

THE NEBRASKA LEGISLATURE'S
WEEKLY PUBLICATION

UPDATE

Bills seek to encourage family farming

The Agriculture Committee heard testimony Feb. 12 on two bills concerning family farming in Nebraska.

LB1174, sponsored by Ewing Sen. Cap Dierks, would restrict non-family ownership of agricultural land, farms and ranches. Under the bill, corporations, businesses or partnerships that limit the liability of their owners or partners would be restricted from farm and ranch ownership unless majority ownership is held by related family members.

According to the bill, a qualifying farm or ranch is one where related family members own the land or own and care for animals and are actively engaged in day-to-day labor and management.

Dierks said the bill is in response to the demise of Initiative 300, an initiative-based constitutional amendment banning corporate farming that was passed by Nebraska voters in 1982. The initiative's provisions were declared unconstitutional by a U.S. District Court in 2005, a ruling that was upheld by the Eighth Circuit Court of Appeals in 2006.

Dierks said LB1174 takes into account the courts' concerns regarding the Americans with Disabilities Act and the interstate commerce clause of the U.S. Constitution.

The bill contains a provision that would give consideration to those who would otherwise engage in day-to-day farm or ranch labor and management, but are prevented

from doing so because of physical or mental impairment that substantially limits their major life activities.

In addition, under the new bill, residents of other states can own farms and ranches in the state and may qualify as family farmers in Nebraska.

With these provisions, Dierks said the bill is a viable piece of legislation that reinstates the principles of Initiative 300.

"It honors the will of Nebraska voters," Dierks said.

Supporters of the bill focused on the positive impact of family farms on rural communities and the importance of protecting them.

Rural sociologist Dr. Rick Welsh

testified that agriculture-dependent counties in states with anti-corporate farming laws are more likely to have lower poverty and unemployment rates than similar counties in states without these laws.

Anti-corporate farming laws are important for rural communities, he said, because local norms regarding issues like wages and environmental management prevail. Rural communities need farms as independent, autonomous businesses, he said, not simply as contractors.

Michael Stumo of the Organization for Competitive Markets agreed.

Spreading production among
(Continued on page 13)



St. Paul: Nebraska Baseball Museum See page 23 for more details

INSIDE:

- Smoking ban amended
- Changes proposed to state aid to schools
- Irrigator compensation considered

ISSUES UPFRONT

Appropriations

Funding for proposed expressway would support rural economy

The Appropriations Committee heard testimony Feb. 14 on three proposals that would use cash reserve funds to build remaining portions of a state expressway system, now 20 years in the making.

All three bills seek appropriations to the Department of Roads for expressway construction west of Lincoln and Omaha. The department has struggled to complete construction of the Nebraska Expressway System, originally proposed in 1988.

Supporters emphasized the economic value of expressways for small towns.

“Industrial growth depends on proximity to expressways,” said Joe Mangiamelli, Columbus city administrator.

While opponents cautioned the committee against depleting the cash reserve to build roads, Ann Hall with the Columbus Area Chamber of Commerce noted, “we’re losing money by saving money.”

“Building the economy of Nebraska is critical to our ability to grow the cash fund and the general fund,” she said.

Ellsworth Sen. LeRoy Louden introduced **LB1035**, which would draw down federal dollars to match state funds for expressway



Sen. LeRoy Louden



construction. The bill would place \$16 million in the Expressway Construction Fund to leverage an \$80 million federal match. Louden emphasized the value of bringing \$4 of federal funds into Nebraska’s economy for every state dollar spent under his bill.

LB1139, introduced by Kearney Sen. Joel Johnson, would authorize \$73 million to build 23 miles of four-lane expressway between Columbus and Fremont. The bill, he said, would improve routes that link rural areas to major urban areas.



Sen. Joel Johnson

LB771, introduced by Papillion Sen. Tim Gay, would create the Expressway Construction Fund and authorize \$50 million for the department to use for construction of incomplete portions of the expressway. The proposal does not specify where construction would take place.



Sen. Tim Gay

Supporters testified in favor of all three proposals. The committee took no immediate action.

Banking, Commerce and Insurance

Coverage of medical treatments discussed

The Banking, Commerce and Insurance Committee heard testimony on two bills related to health insurance coverage Feb. 11.

LB825, introduced by Lincoln Sen. DiAnna Schimek, would require insurance companies to provide coverage for single or bilateral cochlear implants for customers diagnosed with severe to profound hearing impairment.



Sen. DiAnna Schimek

Most insurance provides coverage for single cochlear implants, but companies are less likely to provide coverage for both ears. But the better a child can hear, Schimek said, the better they learn and the fewer special educational services they need.

“It is time to make insurance companies provide this coverage fairly and consistently in Nebraska,” she said. “Insurance costs will not significantly rise and any increase will be offset by the financial benefits of this life-changing technology.”

Dr. Rodney Lusk, director of the

ISSUES UPFRONT.....

cochlear implant program at Boys Town National Research Hospital, explained that the implant is not a hearing aid, but a technology involving a microphone, speech processor and a transmitting coil that provides electronic stimulation to the auditory nerve.

Children as young as 12 months can receive the implants, he said, and the earlier they receive it, the better they can develop language skills and reach their full potential. Those receiving only a single cochlear implant still have difficulty learning because they can't identify where sound is coming from, he said, making following a classroom conversation very difficult.

"We've been successful at getting bilateral approved, but it often takes multiple, multiple requests and sometimes getting lawyers involved," he said.

Jill McGrane, a mother whose daughter has received bilateral implants, said their insurance company did not provide coverage for cochlear implants at all because they were considered "cosmetic." In order to provide their daughter the ability to hear, the family took out a \$40,000 loan for the first implant.

"We knew it wasn't an option," she said. "It's not an option, it's a need."

They later switched to an insurance company that provided coverage for the second implant.

"It's too bad we need a mandate, because most insurance companies will cover it," she said. "But this is for those that won't."

LB969, sponsored by Louisville Sen. Dave Pankonin, would require insurance companies to provide coverage for medically necessary prosthetics at a level no less than that provided by Medicare.

The bill defines prosthetics as artificial legs and arms and associated components.

It would not prevent the application of deductibles or co-payment provisions contained in an insurance plan. Co-payments would be limited to those imposed under Part B of the Medicare fee-for-service program.

Pankonin said that many insurance companies cap the amount of coverage they will provide, requiring the patient to pay the vast majority of the cost.

The bill would result in an overall cost savings, he said, because recipients of the benefit could better participate in society if they have full access to the prosthetics they need.

Dr. John Rush, an orthotics and prosthetics specialist, testified in support of the bill.

Eighty percent of the 1.8 million Americans with limb loss return to the workforce, he said. "They can regain their lives with prosthetic care."

Some insurance companies have capped coverage at \$1,000 or \$2,000 per year, or only one limb per lifetime, he said. Calling the caps "absurd," he explained that amputees may need prosthetics replaced annually or even more frequently, depending on the person's age and level of activity.

"This is like telling a 5-year-old he can only have one pair of shoes in a lifetime," he said.

He asked why an amputee should be treated any differently than someone receiving a hip or knee replacement, for which better coverage is provided.

"Why continue to allow health insurance companies to shift the cost to the state?" he asked.

Alison Aldrich, a Nebraska Wesleyan student, lost her leg to cancer when she was 7.



Sen. Dave Pankonin

Her insurance company will cover a new prosthetic only once every 5 years, which is not nearly enough, she said.

"For a while I went through one or two legs per year," she said.

At a cost of \$18,000 to \$25,000 each, she said she is grateful that the Shriners Hospitals for Children has helped cover the cost. Because their program requires traveling to Minnesota for fittings, however, she doesn't get as many replacements as she needs.

Aldrich said she is worried about how she will continue to bear the cost as an adult.

"How will I pay this on top of my student loan?" she asked.

Several insurance companies testified in opposition to the bills.

Michaela Valentin of Blue Cross Blue Shield said that while BCBS does provide coverage for bilateral cochlear implants and prosthetics equal to Medicare's coverage, they could not support the bills.

Insurance mandates increase health care costs for everyone, she said, making insurance less affordable for some. Midsize and small employers will have to absorb the costs, she said.

"Every day employers are struggling to provide coverage," she said. "This is counterproductive to our goal of ensuring affordability and access for all."

Moreover, she said, 64 percent of employer insurance policies are self-insured, so the mandated coverage would not apply to them anyway.

Jan McKenzie, director of the Nebraska Insurance Federation, said that in the last 20 legislative sessions, senators have proposed 60 mandated benefit bills.

"The cost has to adjust to make up for that somewhere, and we all pay for that," she said. "We try to solve one problem and create another."

ISSUES UPFRONT.....

The committee took no immediate action on the bills.

Education

State aid bills heard by Education

The Education Committee held a hearing Feb. 11 on four bills related to the formula that determines state aid to school across the state.

LB988, introduced by Lincoln Sen. Ron Raikes, would change the structure of formula needs for school districts, transition from an elementary class size allowance to an elementary class size requirement, base school district budget authority on the new needs calculation and replace adjusted valuations with assessed valuations for the calculation of resources.



Sen. Ron Raikes

The new needs calculation would compare school districts of similar size to arrive at a basic funding level. In addition, consideration would be given for remote elementary sites, elementary class sizes, poverty, limited English proficiency, focus schools and programs, special receipts, transportation, distance education and telecommunications, teacher education levels, new school buildings, student growth, instructional time, summer school, new learning community transportation increases, size ranges with below-average costs and cost sharing between the state and the school district for school districts with fewer than 390 students which are not in sparsely populated areas.

Along with other modifications to current allowances, a new provision requiring students in grades K-3 to be in classrooms of 20 or fewer students

would be coupled with phasing out the elementary class size allowance.

The new budget authority would be based on 120 percent of the needs calculation, with special education excluded from both the calculation of the maximum budget and the expenditures to be limited. The exceptions to the new maximum budget would be further limited. A three-year transition is included in the proposal.

Finally, the bill would replace adjusted valuations with assessed valuations for the calculation of state aid for both school districts and educational service units.

Local effort rates also would be increased in response to the valuation changes.

Raikes called the bill a significant modification of the way state aid is calculated. He said the purpose of the changes is to make the calculation of a school district's state aid formula needs more accurately reflect its actual costs.

The Legislative Fiscal Office estimates that LB988 would reduce state aid to schools statewide by \$78.7 million in fiscal year 2009-10.

LB873, sponsored by Sen. Gail Kopplin of Gretna, would create a student growth adjustment in the school finance formula.

Currently, school districts receive state aid based upon the number of students enrolled during the previous school year. As a result, school districts experiencing enrollment growth presently do not receive the funding at the time of the need.

Beginning with the 2009-10 school year, LB873 would provide school districts the opportunity to estimate and report anticipated stu-

dent enrollment increases in excess of 25 students in a timelier manner. As a result, a school district would receive funding at the time the students are enrolling as opposed to one year in arrears.

The bill provides for an application and review process between the local school district and the state Department of Education as well as a means to review the actual enrollment change and make adjustments.

Kopplin said the bill would allow growing school districts to receive additional state aid when they need it – when they are experiencing the growth.

LB879, also sponsored by Kopplin, would create a construction, expansion or alteration adjustment in the school state aid formula.

Kopplin said school districts that are adding instructional square footage are faced with expenses that exceed the funding provisions contained in the current state aid formula. These expenses are part of new startup or operating costs, such as additional staffing or curricular materials associated with the opening of a new building or an expanded or remodeled building, he said. The current formula does not recognize the school district's expense need in a timely manner, he said.

Beginning with the 2009-10 school year, LB879 would recognize additional needs in the state finance formula during the first two years for school districts with additional instructional square footage. The additional needs may result in additional state aid for an equalized school district.

The bill provides for a process of application and review between the local school district and the state Department of Education.

LB1079, sponsored by Raikes,



Sen. Gail Kopplin

ISSUES UPFRONT.....

would change the definition of general fund operating expenditures for the purpose of calculating state aid to schools to exclude any legal expenses in excess of 0.15 percent of the formula need for the school fiscal year in which the expenses occurred.

The committee took no immediate action on any of the bills.

Learning community provisions revisited

The Education Committee took testimony Feb. 12 on six bills that would make changes in the state's learning community law.

In 2006, the Legislature enacted legislation that resulted in a learning community comprised of the school districts in Douglas and Sarpy counties. A revision of that law was passed by the Legislature in 2007.

LB886, sponsored by Sen. Tim Gay of Papillion, would delay implementation of a law providing for free student transportation within a learning community.

Currently, school districts that are within a learning community must provide free transportation to any student who transfers pursuant to open enrollment provisions and:

- qualifies for free or reduced-price lunches and lives more than one mile from the school;
- contributes to the socioeconomic diversity of the school building;
- attends a focus school or program and lives more than one mile from the school; or
- attends a magnet school or program and lives more than one mile from the school



Sen. Tim Gay

housing the magnet school or program.

LB886 would delay the free transportation requirement until fiscal year 2010-11.

Gay said the bill would give affected school districts more time to implement the student transportation provisions of the learning community law.

LB970, also sponsored by Gay, would eliminate the common property tax levy for school districts belonging to a learning community. School districts within a learning community would have the same maximum levy of \$1.05 per \$100 of property valuation that is extended to other districts in the state. The bill also would make changes to the school state aid formula for the purpose of treating districts within a learning community the same as all other districts.

The bill would leave in place existing law that allows a learning community to levy up to 5 cents for elementary learning center facilities and up to 50 percent of estimated costs for approved capital projects.

Gay said parts of the learning community law have merit. However, he indicated that differences in valuation practices between the counties in the learning community result in a transfer of resources from one area of the learning community to another.

Lincoln Sen. Bill Avery asked if eliminating the common levy would threaten the viability of the learning community. **LB970** would not hurt the learning community law, Gay said, adding that funding issues could better be addressed through the state school aid formula rather than focusing on one area or group of school patrons.

LB978, sponsored by Gay, would limit the ability of Class III school districts within a learning community to expand their boundaries. Class III

districts are K-12 districts that do not include the Omaha or Lincoln school districts.

Under the bill, affected districts could expand their boundaries by no more than 500 acres in any one year or 1,500 acres in any three consecutive years. The bill would not impact boundary agreements existing between districts prior to the bill's enactment.

Gay said the bill would assist cities in proper planning as school districts within the learning community grow.

LB1005, introduced by Omaha Sen. Gwen Howard, would require diversity plans adopted by learning communities to give first preference to siblings of students currently enrolled at a school when considering enrollment limitations.



Sen. Gwen Howard

Howard said she introduced the bill in response to constituent concerns that existing law might exclude younger siblings from attending the same school as their older counterparts.

LB1154, sponsored by Lincoln Sen. Ron Raikes, would make a number of changes to the learning community law, including:

- expanding the learning community coordinating council to include nonvoting members;
- establishing an advisory committee of affected school superintendents;
- designating the secretary of state to assist the initial learning community coordinating council in getting started;
- allowing school district boundaries to be modified prior to the establishment of the learning

ISSUES UPFRONT.....

- community;
- modifying the distribution of the common levy to reflect the previous resources for the first three years;
- narrowing the potential uses for the learning community capital levy;
- allowing a school district to exceed its applicable allowable growth rate for expenditures to pay for the transfer of land from another school district;
- streamlining provisions regarding diversity plans and educational options within the learning community;
- modifying the qualifications to become a learning community;
- redefining focus programs, focus schools, magnet schools and pathways;
- eliminating a requirement for a learning community coordinating council to pay for mediation services; and
- requiring free transportation be provided to a student contributing to the socioeconomic diversity of enrollment who is attending another school in the learning community only if the student lives more than one mile from the school to which he or she transfers.

Raikes said the purpose of the bill was to address concerns raised about the learning community law since last session.

LB1158, introduced by Sen. Brad Ashford of Omaha, would effectively appropriate \$400,000 annually to the state Department of Education for five years beginning in FY2008-09 to fund life skills and job training for individuals living in



Sen. Brad Ashford

high-poverty areas of Omaha.

Ashford said there is a need to “link jobs to individuals.” The effort would be primarily engaged in helping young people gain employment, he said.

The committee took no immediate action on any of the bills.

Government, Military and Veterans Affairs

Capitol environs task force fails

Lawmakers chose not to advance a bill Feb. 12 that would create a task force to examine issues related to the area surrounding the State Capitol building.

LB763, sponsored by Lincoln Sen. Bill Avery, would create the Nebraska State Capitol Environs District Revitalization Task Force. Members of the task force would include:



Sen. Bill Avery

- the mayor of Lincoln;
- a member of the Nebraska State Capitol Environs Commission;
- a member of the Nebraska Capitol Commission;
- a representative of an economic development association for the downtown area of Lincoln;
- a representative of the state Board of Landscape Architects;
- a representative of the Nebraska State Historical Society;
- two at-large members; and
- two senators appointed by the Legislature’s Executive Board.

The governor would appoint the nonlegislative members of the task force. The Nebraska State Capitol Environs Commission would provide

administrative and technical support for the task force.

The duties of the task force would include reviewing the history of the Centennial Mall area, reviewing the environs of other state capitol buildings and considering possible design options and funding strategies. The task force would be required to submit a final report to the governor and the Legislature by Dec. 1.

Avery said the new task force is needed because there is no other agency specifically authorized to look at issues related to the environs around the State Capitol building, including the mall.

However, some senators expressed concern about creating a new task force, saying that existing entities could adequately fill the need.

LB763 fell five votes short of advancement to select file on a 20-13 vote.

Changes to state employee health benefits proposed

The Government, Military and Veterans Affairs Committee heard testimony Feb. 13 on a bill that would alter the state contribution to employee health benefits.

Under **LB884**, introduced by Papillion Sen. Tim Gay, the state would continue to contribute 79 percent of the cost of employee insurance coverage only if the employee enrolls and participates as required in a wellness program offered by the state through the Department of Administrative Services (DAS). DAS would be allowed to enter into agreements with public and private entities to establish the wellness program.



Sen. Tim Gay

The bill is an attempt to control

ISSUES UPFRONT.....

health care costs and lower premiums, Gay said, and is reflective of actions taken by other states.

“Our neighbors around us are implementing these programs,” he said.

Calling the bill “a high priority for the administration,” DAS director Carlos Castillo testified that it would allow the state to take aim at the root causes of soaring health costs. Many health insurance claims result from controllable risks like smoking, obesity and high cholesterol, he said, and a wellness program can help employees maintain a healthy lifestyle that would reduce these risks.

“We must start now,” Castillo said.

HHS Public Health Director Joann Schaefer agreed.

Citing the success of the governor’s recent N-Lighten Nebraska challenge, a voluntary state employee wellness program, Schaefer noted that participating state employees lost over 1,600 pounds.

“Very small investments return significant results,” she said.

Insurance agent Thomas Hanthorn testified in support of LB884.

State employees currently enjoy a benefit package superior to most in the private or public sector, he said, but it comes at a cost. Hanthorn said state employees should be held accountable for that cost by their real employer, the taxpayer.

However, some committee members expressed concerns about implementation.

Lincoln Sen. Bill Avery asked what the consequences would be for employees who don’t participate in the wellness program.

Castillo responded that those who don’t participate would be subject to a premium differential, with the split between what the state pays and what employees pay determined by DAS.

There is no way to know yet what the split would be, he said, because it would be based in part on participation rates.

Employees would have to meet certain minimum levels of wellness to obtain the best split, Castillo added.

Avery said he believes the Legislature, rather than an administrative agency, should be determining the premium split and related issues such as how to define participation and success, and to what wellness standard state employees’ dependents would be held.

Representatives of the Nebraska Association of Public Employees (NAPE) expressed concern over what they called the disincentive structure of the bill’s plan.

NAPE representative Robert Corner said the organization has advocated wellness over the years in their negotiations with the state, but said the key to any successful program is maximum employee participation. Maximum participation results from rewarding employees rather than punishing those who don’t participate, he said.

Mike Marvin, executive director of NAPE, agreed, saying it’s a question of carrots or sticks.

“Nobody likes to be hit over the head with a stick,” he said.

The committee took no immediate action on the bill.

Campaign finance changes discussed

The Government, Military and Veterans Affairs Committee heard testimony Feb. 14 on a bill aimed at increasing transparency in campaign funding.

Introduced by Bayard Sen. Philip Erdman, **LB1112** would repeal the Campaign Finance Limitation Act (CFLA) and would amend the Ne-

braska Political Accountability and Disclosure Act to require greater disclosure of campaign contributions and expenditures.

Currently, campaign reporting procedures require disclosure of the name and address of a person contributing more than \$250 in a reporting period, or those to whom the same amount was paid in expenditures. LB1112 would lower that amount to \$50.

The bill also proposes contribution limitations on corporations and political action committees and, beginning in 2012, would require all contributions and expenditures to be reported electronically on a daily basis.

Erdman said that lowering the reporting limit is necessary because overall limits on campaign funding tend to be arbitrary. What constituents want to know, he said, is where the money is coming from and where it’s going.

“I think that’s all fair game,” Erdman said.

Opponents of the bill focused on the proposed repeal of CFLA.

Lincoln Sen. Bill Avery said the law provides a mechanism for the release of public funds to candidates who are abiding by voluntary spending limits, but are in races against those who choose to exceed the limits.

“It’s a mechanism to ensure a fair fight,” Avery said.

Accountability and Disclosure Commission executive director Frank Daley said his opposition to the bill was twofold.

Current CFLA provisions took effect in 2007, he said, and have yet to be tested in an election cycle. The commission has created forms



Sen. Philip Erdman

ISSUES UPFRONT.....

and trained staff based on those provisions and would like to see how they work before changing again, he said.

In addition, Daley said that moving toward a campaign finance system with specific contribution limitations encourages participation from multiple organizations and results in more game playing and less transparency and disclosure.

Erdman responded that he would be willing to remove specific limitations on PACs from the bill, but maintained that Nebraska's current system does little to encourage transparency.

"If you want to believe that we have a disclosure model, go for it," he said.

Roger Holmes testified that Common Cause Nebraska supports the increased disclosure provisions outlined in the bill, but only if they are used to strengthen CFLA rather than replace it.

"We believe CFLA has been a resounding success," he said.

There was no testimony in support of LB1112.

The committee took no immediate action on the bill.

Judiciary

Two bills target ticket scalping

The Judiciary Committee heard two bills Feb. 13 designed to curb large-scale ticket scalping.

LB1042, brought by Omaha Sen. Gwen Howard, would establish a criminal penalty for reselling a ticket to an entertainment



Sen. Gwen Howard

event for more than 25 percent of the ticket's face value, including taxes, surcharges and general fees.

These limitations would not apply to fundraising activities performed by or on behalf of a charitable organization.

The penalty for a first offense would be a Class II misdemeanor and a second offense would be a Class I misdemeanor. Both would result in a \$100 fine.

LB1042 also would allow an artist, promoter or producer of an entertainment event to bring a civil lawsuit against a person or entity that violates the proposed statute. The plaintiff would be entitled to actual or liquidated damages of between \$750 and \$10,000 plus reasonable attorney's fees and costs. The bill would create a mechanism for the plaintiff to subpoena information regarding the identity of the reseller from an Internet service provider or web site.

Howard said she received several complaints from constituents who were upset that the Hannah Montana concert sold out within a few minutes, but later found tickets to the event online for many times the original cost.

"All Nebraskans deserve an equal opportunity to purchase tickets without getting gouged by the secondary ticket market," she said.

R.J. Romeo, president of TixCap, Inc., supported the bill, saying it was time for someone to stand up to the ticket scalping industry.

He cited an upcoming Bruce Springsteen concert as an example of the problem: box office tickets were priced at \$85, while the secondary market sold them for as much as \$800.

Artists and performers are frustrated by the practice, he said, because they don't want their fans to be taken advantage of. Some fans, he

said, may assume that the artist sets these prices for tickets.

Lawrence Bradley of Omaha testified to his frustration over not being able to find reasonably priced tickets to the upcoming NCAA basketball tournament at the Qwest Center. After the Qwest Center told him they were available only to Creighton season ticket holders, he received an e-mail from a secondary ticket seller advertising the same tickets for \$399, \$599 and more.

"They're quick to pass that bond issue and take our tax money (to pay for the Qwest Center), but the average person can't get tickets to go," he said.

Roger Dixon, president of Omaha's Qwest Center, agreed that ticket scalping has gotten more high-tech. He opposed the bill, however, because venues are designing programs of their own to block the practice, he said.

Examples of strategies venues are implementing include using software that blocks automatic dialers or only permits tickets sold within the first 15 minutes of a sale to be purchased by those from nearby zip codes.

Dixon said the Qwest Center has had only six shows sell out within an hour since opening in 2003 and does not think the issue requires statewide regulation.

Trisha McCoy Gonyo of Ticketmaster agreed.

"We have led the way in the fight against software that lets people cut to the beginning of the line," she said.

She predicted that imposing penalties on resale tickets would only drive the practice underground.

A second bill, introduced by Tekamah Sen. Kent Rogert, specifically targets computer software used to purchase large numbers of tickets online.

ISSUES UPFRONT.....

LB1032 would make it a crime for an individual to use a computer program, software or other device for the purpose of bypassing the computer security of a primary ticket-issuing agency in order to purchase or acquire tickets for a cultural or sporting event in Nebraska.



Sen. Kent Rogert

Violation would be a Class IV misdemeanor.

Rogert said such computer software provides ticket resellers an unfair advantage that allows them to jump ahead of other customers attempting to purchase tickets online.

Sales records have shown as many as 600,000 tickets purchased in a single day by a reseller using such software.

The committee took no immediate action on the bills.

Natural Resources

Irrigator payment bills reach Natural Resources

The Natural Resources Committee heard two bills Feb. 13 aimed at compensating irrigators in the Republican River basin for water sold as part of a plan to comply with an interstate water compact.

In 2007, the Legislature enacted **LB701**, a bill designed to help Nebraska comply with a water compact with the state of Kansas.

LB1094, sponsored by



Sen. Tom Carlson

Holdrege Sen. Tom Carlson, was introduced to compensate surface water irrigators who gave up irrigation water in 2007 in exchange for payment from local natural resources districts. Those payments were to be funded through bonding against a local property tax levy assessed by the NRDs. The authority to assess the additional property tax has been challenged in court and the bonding and distribution of payments are on hold.

Under an amendment offered by Carlson, **LB1094** would create a Water Contingency Cash Fund and transfer \$9 million from the state's cash reserve fund to pay surface water irrigators.

LB1127, sponsored by Sen. Mark Christensen of Imperial, would expand the eligible uses of the Water Resources Cash Fund to include drought relief assistance and river flow augmentation.



Sen. Mark Christensen

Most of the hearing focused on the proposed amendment to **LB1094**.

Carlson said the amendment provides a solution to repay irrigators who gave up water to help implement integrated water management plans last year.

The delay in compensating irrigators is not the fault of NRDs or the Legislature, he said.

Resolution to the pending litigation may not come for an extended period of time, Carlson said. In the meantime, the Legislature should make sure those irrigators who sold their water get paid as promised, he said.

Mike Clements, general manager for the Lower Republican NRD, said the lack of compensation has caused

hardship for the irrigators to whom payments have not been made.

"We now have over 350 irrigators who sold their water in good faith left holding the bag," Clements said.

Steve Henry of the Frenchman Cambridge Irrigation District said agricultural lenders have shown some restraint with borrowers with the belief that compensation for the irrigation water will be forthcoming.

However, Henry said, delay in the judicial resolution of the lawsuit against **LB701** would have negative effects on those irrigators who are owed money.

The committee took no immediate action on either bill.

Retirement Systems

Retirement systems proposals considered

The Nebraska Retirement Systems Committee heard two bills Feb. 13.

LB937, introduced by the committee, would require county and state agency employees authorized to participate in the retirement system to enroll and begin making the required contributions immediately upon employment. Currently, employees have sixty days from the date of employment to enroll and begin contributing.

LB938, introduced by the committee, would allow beneficiaries of deceased members of county or state defined contribution plans to choose investment options. Currently, beneficiaries do not have the statutory authority to transfer investments among the various funds.

The committee took no immediate action on either bill.

ISSUES UPFRONT.....

Revenue

Snuff tax bill debated

Lawmakers considered a measure Feb. 12 that would change the method of taxing chewing tobacco.

LB722, sponsored by Sen. Pat Engel of South Sioux City, would reclassify tobacco-related substances into three categories:



Sen. Pat Engel

- smoking tobacco, which would include tobacco-related items that can be smoked, with the exception of cigarettes;
- tobacco products, which would include tobacco items intended primarily for chewing; and
- cigarettes, which are not impacted by the bill.

Under LB722, tobacco products would be taxed at a rate of 65 cents per ounce. Currently, tobacco products are generally taxed at a rate of 20 percent of the wholesale price.

The bill is similar to a measure that was passed by the Legislature in 2007, but was vetoed by the governor.

Engel said the current system places brand-name products at a disadvantage when compared to lower-cost generic products.

"To me, this is an equity issue," he said.

According to Engel, 11 states have already changed their method of taxing smokeless tobacco to a weight-based system.

Omaha Sen. Ernie Chambers argued that the current system of taxing tobacco products works because of its connection to the product's price. He

also suggested the bill would benefit a specific segment of the tobacco industry.

"I do not think one part of a taxing structure should be cast aside to benefit one part of the industry," Chambers said.

Chambers offered an amendment that would have increased the tax rate on tobacco products to 95 cents per ounce. That amendment failed on a 1-22 vote.

Legislators did not complete first-round debate on LB722 before adjourning for the week.

Tax cut proposals heard

The Revenue Committee considered two measures Feb. 14 presenting alternative approaches to reducing taxes.

LB863, introduced by Sen. Chris Langemeier of Schuyler, would adjust the income ranges of all four state income tax brackets effective Jan. 1, 2009. The intent of the bill would be to lower an individual's state income tax burden.



Sen. Chris Langemeier

For example, the income thresholds for single-filer tax brackets are currently \$0, \$2,400, \$17,500 and \$27,000. For married individuals filing jointly, the income thresholds are \$0, \$4,800, \$35,000 and \$54,000.

Under LB863, the thresholds for single filers would be changed to \$0, \$5,000, \$20,000 and \$35,000. For married individuals filing jointly, the thresholds would be changed to \$0, \$10,000, \$40,000 and \$70,000.

The Legislative Fiscal Office estimates that LB863 would reduce state revenues by \$37.4 million in fiscal

year 2008-09 and \$122 million in FY2009-10.

Langemeier said in light of the potential economic downturn, legislators need to consider what can be done to stimulate the state's economy.

"Just sitting back and holding on to the cash reserve is an irresponsible position," he said.

Langemeier called changes proposed in LB863 "a responsible reflection of inflation in income." He said he does not question the fiscal estimate associated with the proposal, but said what cannot be adequately calculated is the potential benefit to the economy by reducing taxes.

LB1000, sponsored by Sen. Pete Pirsch of Omaha, would address both income and property taxes.

Under LB1000, the single-filer threshold for the two lowest-income tax brackets would be changed from \$0 and \$2,400 to \$0 and \$5,000. For married individuals filing jointly, the thresholds would be changed from \$0 and \$4,800 to \$0 and \$10,000. The effect of these changes would be to widen the lowest-income tax bracket and narrow the second-lowest tax bracket, providing a break to those earning the least amount of income.



Sen. Pete Pirsch

The bill also would increase the amount of state money available for local property tax relief. For tax year 2008, \$115 million is currently available for property tax credits. LB1000 would place an additional \$100 million into that program, with \$87 million coming from the state's cash reserve fund and \$13 million from the state's general fund.

Finally, the bill would transfer \$33

ISSUES UPFRONT.....

million from the cash reserve fund to the general fund each year beginning this year through FY2009-10.

The Legislative Fiscal Office estimates that LB1000 would increase state expenditures by \$100 million in FY2008-09 and reduce state revenues by \$33.6 million in FY2008-09 and \$35.5 million in FY2009-10.

Pirsch said his proposed tax cuts would amplify recent federal action to help stave off the effects of an economic downturn in Nebraska.

The committee took no immediate action on either bill.

Corporate income tax rate adjustments discussed

Two bills that would adjust corporate income tax rates were heard by the Revenue Committee Feb. 14.

LB887 and **LB888**, both sponsored by Kenesaw Sen. Carroll Burling, would adjust corporate income tax rates.

Current law taxes corporations on the first \$50,000 of taxable income at a rate of 150.8 percent of the primary individual income tax rate. For taxable income in excess of \$50,000 the rate is currently 211 percent of the primary individual income tax rate.

LB887 would apply the 150.8 percent corporate income tax rate to the first \$100,000 of taxable income and tax corporate income in excess of \$100,000 at the rate of 185 percent of the primary individual income tax rate.

LB888 would apply the 150.8 percent corporate income tax rate to the first \$200,000 of taxable income and tax corporate income in excess of

\$200,000 at the rate of 211 percent of the primary individual income tax rate.

Burling said Nebraska's corporate income tax rates haven't been changed since 1991 and the \$50,000 threshold hasn't been adjusted since 1975.

Only one other neighboring state – Iowa – has a higher corporate income tax rate than Nebraska, he said. His proposals would put Nebraska more in line with surrounding states, he said.

Business leaders testified in support of the proposals. York accountant Larry Kopsa testified that if the \$50,000 threshold had been adjusted for inflation, it would be in excess of \$200,000 today.

The committee took no immediate action on either bill.

Transportation and Telecommunications

Bill would tighten seatbelt requirements

The Transportation and Telecommunications Committee heard testimony Feb. 12 on a bill that would make the driving violation of not wearing a seatbelt a primary reason for law enforcement to issue a ticket. Currently, the violation is a secondary offense, meaning an officer can issue a ticket for it only after another violation is found.

Under **LB812**, introduced by Omaha Sen. Lowen Kruse, the fine would be \$25. Any increase in fine

revenue would accrue to the county where the violation occurs for use by public schools.

According to Kruse, the federal government provides incentive grants to states that enact a law enforcing seat belt violations as a primary offense. The state's share of the one-time allocation would be \$7.8 million, he said. The grant's remaining incentive funds will be shared among all participating states on July 1, 2009, which may bring even more funding to Nebraska, Kruse said.

The majority of the grant award is to be used for projects that correct, improve or proactively address highway safety problems. At least \$1 million must be used for highway safety activities, he said.

Kruse said the bill would make compliance with the seatbelt law more likely. The more people who wear seatbelts, the more severe injuries and fatalities will be avoided, he said.

“(Not wearing a seatbelt) is already against the law,” he said. “The question is, how serious are we going to take it?”

Jim Ports of the National Highway Traffic Safety Association called seatbelts “the quickest and least expensive way to save lives.”

Vehicle crashes are the number one cause of death for people ages 2 to 34, he said, estimating that seatbelts currently save 17 lives and prevent 290 serious injuries annually in Nebraska. However, only 78 percent of Nebraskans wear seatbelts, compared to 82 percent nationally, he said.

“Behind these statistics are lives and families,” he said.

Dr. Joe Stothert, a member of the medical trauma unit at the University of Nebraska Medical Center, said there is no doubt statistically that seatbelts save lives.

Of the 65 percent of people in car



Sen. Carroll Burling



Sen. Lowen Kruse

ISSUES UPFRONT.....

accidents who die, he said, half were not wearing seatbelts. As the number of those wearing seatbelts rises, the number of deaths goes down accordingly, Stothert said.

Amy Miller of the ACLU testified in opposition to the bill. She has concerns about the bill further enabling law enforcement to unfairly target some drivers.

Hispanic, black and Native American drivers are much more likely to be searched, arrested and physically abused by law enforcement, Miller said.

"We know that Nebraska has a palpable racial profiling problem," she said. "This bill just gives one more excuse for bad officers."

The committee took no immediate action on LB812.

Technology Commission bill amended, advanced

Lawmakers amended a bill Feb. 13 that would change the state's technology policy.

LB823, proposed by the Legislative Performance Audit Committee, would authorize the Nebraska Information Technology Commission (NITC) to designate enterprise projects, require progress reports on reviewed projects and review technology projects regardless of their funding source.

Under the bill, state agencies would submit an accounting of their technology assets to the state's chief information officer and the NITC would provide an annual report of this information.

The bill is the result of an examination of the NITC performed by the Legislative Performance Audit Committee in 2007. The scope of the study included the commission's compli-

ance with the Information Technology Infrastructure Act, the project review process and the sufficiency of the commission's authority to deal with project weaknesses.

Lincoln Sen. DiAnna Schimek brought an amendment she said was requested by the state's chief information officer. The amendment would bring the Inter-governmental Data Communications Advisory Council and the Geographic Information System Steering Committee under the NITC.

The amendment was adopted 29-0 and the bill advanced to final reading by voice vote.

Bill would require seatbelts on school buses

The Transportation and Telecommunications Committee heard testimony on a bill Feb. 12 that would require all school buses purchased after Jan. 1, 2009, to be equipped with lap and shoulder seatbelts.

LB1092, sponsored by Scottsbluff Sen. John Harms, also would require that students wear these seatbelts while riding the bus.

Harms said he is preparing an amendment to the bill that would in turn protect school officials, volunteers and bus drivers from liability for injury or death resulting from students' failure to wear the seatbelts provided.

Harms said he was shocked by the statistics he learned about bus accidents. In 2006, he said, there were 113 bus accidents in the state.



Sen. DiAnna Schimek



Sen. John Harms

"There are a lot of accidents," he said. "And we put our children at risk each time we put them on a school bus without seatbelts."

It doesn't make sense that we require bus drivers to wear seatbelts but don't provide the same safety to the kids on the bus, he said.

Michelle Bader of Seward, whose brother died in a bus accident coming home from a band competition in 2001, testified in support of the bill.

Her brother would still be alive, she said, if there had been a seatbelt to wear, which he always did in their family car, she said.

"There is no reason why not to," she said. "After all, it's the law to buckle up."

The cost of seatbelts is minimal compared to the potential loss of life, Bader said. The \$3 million in settlements the state paid crash victims could instead have paid to equip 300 buses with seatbelts, she added.

Tait Ries of Seward was a survivor of the accident in which the bus fell 49 feet off a bridge. He suffered severe brain injury from the accident.

"We became human missiles," he said.

His health costs have exceeded \$1.5 million, he said, with a lifetime of continued medical expenses ahead.

Jeremy Murphy of the Nebraska Catholic Conference, testifying in a neutral capacity, agreed that student safety is very important. He is concerned, however, about increased cost to the schools.

"It is more difficult for private schools to deal with this issue," he said.

The committee took no immediate action on the bill.

A CLOSER **LOOK**.....

Bills seek to encourage family farming

(Continued from front page)



Sen. Cap Dierks introduces LB1174 to the Agriculture Committee.

independent producers is essential, he said, adding that North Carolina has fewer than 200 independent hog producers while Nebraska has more than 1,000. Once the market is vertically integrated through corporate dominance, he said, it's very hard to penetrate.

Stumo added that Nebraska's past anti-corporate farming measures made it a leader in protecting free markets, choice and innovation.

"You've set the tone," he said. Nebraska State Grange representative Joe Fryman testified that while corporate farms are able to limit their risk, independent farmers face unlimited risk.

"We're not asking for a pity party, we're asking to be treated fairly," Fryman said.

Brian Brandt, a Plymouth hog farmer agreed.

The provisions of Initiative 300

allowed him to remain competitive against large hog corporations in spite of their advantage in raw capital, he said, because his production costs were lower.

John Hansen, president of the Nebraska Farmers Union, testified that Nebraska is not only competitive with surrounding states, but has benefited from the provisions of Initiative 300.

Without corporate farms, Nebraska is the number one state in cattle slaughter, he said.

"Where's the damage?" Hansen asked.

But for those testifying against LB1174, the bill's restrictions were cause for concern.

The Legislature should avoid isolating Nebraska and hindering its ability to compete with other states, according to Nebraska Cattlemen representative Michael Kelsey. The

state needs strategies to encourage the rural way of life, he said, but should focus on incentives rather than restrictions.

The primary opposition of the Nebraska Farm Bureau, according to Scott Spilker, is that the bill doesn't allow unrelated Nebraskans to work together to compete with corporate farms.

Rural Nebraskans' ability to enter into limited liability partnerships with non-immediate family members would greatly increase their chances for success, he said. Moreover, by allowing qualified out-of-state interests to own land while restricting the activities of lifelong Nebraskans, the bill fails to serve the public interest, Spilker said.

Russ Vering, owner of Central Plains Milling, expressed concern that LB1174 would negatively impact Nebraska's ability to compete with neighboring states that have less restrictive laws. Anti-corporate farm restrictions are one of the reasons that Nebraska youth are leaving, he said.

"We've shut our doors in the state to new business," Vering said.

Lancaster County farmer David Grimes agreed. While he appreciates the bill's intentions, Grimes said he is concerned about young farmers' ability to obtain capital. A possible unintended consequence of the bill may be the concentration of farms into fewer and bigger hands because those who are unrelated to each other can't band together to compete, he said.

The committee also heard testimony on a bill introduced by Bayard Sen. Philip Erdman.

LB1113 would create the Family
(Continued on next page)

A CLOSER LOOK.....

Bills seek to encourage family farming

(Continued from previous page)

Farm Policy Advisory Council which would be charged with identifying and recommending policies, programs, services and strategies to encourage and support family farm operations. These areas of policy would include tax incentives, agri-tourism, rural development and credit, lending, beginning farmer, conservation and other programs.

The council would consist of seven governor-appointed members, seven members appointed by the chairperson of the Agriculture Committee and four non-voting ex officio members. In addition, the governor and the Ag-

riculture Committee chair would each be allowed to appoint up to two additional members to achieve a council that is geographically representative of the state and knowledgeable about family farming production and marketing strategies.

The council would be housed within the state Department of Agriculture and would be required to report its recommendations to the Legislature by Dec. 15.

Erdman said the bill is the “next logical step” in an ongoing process of encouraging family farming. The Legislature has researched what

other states are doing, he said, and the task force would actively pursue what to do with those findings.

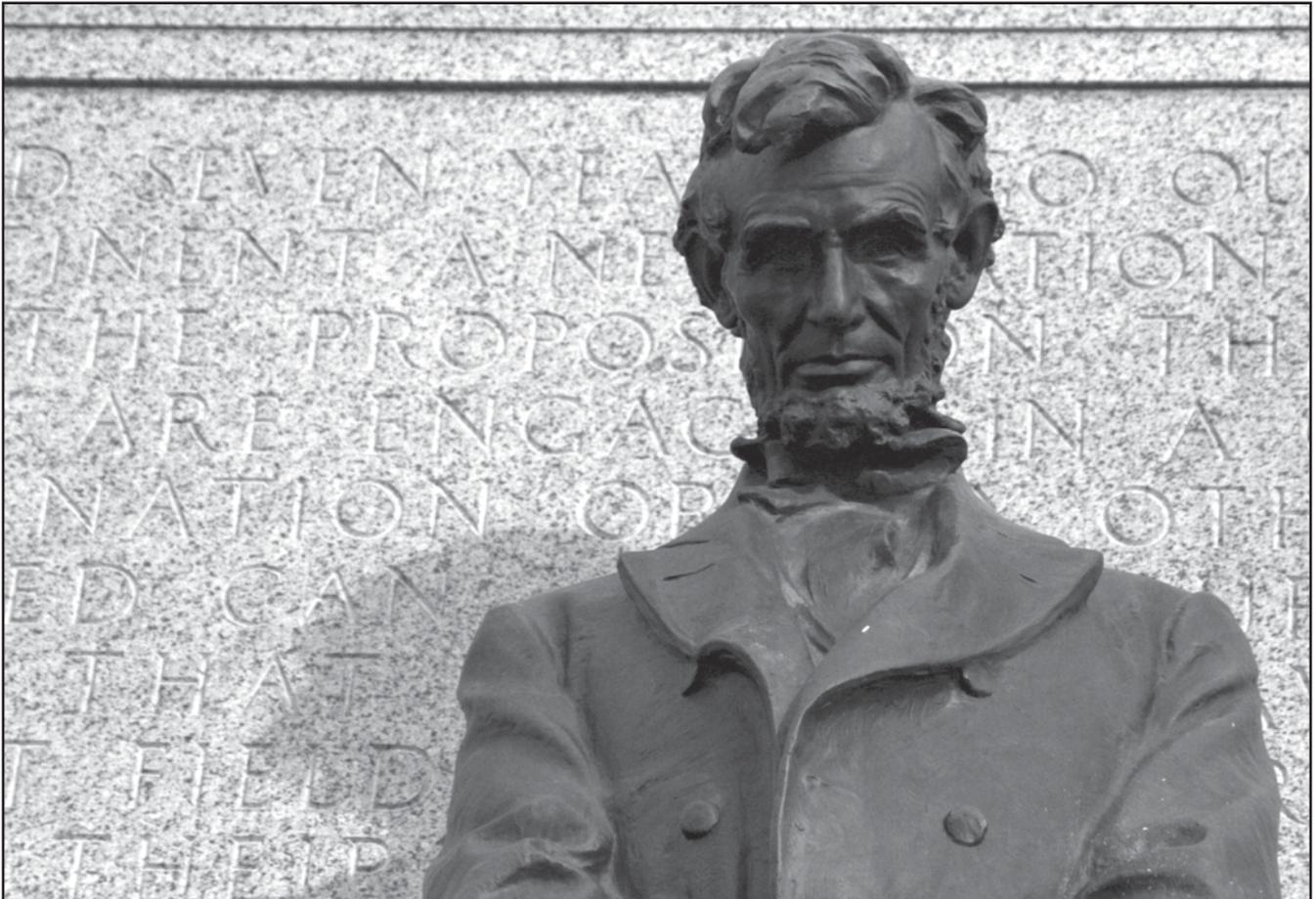
“We need to put folks in a room and say, ‘how do we get there?’” Erdman said.

The Nebraska Farm Bureau, the Nebraska Pork Producers and the Nebraska Bankers Association all testified in support of the bill.

There was no testimony in opposition to LB1113.

The committee took no immediate action on either proposal.

A bronze statue of Abraham Lincoln stands to the west of the State Capitol Building.



A CLOSER **LOOK**.....

Smoking bill amended to remove opt-out



Sen. Joel Johnson defends his amendment to remove the opt-out provision in LB395.

Lawmakers amended and readvanced a bill Feb. 14 proposing a statewide smoking ban in indoor public places. The change eliminates the ability of individual towns to opt out of the ban.

Kearney Sen. Joel Johnson, the sponsor of **LB395**, said he was not satisfied with the opt-out provision because it would result in a patchwork of different local ordinances throughout the state, causing confusion and problems with enforcement.

“I initially agreed because of my sincere desire to see this bill pass,

even if it resulted in a statewide patchwork of ordinances,” Johnson said. “I came to deeply regret my decision.”

The ban would allow the following exemptions:

- private residences, unless being used as child care facilities;
- guest rooms and suites that are rented and designated as smoking;
- areas used for research on the health effects of smoking; and
- retail stores selling only tobacco and products directly related to it.

The bill, as amended, specifies that products directly related to tobacco do not include alcohol, coffee, soft drinks, candy, groceries or gasoline.

Violators of the law would be charged with a Class V misdemeanor for the first offense and a Class IV misdemeanor for the second and subsequent offenses. A person charged with such a violation could voluntarily enroll, at his or her own expense, in a smoking cessation program approved by the state Department of Health and Human Services. Upon success-

(Continued on next page)

A CLOSER LOOK.....

Smoking bill amended to remove opt-out

(Continued from previous page)

ful completion of the program, the charge would be dismissed.

Once a bill has reached final reading, the last stage of debate, senators must vote to return it to select file for consideration of further amendments. Senators voted Feb. 13 to return the bill to select file from final reading and resumed debate Feb. 14 on Johnson's amendment to remove the opt-out provision. Valentine Sen. Deb Fischer called the total ban a violation of private property rights.

"I support smoking bans in public buildings," she said. "However, when citizens go into a private restaurant, the owner should be able to decide."

Fischer said the result of Lincoln and Omaha's smoking bans is that most people in the state already have a smoking ban. She added that some business owners are choosing to make their businesses nonsmoking because their customers have asked for it.

"It didn't take a state mandate," she said.

Sen. Ray Aguilar of Grand Island supported the total ban. Many local communities, including his own, are having to confront the issue and are asking the state to provide a uniform solution, he said.

Businesses are saying that the opt-out clause had more potential to hurt than help them, he said, because it would have allowed different smoking rules to apply.

"We're the only ones who can do it fairly for every community," he said.

More importantly, he said, the bill will eliminate exposure to second-hand smoke for those who want to visit restaurants and bars. It isn't fair that nonsmokers are being exposed to the effects of smoking, suffer from smoking-related illnesses and are having to pay taxes that subsidize the state's healthcare costs to pay for the effects of smoking, he said.

"This is the biggest move the state could make to save Medicaid dollars," Aguilar said.

The total ban amendment was adopted 33-13 and the bill was readvanced to final reading 33-14.

Senators voted 27-6 to return the bill to select file again to consider an amendment offered by Omaha Sen. John Synowiecki that would have allowed smoking at licensed race-track enclosures located within 12 miles of a teleracing facility outside Nebraska that conducts interstate simulcasting.

He said the amendment was designed to allow smoking at Omaha's Horseman's Park, which he said is in direct competition with Bluff's Run in Iowa, which allows smoking.

"(The ban) places Horseman's Park at a disproportionate disadvantage in the marketplace," Synowiecki said.

Johnson admitted that some businesses near the state line would have to compete with those in other states that allow smoking.

"There is some disparity in how it is going to affect businesses," he said. "But where do you draw the line?"

The amendment failed 14-22 and senators readvanced the bill to final reading 32-11.

Finally, senators voted 33-0 to return the bill to select file once more to consider an amendment offered by Bayard Sen. Philip Erdman that would make the bill go into effect June 1, 2009. As the bill was written, he said, the bill's effective date was unclear.

The amendment was adopted 42-0 and the bill readvanced to final reading by voice vote. LB395 remains on final reading.

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throughout the week.

The Unicameral Update Online can be accessed from the front page of Nebraska Legislature.gov, the Legislature's web site, or directly by going to <http://nebraskalegislature.gov/web/public/update>.

COMMITTEE HEARINGS

Tuesday, Feb. 19, 2008

**Agriculture
Room 2102 - 1:30 PM**

LB1172 (*Dierks*) Adopt the Food Supply Animal Veterinary Incentive Program Act

LB999 (*Hansen*) Change Livestock Brand Act provisions governing recorded brands

LB1171 (*Dierks*) Adopt the Agricultural Commodities Protection Act

**Appropriations
Room 1524 - 1:30 PM**

LB1093 (*Harms*) Appropriate funds to the Department of Economic Development

LB1156 (*Synowiecki*) Adopt the Nebraska Sports Tourism Advantage Act

**Banking, Commerce and Insurance
Room 1507 - 1:30 PM**

LB953 (*Nelson*) Change lien provisions relating to mobile homes and manufactured homes

LB1002 (*Pahls*) Require disclosures by group health benefit plans

LB1144 (*McGill*) Change the Delayed Deposit Services Licensing Act

**Education
Room 1525 - 1:30 PM**

Appointment Dudley Jr., Phillip - Nebraska Educational Telecommunications Commission

LB990 (*Christensen*) Provide

for a certificate of attendance for certain students as prescribed

LB1152 (*Raikes*) Provide for a special education allowance within the Tax Equity and Educational Opportunities Support Act

LB1153 (*Raikes*) Change provisions relating to special education and the Attracting Excellence to Teaching Program Act

LB1023 (*Friend*) Change tax levy authority of educational service units which have school districts which are members of a learning community

LB1083 (*Raikes*) Change tax levy and funding provisions for school districts, school districts that are members of learning communities, and educational service units

**Nebraska Retirement Systems
Room 1525 - 12:00 PM**

LB967 (*Synowiecki*) Change annual audit provisions of the School Employees Retirement Act

LB992 (*Avery*) Provide duties to the state investment officer relating to Sudan-related investments

LB1143 (*Synowiecki*) Provide duties to the Nebraska Investment Council

**Transportation and Telecommunications
Room 1113 - 1:30 PM**

LB1129 (*Flood*) Change provisions relating to highway planning

LR232 (*Flood*) Authorize the Transportation and Telecommunications Committee to review the uncompleted segments of the

1988 expressway plan

**Urban Affairs
1510 - 1:30 PM**

LB971 (*Pedersen*) Require voter approval for actions related to annexation of cities and villages

LB1117 (*Pedersen*) Change homeowners' association requirements in sanitary and improvement districts

LB1166 (*Nelson*) Provide for the extension of the corporate limits of a city of the metropolitan class into an adjoining county

Wednesday Feb. 20, 2008

**Appropriations
Room 1003 - 1:30 PM**

LB966 (*Synowiecki*) Change provisions relating to the Tobacco Prevention and Control Cash Fund

LB1018 (*Synowiecki*) Adopt the Children's Behavioral Health Transformation and Prioritization Appropriations Act

LB1168 (*Hudkins*) Direct the use of funds previously appropriated to the Department of Health and Human Services

**Government, Military and Veterans Affairs
Room 1507 - 1:30 PM**

LB1043 (*Aguilar*) Adopt the Security Services Act

Appointment Gandara, Gary - State Emergency Response Commission

LB1047 (*Fulton*) Change provisions relating to reimbursement of

COMMITTEE HEARINGS

travel expenses by the state
LB1136 (*Rogert*) Change requirement of and purpose for county classification

Health and Human Services Room 1510 - 1:30 PM

Appointment Madsen, Patricia
 - Child Abuse Prevention Fund Board

LB1108 (*Erdman*) Change licensure requirements for mental health practitioners

LB1169 (*White*) Authorize health care assistance for certain veterans of Operation Enduring Freedom and Operation Iraqi Freedom

Judiciary Room 1113 - 1:30 PM

LB843 (*Pedersen*) Change sentencing requirements with respect to certain minors

LB781 (*Rogert*) Change the Uniform Deceptive Trade Practices Act

LB868 (*Nantkes*) Prohibit delayed deposit services

LB909 (*Pirsch*) Provide for aggregation of amounts for certain forgery crimes

LB1128 (*Ashford*) Change tenancy termination provisions under the Nebraska Housing Agency Act

LR234 (*Chambers*) Retrocede jurisdiction over the Omaha Indian Reservation

Natural Resources Room 1525 - 1:30 PM

LB1049 (*Erdman*) Change membership provisions for the Game

and Parks Commission
LB1050 (*Erdman*) Change the structure of the Game and Parks Commission and provide for an advisory board

LB802 (*Louden*) Provide for water diversion during times of flooding

Revenue Room 1524 - 1:30 PM

LB777 (*Hudkins*) Change provisions relating to property valuation for taxation purposes

LB1118 (*Pedersen*) Require filing of additional budget and tax levy information

LB1008 (*Wightman*) Provide for reassumption of the tax assessment function by counties

LB1039 (*Janssen*) Create a task force and provide duties relating to agricultural land valuation

LB1111 (*Erdman*) Change membership of the Tax Equalization and Review Commission

LB1110 (*Erdman*) Adopt the Property Tax Review Court Act and repeal the Tax Equalization and Review Commission Act

Thursday Feb. 21, 2008

Health and Human Services Room 1510 - 1:30 PM

LB1121 (*Johnson*) Adopt the Medicaid Insurance for Workers with Disabilities Act

LB1122 (*Johnson*) Change dental coverage provisions under the medical assistance program

LB1176 (*Dubas*) Change provisions relating to medicaid benefits and departmental reports

Judiciary Room 1113 - 1:30 PM

LB1097 (*Pahls*) Authorize federal law enforcement agencies to obtain undercover drivers' licenses and license plates

LB1084 (*Flood*) Change provisions relating to assault on an officer

LB1076 (*Rogert*) Prohibit additional restrictions on firearms and ammunition

LB1077 (*Rogert*) Provide for collection of DNA samples upon arrest for certain offenses

LB1054 (*Karpisek*) Create the offense of unlawful sexual intercourse

LB1078 (*Pirsch*) Provide name change court orders to child abuse and sex offender registries

Natural Resources Room 1525 - 1:30 PM

LB1059 (*Lautenbaugh*) Change deer hunting provisions and provide for donation of deer to food banks

LB1162 (*Lautenbaugh*) Remove statutory minimum fees under the Game Law

LB1164 (*Lautenbaugh*) Adopt the Wildlife Damage Act

Appointment Keim, Lon - Environmental Quality Council

Revenue Room 1524 - 1:30 PM

LB714 (*Pahls*) Exclude social security benefits from income tax and homestead exemption calculations

LB770 (*Cornett*) Exclude military retirement benefits from taxation

LB1140 (*Pedersen*) Exempt

COMMITTEE HEARINGS

social security and government retirement benefits from income tax as prescribed

LB894 (*Gay*) Increase tax deductions allowed under the Long-Term Care Savings Plan

LB983 (*Cornett*) Change an income tax credit for planned gifts

Friday Feb. 22, 2008

**Health and Human Services
Room 1510 - 1:30 PM**

LB1022 (*Hansen*) Adopt the Veterinary Drug Distribution Licensing Act

LB1104 (*Fulton*) Provide for unlawful billing practices under the Uniform Credentialing Act

LB1124 (*Engel*) Provide for mobile home health and safety standards

**Judiciary
Room 1113 - 1:30 PM**

LB1015 (*Nantkes*) Change contributory negligence provisions

LB1025 (*McGill*) Change domestic assault sentencing and protection order provisions

LB832 (*Lathrop*) Adopt the Uniform Foreign-Country Money Judgments Recognition Act

LB942 (*Pedersen*) Require substantial evidence of parole violation in order to revoke parole

LB943 (*Pedersen*) Provide for release of driver's license pictures to parole and probation officers

**Natural Resources
Room 1525 - 1:30 PM**

LB727 (*Natural Resources Committee*) Change provisions relating to hearings conducted by the Department of Natural Resources

LB1145 (*Louden*) Change dates relating to expenditures from the Petroleum Release Remedial Action Cash Fund

**Revenue
Room 1524 - 1:30 PM**

LB1007 (*Dierks*) Change budget and tax levy limits

LB1017 (*Raikes*) Change tax levy provisions relating to risk management pools

LB1080 (*Raikes*) Change tax levy provisions relating to school districts

LB1081 (*Raikes*) Change budget limits of educational service units

LB1098 (*Hudkins*) Change tax levy provisions for rural and suburban fire protection districts

COMMITTEE HEARINGS OPEN TO PUBLIC

Public hearings offer people the opportunity to make their views known on proposed legislation and have them incorporated into the official legislative record. In Nebraska, most bills, with the exception of a few technical bills, receive a public hearing before a legislative committee.

A weekly schedule of committee hearings is available in the Clerk's Office, the Legislative Bill Room and the Legislature's web site (www.nebraskalegislature.gov). The schedule also can

be found in the *Unicameral Update*, the *Sunday Lincoln Journal-Star* and the *Sunday Omaha World-Herald*.

To testify before a committee, attend and fill out the sign-in sheet at the witness table, orally identify yourself and spell your last name for the record and state who, if anyone, you represent as you begin your testimony. Be prepared to answer questions. Please note that addressing committee members or witnesses from the audience, public demonstrations and applause are prohibited.

WEEKLY REVIEW

A REVIEW OF LEGISLATIVE ACTION TAKEN MONDAY, FEBRUARY 11, 2008, THROUGH THURSDAY, FEBRUARY 14, 2008

Agriculture

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB632	Dierks	Change provisions relating to the national uniform system of animal identification	Approved by Governor on February 12, 2008
LB790	Erdman	Change buffer strip reimbursement provisions	Placed on Select File
LB791	Erdman	Provide for rules for certified seed potatoes	Placed on Select File
LB925	Fischer	Provide liability for damage by estrays	Placed on Select File with ER8161

Banking, Commerce and Insurance

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB123	Banking, Commerce and Insurance Committee	Adopt the Nebraska Foreclosure Protection Act and change provisions relating to deceptive trade practices	Placed on Final Reading
LB379	Pahls	Change certain corporate reporting, notice, and filing provisions and eliminate references to professional limited liability companies	Approved by Governor on February 07, 2008
LB380	Pahls	Change a license application requirement under the Mortgage Bankers Registration and Licensing Act	Approved by Governor on February 07, 2008
LB383	Pahls	Change filing requirements involving the address of a partnership's agent	Approved by Governor on February 07, 2008
LB386	Langemeier	Adopt the Nebraska Security Instrument Satisfaction Act	Placed on Final Reading with ST9065
LB715	Pahls	Change provisions relating to nonresident real estate licensees	Placed on Select File

Business and Labor

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB204	Synowiecki	Change provisions relating to the Contractor Registration Act	Approved by Governor on February 07, 2008
LB210	Business and Labor Committee	Change membership and procedures of the Nebraska Workforce Investment Board	Approved by Governor on February 07, 2008
LB500	White	Change Employment Security Law provisions governing the experience account of employers	Placed on Select File with ER8156
LB609	Carlson	Adopt the Nebraska Recruitment Promotion Act	Placed on Select File with ER8159
LB821	Business and Labor Committee	Change provisions relating to claims against the state and the Risk Manager	Placed on General File with AM1868

Education

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB1089	Dierks	Annul orders of the State Committee for the Reorganization of School Districts pursuant to Laws 2005, LB 126	Indefinitely postponed
LB205	Howard	Require schools to adopt a bullying policy	Approved by Governor on February 07, 2008
LB903	Lathrop	Adopt the Nebraska Elementary Attendance Region Act	Indefinitely postponed

General Affairs

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB723	Engel	Change the State Electrical Act	Placed on General File with AM1668

WEEKLY REVIEW

A REVIEW OF LEGISLATIVE ACTION TAKEN MONDAY, FEBRUARY 11, 2008, THROUGH THURSDAY, FEBRUARY 14, 2008

Government, Military and Veterans Affairs

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB196	Schimek	Permit the Adjutant General to designate certain vehicles as military emergency vehicles	Approved by Governor on February 13, 2008
LB269	Burling	Change provisions relating to county organization and formation of county libraries	Approved by Governor on February 07, 2008
LB312	Aguilar	Change provisions relating to resignations, vacancy appointments, and recall elections	Approved by Governor on February 07, 2008
LB39	Schimek	Provide restrictions relating to petition circulation and change campaign reporting provisions	Returned by Governor without approval on February 12, 2008
LB744	Aguilar	Permit leasing of state property to the federal government or political subdivisions	Placed on Select File
LB747	Aguilar	Change provisions relating to energy financing contracts	Placed on Select File
LB750	Aguilar	Designate the Secretary of State's Office as a voter registration agency	Placed on Select File
LB752	Flood	Change membership provisions of the Nebraska Capitol Commission	Placed on Select File with ER8162
LB763	Avery	Create the Nebraska State Capitol Environs District Revitalization Task Force	Failed to advance to Enrollment and Review Initial
LB856	Lautenbaugh	Provide for special congressional elections in case of multiple vacancies	Placed on Select File
LB857	Lautenbaugh	Change certification provisions for candidates for President and Vice President	Placed on Select File
LR223	Avery	Urge the Secretary of the Treasury to select Standing Bear as one of the designs for the reverse of the Native American \$1 coin	Reported to Legislature for further consideration

Health and Human Services

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB395	Johnson	Adopt a new Nebraska Clean Indoor Air Act	Readvanced to Enrollment and Review Engrossment
LB480	Johnson	Change provisions relating to the Nebraska Health Care Funding Act	Approved by Governor on February 13, 2008

Judiciary

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB157	Stuthman	Prohibit prosecution for leaving a child at a hospital	Approved by Governor on February 13, 2008
LB179	Lathrop	Require electronic recording of custodial interrogations	Placed on Final Reading with ST9064
LB246	Johnson	Provide requirements for coroners relating to the procurement of anatomical gifts and provide for criminal immunity	Approved by Governor on February 07, 2008
LB280	Stuthman	Provide for jurisdiction over custody proceedings of juveniles as prescribed	Placed on Select File with ER8158
LB465	Chambers	Change provisions relating to jailhouse informants	Approved by Governor on February 13, 2008
LB623	Pirsch	Change provisions relating to speedy trial	Placed on Select File
LB668	Hudkins	Eliminate provisions relating to gift cards and gift certificates	Placed on Select File
LB804	Burling	Permit jurors to take notes	Placed on General File
LB92	Cornett	Change provisions relating to foreign national minors	Approved by Governor on February 07, 2008

WEEKLY REVIEW

A REVIEW OF LEGISLATIVE ACTION TAKEN MONDAY, FEBRUARY 11, 2008, THROUGH THURSDAY, FEBRUARY 14, 2008

Natural Resources

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB202	Louden	Change the Integrated Solid Waste Management Act	Approved by Governor on February 07, 2008
LB690	Fischer	Provide for apprentice hunter education exemptions under the Game Law	Approved by Governor on February 07, 2008

Revenue

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB177	Janssen	Change the Nebraska Advantage Microenterprise Tax Credit Act	Approved by Governor on February 07, 2008
LB722	Engel	Change the tax on tobacco products	Pending
LB896	Janssen	Update references to the Internal Revenue Code	Placed on Select File
LB898	Janssen	Change provisions of the Unfair Cigarette Sales Act	Placed on Select File
LB915	Revenue Committee	Change income tax provisions, tax information disclosure prohibitions, and research tax credits	Placed on Select File with ER8163

Transportation and Telecommunications

BILL	SPONSOR	ONE-LINE DESCRIPTION	STATUS
LB279	Stuthman	Change provisions relating to driver training schools	Placed on Select File
LB621	Pirsch	Change provisions relating to points and fines for speeding	Approved by Governor on February 13, 2008
LB823	Legislative Performance Audit Committee	Change the Information Technology Infrastructure Act	Advanced to Enrollment and Review for Engrossment
LB845	Fischer	Create a penalty for motor carrier out-of-order violations and authorize administrative fines	Placed on General File
LB867	Adams	Provide that vehicles removed from private property under a municipal ordinance are abandoned	Placed on General File

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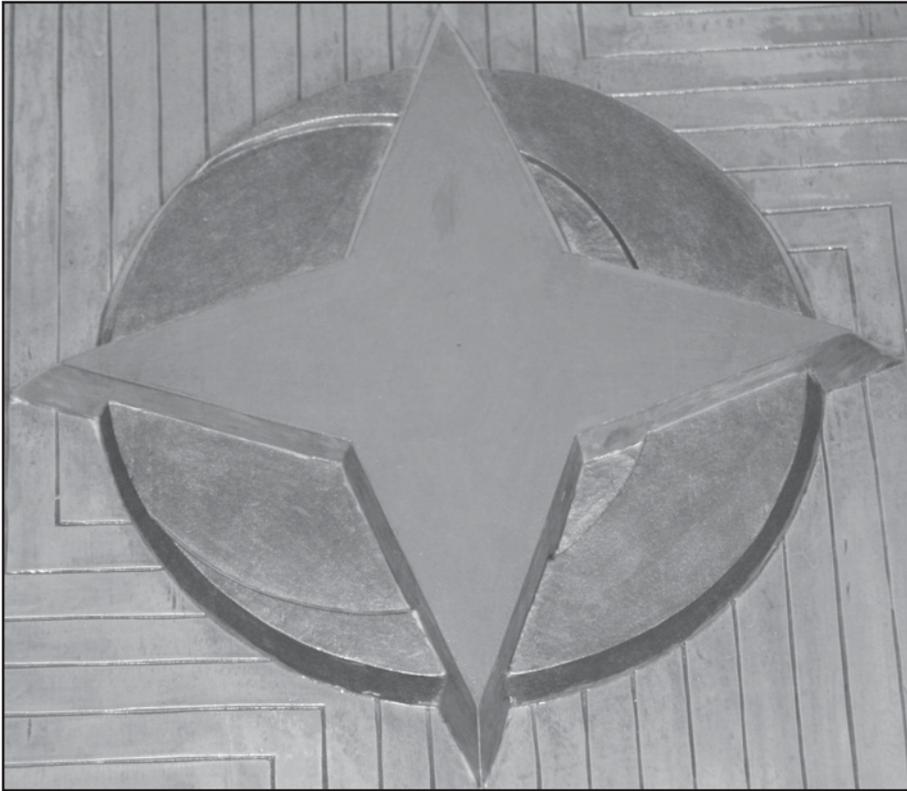
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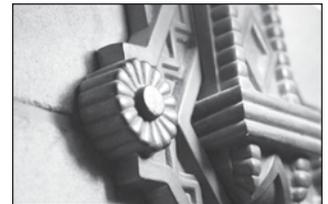
THE CAPITOL'S HIDDEN TREASURES



Q: *This architectural detail can be found somewhere in the State Capitol Building. Do you know where it is?*

Check next week's issue to learn where to find this hidden treasure.

A: *The detail featured in last week's issue is a design on the light fixtures in the stairwells leading from the first floor to the rotunda and the third floor balcony.*



FROM THE COVER

Editor's Note: During the 2008 session, each week's cover of the Unicameral Update will feature a "Hidden Treasure of Nebraska II." Hidden treasures are sites and events throughout Nebraska that may not be widely known or publicized and reflect the state's culture, heritage and diversity. This series picks up where the 2004 series left off.

The Museum of Nebraska Major League Baseball celebrates baseball players who were either born, raised or lived in Nebraska at one point in their lives. These include Grover Cleveland Alexander, inducted into the Hall of Fame in 1938; Sam Crawford, inducted in 1957; Dazzy Vance, inducted in 1955; Richie Ashburn, inducted in 1995;

Bob Gibson, inducted in 1981; and Wade Boggs, inducted in 2005. Additional displays feature individual players, including the Royals newcomer Alex Gordon.

The Museum is located at 619 Howard Ave. in St. Paul and is open Mon.-Fri. from 10 a.m.-4:30 p.m. year round, with additional summer hours.

UNICAMERAL UPDATE

The Unicameral Update is a free, weekly newsletter offered during the legislative session covering actions taken in committees and on the floor of the Legislature.

The Unicameral Update is produced by the Clerk of the Legislature's Office through the Unicameral Information Office.

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