

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

[LB147 LB181 LB190A LB200 LB216 LB226 LB235 LB266 LB552 LB579 LB600 LB650
LB690 LB691 LB698 LB721 LB722 LB731 LB736 LB738 LB741 LB746 LB751 LB791
LB797 LB798 LB814 LB817 LB832 LB848 LB860 LB867 LB868 LB889 LB895 LB911
LB982 LR6CA LR292]

SENATOR ROBERT PRESIDING

SENATOR ROBERT: Good morning. Welcome to the George W. Norris Chamber for the sixteenth day of the One Hundred First Legislature, Second Session. Our chaplain for the day is Pastor Jim Runnels from the Grace Bible Fellowship Church in Stella, Nebraska, Senator Heidemann's district. Please rise.

PASTOR RUNNELS: (Prayer offered.)

SENATOR ROBERT: Thank you. I call to order the sixteenth day of the One Hundred First Legislature, Second Session. Senators, please record your presence. Mr. Clerk, please record.

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

SENATOR ROBERT: Thank you. Are there any corrections for the Journal?

ASSISTANT CLERK: No corrections this morning, Mr. President.

SENATOR ROBERT: Any messages, reports, or announcements?

ASSISTANT CLERK: Mr. President, there are. Your Committee on Enrollment and Review reports LB579, LB690, LB691, LB736, LB751, LB650, LB698, LB226 and LB190A to Select File. Your Committee on Natural Resources reports LB797, LB832, and LB911, all to General File. I have a series of notices of committee hearings from the Education Committee for February 8, 9, 16, 22, and 23. I have a lobby report for the current week that will be inserted in the Journal, along with reports from various state agencies. That's all that I have this morning, Mr. President. (Legislative Journal pages 393-398.) [LB579 LB690 LB691 LB736 LB751 LB650 LB698 LB226 LB190A LB797 LB832 LB911]

SENATOR ROBERT: Thank you, Mr. Clerk. We will now proceed to the first item on the agenda, General File.

ASSISTANT CLERK: Mr. President, LB798 was introduced by Senator Langemeier. (Read title.) The bill was read on January 8 of this year, referred to the Natural Resources Committee. That committee placed it on General File with no committee amendments. [LB798]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

SENATOR ROBERT: Senator Langemeier, you are recognized to open on LB798. [LB798]

SENATOR LANGEMEIER: Thank you, Mr. President and members of the body. The Litter Reduction and Recycling Act was put into law by LB120 in 1979 to promote and protect public health, safety, and the well-being, and maintain maintenance of an economic productivity and environmental quality of the state of Nebraska. This act has been extended since 1979, either four years or five years, throughout its history. LB798 extends it another five years. It's set to expire. It produces...it's a fee that is charged, \$175 per \$1 million of gross sales of designated products that are deemed high litter. The industry came in and testified in support of LB798, those that are paying for this fee, and also the Keep Nebraska Beautiful, Keep Schuyler Beautiful, Keep Chadron Beautiful, Keep Scottsbluff Beautiful, and every "Keep a City Beautiful" in Nebraska came in, in support. They've used these funds to do a number of great recycling programs across this state, and we'd ask for your support to, again, extend the Nebraska litter program another five years and we'd ask for your support. Thank you. [LB798]

SENATOR ROBERT: Thank you, Senator Langemeier. Members, you have heard the opening to LB798. Are there members wishing to speak? Seeing none, Senator Langemeier, you are recognized to close on LB798. Senator Langemeier waives his opportunity. The question before the body, members, is shall LB798 advance to E&R Initial? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB798]

ASSISTANT CLERK: 38 ayes, 0 nays on the motion to advance the bill, Mr. President. [LB798]

SENATOR ROBERT: LB798 does advance. Next item. [LB798]

ASSISTANT CLERK: LB731 was introduced by Senator Utter. (Read title.) The bill was read for the first time on January 6 of this year, referred to the Committee on Agriculture. That committee reported the bill to General File with no committee amendments. [LB731]

SENATOR ROBERT: Senator Utter, you are recognized to open on LB731. [LB731]

SENATOR UTTER: Thank you very much, Mr. President, and good morning, colleagues. LB731 is a bill that simply makes it possible for the county to put certain revenues collected by the county weed control authorities into the county's general fund if the county does not maintain a separate noxious weed control fund. First and foremost, I want to make it clear this bill is not intended to change the amount of funds

Floor Debate
January 29, 2010

allocated to noxious weed control. It is simply a technical revision to reflect the individual funds used by the counties in their budgeting process. In some counties, the county board may function as the county weed district board or a separate weed district board can be created. Either entity can be called the control authority. As the weed control authority, county boards or county weed district boards are responsible for administering and enforcing noxious weed laws at the county level. Cities and villages maintain weed control at the municipal level. The Department of Agriculture is responsible for developing a list of noxious weeds and monitoring implementation of weed control laws. And it is the duty of each person who owns or controls land to effectively control the noxious weeds on their property. When necessary, weed control authorities may purchase equipment and machinery needed to control weeds and can make such machinery and equipment available to rent. The cost must be enough to cover the actual cost of operations, including depreciation, and under statute 2-959, all funds received for such rental must be deposited in the noxious weed control fund. In some counties--and this is the purpose of this legislation--the noxious weed control fund has been consolidated into the county's general fund. This is done to reduce the number of individual funds within the county budget. If those counties rent out equipment and they do not have a noxious weed control fund, they are technically out of compliance. An example of a county out of compliance is Adams County, which I represent. LB731 would simply allow counties who have moved their noxious weed control monies into the general fund, to place receipts from equipment rentals into the general fund, and for counties with a noxious weed control fund nothing would change. Last, I want to make it clear that there is no fiscal impact with this legislation. It's simply intended to allow some counties to be in compliance with the law if they choose to place funds for noxious weed control into their general fund. Thank you, Mr. President.
[LB731]

SENATOR ROBERT: Thank you, Senator Utter. (Visitor introduced.) Thank you for visiting the Legislature. Members, you have heard the opening to LB731. Those wishing to speak, Senators Carlson and Stuthman. Senator Carlson, you are recognized.
[LB731]

SENATOR CARLSON: Mr. President and members of the Legislature, since this bill dealt with noxious weeds, it was assigned to the Ag Committee and was voted unanimously to advance the bill. And as Senator Utter has indicated, it's not a difficult bill. It's a little bit unusual, and in that this is a request to move money into the general fund, and many times we're used to requests to move money out of the general fund and into a position where it could be perhaps guarded a little more closely. But I commend the counties that are in a position that they no longer have a noxious weed control fund but they do need a place to deposit these dollars, and for them it works well in their general fund. And so certainly I support this bill, as has the Ag Committee. Thank you, Mr. President. [LB731]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

SENATOR ROBERT: Thank you, Senator Carlson. Senator Stuthman, you're recognized. [LB731]

SENATOR STUTHMAN: Thank you, Mr. President and members of the body. I truly support this bill but I would like to a question or two of Senator Utter. [LB731]

SENATOR ROBERT: Senator Utter, would you yield to a question from Senator Stuthman? [LB731]

SENATOR UTTER: Sure. [LB731]

SENATOR STUTHMAN: Senator Utter, we have been in discussion with this for...this morning for a little bit, and I indicated that I had a little bit of a concern of putting the money into the general fund as far as just into the general fund. Can you explain to me a little bit what you have found out as far as a line item in that general fund or how will this be placed in the general fund? [LB731]

SENATOR UTTER: Thank you, Senator Stuthman, and happy to respond to that. I can explain to you what happens in Adams County. They do have line items in their budget that the money flows into. It's a budgeted line item that shows up so that they have control over these funds and know that these are funds that are designated to do their job with control of noxious and obnoxious weeds. [LB731]

SENATOR STUTHMAN: Thank you, Senator Utter. Senator Utter, would there be a chance that these dollars could get taken out of this fund and utilized for something else if the board decided they were short of money in the general fund to support some other entity? [LB731]

SENATOR UTTER: Well, Senator Stuthman, I am not sure that that couldn't happen. You know, I can't guarantee that that wouldn't happen. I will tell you that in Adams County's budget they have several line item things that that same thing could happen to. And I think it's the responsibility of the county board to see that that doesn't happen. I guess I'm thinking that it's not necessary to complicate this law any further because I believe that's a responsibility of the county board and not of the state Legislature. [LB731]

SENATOR STUTHMAN: Thank you, Senator Utter. That is the way that I feel also. I mean it is in a line item portion of the general fund but, you know, there is a possibility that they could utilize it for something else, but every other line item in the general fund could be at risk in the same order. So I do support this. In fact, to the fact that they keep it in a line item in the general fund so it's utilized for what it was really intended to do, and that would be like a seed cleaner if one needs to be replaced, the money that they generate from this goes into that fund and that fund will be utilized to replace the

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

equipment that it was intended to. So I do support this. Thank you, Mr. President.
[LB731]

SENATOR ROBERT: Thank you, Senator Stuthman. Senator Wallman, you're recognized. [LB731]

SENATOR WALLMAN: Thank you, Mr. President and members of the body. I, too, voted this out of committee, of Ag Committee. It's quite a comprehensive thing if you read it all over. I mean, it even covers rodents. So I would hope that there's going to be a lot of pressure on some county boards with tough economic times to divert money from the weed authority to their general treasury, and I would hope this wouldn't happen, but I do support the bill. Thank you, Mr. President. [LB731]

SENATOR ROBERT: Thank you, Senator Wallman. Other members wishing to speak? Seeing none, Senator Utter, you're recognized to close on LB731. [LB731]

SENATOR UTTER: Thank you, Mr. President and colleagues. I'll keep this short. I think this simplifies a matter for our counties and makes it easier and more efficient for them to operate and so I think it's a good piece of legislation and I will appreciate your support. Thank you. [LB731]

SENATOR ROBERT: Members, you have heard the closing to LB731. The question before the body is, shall LB731 advance to E&R Initial? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB731]

ASSISTANT CLERK: 37 ayes, 0 nays on the motion to advance the bill, Mr. President.
[LB731]

SENATOR ROBERT: LB731 does advance. Next item, Mr. Clerk. [LB731]

ASSISTANT CLERK: LB738 was offered by Senator McCoy. (Read title.) The bill was read for the first time on January 6, referred to the Banking, Commerce and Insurance Committee. That committee reports the bill to General File with no committee amendments. [LB738]

SENATOR ROBERT: Senator McCoy, you're recognized to open on LB738. [LB738]

SENATOR MCCOY: Thank you, Mr. President and members of the body. I'm pleased to be able to introduce LB738 to you this morning. LB738 would, very simply, clarify existing law under the Nebraska Trust Deeds Act relating to the issue of substitution of trustee. Deeds of trust have become the preferred instrument for lenders to secure real estate-related loans. Under a deed of trust, the lender is the beneficiary, the borrower is the trustor, and a trustee who may be an attorney, real estate broker, financial

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

institution, trust company, or trust department, or title insurer. A deed of trust contains a power of sale which allows for the nonjudicial foreclosure of the real estate in the event of default by the borrower. On occasion, the lender may be required to replace or substitute the trustee originally designated under the trust deed. For example, if an attorney who has been designated as trustee, moves or retires from practice, or if the beneficiary desired to have a trustee who deals more frequently with the nonjudicial foreclosure process, a successor trustee may be designated. Under such circumstances, the beneficiary is required to file a substitution of trustee with the register of deeds in the county in which the property is situated. A brief review of the history of Nebraska Revised Statute 76-1004 may help in understanding the need for LB738. While the provisions in 76-1004 do not specifically require notice of the substitution of trustee to be provided to the trustee being replaced, prior to April 3, 1997, the statute required a substitution of trustee that was filed by record to be accompanied by evidence that such notice had been provided. Specifically, the substitution of trustee was required to have attached to it an affidavit the copy of the substitution had by regular United States mail with postage prepaid but mailed to the last known address of the trustee being replaced or an affidavit of personal service of a copy thereof or a publication of notice. In 1997, the affidavit or publication of notice requirements were eliminated. However, practicing attorneys have suggested that the vagueness of the statute regarding whether notice of the trustee must be provided has resulted in some practitioners continuing to provide notice, while others have not. Since a technical defect in the procedures associated with the trustee could give rise to potential legal challenges, LB738 would remove any confusion and conclusively provide that no notice of any kind is required to be given to the trustee being replaced and the failure to have provided notice in connection with any recorded substitution of trustee filed prior to the effective date of LB738 does not render the substitution incomplete or defective. And LB738 was passed unanimously out of the Banking, Commerce and Insurance Committee a few days ago. Thank you, Mr. President. [LB738]

SENATOR ROBERT: Members, you have heard the opening to LB738. Are there members wishing to speak? Seeing none, Senator McCoy, you're recognize to close. Senator McCoy waives his opportunity. The question before the body is, shall LB738 advance to E&R Initial? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB738]

ASSISTANT CLERK: 35 ayes, 0 nays on the motion to advance the bill, Mr. President. [LB738]

SENATOR ROBERT: LB738 does advance. Next item on the agenda. [LB738]

ASSISTANT CLERK: Mr. President, LB814, introduced by Senator Gloor. (Read title.) The bill was read for the first time on January 8 of this year, referred to the Banking, Commerce and Insurance Committee. That committee reports the bill to General File

Floor Debate
January 29, 2010

with no committee amendments. [LB814]

SENATOR ROBERT: Senator Gloor, you're recognized to open on LB814. [LB814]

SENATOR GLOOR: Thank you, Mr. President and members of the body. Good morning. Over the last year I've met with the Department of Insurance and the Department of Banking in an effort to assist constituents who were affected by a Grand Island business and its affiliated companies that went into bankruptcy. Whether the company's business practices were legal or not is yet to be determined by law enforcement and the courts. This bill was created to protect potential future investors from a repeat situation. LB814 would amend a section of the Securities Act known as the small offerings exemption. This statute is an exemption from registration requirements of the act for very small security offerings. Under the current exemptions, securities may be sold to no more than 15 persons in 12 months. Securities must be purchased for investment, not for resale. Commissions cannot be paid for solicitations except to a registered agent of a registered broker dealer, and no general or public advertisements or solicitations can be made. The seller must file a notice with the Department of Banking within 30 days of the first sale, describing the terms of the transaction. However, sales to accredited investors, existing shareholders, and employee benefits plans are not counted in the 15-person total. It was this 15-person exemption that was taken advantage of by affiliated companies, making repeat filings that resulted in an inappropriate exemption. This led to sales to more than 15 shareholders, with very large dollar amounts raised. The small offering exemption has facilitated the creation and sustained operation of many businesses in Nebraska over the years. However, events over the past year involving affiliated Grand Island companies--events that will likely result in substantial investor losses, sadly--show that under certain circumstances strengthening existing regulation in this area is necessary. Here's what the bill proposes. LB814 will provide the department with more effective monitoring tools after a threshold of funds or time reached. LB814 provides that the threshold point at which additional filings are required, a threshold of five consecutive years of offerings or \$1 million in securities sold. Meeting this threshold would trigger submitting audited financial statements for the companies involved and a list of sales to investors and shareholders. This reporting requirement will give the department better monitoring tools. Will also better protect the investing public, we feel. The overall impact on the number of small businesses affected should be minimal. An important number and one that surprised me: Of the 122 filings for this exemption in 2009, only 7 were repeat filers and only 1 had filed consecutively for five years--the trip point of the legislation I'm proposing. LB814 will give the Department of Banking a means to more effective oversight without disrupting the process of raising capital for small businesses. Do I think this would have made a difference in the case of investors in Grand Island? Yes, I believe it would, and that's why I'm introducing the legislation. Both the five-year mark and the \$1 million mark would have been reached and triggered this suggested reporting. I ask for your support of LB814. Thank you for your time and I'd be certainly

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

happy to answer questions. [LB814]

SENATOR ROBERT: Thank you, Senator Gloor. Members, you have heard the opening to LB814. Are there members wishing to speak? Seeing none, Senator Gloor recognized to close on LB814. [LB814]

SENATOR GLOOR: Thank you, members, and I'll be very brief. A bad thing has happened, sadly, yet again to Nebraskans who entrusted their hard-earned money to individuals who betrayed that trust. I look forward to a vote in support of LB814. I do think this will make a difference, at least for future investors. [LB814]

SENATOR ROBERT: Thank you, Senator Gloor. Members, you've heard the closing to LB814. The question before the body is, shall LB814 advance to E&R Initial? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB814]

ASSISTANT CLERK: 33 ayes, 0 nays on the motion to advance the bill, Mr. President. [LB814]

SENATOR ROBERT: LB814 does advance. Next item on the agenda. [LB814]

ASSISTANT CLERK: LB721 was introduced by Senator Avery. (Read title.) The bill was read for the first time on January 6 of this year, referred to the Government Committee. That committee reports the bill to General File with no committee amendments. [LB721]

SENATOR ROBERT: Senator Avery, you're recognized to open on LB721. [LB721]

SENATOR AVERY: Thank you, Mr. President. Good morning, colleagues. I am bringing LB721 to this body for consideration at the request of the Department of Administrative Services. LB721 changes the qualifications for the State Building Administrator. With this bill, the administrator is required to have a bachelor's degree, or higher, from a college or university, or have at least five years' experience in property management or building management. This is the new language. Additionally, the administrator is required to have at least four years' administrative experience in planning, design, or construction of major construction projects. Currently, the administrator is required to have a bachelor's degree and four years of administrative experience. This bill merely provides that the administrator may have at least five years' experience in property or building management instead of a college degree. The current interim building administrator does not have a college degree but does have many years' experience within the DAS Building Division. He is well-qualified to hold the position on a permanent basis. I have been around long enough to learn that while formal education is beneficial, it does not always trump vast experience in the real world, and that is what this bill seeks to recognize. Some of the duties of the Building Administrator include

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

maintenance of all state property, ground crew management, and managing architects. The bill had no opponents at public hearing and it was advanced out of committee on a 6 to 2 vote. I urge you to approve this. Thank you. [LB721]

SENATOR ROBERT: Thank you, Senator Avery. Members, you have heard the opening to LB721. Are there members wishing to speak? Senator Carlson, you're recognized. [LB721]

SENATOR CARLSON: Mr. President and members of the Legislature, I would like to address a question or two to Senator Avery if he would yield? [LB721]

SENATOR ROBERT: Senator Avery, will you yield to a question? [LB721]

SENATOR AVERY: I will. [LB721]

SENATOR CARLSON: Senator Avery, would you repeat, in real layman's terms so that I can understand, the need for this bill? [LB721]

SENATOR AVERY: I would be happy to. Currently, the law requires that the State Building Administrator have a bachelor's degree plus some experience. What we are doing here is adding language that will allow the Department of Administrative Services some flexibility. If you have a well-qualified candidate with vast years' experience in the job or in the activities that are involved in the job, the DAS would like to be able to appoint that person even though they may not have a bachelor's degree. [LB721]

SENATOR CARLSON: Okay. Thank you. Whenever I look at a bill that comes up, and sometimes it's appropriate, and it's probably very appropriate here, but at the hearing you really have one proponent and nobody in opposition. And sometimes that could be a danger sign and other times it isn't. So in this position, has there been a problem as far as filling that position because of the requirements? [LB721]

SENATOR AVERY: You know, I don't know for sure if there has been a problem. My understanding is--and I don't know the individual--my understanding is that the interim director is actually...has many, many years experience in the Building Division and knows the job well and is doing a good job as interim. And the director of DAS would like to be able to appoint that person on a permanent basis. [LB721]

SENATOR CARLSON: Okay. Thank you, Senator Avery. And I am one that recognizes that valuable experience over an extended period of time in an area provides a better education, perhaps, than the degree that one might receive from an institution. But I simply ask these questions because we want to make sure that we are making the right decision. I appreciate your responses and I rise in support of LB721. Thank you, Mr. President. [LB721]

Floor Debate
January 29, 2010

SENATOR ROBERT: Thank you, Senator Carlson and Senator Avery. Senator Nelson, you are recognized. [LB721]

SENATOR NELSON: Thank you, Mr. President and members of the body. I'd like to ask a question or two of Senator Avery. [LB721]

SENATOR ROBERT: Senator Avery, will you yield to a question? [LB721]

SENATOR AVERY: I will. [LB721]

SENATOR NELSON: Thank you. Senator, I'm looking at some language here that was not changed. It's in line 7 of the bill, (2), and at least four years' administrative experience in planning, design, or construction of major...yes, or construction of major construction projects. Can you tell me what that means there? What administrative experience and design, construction, and construction products, what that amounts to, what that means? [LB721]

SENATOR AVERY: It's my understanding, Senator Nelson, that the administrator has to supervise the building of new buildings or the construction of new buildings; that administrative experience in this is necessary. In addition to having experience in the area of building management, you also need some experience in construction management. [LB721]

SENATOR NELSON: Um-hum. [LB721]

SENATOR AVERY: It's my understanding that the interim director has that experience in abundance. [LB721]

SENATOR NELSON: So that's...you made the point earlier that he'd be supervising architects and engineers and things of that sort. Is that where this would come into play here? [LB721]

SENATOR AVERY: It would, and we talked about this in committee about whether there would be some difficulty with a nondegreed person supervising people with degrees, and we, at least the majority of the committee, came to the conclusion that experience would probably trump that degree requirement in a sufficient degree to assuage that kind of problem. [LB721]

SENATOR NELSON: Is...I don't suggest that this is possible, but if you've got architects and engineering people working with someone who perhaps didn't even complete or get a high school degree, do you see any personnel problems there? [LB721]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

SENATOR AVERY: I suppose there might be. But I don't believe that you have those cases where the person does not have at least a high school degree. [LB721]

SENATOR NELSON: Um-hum. [LB721]

SENATOR AVERY: I think that the...this circumstance is not likely to arise frequently but the director of DAS feels that he needs the flexibility in the authority to make the judgment call. If you have a very experienced person who doesn't have a degree but yet is well-qualified to fill the position, the director would like to be able to do that. [LB721]

SENATOR NELSON: Well, I could appreciate that and I have no particular opposition to the bill and I'm not advocating for...that people with college degrees or advanced degrees take priority of those...over those, you know, that have a lot of practical experience. But I guess perhaps if you don't have applicants for the position and they've got a lot of experience in property management and administration, then probably I will support this bill. Thank you, Senator Avery. Thank you, Mr. President. [LB721]

SENATOR ROBERT: Thank you, Senator Nelson. Other members wishing to speak? Seeing none, Senator Avery, you're recognized to close on LB721. Senator Avery waives closing. Members, the question before the body is, shall LB721 advance to E&R Initial? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB721]

ASSISTANT CLERK: 34 ayes, 0 nays on the motion to advance the bill, Mr. President. [LB721]

SENATOR ROBERT: LB721 does advance. Next item on the agenda. [LB721]

ASSISTANT CLERK: LB722 introduced by Senator Avery. (Read title.) The bill was read for the first time on January 6, referred to the Government Committee. That committee reports the bill to General File with committee amendments attached. (AM1616, Legislative Journal page 363.) [LB722]

SENATOR ROBERT: Senator Avery, you're recognized to open on LB722. [LB722]

SENATOR AVERY: Thank you, Mr. President. This bill also comes to you at the request of the Department of Administrative Services. It changes three provisions relating to the department and to its operations. The first change allows the Risk Manager to determine the amount of blanket corporate surety bond for all state employees not specifically required to give bond. Currently, the state is limited to an amount not to exceed \$1 million. This insurance policy that we have in place right now is intended to protect the state from employees who commit wrongful acts. The insurance company with which we do business and provides the coverage for the state is offering the state

Floor Debate
January 29, 2010

an additional coverage at no additional cost. The state wants to be able to accept this offer, and this bill would allow the state to do so. We have the particular limit that is in current law. The limit of \$1 million is part of a larger crime package of insurance coverage that the state has with this company. This company has informed us that we can have...I believe the number is up to \$30 million additional coverage if we have...but we would have to change this limit in order to do so. The second change allows a state-owned building that is designated for sale by the Vacant Building and Excess Land Committee and listed on the National Register of Historic Places, to be sold to a nonprofit community organization that intends to use the building for the purposes for which it was designed or intended. Under current law, state buildings that are to be sold must be sold in a particular order of priorities. First, to a state agency; second, to other political subdivisions of the state; third, to persons who will use the building for middle-income or low-income rental purposes for at least 15 years; and fourth, to referrals from the Department of Economic Development. Under LB722, the State Building Division can follow the current process or it can offer the building to a nonprofit organization if the building is listed on the National Register of Historic Places. An example would be, say, the Ferguson House over here on the corner of 16th Street. If the state...that is on the National Register. If the state wanted to sell that, under current law it would have to, first, sell it to a state agency and go through that hierarchy of four different possible partners in the sale. What LB722 would do would be it would allow the state to raise the priority of that sale to a higher level and sell it, say, to a nonprofit organization that wanted to preserve the property for its original purpose. The second change that is proposed in LB722 eliminates a reference to state vehicles acquired through the Federal Surplus Property Program. The federal government has repealed its rule to require that vehicles purchased from the federal government continue to be licensed with the federal government for a certain period of time after the purchase. I think the reason why that law was originally passed by the federal government is that they didn't trust states and felt that some states might buy these discounted vehicles and then turn around and resell them at a profit. But the feds have dropped that provision and we wish to change state law to take that into account. Those are the three provisions of law that are being proposed for change under LB722. I urge that you advance this to Select File. Thank you. [LB722]

SENATOR ROBERT: Thank you, Senator Avery. Members, you have heard the opening to LB722. Members wishing to speak, Senator Langemeier, you're recognized. Excuse me. We do have a committee amendment. [LB722]

SENATOR LANGEMEIER: Committee amendment. [LB722]

SENATOR ROBERT: Mr. Clerk. [LB722]

ASSISTANT CLERK: Mr. President, the Government Committee would offer AM1616. [LB722]

Floor Debate
January 29, 2010

SENATOR ROBERT: Senator Avery, as Chair of the Government, Military and Veterans Affairs Committee, you're recognized to open on AM1616. [LB722]

SENATOR AVERY: Thank you, Mr. President. This amendment is the product of discussion in committee. The issue was raised as to whether land such as parks on the National Register of Historic Places could be sold to a nonprofit organization. If you look at the green copy of this bill, we only refer to buildings on the National Register. The committee amendment expands what type of property may be sold by the state to a nonprofit organization if the property is listed on the National Register. With the amendment, a building or land that is declared excess or vacant and is listed on the National Register may be sold to a nonprofit community organization that intends to use the building or land for the purposes it was intended. The committee amendment is consistent with the rest of the law in this area that deal with vacant buildings and excess land, not only buildings. And this amendment was advanced on a vote of 6 to 1, with 1 member being present and not voting. Thank you, Mr. President. [LB722]

SENATOR ROBERT: Thank you, Senator Avery. Members, you've heard the opening to the committee amendment AM1616. Those wishing to speak, Senators Langemeier and Carlson. Senator Langemeier, you're recognized. [LB722]

SENATOR LANGEMEIER: Mr. President, members of the body, as we've worked through what looks to be consent calendar today, I thought I'd take an opportunity to ask some questions. Would Senator Avery yield to a question? [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question? [LB722]

SENATOR AVERY: I will. [LB722]

SENATOR LANGEMEIER: Senator Avery, just so you know, I'm going to vote for this when we're done with this. But I have a question. When I look at the prioritization schedule that we're trying to change and what you introduced as the second component of this bill, and make these nonprofit organizations have priority, when we look at the old system where it was supposed to offer these buildings to other government agencies, tax dollars acquired these buildings? So you're giving them to another taxing authority? And I understand the need to discount them or the willingness to discount them since you're going from tax organization to a tax organization. How do we put a value on it when we go to a nonprofit organization as being the primary purchaser? [LB722]

SENATOR AVERY: You know, I'm not sure I can answer that definitively. But my expectation would be that you would...we'd first find out what the market value is. And by the way, just for your information--and you probably know this already--all of these possible purchasers of a state-owned property would not be paying property taxes.

Floor Debate
January 29, 2010

State agencies, political subdivisions, low-income housing, they are exempted. The only one that might be paying property taxes would be a referral from the Department of Economic Development. But my expectation would be you'd get a market assessment and you would sell...you would try to sell it at a market price. In the case of a nonprofit, you might discount it a bit. I don't know how much. You may, as a person in commercial real estate, you might know more about that than I. [LB722]

SENATOR LANGEMEIER: Well, Senator Avery, I'm not so concerned about the property tax issue on this at this point. I mean, I always have concerns about it. But this property is not on the tax rolls for property tax. If we sell it to another state agency, it's not going to be on the property tax. I understand that. If it goes to this nonprofit, it's still not going to pay property tax. I'm aware of that. My concern is, is we're using somewhere we acquired tax dollars to buy these buildings. And I understand that we discount the buildings to other agencies, that if they had to pay more they'd still have to get more tax dollars to pay us more. But a nonprofit, it's either getting grant money or in a membership structure. I'm not sure that we need to give them a discount. I guess I'm looking at the taxpayers of Nebraska. Are we out to just help every nonprofit by buying buildings with tax dollars and giving it to them at a reduced rate? I guess I have some concerns about that. And then I would like to know...as this bill moves forward I would like to know how we're going to price these buildings to nonprofits. And you don't have to get that to me today and I won't bring it up on Select File, but I hope you can provide us that information into the future. As DAS brought you this piece of legislation, that they could come up with a mechanism that says how are we going to price these to nonprofits. And I thank you for your time and I appreciate it. And, again, I am going to support this at this time, and so thank you, Mr. President. [LB722]

SENATOR ROBERT: Thank you, Senator Langemeier and Senator Avery. Senator Carlson, you're recognized. [LB722]

SENATOR CARLSON: Mr. President and members of the Legislature, I, too, would like to address Senator Avery if he would yield? [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question? [LB722]

SENATOR AVERY: I will. [LB722]

SENATOR CARLSON: Senator Avery, on the priority of how these buildings are offered, and then I understand with the bill that the nonprofit, in a sense, can go to the head of the line. That would be correct, wouldn't it? [LB722]

SENATOR AVERY: That would be the judgment of the director of DAS, yes. [LB722]

SENATOR CARLSON: Okay. On the statement of intent, and it is the middle paragraph

Floor Debate
January 29, 2010

there about the second change... [LB722]

SENATOR AVERY: Um-hum. [LB722]

SENATOR CARLSON: ...it says that, "Places to be sold to a not-for-profit community organization that intends to use the building for the purposes for which it was designed or intended." Now that tells me if it's a building that's state-owned that houses a government agency, if it were offered to a nonprofit somehow that's got to continue to be used for the purpose for which it was designed--another government agency. And I'm sure that's not it. Would you explain that statement? [LB722]

SENATOR AVERY: Well, I think it...that language is there in order to prevent a nonprofit from taking an historic property and chopping it up into multiple apartments and renting it out, things of that nature. That would not be consistent with the original purpose of the building. [LB722]

SENATOR CARLSON: Is this...would this generally be a case where when the building was built it may have been some kind of a business? It may have been something else. Then it became used for a government agency, but now it's to be restored back to the original? It doesn't mean it's restored back to be used for a government agency. [LB722]

SENATOR AVERY: That is correct. [LB722]

SENATOR CARLSON: Okay. [LB722]

SENATOR AVERY: It could go back to a business. In some cases, it might be on display to the public. [LB722]

SENATOR CARLSON: So if a nonprofit becomes an owner in that building, restores it, it could end up being some kind of a business? [LB722]

SENATOR AVERY: If it was a business that...a building that at one time housed a business and it was on the National Register, you could sell it to a nonprofit. The nonprofit could lease it out to a business, I believe that would be legal. [LB722]

SENATOR CARLSON: If that were leased out to a business, would that generate property tax dollars? [LB722]

SENATOR AVERY: You've got me there, Senator. That's a good question actually... [LB722]

SENATOR CARLSON: Okay. [LB722]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

SENATOR AVERY: ...because it would be owned by the nonprofit. [LB722]

SENATOR CARLSON: It would be owned by the nonprofit but it's used for for-profit, so... [LB722]

SENATOR AVERY: I believe... [LB722]

SENATOR CARLSON: ...so I'd like an answer on that if you could, between now and the next level. [LB722]

SENATOR AVERY: My initial reaction would be that it would not alter the nonprofit organization's ability to be tax-free. But I will check on that. Legal counsel is working on it now. [LB722]

SENATOR CARLSON: Okay. Thank you. I think you've answered my concern on the other and look forward to what the answer of this might be, in the event that the building went back, was operated as a business. Thank you, Senator Avery, and thank you, Mr. President. [LB722]

SENATOR ROBERT: Thank you, Senator Carlson. Senator Avery, you are next and recognized. [LB722]

SENATOR AVERY: Thank you, Mr. President. I want to just briefly address a question that was raised by, I believe it was Senator Nelson. When a property like this is on the market, the state law does require...I think that was Senator Langemeier's question, state law does require an appraisal to be conducted on the property but the state law does not require that the property be sold at market value if it is being sold to a nonprofit. Exactly how they arrive at that I presume is the judgment of the people responsible for the sale, but I wanted to clarify that. Thank you. [LB722]

SENATOR ROBERT: Thank you, Senator Avery. Senator Flood, you're recognized. [LB722]

SPEAKER FLOOD: Thank you, Mr. President. Good morning. Senator Avery, I'd like to ask you a question. [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question from Senator Flood? [LB722]

SENATOR AVERY: Yes, I will. [LB722]

SPEAKER FLOOD: As I read your bill in the introduced form and I'm reviewing the committee amendment, if the real estate to be sold has improvements or buildings on it

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

and those buildings are going to be destroyed or demolished prior to sale, this would have no effect on that, is that correct? [LB722]

SENATOR AVERY: Well, if those buildings were integral to the integrity...or important to the integrity of the historical structure, I would say, no, they could not be destroyed. [LB722]

SPEAKER FLOOD: Okay. So let's talk about the Norfolk Regional Center campus... [LB722]

SENATOR AVERY: Okay. [LB722]

SPEAKER FLOOD: ...where we have one 208-bed facility that's updated and new, and we have approximately 28-30 buildings that are decrepit. They're historic. They look good. They've got marble in them. But they haven't been maintained by the state since 1970. What happens there? [LB722]

SENATOR AVERY: Well, you know, I remember visiting those with you not too long ago and they are magnificent buildings. But right now, I am not sure but I don't think they're under the protection of the National Register of Historic Places. Am I right? [LB722]

SPEAKER FLOOD: Not to my knowledge. [LB722]

SENATOR AVERY: Yeah. So the state can sell these. The state can demolish them. This...what this bill would do is if they were to be placed on the National Register, the state could then sell these buildings to a nonprofit, and that would allow the state to elevate the nonprofit customer or buyer in this hierarchy to the top of the list if that nonprofit would commit to using those buildings for an historic purpose. I don't know if they have to house regional center patients there, I doubt if that would be a requirement, but I suspect that opening them up for use by other nonprofits or perhaps even creating museums. [LB722]

SPEAKER FLOOD: And that's only if they are already previously listed on the National Register of Historic Places, isn't that right? [LB722]

SENATOR AVERY: That's correct. [LB722]

SPEAKER FLOOD: Which I don't think these buildings are. And I have an interest in seeing those get demolished at some point to make that real estate...you know, returned to the tax rolls at some point. But that was my first question. The second one, in looking at your bill, there's language on I believe it's page 4...I'm sorry, page 5. Let's see here. Line 23, specifically line 25, "When a building designated for sale is listed in the National Register of Historic Places, the state building division, in its discretion and based on the

Floor Debate
January 29, 2010

best interests of the state..." How do you...what is that standard? I don't know if I understand. You know, obviously agencies act every day in the best interests of the state. But is the Legislature granting authority to an executive branch agency on a standard that is somewhat vague here? The best interests of the state. It reminds me of the standard in child custody cases where it's the best interests of the child. But, I mean, what is this? [LB722]

SENATOR AVERY: Well, what we're saying here is that the state is authorizing the Building Division to exercise its judgment that the sale is in the best interests of the state. And I would add to that, if you had no other state purpose for the building,... [LB722]

SENATOR ROBERT: One minute. [LB722]

SENATOR AVERY: ...if there were no other subdivisions that needed that building, if there was no opportunity for low-income or middle-income housing, if there was a referral from the state Department of Economic Development, then at the best interests of the state might be to sell to a nonprofit. [LB722]

SPEAKER FLOOD: And I guess I'm interested. You used the word "may" in that paragraph. You know, it is obviously permissive, not required, action language. But is this the Legislature granting our authority to a different branch of government that exceeds maybe what somebody in here may be comfortable with some day. I mean, I'm not necessarily opposed to doing what you're doing. I just want to understand, you know, maybe the difference between what the law is now and where you want to go in terms of giving the State Building Division the ability, more and more power. Does that make sense? [LB722]

SENATOR AVERY: It does. [LB722]

SENATOR ROBERT: Time. Thank you, Senators. Senator Nelson, you are next and recognized. [LB722]

SENATOR NELSON: Thank you, Mr. President, members of the body. I have a question or two for Senator Avery on this. [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question from Senator Nelson? [LB722]

SENATOR AVERY: Yes, I will. [LB722]

SENATOR NELSON: Thank you, Senator Avery. Senator Carlson kind of raised an interesting question in my mind, and if you would look at page 6 of the bill and it's line 4

Floor Debate
January 29, 2010

there. If it were amended as you say, then that would read: ...that intends to use the building "or land" for the purposes for which it was designed or intended. Let me give you an example here. You may be familiar with the Kush mansion up by Gretna which was built as a single family home, which was acquired by someone who then I think deeded it to a not-for-profit organization, or was willing to. If instead that was an old mansion that had historic...well, that had been registered as an historic mansion because it was there for a hundred years and was a landmark out there in the Gretna area, and it was acquired and given to the state, would they then be prohibited here from selling that to a nonprofit because if the nonprofit wanted to divide that building into a number of spaces for handicapped persons and it's not the same use for a single family purpose. It would be for something else. Would... [LB722]

SENATOR AVERY: Well, I don't believe that would apply because that building is not on the National Register of Historic Places. [LB722]

SENATOR NELSON: Well, but I mean if it were, I'm just saying. [LB722]

SENATOR AVERY: Oh, if it were. [LB722]

SENATOR NELSON: Yeah. If it were. [LB722]

SENATOR AVERY: I think there would be limits on what you could do, particularly if it came to modifying significantly the structure itself. The National Register protects historic buildings from being "remuddled," as it is sometimes referred to in the industry. You couldn't, for example, take the basic room structure and divide it up in such a way as to make for smaller rooms. You couldn't alter the exterior of the building. In some instances, historic preservation involves just protecting the exterior of the building. I think in my neighborhood here in the Near South, which is a landmark district, houses there are not necessarily on the National Register, so you're prohibited by what you can do to the exterior. But you can do things on the interior without worrying about the Historic Preservation Society. I would think though that in most cases if you were going to put the building to an important use that was similar to the intended purpose of the building, say a residence, and you were going to, say, turn it into a place where homeless children could live, I think that would probably be permitted. [LB722]

SENATOR NELSON: As long as the exterior were not changed. [LB722]

SENATOR AVERY: Or if it's on the National Register, then it would have to...it would also protect the interior. [LB722]

SENATOR NELSON: Yeah. Right. All right. Okay, thank you. Thank you for that response, Senator Avery, and thank you, Mr. President. [LB722]

Floor Debate
January 29, 2010

SENATOR ROBERT: Thank you, Senator Nelson. Those wishing to speak: Senators Utter, Campbell, Carlson, and Flood. Senator Utter, you're recognized. [LB722]

SENATOR UTTER: Is it me? [LB722]

SENATOR ROBERT: Senator Utter. [LB722]

SENATOR UTTER: Mr. President, thank you. Senator Janssen had me occupied but here I am. Some questions similar to Senator Avery that Speaker Flood asked with regard to another regional center site, of course, which resides in my district, that is not being used. And I guess my question is, is that the cost of, number one, maintaining that regional center site that's not being used, or "semi-maintaining" it I guess I could say. It's a kind of a marginal thing. They keep the yards mowed and they do some of those things. And I understand that they have some substantial utility bills with retaining that site. We do have a couple small programs there that certainly we value in Hastings. But I guess my question is, is that how far down the line do we have to go to get something done with those sites that, number one, either make them useful with their current buildings or the use is changed or the buildings are destroyed. And at what stage in this whole priority process, Senator Avery, does the...is it possible for the state to dispose of those buildings or dispose of the vacant land if the state has to do something with those buildings. Where are we at in that regard? Also on that Hastings site, is an old jail that was used as an overflow prison for the Department of Corrections for a period of time. It was also used for...to house detainees from INS. And it sits there vacant today and may have a possible use. So where are we...are we just going to hang on to these things forever? Or is there some time that we can follow a reasonable projection to get those buildings to someplace where they can be usable? [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question? [LB722]

SENATOR AVERY: I will. I am not sure, Senator Utter, exactly how to answer that. I can tell you that as a person who lives in a house that was built in 1886 and someone who has a great affection for historic buildings, I would like to see some of these buildings, especially the ones that I looked at up at Norfolk, I'd like to see them restored and put to productive uses for the state; if not for the state, then perhaps to nonprofits. It's a shame when we have so many beautiful buildings with tremendously attractive architectural features, it's a shame to watch those get destroyed. I watched that happen at the university. And we have only one building on that campus here in Lincoln that goes back to the early days of the university, and that's old Architectural Hall, one of the most beautiful buildings on campus. It was rehabbed and the old Law College was connected to it. It makes a wonderful place for the College of Architecture. But then we tore down Bancroft Hall which was a beautiful building with a lot of marble: marble steps, marble walls. Just wiped it out. And why? Because we wanted to create more open space. Well, sometimes preservation is preferable to sales. I don't know how to answer your

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

question really though. [LB722]

SENATOR UTTER: Thank you, Senator Avery. And I agree that some of these old buildings do have charm and are beautiful. I would also agree that an old building or an architecturally nice building that is empty, loses some of its beauty. [LB722]

SENATOR AVERY: And that certainly happened in Norfolk at the Regional Center. I believe there are three almost identically constructed buildings with beautiful columns and marble. The windows are broken out and it's now a home for pigeons. And that's a shame, but that's the case of reality. [LB722]

SENATOR UTTER: And a similar situation exists in Hastings and it just seems to me like if there's some way that the state can participate in putting those buildings to a good use, that's far more important to our state than bringing them to the ground or just sitting there with them empty and trying to semi-maintain them. [LB722]

SENATOR AVERY: Right. One of the problems is, of course, that restoring an old building can be more costly than tearing it down and building a new one, and that's what the university argued in the case of Bancroft Hall. And I'm still grieving over that one. [LB722]

SENATOR ROBERT: Time, Senators. [LB722]

SENATOR UTTER: Thank you. [LB722]

SENATOR ROBERT: Thank you, Senator Utter and Senator Avery. Senator Campbell, you're recognized. [LB722]

SENATOR CAMPBELL: Thank you, Mr. President. I made a comment to Senator Carlson off the mike and decided that maybe I should make it on the mike. If a nonprofit buys a building and they decide that a portion of it they're going to run a shoe store, the portion that they run the shoe store in would be taxed. They don't automatically get an exemption from paying property tax just because it's a not-for-profit organization. There has to be two criteria met, and that is its use as well as its owner. The other comment that I would like to have some conversation with Senator Avery...would he yield to a question? [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question? [LB722]

SENATOR AVERY: I certainly will. [LB722]

SENATOR CAMPBELL: Senator Avery, the portion of the bill that I still need some clarification on has to do with the intended or designed use. If a nonprofit acquires that

Floor Debate
January 29, 2010

building, how much latitude, if we leave that language in, do they have in maybe doing a different type of business in that? And by business, meaning it would still fit with their mission. [LB722]

SENATOR AVERY: I think that the discretion of the Building Administrator would come into play here. And the reason for this language, I can assure you, is to make sure that properties that come into the possession of the state are not, as I said before, "remuddled" and altered in such a way as, say, to serve a new purpose that would alter its historical significance. And I know there are rules...if you're on the National Register, there's some very, very strict rules as to what you can do. I know that the Brandies Mansion up in Omaha, I visited that just last year. Beautiful building. It's on the National Register. A family has bought that. They put in an elevator and that was permitted within the rules of the National Register because they were not altering the exterior and they were not significantly changing the historical integrity of the interior. [LB722]

SENATOR CAMPBELL: Thank you, Senator Avery. The comment that I wanted to make also was with regard to Speaker Flood's comments. I would like us not to be in a situation in which we would so hamstring what options a nonprofit might have in the future. And I understand Senator Avery's explanation to that. But most of that would be covered by the National Register. I just still question the language here: Is it too confining? You can, I know, on a National Register, to answer Speaker Flood's comments, there are ways in which buildings that are on a National Register, if they become to such a point that they are dangerous or you cannot...the cost of them may become so great that you cannot rehab them, I know there are ways that they can be demolished, but it's a complicated process and you really have to be careful. We had a designation on the old St. Elizabeth's Hospital here in Lincoln. And the county obtained that and ran a nursing home in it, and then we got to the point where we felt we needed to build a new one. And in the course of that, we had to entail lots of people in order to demolish a portion of it. But it depends... [LB722]

SENATOR ROBERT: One minute. [LB722]

SENATOR CAMPBELL: ...what the criteria is that's put forward on the National Register. So I thank Senator Avery for his comments and I'll listen to the rest of the debate. Thank you, Mr. President. [LB722]

SENATOR ROBERT: Thank you, Senator Campbell. Those wishing to speak, Senators Carlson, Flood, Wallman, and Langemeier. Senator Carlson, you are recognized. [LB722]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. I do have another question for Senator Avery if he would yield. [LB722]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

SENATOR ROBERT: Senator Avery, will you yield? [LB722]

SENATOR AVERY: I will. [LB722]

SENATOR CARLSON: I think in my previous question I did get an answer that if one of these rehabilitated buildings, historic buildings, a portion of it were leased out for business or if the building itself were leased out for business, that that would be taxable. And if...I believe the answer is if a portion of the building were leased out for business, that that portion then would be taxable? Would you say that that would be correct? [LB722]

SENATOR AVERY: That would make sense. Yes. [LB722]

SENATOR CARLSON: And I don't know that...I don't expect you to have an answer to this, but I don't know the procedure by which that is enforced. Is it up to the owner of the building then to report the business that is functioning in there? Or is it up to that business to report to Revenue that they, in fact, are a business? I don't know what that procedure would be. I could see how it may go on for some time and nobody reports it. [LB722]

SENATOR AVERY: If it's owned by a nonprofit? Is that what you're talking about? [LB722]

SENATOR CARLSON: Yes. [LB722]

SENATOR AVERY: If it's owned by a nonprofit but part of it is leased out? I think the nonprofit would be responsible for calculating the portion of that building that was used for private purposes and reporting that. [LB722]

SENATOR CARLSON: If your staff could get an answer to that, that if in fact the nonprofit owns the building, they lease out a portion of it for business, it's their responsibility to report that to Revenue. That would be...I think it's a good question but I'd like the answer to it, so. [LB722]

SENATOR AVERY: Legal counsel is taking notes, furiously, right now. [LB722]

SENATOR CARLSON: Okay. All right. Thank you, Senator Avery. [LB722]

SENATOR ROBERT: Thank you, Senator Carlson. Senator Flood, you are next and recognized. [LB722]

SPEAKER FLOOD: Thank you, Mr. President. The concern I had about the Norfolk Regional Center campus doesn't appear to be...appear to affect what is happening with

Floor Debate
January 29, 2010

this bill. None of the buildings on that campus are on the National Register of Historic Buildings. I have a great interest in history. I certainly like historic buildings. As the senator from District 19, I will tell as much as I do care for history, it's hard for me not to see the value of that prime real estate on the northeast corner of the city of Norfolk. And with water and sewer now running to that area, the idea of that being developable and having real estate come on the tax rolls for such a large area...that used to be an entire section of ground to the northeast of my community. And we're very proud of our history and service to the mentally ill, but I don't want anything to get in between the city of Norfolk being able to get that back on the tax roll, and grow our community, and this bill. I don't want this bill to stop that. It doesn't appear that it will. I'm satisfied that we're okay. I do wonder a little bit about the authority we're giving to the Department of Administrative Services, but I asked the question. I believe, Senator Avery, your legal counsel explained. This clarifies the authority that they already have and I'm comfortable that that's an allowable and understandable extension to the executive branch, given the fact that what already exists in the statutes. So I'm going to vote for the bill. I appreciate you answering my questions. Thank you, Mr. President. [LB722]

SENATOR ROBERT: Thank you, Senator Flood. Senator Wallman, you're next and recognized. [LB722]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. I, too, love beautiful buildings, but nonprofits sometimes aren't interested in these beautiful buildings. And I agree with Speaker Flood, they should be on the market. We don't take care of our buildings. Look at the State Fairgrounds. We let things go to pot. And also Beatrice Developmental Center. Beautiful house out there with a turret and everything. Never kept it up; empty for years and years. We tried to get on the Register, and all of sudden the state comes in and takes it down. So where is the money to keep these buildings up? And if we don't use them, put them on the market. I'd like to ask Senator Avery a question. [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question from Senator Wallman? [LB722]

SENATOR AVERY: Yes, I will. [LB722]

SENATOR WALLMAN: Well, how come some of these properties weren't sold if they're not being used? [LB722]

SENATOR AVERY: Well, in many cases it's hard to get a...to identify a market. And I will give you an example in your own backyard. I have been to the Beatrice Center. Some beautiful buildings on that campus, one of which is a Victorian home that I think might have been the residence of the director at one time. It's empty; boarded up. And if it were restored to its original condition, it would be an absolute jewel. Now the problem

Floor Debate
January 29, 2010

is, that's the kind of building where one might want to reside. But it is a part of a campus owned by the state and it's very difficult to find a buyer for that. And that's one of the problems we face. I would point out, since you have given me the opportunity to get back to the mike, that many of the properties that we're talking about are donated to the state. The state doesn't have to buy them. I believe the Ferguson House would be an example of that. Donated to the state, so if the state is at some time in the future given an opportunity to sell the property, that's a net gain to the state. So we're not really talking here about a lot of properties and we're certainly not talking about instances where the state is going to lose money. [LB722]

SENATOR WALLMAN: Thank you. But in regards to Norfolk and Hastings, there are some--and also I think by Grand Island--there's a lot of empty state buildings or federal buildings which should be sold, I think, to private or nonprofit entities, and we just mess around and let them go downhill. Thank you, Mr. President. [LB722]

SENATOR ROBERT: Thank you, Senator Wallman. Senator Langemeier, you're recognized. [LB722]

SENATOR LANGEMEIER: Mr. President and members of the body, I would ask if Senator Avery would yield to a question? [LB722]

SENATOR ROBERT: Senator Avery, will you yield to a question? [LB722]

SENATOR AVERY: I will yield. [LB722]

SENATOR LANGEMEIER: Senator Avery, I want to thank your staff. We had a good conversation off the mike as we waited for my next opportunity. A number of these buildings that became property of the state have been donated. And when someone brings the idea of donating a building to the state, can you tell us a little bit about how that process works? Do we have the right to refuse it? What...how does that work when someone wants to give us a building? [LB722]

SENATOR AVERY: We do have the right to refuse and I suppose that we have done so in many instances, because when the state does accept a property that's donated, the state incurs the responsibility to maintain the building, so the state has to be very careful what it accepts. But if a building has some true historic value to a neighborhood or particularly buildings around the Capitol, there is a state interest in maintaining the integrity of the environs of this building. And so the state, I'm sure, took those things into account when the transfer was made with the Ferguson House, also the Kennard House. But I cannot tell you of specific instances where the state refused to accept a property but my guess is that they probably are many. [LB722]

SENATOR LANGEMEIER: Okay, thank you. Then my other concern is, is on page 6,

Floor Debate
January 29, 2010

lines 3 through 5, it talks about giving priority status to a nonprofit community organization that intends to use the building for the purpose in which it was designed or intended. I would argue that we're not using the Ferguson House for the purpose it was designed and intended to use. We're using it as an office building as well as a reception hall. I'm not sure that that language may be too precise. I understand what they're getting at and I hope we preserve these buildings that are historical monuments. But I think if you go back and you use that language, it says design or intended to, I'm not so sure the Joslyn Art Museum was designed to be an art museum. I think it was something else before that. And so...and that's a state property. If that were to go to a nonprofit, would that be allowed to continue to be a museum, because that's not what it was designed or intended to. Do you have any thoughts on that? [LB722]

SENATOR AVERY: Was that a question, Senator? [LB722]

SENATOR LANGEMEIER: Yeah, I'm talking about Joslyn Castle, excuse me. Not Joslyn Museum. [LB722]

SENATOR AVERY: I am completely ignorant, I have to admit,... [LB722]

SENATOR LANGEMEIER: Okay. [LB722]

SENATOR AVERY: ...on the Joslyn Castle. I know it's a beautiful building. I know that it is currently used, I believe, for a public purpose. But I think you're actually right, that its intended purpose, original purpose was residential and it was designed for a residential purpose, and may not today be used for that. We are consulting, as I speak, with representatives of the Department of Administrative Services to see if perhaps we might want to tweak this language a bit. And I can assure you that enough concerns have been raised about this that we will look carefully at this if you decide to advance it to Select File and we'll have something for you at that time. [LB722]

SENATOR LANGEMEIER: Thank you, Senator Avery. I, too, as I stated before, I'm very much in support of LB722 and AM1616... [LB722]

SENATOR ROBERT: One minute. [LB722]

SENATOR LANGEMEIER: ...and what you're trying to do here. I just want to make sure we do it in a manner where it can actually be done with the intent of the bill. And so that, I just bring up these ideas as something to research before we get to Select File and I would ask the body to adopt AM1616 and LB722. Thank you. [LB722]

SENATOR ROBERT: Thank you, Senator Langemeier. Senator Avery, you are the last light on. [LB722]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

SENATOR AVERY: Mr. President, I didn't know it was on. [LB722]

SENATOR ROBERT: It's on. [LB722]

SENATOR AVERY: I will turn it off. Thank you. [LB722]

SENATOR ROBERT: Well, you're recognized to close on AM1616. [LB722]

SENATOR AVERY: I'll waive it. [LB722]

SENATOR ROBERT: Senator Avery waives his opportunity. Members, the question before the body is, shall AM1616, the committee amendment, be adopted to LB722? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB722]

ASSISTANT CLERK: 30 ayes, 0 nays on the adoption of committee amendments, Mr. President. [LB722]

SENATOR ROBERT: AM1616 is adopted. Returning to discussion on LB722. Seeing no one wishing to speak, Senator Avery, you're recognized to close on LB722. [LB722]

SENATOR AVERY: Thank you, Mr. President. LB722 has some very important provisions. I wouldn't call it the heaviest bill that we'll deal this session. But anytime we can assist an important department like DAS in conducting their business and improve the situation for the state, we should do so. I do appreciate the questions that were raised about Section 2 of this...or the second change in this bill relating to historic places. I enjoyed that discussion because I am an advocate for preservation and member of the Lincoln Historic Preservation Society. And as I indicated, I live in a historic house. So I have a great interest in that. I believe, though, that the questions that were raised can be addressed adequately between now and Select File. And we will work on that if you will allow us to do so by advancing this to Select File and I urge you to do so. Thank you. [LB722]

SENATOR ROBERT: Thank you, Senator Avery. Members, you have heard the closing to LB722. The question before the body is, shall LB722 advance to E&R Initial? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB722]

ASSISTANT CLERK: 30 ayes, 0 nays on the motion to advance the bill, Mr. President. [LB722]

SENATOR ROBERT: LB722 does advance. Next item on the agenda. [LB722]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

ASSISTANT CLERK: Mr. President, LB791 introduced by Senator Pirsch. (Read title.) The bill was read for the first time on January 7 of this year. It was referred to the Government, Military and Veterans Affairs Committee. That committee reports the bill to General File with committee amendments. (AM1617, Legislative Journal page 363.) [LB791]

SENATOR ROBERT: Senator Pirsch, you're recognized to open on LB791. [LB791]

SENATOR PIRSCH: Mr. President and members of the body, thank you. I introduced LB791 on behalf of the Secretary of State. The purpose of LB791 is to provide for electronic transmission and electronic filing of corporate documents filed with the Secretary of State and to authorize the Secretary of State to enact rules and regulations to implement electronic transmission and electronic filing of corporate documents. Currently, the Business Corporation Act does not provide for delivery of filings by electronic transmission. Most of the other business entity acts are silent on the issue of electronic transmission and electronic filing. Thank you. [LB791]

SENATOR ROBERT: Thank you, Senator Pirsch. Members, you have heard the opening to LB791. As the clerk stated, there are committee amendments. Senator Avery, as Chair of the Government, Military and Veterans Affairs Committee, you are recognized to open on AM1617. [LB791]

SENATOR AVERY: Thank you, Mr. President. This amendment is important but it is small. What it does is eliminate language in the Business Corporation Act that prohibits the delivery of documents by electronic transmission because if we leave that in there, it would be in conflict with provisions of LB791. The committee advanced this amendment on a vote of 8 to 0. Thank you. [LB791]

SENATOR ROBERT: Thank you, Senator Avery. Members, you have heard the opening to the committee amendment, AM1617. Those wishing to speak: Senators Fulton, Giese, Nelson, and Avery. Senator Fulton, you're recognized. [LB791]

SENATOR FULTON: Thank you, Mr. President, members of the body. This...well, first I'll just say that I'll be in favor of the bill. I have a question or two for Senator Pirsch eventually but the idea that we use, you know, modern technologies, electronic transmission of funding and filing of documents is a step forward and should allow us to streamline and make efficient our government. And we ought to be doing that. Nebraska has tended to be ahead of that curve in the country. I'm glad to see this bill. With that, would Senator Pirsch yield to a question? [LB791]

SENATOR ROBERT: Senator Pirsch, will you yield to a question? [LB791]

SENATOR PIRSCH: Thank you. I'd be happy to. [LB791]

Floor Debate
January 29, 2010

SENATOR FULTON: Thank you, Senator. I actually spent some time with the Secretary of State identifying some funds that are charged to corporations. I have my own business and had to file a...I think it was an occupation tax, and we have watched in the Appropriations Committee the cash balances of different cash funds in the Secretary of State's Office, and have come to realize that some of the funds that are collected through the Secretary of State's Office, fees or taxes that are charged oftentimes to corporations, to small businesses, end up going directly to the General Fund, which I don't think a lot of people are aware of. Was there any particular fund which caused you to go forward with this or was this more an idea of limiting or mitigating or eliminating paperwork? [LB791]

SENATOR PIRSCH: Well, thank you for the question, Senator Fulton. Yep, there are a number of funds that are...that the Secretary of State does deal with in terms of receiving electronic filings of corporate documents, and that includes the Business Corporation Act, Limited Liability Company Act, Nebraska Limited Cooperative Association Act, Nebraska Nonprofit Corporation Act, Nebraska Professional Corporation Act, Nebraska Uniform Limited Partnership Act, Nonstock Cooperative Marketing Act, Uniform Partnership Act of 1998, and the Trademark Registration Act, and some other filings. And as you can see with all these types of documents and the era in which we've entered, an era where not only can you...does through electronic transmission does it carry the possibility of much faster processing and transmission but also the promise of...because without paper, doing it in a more cost-effective manner. And I should point out there is no fiscal note to this bill but I think that, obviously, our experience has been when things go on-line, not only are they faster and less...more accurate, but they are, they tend toward to drive down the costs of those things. So, yes, I guess insofar as your question is directed, certain of funds, cash funds are...I'm sorry, certain payments that go from businesses into certain offices are directed to the General Fund, that would not be affected. That is a function, I mean, those are things that this legislative body can decide. Those are not affected by this bill. This bill just, in my opinion, deals with efficiency in the reception and transmission of these electronic documents. And so on that basis, you know, I think, unless you think the electronic, you know, the Internet age is going away and was just a fad, this is just another step towards that making government more efficient. [LB791]

SENATOR ROBERT: One minute. [LB791]

SENATOR FULTON: Would you say, Senator, it's possible, there is no fiscal note on the bill, which I appreciate, is it possible that long-term this will end up saving some money? If more corporations end up filing on-line it would at first blush make for greater efficiency in the Secretary of State's Office itself, certainly will also save some time, some overhead, some expense perhaps on the part of businesses, would it be fair to characterize this as a cost-savings bill going forward? [LB791]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

SENATOR PIRSCH: Well, and I'm trying not to sell it as that now, but I believe that that's correct. The more we are able to make electronic and practices that we're so heavily paperbound in the past and required processing by, you know, by individual workers and, again, when you're translating from this to that, there's a greater chance for errors to be made. [LB791]

SENATOR ROBERT: Time. [LB791]

SENATOR FULTON: Thank you, Mr. President. [LB791]

SENATOR ROBERT: Thank you, Senator Fulton, Senator Pirsch. Senator Giese, you're recognized. [LB791]

SENATOR GIESE: Thank you, Mr. President and members of the body. We had this discussion a couple weeks ago and some of these issues, it's all about timing. Senator Fulton, I'm not going to debate you on whether Nebraska is ahead of the curve when it comes to technology or slightly behind the curve, but would Senator Pirsch yield to a question? [LB791]

SENATOR ROBERT: Senator Pirsch, will you yield to a question? [LB791]

SENATOR PIRSCH: I would. [LB791]

SENATOR GIESE: Senator Pirsch, even though there isn't a fiscal note on this bill, would you, and I think you've already stated, there is potentially a cost savings here for either party? [LB791]

SENATOR PIRSCH: I believe strongly so. And thank you for that question. As I just rattled off the long list of filings of documents, those types, the types of acts that are covered, you know, the Secretary of State's Office does quite a bit of work with respect to these acts. And so to the extent that we can make a faster and make, you know, on-line, I feel very confident, will save money. And so, yes, I believe that is correct that, you know, e-government will...has a great capacity to save the taxpayers money. [LB791]

SENATOR GIESE: Well, thank you, Senator. I appreciate those comments and I think we're all aware of the services that are available on-line. There are a lot of things that we can do today and I think that...and I really, really appreciate the Secretary of State's Office coming forward with this bill. And, you know, one of the key points that the Governor made in his State of the State Address was that technology and e-government on-line will help us save money in the future. And we are certainly looking forward to the Secretary of State's Office presenting more of these bills that will lead to

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

a cost savings in the future. Thank you. [LB791]

SENATOR ROBERT: Thank you, Senator Giese. Senator Nelson, you're next and recognized. [LB791]

SENATOR NELSON: Thank you, Mr. President, members of the body. One would think that I am having a running argument with Senator Avery on all of these bills because I have more questions on this bill. But would Senator Avery please answer a couple of questions? [LB791]

SENATOR ROBERT: Senator Avery, will you yield to a question from Senator Nelson? [LB791]

SENATOR AVERY: Yes, I will. [LB791]

SENATOR NELSON: Thank you, Senator. This is referring to AM1617 and if you look at the amendment there on page 2, I guess that's solely confined to lines 17, 18 and 19. Do you have that there in front of you? [LB791]

SENATOR AVERY: On what page are you? [LB791]

SENATOR NELSON: That's page 2 of the amendment. [LB791]

SENATOR AVERY: Page 2. Yes. [LB791]

SENATOR NELSON: I'm wondering why we are totally eliminating the definition of what means delivered there by taking out all of it, physical delivery of the document by hand, mail, commercial delivery, and does not include delivery by electronic transmission. Why don't we just simply leave those things alone and add that delivery by electronic transmission is also an acceptable form of delivery? [LB791]

SENATOR AVERY: That we could do, Senator Nelson. [LB791]

SENATOR NELSON: Okay. [LB791]

SENATOR AVERY: If I might editorialize a little bit on my response, I think there is some interest in the state in moving toward more electronic transmissions and that's reflected in the amendment. [LB791]

SENATOR NELSON: Well, that's exactly my opposition or my point. I see that as a move. I'm in favor of technological advances and doing this where we can. But I can see by removing that language entirely there, the definition that we might come around to the point that the Secretary of State will say, this shall be done by electronic

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

transmission as far as all of these documents. And I think we have to be mindful that we've got large firms but we also have small firms that may not necessarily...they may, perhaps, continue to do and prefer to do delivery in the usual way through the mail or by hand if they're here in Lincoln or by commercial delivery. Because we do require, as I see the bill, a copy has to be submitted as well and usually a fee has to be submitted. So would you be amenable to a further amendment that would just change the wording there so that we keep all of those and then a delivery by electronic transmission as a fourth way in which to file? [LB791]

SENATOR AVERY: I would not oppose that. I can give you a little bit of history on this. The language that you're looking at here, page 2, lines 17 through 19, that was just passed into law last year to specifically prohibit electronic transmissions. And we struck all of it and this then just says that they may submit by electronic transmission. [LB791]

SENATOR NELSON: All right. [LB791]

SENATOR AVERY: It doesn't prohibit the use of mail or hand delivery or any commercial delivery. [LB791]

SENATOR NELSON: Well, if I may ask, why was that amendment done last session, I guess, in 2009, to eliminate the possibility of electronic transmission? What was the thought behind that? [LB791]

SENATOR AVERY: I didn't sponsor that, Senator... [LB791]

SENATOR ROBERT: One minute, [LB791]

SENATOR AVERY: ...so I'm not sure why. And I don't remember that there was a lot of debate on that particular provision. [LB791]

SENATOR NELSON: All right. I probably should be asking this of Senator Pirsch, but I don't see him. Referring to LB791 itself, which is pretty short, there on the first line it says, "The Secretary of State may provide for the electronic transmission." Now that's permissive. It doesn't say shall. But does that permit the Secretary of State to put out rules and regulations that say, this is the way it's going to be done on all of these particular documents that they will be filed by electronic means? [LB791]

SENATOR AVERY: I presume that would allow it, but I'm not sure that the Secretary of State would do that. I can give you a little bit of information about why we had this language that we're striking. Senator Fulton sponsored this... [LB791]

SENATOR ROBERT: Time. [LB791]

Floor Debate
January 29, 2010

SENATOR AVERY: ...last year. [LB791]

SENATOR ROBERT: Thank you, Senators. Speaker Flood, you're recognized for an announcement. [LB791]

SPEAKER FLOOD: Thank you, Mr. President and good morning, members. We're ready to wind down our work week on the floor. I know we have committee hearings yet this afternoon. Hopefully, we can move LB791 before noon today. Coming up Monday, we will start again at 10:00 a.m. as we do customarily the first day of the week. We'll be putting out an agenda later today that lists a number of bills, one of which is Senator Janssen's motorcycle helmet repeal bill that will be up, depending on how we work, either late Monday or sometime Tuesday. We'll make an announcement as to start times next week on Monday after we kind of get a look at how the debate goes and how many bills we get reported to General File. But at this point, we're looking at a 10:00 a.m. start time, Monday morning. We'll determine what Tuesday looks like later on Monday. So thank you very much and have a good weekend. Thank you, Mr. President.

SENATOR ROBERT: Thank you, Speaker Flood. Returning to discussion, LB791, Senator Avery, you're next and recognized. [LB791]

SENATOR AVERY: Thank you, Mr. President. I just wanted to inform the body that in the Government, Military and Veterans Affairs Committee we have had some vigorous discussion about technology, the capabilities of expanding the use of technology in the state of Nebraska, because we get a fair number of bills before our committee that deal with such things as electronic registration for voters. There is a bill that we're going to be discussing soon about using electronic Internet transmissions to circulate petitions. We had a long debate yesterday about electronic voter registration. These are things that this body is going to have to start looking at because we are in a digital age and the government has to catch-up. And I think that catch-up is the right word because we are, in many ways, woefully behind. This bill is a modest bill that recognizes the need of this state to move more into the digital age. We will be having more discussions about this and I would ask that all of you start looking in the long-term and asking yourself, how can we do a better job of incorporating technology into the way that we do business in this state. I think it's also important to recognize that we have in place now a long-term planning committee in this body, chaired by Senator Harms. That, it seems to me, would be a very good place where a lot of this discussion can take place. The Government Committee will probably have a proposal for the long-range planning committee in the near future. And I think it may not be a topic for floor discussion, but certainly we need to start looking at how we can better incorporate the technology in saving money for the state. The Governor addressed that in his State of the State Address just the other day. And I think this bill is not a huge step, but it is a step, and we need to advance it. And I think that we need to take a look at other ways that we can use technology as well. Thank you, Mr. President. [LB791]

Floor Debate
January 29, 2010

SENATOR ROBERT: Thank you, Senator Avery. Senator Nelson, you're next and recognized. [LB791]

SENATOR NELSON: Thank you, Mr. President and members of the body. I also want to thank Senator Avery. We had time called on us before but I think that I got an adequate response there to my questions. At this time I would like to address a question or two to Senator Pirsch. [LB791]

SENATOR ROBERT: Senator Pirsch, will you yield to a question? [LB791]

SENATOR PIRSCH: I will. Thank you. [LB791]

SENATOR NELSON: Senator Pirsch, my question is this, on bill LB791, Section 1, the language used there is, "The Secretary of State may provide for the electronic transmission and filing of documents," and then it goes into detail there. This is permissive language but does it permit the Secretary of State to require that all of these documents be filed by electronic transmission? [LB791]

SENATOR PIRSCH: Well, and I thank you very much for that question. And I guess the cause for your concern, I think, is rooted in the amendment, the committee amendment and the language that was employed as you had pointed out on page 2, in line 17, that would strike the description of...well, the definition of the term delivered, which under that language would mean physical...which has meant or has included physical delivery of the document by hand, mail, or commercial delivery and does not include delivery by electronic transmission. And I certainly understand your...I mean I appreciate your concern with that. If I'm not incorrect, your goal or your hope is to preserve alternative methods of delivery, correct, so that it's not just the sole method? [LB791]

SENATOR NELSON: That's correct. [LB791]

SENATOR PIRSCH: Okay. And I appreciate that. There's nothing about the original introduction when it says, I don't think, and this is my opinion, that the Secretary of State may provide for the electronic filing...transmission and filing of documents. I think that with respect to the concern that it might be the sole basis then, that probably is rooted then in the amendment language. I would be, you know, I guess at this point in time, I don't think this is an insurmountable...you know, that there's no room for dealing with that concern in this. And so, you know, I'd be happy to discuss with you, and to be quite honest, I would, you know, it would be my assumption from the term "may", that it could include that, may not include that. But that's, you know, I would certainly have to ask the Secretary of State if that was his intention to utilize that permissive language and in such a manner that would make it required, so. But I would look forward to talking with them. Perhaps that's an issue that we could address on the next round of debate. I think

Floor Debate
January 29, 2010

that that does frame the issue very well though. [LB791]

SENATOR NELSON: All right. Thank you, Senator Pirsch. I simply want to say it's not my intention to hamstring the Secretary of State in any way. I realize that electronic transmissions are probably the wave of the future here and that we should get started on it. But at the same time, I think it's important that we not preclude other ways of filing with the Secretary of State. And I think we need further discussion on that because, as Senator Avery said, these are all things that we need to be thinking about, what policy decision we're going to make here. [LB791]

SENATOR ROBERT: One minute. [LB791]

SENATOR NELSON: So it's my understanding that you would be amenable perhaps to an amendment that would clarify these issues and give us direction in what we're doing here. Is that true? Would you yield to that question? [LB791]

SENATOR PIRSCH: I would yield and, yeah, with respect to that and before I speak definitively I'd just want to just check with the Secretary of State, but I personally have...am not aware of any problems that would cause, I mean, unless that... [LB791]

SENATOR NELSON: Right. [LB791]

SENATOR PIRSCH: ...would cause unintended, you know, financial problems. [LB791]

SENATOR NELSON: Right. [LB791]

SENATOR PIRSCH: But if we can do that, offer both alternative methods and it wouldn't be any cost or there wouldn't be any cost attributed to that, I would have, personally, no problem with that. [LB791]

SENATOR NELSON: Thank you, Senator Pirsch. [LB791]

SENATOR PIRSCH: Yeah. [LB791]

SENATOR ROBERT: Time, Senators. Thank you, Senator Nelson. Senator Giese, you're recognized. [LB791]

SENATOR GIESE: Thank you, Mr. President. One final point. This is where we're at with our technology. Senator Fulton made the observation early in the testimony that we are ahead of the curve in technology. Well, I don't think we are. So anything we can do, long-range planning that will help us achieve this. We can't even talk about a bill here that the Secretary of State has brought to us that does not have a fiscal note. So how are we going to get anything through that has a potential fiscal note? So Senator Pirsch,

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

I thank you for bringing this forward and look forward to the debate on leading us out of this situation. Thank you. [LB791]

SENATOR ROBERT: Thank you, Senator Giese. Seeing no other lights on, Senator Avery you're recognized to close on AM1617. Senator Avery waives his opportunity. Members, the question before the body is, shall the committee amendment be adopted to LB791? All those in favor vote yea; opposed vote nay. Have all those voted who wish? Mr. Clerk, please record. [LB791]

ASSISTANT CLERK: 30 ayes, 0 nays on the adoption of committee amendments. [LB791]

SENATOR ROBERT: The amendment is adopted. Returning to discussion on LB791, seeing no members wishing to speak, Senator Pirsch, you're recognized to close on LB791. [LB791]

SENATOR PIRSCH: Thank you, Mr. President. I'll be brief. I openly acknowledge that government is not a business. However, that doesn't mean that we can't bring businesslike practices to government to better serve the people of Nebraska. On that note, I would ask you to vote yes for LB791. [LB791]

SENATOR ROBERT: Thank you, Senator Pirsch. Members, you've heard the closing to LB791. The question before the body is, shall LB791 advance to E&R Initial? All those in favor vote yea; opposed vote nay. Have all those voted who care to? Mr. Clerk, please record. [LB791]

ASSISTANT CLERK: 32 ayes, 0 nays on the motion to advance the bill, Mr. President. [LB791]

SENATOR ROBERT: LB791 does advance. Items for the record, Mr. Clerk. [LB791]

ASSISTANT CLERK: Mr. President, a series of items. Your Committee on General Affairs reports LB867 to General File with committee amendments, and LB266, LB600, and LR6CA is indefinitely postponed. The Committee on Urban Affairs reports LB848 to General File with amendments. Committee on Judiciary reports LB746 to General File. Committee on Enrollment and Review reports LB147, LB181, LB216, LB235, and LB552, all as correctly engrossed. Notice of committee hearings from Judiciary, General Affairs, and an amendment to be printed to LB200 from Senator Janssen. Name adds: Senator McCoy to LB741, LB817, LB860, LB868, LB889, LB895, LB982, and to LR292. (Also Senator Christensen name add to LB817.) (Legislative Journal pages 399-404.) [LB867 LB266 LB600 LR6CA LB848 LB746 LB147 LB181 LB216 LB235 LB552 LB200 LB741 LB817 LB860 LB868 LB889 LB895 LB982 LR292]

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Floor Debate
January 29, 2010

Finally, Mr. President, a priority motion. Speaker Flood would move to adjourn until Monday, February 1, 2010, at 10:00 a.m.

SENATOR ROBERT: Members, you have heard the motion. All those in favor of adjourning until Monday, February 1, 2010, at 10:00 a.m. signify by saying aye. Opposed, same sign. We are adjourned.