SEVENTH DAY - JANUARY 12, 2012

LEGISLATIVE JOURNAL

ONE HUNDRED SECOND LEGISLATURE SECOND SESSION

SEVENTH DAY

Legislative Chamber, Lincoln, Nebraska Thursday, January 12, 2012

PRAYER

The prayer was offered by Reverend Ryan Lewis, St. Thomas More Church, Omaha.

ROLL CALL

Pursuant to adjournment, the Legislature met at 9:45 a.m., President Sheehy presiding.

The roll was called and all members were present except Senators Christensen and Conrad who were excused; and Senator Lautenbaugh who was excused until he arrives.

CORRECTIONS FOR THE JOURNAL

The Journal for the sixth day was approved.

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the following report:

| LB/LR | Committee |
|-------|---------------------------------------|
| LB728 | Judiciary (rereferred) |
| LB777 | Judiciary (rereferred) |
| LB911 | Business and Labor |
| LB912 | Judiciary |
| LB913 | Education |
| LB914 | Judiciary |
| LB915 | Agriculture |
| LB916 | Nebraska Retirement Systems |
| LB917 | Judiciary |
| LB918 | Urban Affairs |
| LB919 | Judiciary |
| LB920 | Judiciary |
| LB921 | Urban Affairs |
| LB922 | Transportation and Telecommunications |

| LB923 | Government, Military and Veterans Affairs |
|---------|---|
| LB925 | Health and Human Services |
| LB926 | Health and Human Services |
| LB927 | Agriculture |
| LB928 | Natural Resources |
| LB929 | Health and Human Services |
| LB930 | Transportation and Telecommunications |
| LB931 | Natural Resources |
| LB932 | Urban Affairs |
| LB933 | Judiciary |
| LB934 | Government, Military and Veterans Affairs |
| LB935 | Judiciary |
| LB936 | Government, Military and Veterans Affairs |
| LB937 | Judiciary |
| LB938 | Health and Human Services |
| LR365 | Executive Board |
| LR371 | Government, Military and Veterans Affairs |
| LR372CA | Executive Board |
| LR373CA | Executive Board |

(Signed) John Wightman, Chairperson Executive Board

NOTICE OF COMMITTEE HEARINGS

Transportation and Telecommunications

Room 1113

Monday, January 23, 2012 1:30 p.m.

LB841

LB764

LB740

LB922

(Signed) Deb Fischer, Chairperson

Education

Room 1525

Monday, January 23, 2012 1:30 p.m.

LB895

LB809

(Signed) Greg Adams, Chairperson

Banking, Commerce and Insurance

Room 1507

Monday, January 23, 2012 1:30 p.m.

LB876

LB879

LB886

LB890

(Signed) Rich Pahls, Chairperson

Appropriations

Room 1524

Monday, January 23, 2012 1:30 p.m.

LB808

LB859

(Signed) Lavon Heidemann, Chairperson

Business and Labor

Room 2102

Monday, January 23, 2012 1:30 p.m.

LB846

LB791

LB866

LB911

(Signed) Steve Lathrop, Chairperson

General Affairs

Room 1510

Monday, January 23, 2012 1:30 p.m.

LB780

LB781

LB861

(Signed) Russ Karpisek, Chairperson

Health and Human Services

Room 1510

Friday, January 20, 2012 1:30 p.m.

Nebraska's State Plan for Community Service Block Grant funds presented by the Department of Health and Human Services

LB837

LB871

LB904

LB820

(Signed) Kathy Campbell, Chairperson

REPORTS

The following reports were received by the Legislature:

Equal Opportunity Commission, Nebraska

Annual Report, Fiscal Year 2009-2010

Annual Report, Fiscal Year 2010-2011

Insurance, Department of

Total Number of Applicants for Public Benefits and the Number of Applicants Rejected Pursuant to Such Sections

Natural Resources, Department of

Total Number of Applicants for Public Benefits and the Number of Applicants Rejected Pursuant to Such Sections

State Treasurer

Annual Report

Workers' Compensation Court

69th Annual Report

REPORT OF REGISTERED LOBBYISTS

Following is a list of all lobbyists who have registered as of January 11, 2012, in accordance with Section 49-1481, Revised Statutes of Nebraska. Additional lobbyists who have registered will be filed weekly.

(Signed) Patrick J. O'Donnell Clerk of the Legislature

Blomstedt, Matthew L.

Educational Service Unit Coordinating Council

Habben, Jon

Rural Community Schools Association, Nebraska

Keigher & Associates, LLC

Professional Towers Association of Nebraska

Kelley & Jerram, P.C., L.L.O.

Advantage Capital

McElvea, Garv

Coca-Cola Refreshments

Micek, Cora

Peetz & Company

Mines, Mick

3M Traffic Safety Systems

Cargill

Corn Growers Association, American

Grocery Industry Association, Nebraska

Humane Society, Nebraska

Insurance and Financial Advisors, National Association of

Johnson & Johnson

League of Nebraska Municipalities

Mines & Associates

Papio Valley Preservation Association

Syngenta

Mueller Robak LLC

Facebook

Grow Ashland

Stevens, Bradley J.

Americans for Prosperity

Wagner, Sylvia B.

League of Women Voters of Nebraska

Wieczorek, Bridget

Nurse-Midwives, Nebraska Affiliate of the American College of,

MOTION - Escort Governor

Senator Harms moved that a committee of five be appointed to escort the Governor of the State of Nebraska to the Legislative Chamber to deliver his State of the State Address.

The motion prevailed.

The Chair appointed Senators Fischer, Pahls, Heidemann, Cornett, and Howard to serve on said committee.

STATE OF THE STATE ADDRESS

Governor Dave Heineman

State of the State Address January 12, 2012 102nd Legislature Second Session

"Our choice is between providing tax relief for hard-working, middle class taxpayers or more spending for special interest groups. I will fight for taxpayers."

Mr. President, Mr. Speaker, Members of the Legislature, Tribal Chairmen, Distinguished Guests, Friends and Fellow Nebraskans:

I am pleased to be here at the beginning of the 2012 Legislative Session, and I want to acknowledge and recognize that nine of your members will be leaving the Legislature at the end of this year. They include your outstanding Speaker, a steady and rock solid Appropriations Committee Chairman, a superb Revenue Chair, a tenacious Transportation Committee Chair, an effective Natural Resources Committee Chairman, an excellent Banking Committee Chairman, a fighter for Western Nebraska, an advocate for children and families, and a fiscal and social conservative. Senators Flood, Heidemann, Cornett, Fischer, Langemeier, Pahls, Louden, Howard and Fulton – thank you for your service. Individually and as a group, you have done an outstanding job and Nebraskans appreciate your service.

I am proud of the Legislature and what we have accomplished together. I am proud of our citizens for their input, their insight and their leadership.

Every day I am proud to be the Governor of this great State. As I enter my eighth year as Governor of Nebraska, I am more determined than ever to keep Nebraska moving forward and to address the key challenges of today.

One of the most important challenges that we face is the safety of children that are part of Nebraska's child welfare system. Reforming Nebraska's child welfare system is complicated and complex with no single simple solution. We didn't get into this situation overnight, and we won't get out of it overnight.

It was just a few years ago when many Nebraskans were unhappy with and complaining about how the Department of Health and Human Services was operating the child welfare system. The decision was made to reform the system and change the culture that was necessary to move forward. It hasn't been implemented as well as anyone would like, but I don't want to return to the failed practices of the past. I want us to do better in the future and my sense is so do you.

This is a very difficult challenge because no single one entity of government is totally in charge of the child welfare system. It involves local law enforcement, county attorneys, parents, guardians ad litem, CASA volunteers, foster parents, the Department of Health and Human Services, providers, the courts, the Legislature and many others. Nebraska continues to place children into the child welfare system at approximately two times the national average. We can and must do better than that.

Your Health and Human Services Committee has provided the state a series of recommendations to begin a conversation about how the courts, the Legislature and the Executive Branch can work together to develop a more collaborative, a more coordinated and a more comprehensive approach to

protecting Nebraska's children. I've read the committee report several times. I am working with the leadership of your Health and Human Services Committee to develop a common sense plan of action for the future and I want to thank Senator Campbell and Senator Gloor for their vast commitment of time to this issue.

I want to emphasize what I have said previously, I have no intention of reinstating the lead agency model in the central, northern or western service areas. The focus must be to provide a more efficient delivery of services that helps our children. I support efforts to streamline the focus of the current child welfare system and I have asked Senator Ashford and Senator Hadley to introduce legislation that transfers the management of the youth rehabilitation and treatment centers at Kearney and Geneva from the Department of Health and Human Services to the Department of Correctional Services. This would create a safer treatment environment at these facilities for the youth and the staff. The transfer will also allow the Department of Health and Human Services to put a greater focus on children impacted by abuse and neglect.

We're all in this together. All of us have a responsibility to improve the system. The accountability starts with you and me. Together, we need to bring stability to Nebraska's child welfare system. The focus should be on the future and on measurable results.

Another key issue that we face is the new federal health care law that raises taxes, cuts Medicare and contains an enormous unfunded Medicaid mandate. Because it is the current law, our state is moving forward with the planning and designing of a state health insurance exchange.

Our state has been working hard for nearly two years to protect Nebraska's interests, and I want to assure you and our citizens that Nebraska will not default to the federal government regarding a health insurance exchange. However, it is important to recognize that the United States Supreme Court will decide whether this law is constitutional or not by June 29 of this year. In an unprecedented move, the Supreme Court will have three days of oral arguments on this issue in late March. The simple truth is it would be a costly mistake to spend millions of taxpayer dollars to begin implementing Obamacare until the United States Supreme Court makes its decision.

Another critical issue is our proposal to merge the Department of Labor into the Department of Economic Development. This is the opportunity for business, labor and state government to provide a more coordinated and an even greater focus on job creation, worker training and worker retraining. Thank you Senator Harms and Senator Mello for introducing this bill.

Most importantly, we have worked together to put Nebraska in a strong financial position. We have made difficult decisions for the good of our state. Nebraska hasn't always been as well positioned as we are today. When Senators Flood, Heidemann, Cornett, Fischer, Langemeier, Pahls, Louden

and Howard began their terms in January of 2005, and when I assumed the office of Governor that same month, the state had just experienced some very tough economic times. Taxes were too high, too many young people were leaving the state, and Nebraska wasn't competitive nationally or globally for jobs.

You and I worked in cooperation with our citizens and our business leaders to dramatically alter Nebraska's economic position. Working together we passed the Nebraska Advantage, and it has been incredibly successful.

Approximately 270 businesses have committed to invest more than \$ 5.9 billion in our economy and to create more than 19,500 jobs here in Nebraska. Working together we passed the largest tax relief package in Nebraska's history that repealed the estate tax, eliminated the marriage penalty in the income tax system, repealed the sales tax on construction labor and lowered income taxes. We wisely built up our cash reserve. We worked together to control the growth of state spending and to pass balanced budgets without raising taxes. We adopted a business-like approach to agency budgets encouraging them to save money and keep it, compared to the previous practice of spend it or lose it.

State government began tightening its belt just like Nebraska families and businesses were doing and look at the results. Nebraska has the second lowest unemployment rate in America at 4.1%. According to Forbes, Nebraska is the eighth best state for business and careers. Nebraska has the fourth largest agriculture economy in America. MSN Careers says Nebraska is the third best state for job seekers. According to Forbes, Lincoln is one of America's safest cities and it is the best city in America for new jobs while Omaha is the most affordable city in America and the fifth best city in America for young professionals. According to CNN Money, Papillion is the fifth best place in America to live.

Bloomberg Business Week identified Arlington, Nebraska as the second best place in America to raise kids because it's a Midwestern farming community with top notch schools. Think about it, that's Nebraska – small towns, safe communities, good jobs, great schools, affordable homes, and an unmatched quality of life. Whether it's Arlington, Wahoo, Auburn, Holdrege, Imperial, Scottsbluff, Gering, Valentine, Cedar Rapids, Norfolk, North Platte, Kearney, Grand Island, York or a neighborhood in Lincoln, Omaha or Sarpy County, Nebraska communities are the American Dream. We have faith and confidence in Nebraskans, their families and our communities. We believe in freedom, hard work and self-sufficiency. We believe in providing every child the opportunity to receive a quality education.

Let me say it again - Nebraska has what hard-working American families want - safe communities, good jobs, great schools, affordable neighborhoods and an unmatched quality of life. America's elite cities are

too expensive for middle class families. These cities have high taxes and burdensome regulations, both of which discourage job creation.

Today, technology connects us like never before and now Americans can live and work anywhere. This provides Nebraska an opportunity for growth like we have never before seen. America's middle class families want to live in states like Nebraska because we have career opportunities, short commute times, a lower cost of living and a sense of community. For the first time ever, Nebraska's population growth exceeded the national average for two years in a row in 2009 and 2010, and in 2011, Nebraska only narrowly missed growing as rapidly as the national average. Nebraska has economic and education momentum. Working with our citizens, we have developed a bold, innovative and strategic vision to grow our economy and to strengthen our education system.

Just last year we invested in the University of Nebraska's Innovation Campus. We passed the Talent and Innovation Initiative to continue improving Nebraska's small business and entrepreneurial environment. We've made exceptional progress during the past few years, but we have more work to do.

According to the Tax Foundation rankings, in 2006 Nebraska was one of the top ten highest tax states in America. Nebraska was 45 out of 50 states. Today we are 29th. Since 2006, Nebraska has made greater and more significant improvement in our tax climate than 48 other states.

That's good news, but we can do better than 29th. Even with our healthy economy, many Nebraska middle class families still struggle from paycheck to paycheck. We can help these families by changing Nebraska's income tax structure and allowing them to keep more of the money they make. If your adjusted gross income is more than \$54,000, you are taxed at the same marginal rate as Warren Buffett. That is unfair to middle class families. Our hard-working taxpayers are tired of government taking too much of their paycheck.

In 2011, Nebraska net tax receipts grew by \$ 349 million. The opportunity to provide tax relief for our taxpayers is now. Our hard-working, middle class taxpayers need more discretionary income to take care of their families and to provide their kids with a good education.

For the past few months, I have been working with Senator Cornett to develop a major tax relief initiative for Nebraska's hard-working, middle class families and today Senator Cornett is introducing that bill. Senator Cornett, thank you. We are asking you to join us in providing tax relief for Nebraska's middle class taxpayers. Our proposal lowers rates and expands the brackets so that Nebraska's hard-working taxpayers can keep more of their income.

Our proposal eliminates the inheritance tax. You've probably seen the recent headline in Forbes – Nebraska is named as a state "Where Not to Die in 2012." Even high tax states like Massachusetts, New York and California don't have an inheritance tax. Nebraska is one of only eight states that has an inheritance tax and we need to change that. I know you'll hear from county officials, but this is about good tax policy and completing the elimination of the death tax.

Our proposal reduces the corporate income tax rate to help small businesses grow. Our highest priority should be tax relief for Nebraska's hard-working, middle class taxpayers. Special interest groups will argue we can't afford tax relief because they want to take that money from our hard-working taxpayers and spend it on their favorite projects. The question is tax relief for hard-working middle class Nebraska taxpayers or more spending for special interest groups? The choice for us is clear.

I'm going to fight for Nebraska's hard-working taxpayers because they need our help. For example, if you are a young family of four living in south Omaha with an adjusted gross income of \$30,000, with our proposal, you will receive a 29.5% tax cut. If you are a single mom living in northeast Lincoln with two kids with an adjusted gross income of \$40,000, you will receive a 10.5% tax cut. If you are a hard-working middle class family of four living in Bellevue, York, Kearney, Valentine, Alliance or Columbus with an adjusted gross income of \$75,000, you will receive a 10.9% tax cut. If you live in Norfolk or Grand Island and your adjusted gross income is \$100,000, your tax cut will be 7.2%. However, if you live in central Omaha and your adjusted gross income is \$1,000,000, you will only receive a 2% tax cut.

The focus of this bold tax relief plan provides Nebraska's hard-working, middle class taxpayers the help they need. Nebraska families have had to tighten their belts and learn to do more with less. So should government.

This is about our future. This is our time. This is our moment in history. Together we can make it happen. Let's get to work.

Thank you.

The committee escorted Governor Dave Heineman from the Chamber.

SENATOR GLOOR PRESIDING

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 968. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to amend Laws 2011, LB 374, sections 46, 47, 66, 93, 98, 100, 102, 104, 105, 109, 115, 132, 200, 226, 235, and 249; Laws 2011, LB 376, section 19; and Laws 2011, LB 377, section 8; to define terms; to provide, change, and eliminate provisions relating to appropriations; to reduce appropriations; to state intent; to provide for transfers; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 969. Introduced by Speaker Flood, 19; at the request of the Governor.

A BILL FOR AN ACT relating to state funds; to amend section 84-1616, Reissue Revised Statutes of Nebraska; section 66-1345.04, Revised Statutes Supplement, 2011; and Laws 2011, LB378, section 14; to provide for a transfer; to change provisions relating to certain transfers; to change the use of a fund; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 970. Introduced by Cornett, 45; at the request of the Governor.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-2001, 77-2701, 77-2701.01, 77-2715.01, 77-2715.02, 77-2727, and 77-2734.02, Reissue Revised Statutes of Nebraska, section 77-2734.01, Revised Statutes Cumulative Supplement, 2010, and section 77-2717, Revised Statutes Supplement, 2011; to terminate the inheritance tax; to change income tax rates and calculation; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 971. Introduced by Harms, 48; Carlson, 38; Lambert, 2; Lathrop, 12; McCoy, 39; Mello, 5; Pahls, 31; Schilz, 47; at the request of the Governor.

A BILL FOR AN ACT relating to state government; to amend sections 25-1558, 48-121.02, 48-1,118, 48-214, 48-222, 48-229, 48-301, 48-302, 48-302.04, 48-303, 48-304, 48-307, 48-309, 48-310, 48-310.01, 48-310.02, 48-311, 48-312, 48-401, 48-402, 48-403, 48-404, 48-405, 48-412, 48-413, 48-414, 48-415, 48-416, 48-421, 48-425, 48-427, 48-428, 48-431, 48-440, 48-443, 48-444, 48-445, 48-446, 48-501.01, 48-503, 48-504, 48-505, 48-507, 48-511, 48-513, 48-514, 48-515, 48-516, 48-518, 48-519, 48-524, 48-602, 48-603.01, 48-605, 48-606, 48-606.01, 48-607, 48-608, 48-609, 48-611, 48-612, 48-612.01, 48-613, 48-614, 48-616, 48-617, 48-618, 48-619, 48-621, 48-622.02, 48-622.03, 48-623, 48-626, 48-627, 48-628,

48-628.01, 48-628.02, 48-628.03, 48-628.05, 48-629, 48-629.01, 48-630, 48-632, 48-633, 48-634, 48-635, 48-636, 48-637, 48-638, 48-641, 48-642, 48-643, 48-646, 48-647, 48-648, 48-648.01, 48-649, 48-650, 48-651, 48-652, 48-654, 48-654.01, 48-655, 48-656, 48-657, 48-658, 48-660, 48-660.01, 48-661, 48-662, 48-663.01, 48-665, 48-665.01, 48-667, 48-668, 48-668.01, 48-668.02, 48-668.03, 48-720, 48-721, 48-722, 48-723, 48-724, 48-726, 48-727, 48-728, 48-729, 48-730, 48-731, 48-733, 48-735.01, 48-737, 48-738, 48-743, 48-1202, 48-1203.01, 48-1205, 48-1206, 48-1618, 48-1619, 48-1625, 48-1626, 48-1627, 48-1702, 48-1705, 48-1706, 48-1710, 48-1802, 48-1803, 48-1804, 48-1805, 48-1806, 48-1807, 48-1808, 48-1809, 48-1811, 48-1812, 48-1813, 48-1814, 48-1817, 48-1819, 48-2103, 48-2106, 48-2107, 48-2108, 48-2110, 48-2111, 48-2112, 48-2113, 48-2114, 48-2117, 48-2208, 48-2210, 48-2213, 48-2214, 48-2502, 48-2504, 48-2506, 48-2509, 48-2511, 48-2512.01, 48-2514, 48-2516, 48-2518, 48-2520, 48-2521. 48-2522, 48-2525, 48-2526, 48-2527, 48-2528, 48-2529, 48-2530, 48-2702, 48-2902, 48-2907, 48-2908, 48-2910, 49-506, 55-161, 55-161.01, 60-368, 60-488, 68-1711, 68-1732, 74-915, 74-917, 77-373.01, 77-3,116, 77-27,188, 77-27.197, 77-27,198, 77-27,199, 77-27,201, 77-27,202, 77-27,203, 77-27,205, 77-27,206, 77-27,207, 77-27,208, 77-27,209, 77-3902, 77-3903, 77-3904, 77-3905, 77-3906, 77-3907, 77-3908, 77-5403, 77-5521, 77-5707.01, 77-5712, 77-5903, 81-101, 81-102, 81-401, 81-402, 81-403, 81-405, 81-8,220, 81-1202, 81-1204, 81-1204.01, 81-1206, 81-1208, 81-1209, 81-1210, 81-1356, and 85-1539, Reissue Revised Statutes of Nebraska, sections 23-120, 42-917, 43-1723, 43-1726, 77-378, 77-2711, 77-27,119, 81-1201.04, 81-1203, and 85-1008, Revised Statutes Cumulative Supplement, 2010, and sections 37-917, 43-2,108.05, 48-604, 48-622.01, 48-631, 49-617, 81-1205, 84-1301, and 84-1307, Revised Statutes Supplement, 2011; to merge the Department of Labor into the Department of Economic Development: to merge the office and position of Commissioner of Labor into the office and position of Director of Economic Development; to provide powers and duties; to change the membership of boards; to provide for transition of personnel, property, and powers and duties; to eliminate obsolete and terminated provisions; to harmonize provisions; to provide an operative date; to repeal the original sections; to outright repeal sections 81-1201.02, 81-1201.03, 81-12,117, 81-12,118, 81-12,119, 81-12,120, 81-12,121, 81-12,122, 81-12,123, 81-12,124, 90-225, 90-526, 90-532, 90-533, and 90-534, Reissue Revised Statutes of Nebraska, and section 81-1212, Revised Statutes Cumulative Supplement, 2010; and to declare an emergency.

LEGISLATIVE BILL 972. Introduced by Ashford, 20; Hadley, 37; at the request of the Governor.

A BILL FOR AN ACT relating to the juvenile rehabilitation and treatment facilities; to amend sections 43-251.01, 43-403, 43-404, 43-405, 43-407, 43-408, 43-411, 43-417, 83-107.01, 83-171, 83-173, 83-905, and 83-922, Reissue Revised Statutes of Nebraska, section 43-245, Revised Statutes Cumulative Supplement, 2010, and sections 28-934, 43-286, 43-416, and 81-1316, Revised Statutes Supplement, 2011; to transfer the youth

rehabilitation and treatment centers to the Department of Correctional Services; to create the Division of Juvenile Rehabilitation and Treatment within the department; to eliminate obsolete provisions; to harmonize provisions; to provide a duty for the Revisor of Statutes; to provide an operative date; to repeal the original sections; and to outright repeal section 43-299, Reissue Revised Statutes of Nebraska.

LEGISLATIVE BILL 973. Introduced by Coash, 27.

A BILL FOR AN ACT relating to retirement; to amend sections 16-1019, 16-1038, 23-2322, 24-710.02, 48-1401, 79-948, 79-9,104, 81-2032, 84-1324, and 84-1505, Reissue Revised Statutes of Nebraska, and section 14-2111, Revised Statutes Supplement, 2011; to provide for the use of retirement benefits to pay civil damages for utilities district employees and appointees, police officers, firefighters, county employees, judges, participants in deferred compensation plans, school employees, officers of the Nebraska State Patrol, and state employees as prescribed; and to repeal the original sections.

LEGISLATIVE BILL 974. Introduced by Pirsch, 4.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2701.01, Reissue Revised Statutes of Nebraska; to change the income tax rate; and to repeal the original section.

LEGISLATIVE BILL 975. Introduced by Smith, 14; Ashford, 20; Avery, 28; Campbell, 25; Gloor, 35.

A BILL FOR AN ACT relating to public lettings and contracts; to adopt the Fair Bidding Act.

LEGISLATIVE BILL 976. Introduced by Nordquist, 7; Dubas, 34; B. Harr, 8; Howard, 9; Karpisek, 32; McGill, 26; Mello, 5.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2716, Revised Statutes Cumulative Supplement, 2010; to exempt social security benefits from state income taxation; and to repeal the original section.

LEGISLATIVE BILL 977. Introduced by Mello, 5; McGill, 26; Nordquist, 7.

A BILL FOR AN ACT relating to revenue and taxation; to adopt the Property Tax Relief Act.

LEGISLATIVE BILL 978. Introduced by Karpisek, 32.

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend section 53-101, Revised Statutes Supplement, 2011; to prohibit the

sale of alcoholic liquor and beer as prescribed; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 979. Introduced by Lambert, 2.

A BILL FOR AN ACT relating to the Nebraska Pickle Card Lottery Act; to amend section 9-326, Reissue Revised Statutes of Nebraska; to change provisions relating to requirements for licensure; and to repeal the original section.

GENERAL FILE

LEGISLATIVE BILL 343, Considered.

Senator Langemeier offered the following motion: MO68 Indefinitely postpone.

Laid over.

ANNOUNCEMENT

The Chair announced January 15 is Senator Janssen's birthday.

GENERAL FILE

LEGISLATIVE BILL 190. Title read. Considered.

Committee AM376, found on page 652, First Session, 2011, was considered.

Senator Council renewed her amendment, AM680, found on page 1154, First Session, 2011, to the committee amendment.

The Council amendment was adopted with 32 ayes, 0 nays, 12 present and not voting, and 4 excused and not voting.

The committee amendment, as amended, was adopted with 31 ayes, 0 nays, 13 present and not voting, and 4 excused and not voting.

Advanced to Enrollment and Review Initial with 31 ayes, 0 nays, 13 present and not voting, and 4 excused and not voting.

LEGISLATIVE BILL 370. Title read. Considered.

Pending.

AMENDMENT - Print in Journal

Senator Adams filed the following amendment to <u>LB633</u>: AM1690

- 1 1. On page 14, line 13, after "payment" insert "in the
- 2 same manner and under the same authorization for levy of taxes as
- 3 applied for the bonds being refunded".

NOTICE OF COMMITTEE HEARING

Natural Resources

Room 1525

Friday, January 20, 2012 1:30 p.m.

LB760 LB931

(Signed) Chris Langemeier, Chairperson

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 66A. Introduced by Cornett, 45.

A BILL FOR AN ACT relating to appropriations; to appropriate funds to aid in carrying out the provisions of Legislative Bill 66, One Hundred Second Legislature, Second Session, 2012.

LEGISLATIVE BILL 980. Introduced by Ashford, 20.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2715.08, Reissue Revised Statutes of Nebraska; to change provisions relating to an adjustment to income for certain capital gains and extraordinary dividends; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 981. Introduced by Ashford, 20; Hadley, 37.

A BILL FOR AN ACT relating to appropriations; to authorize and appropriate funds for renovation of certain living units at the Youth Rehabilitation and Treatment Center-Kearney as prescribed.

LEGISLATIVE BILL 982. Introduced by B. Harr, 8.

A BILL FOR AN ACT relating to liens; to provide for the removal of improper or fraudulent liens; to provide powers and duties for the Secretary of State; and to provide a duty for the Revisor of Statutes.

LEGISLATIVE BILL 983. Introduced by Cornett, 45.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-5803, Reissue Revised Statutes of Nebraska; to change provisions relating to a research tax credit; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 984. Introduced by Krist, 10.

A BILL FOR AN ACT relating to insurance; to amend section 44-6408, Reissue Revised Statutes of Nebraska; to increase requirements for uninsured and underinsured motor vehicle liability coverage; and to repeal the original section.

LEGISLATIVE BILL 985. Introduced by Krist, 10; Ashford, 20; Campbell, 25; B. Harr, 8; Howard, 9; McGill, 26.

A BILL FOR AN ACT relating to juvenile justice; to provide for a pilot program as prescribed; and to declare an emergency.

LEGISLATIVE BILL 986. Introduced by Dubas, 34; Heidemann, 1; Louden, 49; Schilz, 47.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-2704.36 and 77-2708.01, Reissue Revised Statutes of Nebraska; to exempt repair or replacement parts for commercial agricultural machinery and equipment from sales and use tax; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 987. Introduced by Karpisek, 32.

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend sections 53-101 and 53-110, Revised Statutes Supplement, 2011; to provide for a division of the Nebraska Liquor Control Commission to investigate violations of the act; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 988. Introduced by Howard, 9; Gloor, 35; B. Harr, 8; Krist, 10; Lathrop, 12; Mello, 5; Nordquist, 7.

A BILL FOR AN ACT relating to medical services; to amend sections 47-703, 71-919, 71-922, and 71-926, Reissue Revised Statutes of Nebraska; to provide a rate of payment for certain medical services in emergency protective custody situations; and to repeal the original sections.

LEGISLATIVE BILL 989. Introduced by K. Haar, 21.

A BILL FOR AN ACT relating to 21st Century Community Learning Centers; to amend sections 77-3442 and 79-1028.01, Revised Statutes Supplement, 2011; to change provisions relating to property tax levy limitations and school district budget authority; and to repeal the original sections.

LEGISLATIVE BILL 990. Introduced by Fulton, 29; Bloomfield, 17; Janssen, 15; Krist, 10; Lambert, 2; Louden, 49; Mello, 5; Nelson, 6; Nordquist, 7; Price, 3; Wallman, 30.

A BILL FOR AN ACT relating to schools; to amend section 79-707, Reissue Revised Statutes of Nebraska; to change provisions relating to flags; to provide for recitation of a pledge; and to repeal the original section.

LEGISLATIVE BILL 991. Introduced by Krist, 10.

A BILL FOR AN ACT relating to schools; to provide for a study relating to countywide school districts.

LEGISLATIVE BILL 992. Introduced by Fulton, 29.

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend sections 53-180 and 53-180.05, Revised Statutes Supplement, 2011; to prohibit the presence of minors on certain licensed premises as prescribed; to change and provide for penalties; and to repeal the original sections.

LEGISLATIVE BILL 993. Introduced by Ashford, 20; Avery, 28; Campbell, 25; Dubas, 34; B. Harr, 8; Howard, 9; Lathrop, 12; McGill, 26; Mello, 5; Nordquist, 7; Sullivan, 41.

A BILL FOR AN ACT relating to child abuse and neglect; to amend sections 28-728 and 28-729, Reissue Revised Statutes of Nebraska; to change and eliminate provisions relating to child abuse and neglect investigation teams, child abuse and neglect treatment teams, and child advocacy centers; to define a term; to repeal the original sections; and to outright repeal sections 28-732 and 28-733, Reissue Revised Statutes of Nebraska.

LEGISLATIVE BILL 994. Introduced by Heidemann, 1.

A BILL FOR AN ACT relating to state colleges; to amend section 13-2704, Revised Statutes Supplement, 2011; to create a fund; to provide for fund transfers; and to repeal the original section.

LEGISLATIVE BILL 995. Introduced by Heidemann, 1; Campbell, 25.

A BILL FOR AN ACT relating to medical facilities; to amend sections

23-3501, 23-3502, 23-3504, 23-3505, 23-3508, 23-3510, 23-3511, 23-3523, 23-3524, 23-3525, 23-3553, 71-2057, 71-2059, 71-2061, and 71-20,104, Reissue Revised Statutes of Nebraska, and sections 23-3104 and 84-1410, Revised Statutes Supplement, 2011; to change provisions of the County Purchasing Act and the Open Meetings Act relating to medical facilities and public hospitals; to change and eliminate bond, board of trustee, gifts and devises, tax levy, and cost of care and services provisions relating to medical facilities; to change provisions relating to governmental entities and public hospitals; to eliminate claims and warrant provisions relating to medical facilities; to harmonize provisions; to provide severability; to repeal the original sections; to outright repeal sections 23-3506, 23-3507, and 23-3514, Reissue Revised Statutes of Nebraska; and to declare an emergency.

RESOLUTION

LEGISLATIVE RESOLUTION 374. Introduced by Heidemann, 1.

WHEREAS, the Palmyra Volunteer Fire Department is celebrating its 100th anniversary in 2012; and

WHEREAS, the Palmyra Volunteer Fire Department has a notable history of volunteer service to Palmyra and its surrounding communities; and

WHEREAS, in 1912, the village of Palmyra founded a volunteer fire department which continues to serve and protect the community today; and

WHEREAS, the 13-member department stands ready to assist the community in whatever situation arises.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED SECOND LEGISLATURE OF NEBRASKA, SECOND SESSION:

- 1. That the Legislature congratulates the Palmyra Volunteer Fire Department on its 100th anniversary and expresses its thanks to the members of the Palmyra Volunteer Fire Department for their outstanding work over the last century.
- 2. That a copy of this resolution be sent to the Palmyra Volunteer Fire Department.

Laid over.

SPEAKER FLOOD PRESIDING

RESOLUTIONS

Pursuant to Rule 4, Sec. 5(b), LRs 356, 357, 359, 360, 361, and 363 were adopted.

SPEAKER SIGNED

While the Legislature was in session and capable of transacting business, the Speaker signed the following: LRs 356, 357, 359, 360, 361, and 363.

UNANIMOUS CONSENT - Add Cointroducers

Senator Hadley asked unanimous consent to add his name as cointroducer to LB944. No objections. So ordered.

Senator Bloomfield asked unanimous consent to add his name as cointroducer to LB952 and LB944. No objections. So ordered.

Senator Coash asked unanimous consent to add his name as cointroducer to LB944. No objections. So ordered.

Senator McCoy asked unanimous consent to add his name as cointroducer to LB970. No objections. So ordered.

VISITORS

Visiting the Chamber was Andrea Skolkin from Omaha.

The Doctor of the Day was Dr. Bob Rauner from Lincoln.

ADJOURNMENT

At 11:44 a.m., on a motion by Speaker Flood, the Legislature adjourned until 10:00 a.m., Tuesday, January 17, 2012.

Patrick J. O'Donnell Clerk of the Legislature