to be delivered. So that, colleagues, to me is indicative of a much larger amount of control over how the person does their job. And if one of the, the primary factors that we're looking at in this six-point determination as to whether or not somebody is an independent contractor or an employee is in fact how much the employer exhibits control or exercises control over an individual's ability to do their job, how to do their job, when to do their job, and where to do that job, certainly what we're talking about with regards to Amazon Flex puts us in a more employee perspective. If the intent of AM112 is to I guess ensure that we are not carving out Uber Eats, I, I don't know if this accomplishes even that goal. Talking about sealed or closed boxes, parcels, or other similar sealed or closed containers. That to me sounds like packages. And so I have concerns that AM112 doesn't seek to fix a problem that was identified but it instead actually seeks to expand the scope of LB229 in a way that is even more problematic. So I want to be very clear-- because I've talked to a couple of people off the mic about this-- even if AM112 is withdrawn, I believe LB229 is incredibly problematic as is. It is us stepping up and putting in state statute something that I think should ultimately be left for the court's determination. And it's us telling the court that we believe these individuals are independent contractors when in reality it seems unclear. And I understand you can find court cases where they've been deemed independent contractors. You can find states that have taken votes, like California, to determine whether or not Lyft drivers or Uber drivers are independent contractors. But again, in those states where they've made that determination, they have provided those people with additional benefits. So we can't look at a vote of the people in the state of California and say they all stood up and agreed these are independent contractors, because that's not telling the full story. What you're saying is the vote of the people in some other states--

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Rough Draft

they were able to get together and say, listen, we're willing to vote for this to codify their status as independent contractors, but only in the circumstances of additional benefits, but only in the circumstances of the employers having some added protection for employees. And so I do think that we're going to probably have to continue this conversation. I know we're getting a little bit late in the day here. It's 11:57, so we're about to adjourn. But colleagues, please do consider the breadth of the amendment. Please do consider the impact of the bill. And please also take into consideration whether or not this is simply a problem that we need to address in the Legislature. Thank you, Mr. President.

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

CLERK: Thank you, Mr. President. Your Committee and Enrollment and Review reports legislative-- LB1 as correctly engrossed and placed on Final Reading. Your Committee on Enrollment and Review reports LB2, LB20, LB35, LB58, LB116, LB126, LB194, and LB209 as correctly engrossed and placed on Final Reading as well. Amendments to be printed: Senator Hallstrom to LB231; Senator DeBoer to LB362; Senator Conrad, LB265; Senator Ballard, LB645. Motion to be printed from Senator Conrad to LB229. Motion to withdraw from Senator Ibach. That'll be printed in the Journal. New LR: LR47, from Senator Dover. That will be laid over. Name adds: Senator Hallstrom, name added to LB182; Senator Sanders, LB628. Senator Hunt-- finally, a priority motion-- would move to adjourn the body until Tuesday, February 18, 2025 at 10:00 a.m.

KELLY: Members, you have heard the motion to adjourn. All those in favor say aye. Those opposed, nay. The Legislature is adjourned.