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Floor Debate  
February 04, 2011

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SPEAKER FLOOD PRESIDING

SPEAKER FLOOD: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-second day of the One Hundred Second Legislature, First Session. Our chaplain for today is Pastor Lyle K. Schoen, First United Methodist Church in Falls City, Nebraska, Senator Heidemann's district. Please stand.

PASTOR SCHOEN: (Prayer offered.)

SPEAKER FLOOD: Thank you, Pastor. I call to order the twenty-second day of the One Hundred Second Legislature, First Session. Senators, please record your presence. Record please, Mr. Clerk.

CLERK: I have a quorum present, Mr. President.

SPEAKER FLOOD: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections.

SPEAKER FLOOD: Thank you. Are there any messages, reports, or announcements?

CLERK: The report of registered lobbyists to be inserted in the Journal, Mr. President, for this week, and a series of reports that will be on file, from various state agencies, in the Clerk's Office available for member review. That's all that I have. (Legislative Journal pages 443-445.)

SPEAKER FLOOD: Thank you, Mr. Clerk. We'll now proceed to the first item on the agenda. (Doctor of the day introduced.) Mr. Clerk, motion to withdraw LB435. [LB435]

CLERK: Senator Pahls would move to withdraw LB435. [LB435]

SPEAKER FLOOD: Senator Pahls, you're recognized to open on your motion to withdraw. [LB435]

SENATOR PAHLS: Thank you, Mr. Speaker and members of the body. The bill says create an office...a ombudsman division. That is a little bit misleading because when you see the word "division" you think that means lots of people. My intent would be to actually have a, what I thought was a minor effect on the Department of Economic

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Development. When I first came up with the idea of this bill I had hoped we could do it without General Fund impact. Now as all of us know on our different committees, we are taking a look at different departments, and the Banking Committee, part of that is the Department of Economic Development, the LR542 process. I wanted to see if we could enact the business ombudsman's position by using existing staff because we are going to take away some of their duties. I thought this would be a good idea in conjunction with what the direction of the Governor is going on economic development because... [LB435]

SPEAKER FLOOD: (Gavel) [LB435]

SENATOR PAHLS: ...there's been a number of times that I have been at small group meetings and businessmen always say, you know, there's so much red tape. So that was the general idea behind it. Unfortunately, I've been trying to negotiate with the Department of Economic Development and other people that's also involved in this process. I wanted them to ensure me that there would be no major A bill. They cannot do that, which I understand, and I cannot stand up in front of this group if this bill would get out and promote a bill or a position that would affect the General Fund, when two days earlier than that I'm cutting other programs. So that is the primary reason why I am withdrawing this bill. Thank you. [LB435]

SPEAKER FLOOD: Thank you, Senator Pahls. Members, you've heard the opening on Senator Pahls's motion to withdraw LB435. There are no other members wishing to speak. Senator Pahls, you're recognized to close. Senator Pahls waives his opportunity. The question before the body is, shall LB435 be withdrawn? All those in favor vote aye; all those opposed vote nay. Have all those voted who care to? Mr. Clerk, please record. [LB435]

CLERK: 37 ayes, 0 nays, Mr. President, on the motion to withdraw the bill. [LB435]

SPEAKER FLOOD: LB435 is withdrawn. Mr. Clerk, we now proceed to the withdraw motion on LB511. [LB435 LB511]

CLERK: Senator Christensen would move to withdraw LB511. [LB511]

SPEAKER FLOOD: Senator Christensen, you're recognized to open on your motion to withdraw LB511. [LB511]

SENATOR CHRISTENSEN: Thank you, Mr. President. I'm just asking you to vote to remove this because as we have looked into it further and learned some additional information, we think there's a better approach to handle this situation that we'll be working with both sides and coming back next year with a different bill. [LB511]

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SPEAKER FLOOD: Thank you, Senator Christensen. Members, you've heard the opening on Senator Christensen's motion to withdraw LB511. There are no other members wishing to speak. Senator Christensen, you're recognized to close on the same. Senator Christensen waives his opportunity. The question before the body is, shall LB511 be withdrawn? All those in favor vote aye; all those opposed vote nay. Record please, Mr. Clerk. [LB511]

CLERK: 42 ayes, 0 nays, Mr. President, to withdraw LB511. [LB511]

SPEAKER FLOOD: LB511 is withdrawn. Members, please take your seats in preparation for Final Reading. Members, we are on Final Reading, please take your seats. Mr. Clerk, the first bill on Final Reading is LB1. [LB511 LB1]

CLERK: (Read LB1 on Final Reading.) [LB1]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB1 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB1]

CLERK: (Record vote read, Legislative Journal pages 445-446.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB1]

SPEAKER FLOOD: LB1 passes. Mr. Clerk, LB2. [LB1 LB2]

CLERK: (Read LB2 on Final Reading.) [LB2]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB2 pass? All those in favor vote aye; all those opposed vote nay. Record please, Mr. Clerk. [LB2]

CLERK: (Record vote read, Legislative Journal pages 446-447.) 48 ayes, 0 nays, 1 excused and not voting. [LB2]

SPEAKER FLOOD: LB2 passes. Mr. Clerk, LB3. [LB2 LB3]

CLERK: (Read LB3 on Final Reading.) [LB3]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB3 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB3]

CLERK: (Record vote read, Legislative Journal page 447.) 47 ayes, 0 nays, 1 present and not voting, 1 excused and not voting. [LB3]

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SPEAKER FLOOD: LB3 passes. This morning we want to wish Senator Wallman a happy birthday. He turns 29. (Laughter) His staff is surprising him with donuts this morning. Happy birthday, Senator. We'll correct the record later. Mr. Clerk, we now proceed to LB4. [LB3 LB4]

CLERK: (Read LB4 on Final Reading.) [LB4]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB4 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB4]

CLERK: (Record vote read, Legislative Journal page 448.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB4]

SPEAKER FLOOD: LB4 passes. Mr. Clerk, we now proceed to LB5. [LB4 LB5]

CLERK: (Read LB5 on Final Reading.) [LB5]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB5 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB5]

CLERK: (Record vote read, Legislative Journal pages 448-449.) 48 ayes, 0 nays, 1 excused and not voting. [LB5]

SPEAKER FLOOD: LB5 passes. Mr. Clerk, LB6. [LB5 LB6]

CLERK: (Read LB6 on Final Reading.) [LB6]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB6 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB6]

CLERK: (Record vote read, Legislative Journal page 449.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB6]

SPEAKER FLOOD: LB6 passes. Mr. Clerk, LB7. [LB6 LB7]

CLERK: (Read LB7 on Final Reading.) [LB7]

SPEAKER FLOOD: All provision of law relative to procedure having been complied with, the question is, shall LB7 pass? All those in favor vote aye; all those opposed vote

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nay. Mr. Clerk, please record. [LB7]

CLERK: (Record vote read, Legislative Journal page 450.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB7]

SPEAKER FLOOD: LB7 passes. Mr. Clerk, LB8. [LB7 LB8]

CLERK: (Read LB8 on Final Reading.) [LB8]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB8 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB8]

CLERK: (Record vote read, Legislative Journal pages 450-451.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB8]

SPEAKER FLOOD: LB8 passes. Mr. Clerk, LB9. [LB8 LB9]

CLERK: (Read LB9 on Final Reading.) [LB9]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB9 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB9]

CLERK: (Record vote read, Legislative Journal page 451.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB9]

SPEAKER FLOOD: LB9 passes. Mr. Clerk, LB10. [LB9 LB10]

CLERK: (Read LB10 on Final Reading.) [LB10]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB10 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB10]

CLERK: (Record vote read, Legislative Journal page 452.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB10]

SPEAKER FLOOD: LB10 passes. Mr. Clerk, LB11. [LB10 LB11]

CLERK: (Read LB11 on Final Reading.) [LB11]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied

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with, the question is, shall LB11 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB11]

CLERK: (Record vote read, Legislative Journal pages 452-453.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB11]

SPEAKER FLOOD: LB11 passes. Mr. Clerk, we now proceed to LB18E. The first vote will be to dispense with the at-large reading. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB11 LB18]

CLERK: 46 ayes, 0 nays, Mr. President, to dispense with the at-large reading. [LB18]

SPEAKER FLOOD: The at-large reading is dispensed with. Please read the title. [LB18]

CLERK: (Read title of LB18.) [LB18]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB18 pass with the emergency clause attached? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB18]

CLERK: (Record vote read, Legislative Journal pages 453-454.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB18]

SPEAKER FLOOD: LB18 passes with the emergency clause attached. Mr. Clerk, LB67. [LB18 LB67]

CLERK: (Read LB67 on Final Reading.) [LB67]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB67 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB67]

CLERK: (Record vote read, Legislative Journal pages 454-455.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President. [LB67]

SPEAKER FLOOD: LB67 passes. Mr. Clerk, LB158. [LB67 LB158]

CLERK: (Read LB158 on Final Reading.) [LB158]

SPEAKER FLOOD: All provisions of law relative to procedure having been complied with, the question is, shall LB158 pass? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB158]

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CLERK: (Record vote read, Legislative Journal page 455.) 49 ayes, 0 nays, Mr. President, on final passage of LB158. [LB158]

SPEAKER FLOOD: LB158 passes. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB1, LB2, LB3, LB4, LB5, LB6, LB7, LB8, LB9, LB10, LB11, LB18, LB67, LB158. We now proceed to General File. Mr. Clerk, the first item on the agenda is LB46. Prior to proceeding to General File, Mr. Clerk, do you have notes for the record? [LB158 LB1 LB2 LB3 LB4 LB5 LB6 LB7 LB8 LB9 LB10 LB11 LB18 LB67 LB46]

CLERK: I do, Mr. President. Senator Hadley would offer LR67. That will be laid over. Natural Resources, chaired by Senator Langemeier, reports LB243 to General File. And Government Committee, chaired by Senator Avery, reports LB62 to General File with amendments. Revenue Committee will meet at 10:00 in Room 2022; Education will meet at 11:00 in Room 2022. That's all that I have, Mr. President. (Legislative Journal page 456.) [LR67 LB243 LB62]

SPEAKER FLOOD: Thank you, Mr. Clerk. We now proceed to General File, LB46. [LB46]

CLERK: LB46, a bill by Senator Fulton relates to the Barber Act. (Read title.) Introduced on January 6, referred to the Health and Human Services Committee. The bill was advanced to General File. I have no amendments to the bill, Mr. President. [LB46]

SPEAKER FLOOD: Thank you, Mr. Clerk. Senator Fulton, you're recognized to open on LB46. [LB46]

SENATOR FULTON: Thank you, Mr. President, members of the body, good morning. I'm pleased to introduce LB46 on behalf of the Board of Barber Examiners. In the previous Legislature, this body advanced LB132, which made some regulatory clarifications to the Barber Act on behalf of the Board of Barber Examiners. Today it's LB46, and I've brought the bill because further clarification appears necessary with regard to the use of barber poles to ensure that only those licensed by the board actually utilize this symbol to market to potential customers. Such legislation is necessary because the board is charged with the responsibility of protecting public health and the barber pole symbol has some correlation in the public mind to reputable barber shops. LB46 is therefore a cleanup bill that, according to the Attorney General's Office, should alleviate any lingering issues arising from users of this symbol that are not licensed by the board. I will explain how this bill has been brought to you in a less scripted form. The Board of Barber Examiners, their executive director is a constituent, and he brought this bill to me, and my first reaction was probably that reaction which many of you have when you first read it. But I've learned that indeed there was a case where an individual was utilizing a barber pole, the executive director approached this

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individual, and after talking with the Attorney General, there is no definition for barber pole. And so to be crystal clear and to disallow any potentiality of misunderstanding, the Attorney General and the Board of Barber Examiners came up with this language. And so I have dutifully brought it to you, my legislative colleagues, and I ask that you move the bill forward. Thank you, Mr. President. [LB46]

SPEAKER FLOOD: Thank you, Senator Fulton. There are no committee amendments. We now turn to General File discussion on LB46. We begin with Senator Ken Haar. [LB46]

SENATOR HAAR: Mr. President and members of the body. I have a question for Senator Fulton. [LB46]

SPEAKER FLOOD: Senator Fulton, will you yield to a question from Senator Ken Haar? [LB46]

SENATOR FULTON: Yes. [LB46]

SENATOR HAAR: Okay. I had a question from a constituent and I haven't had a chance to talk to you about this, but he says on page 3, lines 21 through 23 says, no barber college can operate a barber shop, but would that still allow barber colleges to have barber poles? [LB46]

SENATOR FULTON: Can you repeat where you're at? [LB46]

SENATOR HAAR: Okay. Page 3, lines 21 through 23. It says no barber college can operate a barbershop. [LB46]

SENATOR FULTON: No barber...I'm not following where you're reading this. [LB46]

SENATOR HAAR: Okay. He may have given me...let's see. [LB46]

SENATOR FULTON: Okay. Line 17, no school or college of barbering... [LB46]

SENATOR HAAR: There we go. Yeah. [LB46]

SENATOR FULTON: ...shall be approved by the...now this is existing law, so that we're clear. I'm not making any changes here. "No school or college of barbering shall be approved by the Board of Barber Examiners which shall pay any wages, commissions, or gratuities of any kind to barber students for barber work while in training or while enrolled as students in such school or college." And I don't see anything about barber poles in that particular section of statute. [LB46]

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SENATOR HAAR: Okay. Very good. I'm going to use the rest of my time to talk about something which is really important to all of us and that's our shortfall in revenue this year. And I've been...had something passed out which I wish you would take a moment to look at. And this is a page out of the tax forms that we all will be filling out this year, line 37, the use tax on Internet and out-of-state purchases. The reason I'm bringing this up is, this got me interested as I was filling out my tax forms and law requires...Nebraska law requires that anything you buy off the Internet or out of state, if you don't pay sales tax on that purchase, then you're required to file it on this form. And the reason it becomes significant, folks...and I'm reading from an NCSL, National Conference of State Legislators study that was done in 2009, and they estimate that in 2009, \$118 million, \$118 million was not paid in use tax that should have been paid. So if you go out to Amazon, for example, or whatever, and it looks cheaper and they have a discount rate, two things. If they don't charge tax and some on-line people do charge taxes, but then that's going to show up on your bill. They will pay Nebraska taxes. In fact, Nebraska gets about \$1 million a month from companies, on-line companies that actually send their income tax on...the sales tax to Nebraska. But, Senator Pahls, I think you'll be particularly interested in this. There's another \$118 million from such companies as Amazon or Netflix or whatever, where they don't charge sales tax and that sales tax is owed to the state of Nebraska. Nebraskans do follow the law. Last year only 200 people filed use tax forms. Only 200 people out of 1.8 million people filed use taxes. So I would just encourage all of us, especially in this body, when we fill out our forms and also talking to anybody at home, if you made Internet sales...if you bought things off the Internet and you didn't pay sales tax, you are required by Nebraska law to report and pay that sales tax on line 37, on the form of taxes for this year. [LB46]

SENATOR SULLIVAN PRESIDING

SENATOR SULLIVAN: One minute, Senator. [LB46]

SENATOR HAAR: Thank you. If you haven't filed...if you've already filed your form, I called the Revenue Office. There's a form 1040XN where you can amend your form and send that in. And I know a lot of people smile about this because nobody is going to track down the purchases you made from Amazon. But in a year like this when we were so short of funds, \$118 million would make a great deal. It could make the difference between really underfunding public schools and giving them the funding they need. There are all kinds of things that we could use that money for. So please take this seriously. I would ask the news media also to point out to citizens that this tax is owed, and not just to smile when they get to that line on their income tax form. Again, only 200 people... [LB46]

SENATOR SULLIVAN: Time, Senator. [LB46]

SENATOR HAAR: Thank you. [LB46]

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SENATOR SULLIVAN: The Chair recognizes Senator Wallman. [LB46]

SENATOR WALLMAN: Thank you, Madam President. Would Senator Fulton yield to a question? [LB46]

SENATOR SULLIVAN: Senator Fulton, would you yield for a question? [LB46]

SENATOR FULTON: That depends, Madam President. [LB46]

SENATOR WALLMAN: Thank you, Senator Fulton. (Laughter) Now is this going to please the barbers, are the barbers now...you work with the barbers, this is okay in their language? [LB46]

SENATOR FULTON: Indeed. This actually was brought to me by the barbers after having consulted with the Attorney General. [LB46]

SENATOR WALLMAN: I hope my barber is happy. Thank you, Senator, for bringing this bill. Thank you, Madam President. [LB46]

SENATOR SULLIVAN: Excuse me, I did not hear that apology. What's going on out there? (Laugh) Okay, thank you. Thank you, Senator Wallman. Senator Pahls, you're recognized. [LB46]

SENATOR PAHLS: Good morning, Madam Chairman, members of the body. You know, yesterday I talked about bringing me back to my past. Well, this really does truly bring me back to my past. I'm not asking you to look at my shoes now, but many years ago I happened to be a shoe shine boy. I worked...and I actually made pretty darn good money on a Friday and a Saturday for a fourth and fifth grader in a small community. And it was a very enjoyable experience. And I'm telling you right now, it was one of my responsibilities was to make sure the light in the barbershop pole was turned on, because in a small town that was a significant symbol that we had a business going on in that town. And I sort of smiled when Senator Fulton brought this forth because, like I say, it did bring back the good old days when I actually made, probably, if I recount, maybe about as much money as I'm making now in this position. Thank you. [LB46]

SENATOR SULLIVAN: Thank you, Senator Pahls. The Chair recognizes Senator Hansen. [LB46]

SENATOR HANSEN: Thank you, Madam President and members of the Legislature. I was wondering if Senator Fulton would yield to a question. [LB46]

SENATOR SULLIVAN: Senator Fulton, will you yield? [LB46]

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SENATOR FULTON: Yes, Madam President. [LB46]

SENATOR HANSEN: That's a mighty fine haircut you've got there, son. It looks like you've been talking to the barbers too. Is there anything about a barber pole that needs to rotate? When I was younger, it seemed like they always rotated, the red, white, and blue. [LB46]

SENATOR FULTON: In the present definition, no, there is not, Senator. [LB46]

SENATOR HANSEN: If a person opens a barbershop or a clip joint or whatever they want to call it, and they're not licensed by the Department of Health and Human Services, are they allowed to put a barber pole outside their store, outside their shop? [LB46]

SENATOR FULTON: Good question, Senator. Actually, they're not supposed to. It's Section 71-201 of the statutes. "No person, partnership, limited liability company, or corporation shall display a barber pole or use a barber pole or the image of a barber pole in its advertising unless such person or entity is licensed," etcetera, etcetera. So I...the way that I look at this, this is a service mark. It was identified in the statute and in order to be crystal clear, it was determined that a definition of said barber pole needs to exist in the statute. So that's what this bill is about. [LB46]

SENATOR HANSEN: In this day and age, we have a lot of female beauticians that are cutting men's hair and I don't know...I'm not putting you in that class, but do they qualify? Could they hang a...put a barber pole outside their beauty shop? [LB46]

SENATOR FULTON: If they're licensed by the Board of Barber Examiners, if indeed they're classified as barbers, I believe they could. [LB46]

SENATOR HANSEN: If a person who wanted to be a barber, would it be okay if they would change the pole to maybe green, red, and white, and indicate that they're a nonlicensed barber, they want to be a barber, a barber wannabe? [LB46]

SENATOR FULTON: I suppose that would be possible. Moving this bill forward, since we would define it in a particular way with particular colors, I don't see that that would be a problem, but I am hopeful that we will not have to bring a bill in ensuing years to address such a situation, Senator. [LB46]

SENATOR HANSEN: Thank you, Senator Fulton. Thank you, Madam President. [LB46]

SENATOR SULLIVAN: Thank you, Senators Hansen and Fulton. The Chair now recognizes Senator Council. [LB46]

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SENATOR COUNCIL: Thank you, Madam President. Would Senator Fulton yield to a question? [LB46]

SENATOR SULLIVAN: Senator Fulton, will you yield for a question? [LB46]

SENATOR FULTON: I will yield, yes. [LB46]

SENATOR COUNCIL: Yes, thank you, Senator Fulton. And I appreciate your direction of our attention to the current state of the law. But the question I have is, how do we reconcile the situation, for example, if there's a national chain restaurant known as the barber pole, and they have a federal trademark registration of barber pole? Does the bill prohibit that business from operating in Nebraska utilizing a federally trademarked name? [LB46]

SENATOR FULTON: Well, the bill, I don't believe, would necessarily address that. The bill is just for clarification of definition. But I believe our statute, that one that I referenced earlier, Chapter 71-201, I believe it would disallow such a practice. However, if it's registered as a trademark, that would become a matter of trademark law, so I am afraid I do not know the answer to that question, Senator. [LB46]

SENATOR COUNCIL: Okay. And that was...and while you're correct, the current state of the law is what prohibits the use of the barber pole, but I'm just talking about in...your bill defines barber pole and the definition of barber pole does not exclude from its definition trademark registered items that appear to be barber poles. [LB46]

SENATOR FULTON: That is correct. At this point, this bill simply provides a definition. It would be other areas of the statute where we would need to direct our attention to address the question that you bring up, particularly. [LB46]

SENATOR COUNCIL: Well, I want to thank Senator Fulton for introducing this measure and for the Speaker scheduling it for hearing so that we could hear the bill today, because the body is in great need of some levity. Thank you. [LB46]

SENATOR SULLIVAN: Thank you, Senators Council and Fulton. Senator Ken Haar, you're recognized. [LB46]

SENATOR HAAR: Madam President and members of the body, a few people have asked me questions about the use tax and I would like to ask Senator Cornett a question or two, if I could. [LB46]

SENATOR SULLIVAN: Senator Cornett, will you yield for a question? [LB46]

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SENATOR CORNETT: Yes. [LB46]

SENATOR HAAR: Okay. First of all, the sales tax that I don't pay when I order something from Amazon, is that...do we get that tax from the Streamlined Sales Tax Agreement? [LB46]

SENATOR CORNETT: It all depends on whether the state that the company that you've purchased something from is a member state of the streamlined compact. There are 20-some states that are members of that compact and if you purchase it from one of those states, then they collect the sales tax and remit it to the state of Nebraska. [LB46]

SENATOR HAAR: Thank you. But most states, and I know for example, we get Netflix, and that's about \$8 a month, \$96 a year. So when I file this, that's \$4.60 that I owe in sales tax to the state of Nebraska because Amazon doesn't reside...or I'm sorry, Netflix doesn't reside in a state that remits the sales tax. And, Senator Cornett, how come this is all of a sudden showing up on our tax forms? [LB46]

SENATOR CORNETT: Senator Haar, before I even became Chair of Revenue, it came to my attention that most people in the state of Nebraska were not aware that if they purchased something on-line from a state that wasn't a member of the compact and they did not pay sales tax on that item, that they still owed sales tax or sales and use tax. So, with the negotiation with the Department of Revenue and the Governor's Office, we got a line placed on the state income tax return form regarding Internet sales purchases for goods that were not taxed, asking people to declare their purchases, and remit their sales tax under the sales and use tax. [LB46]

SENATOR HAAR: Thank you very much. And a second point, I think, when we order stuff off the Internet and we get a good deal because we don't have to pay sales tax is to...we're not doing the business locally. So the second argument is, you know, add in the sales tax to your on-line and then it's probably going to be cheaper to buy local, which also supports our local business people. So once again, I'm, you know, no knight in shining armor on this, but I'm going...we're working on our taxes right now and we're looking at our Internet purchases and we will put down amounts on these lines. It's not going to be a lot of money but, when you add this up for 1.8 million Nebraskans, it's a lot of money, as much as \$118 million in additional sales taxes that we should see appear that has not been reported in the past. So thank you very much. [LB46]

SENATOR SULLIVAN: Thank you, Senators Haar and Cornett. The Chair now recognizes Senator Wightman. [LB46]

SENATOR WIGHTMAN: Thank you, Madam President. If Senator Fulton would yield to a couple of questions. [LB46]

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SENATOR SULLIVAN: Senator Fulton, would you yield for a question? [LB46]

SENATOR FULTON: Yes, Madam Chair, Madam President. [LB46]

SENATOR WIGHTMAN: Senator Fulton, with regard to the provisions that you make and some of these aren't in the LB46, but perhaps you know the answer to it. It's not mandatory, is it, that a barber display the barber pole? Is it permissive or mandatory? [LB46]

SENATOR FULTON: That's a good question, Senator. I'm not positive about this, but my understanding is that it would be permissive. [LB46]

SENATOR WIGHTMAN: And then...but it's somewhat mandatory that a person who is not a barber and doesn't meet the licensing requirements not use it, is that correct? [LB46]

SENATOR FULTON: That's correct. This is 71-201 and what I read is, precludes or prohibits one...saying who can't utilize the barber pole as opposed to mandating who should. [LB46]

SENATOR WIGHTMAN: Now are there civil or criminal penalties for improper use of the pole or do you know the answer to that? [LB46]

SENATOR FULTON: I believe it would be...I'm not positive, but I believe it is a Class III misdemeanor. My understanding is that it's a...it would be a fine. The worst-case scenario would be a fine, but if it's a Class III misdemeanor, I guess there could be a worst-case scenario that would involve jail time, but I don't believe that's ever been the case. And my understanding is that this was a particular case which necessitated the look at the existing law and what brought LB46 forward. So my understanding is it would be a fine in worst-case scenario, but that that has not occurred. [LB46]

SENATOR WIGHTMAN: So, Senator Fulton, if I wanted to display a pole similar to this in nature on Christmas and we wanted to make it red and green, I think Senator Hansen referred to that, I probably wouldn't be in violation because it doesn't comply with the requirements of a barber pole. Would you say that's correct? [LB46]

SENATOR FULTON: I believe that would be correct, and further if...look at the law, it says, no person, partnership, LLC or corporation shall display a barber pole or use a barber pole or the image of a barber pole in its advertising unless such person or entity...so I suppose if you were doing this for Christmas, one could make the argument that you were not advertising yourself or putting yourself forward as a barber. And if...I suppose this is what lawyers do all day so maybe you could look into that a little more. But I don't believe you would be precluded from doing anything resembling a barber

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pole on Christmas, if indeed you were not presenting yourself as one who barbers in the state of Nebraska. [LB46]

SENATOR WIGHTMAN: Thank you, Senator Fulton, for providing the answers to some of these momentous questions that we will have before voting on this. Thank you, Madam President. [LB46]

SENATOR SULLIVAN: Thank you, Senator Wightman and Senator Fulton. Senator Flood, for a Speaker's announcement. [LB46]

SPEAKER FLOOD: Thank you very much, Madam President. Good morning, members. Real quickly, I want to talk about where we're going. Obviously, we're in session until about noon today. On Monday we're going to take up Senator Campbell's resolution as it relates to child welfare and the privatization issues. That will be up Monday promptly at 10:00. On Tuesday I do expect to start General File discussion on LB383 from Senator Cornett as it relates to city-county NRD aid. That will start on Tuesday. That is a committee priority bill. And you will notice by scheduling that we are departing from General File order as is our practice and has been my practice as your Speaker. So that's where we're going. I appreciate the work we've done this week. We are in until noon today and have a good weekend. Thank you.

SENATOR SULLIVAN: Thank you, Speaker Flood. The Chair now recognizes Senator Mello. [LB46]

SENATOR MELLO: Thank you, Madam President and members of the Legislature. Would Senator Fulton yield to a question? [LB46]

SENATOR SULLIVAN: Senator Fulton, will you yield for a question? [LB46]

SENATOR FULTON: I will yield for a question. [LB46]

SENATOR MELLO: Senator Fulton, in examining LB46, was there any conversations at all between yourself or your office and the Board of Barber Examiners about a potential merger of the Board of Barbers and the Board of Cosmetology? [LB46]

SENATOR FULTON: That was not talked about, Senator. [LB46]

SENATOR MELLO: Is that something that you think with LB46 we could explore as we move forward maybe on a Select File amendment? [LB46]

SENATOR FULTON: Well, I would not necessarily be opposed to exploring that, but I don't believe LB46 could be the vehicle by which we could explore it as the subject matter of the bill that was advertised to the public did not involve mergers of

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government. And something like that, perhaps, would be referenced to the Government Committee in lieu of the Health and Human Services Committee. So while I would entertain that idea, I don't believe LB46 would be the mechanism by which we could accomplish it. [LB46]

SENATOR MELLO: So that is something that you would entertain as an idea, so to speak, in regards to trying to streamline more of the Board of Barber Examiners as well as the Board of Cosmetology in the future? [LB46]

SENATOR FULTON: Always willing to streamline government, yes, Senator. [LB46]

SENATOR MELLO: All right. Thank you, Senator Fulton. Thank you, Madam President. [LB46]

SENATOR SULLIVAN: Thank you, Senators Mello and Fulton. Seeing no other senators wishing to speak, Senator Fulton, you are recognized to close on the advancement of LB46. Senator Fulton waives closing. The question is the advancement of LB46 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to vote? Record, Mr. Clerk. [LB46]

CLERK: 33 ayes, 1 nay, Madam President, on the advancement of LB46. [LB46]

SENATOR SULLIVAN: The bill advances. Mr. Clerk, we will proceed to General File, LB68. [LB46 LB68]

CLERK: LB68, Madam President, a bill by Senator Fulton. (Read title.) Introduced on January 6 of this year, at that time referred to the Health and Human Services Committee. The bill was advanced to General File. I have no amendments at this time, Madam President. [LB68]

SENATOR SULLIVAN: Senator Fulton, you are recognized to open on LB68. [LB68]

SENATOR FULTON: Thank you, Madam President and members of the body. Appreciate the exchange we had on the previous bill. This one a little bit more substantial, perhaps. We'll learn that there's not the controversy ascribed to this bill that maybe similar bills in the past may have had. So this is LB68 and this is with regard to Nebraska certified nurse midwives. Certified nurse midwives in Nebraska are advanced practice registered nurses with specialized education and training in midwifery. Certified nurse midwives provide all manner of care for women and newborns, including, and this is from the statute, including normal, obstetrical and gynecological services, prenatal and postpartum care and childbirth. The Nebraska Certified Nurse Midwifery Act requires that the specific care each certified nurse midwife provides must be in accord with the practice agreement signed with their respective supervisory physician. This act

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further stipulates that certified nurse midwives may only perform these specified duties in the physician's office or in a certified healthcare facility where the certified nurse midwife has been granted privilege to practice. Thus, when certified nurse midwives are denied hospital privileges, they are rendered incapable of providing their specialized care for Nebraska families. LB68 is merely intended to prevent healthcare facilities from denying privileges to certified nurse midwives when the basis for denial is the certified nurse midwife credential. We do this by adding certified nurse midwives to the list of credential holders that may not be denied hospital privileges based on their credential. This list has been previously amended to include podiatrists and licensed psychologists. LB68, it's important to note, neither prohibits hospitals from denying privileges for any individual applicant, nor requires hospitals to grant privileges to any particular certified nurse midwife or any other type of credential holder for that matter. Hospitals remain in control for setting standards for credentialing. LB68 simply prevents categorical denial of hospital privileges toward certain groups of credential holders. And it appears timely, to me anyway, to ensure that certified nurse midwives are added as one such group given their growing importance toward maternal health in our state. This is an interesting issue, one that I have become involved with here in recent years. And there are a number of bills that have been brought in the past. This particular bill, however, I just ask you to pay close attention. This is not...this simply says that the hospital cannot deny privilege solely...I have to use that word, because of the certified nurse midwife...I hear the collective groan from the body. Hopefully, this will not become that, but this...they cannot deny privileges solely because of their credential. It does not require the granting of privilege. It also maintains that the practice agreement signed with the respective supervisory physician, that remains the same. So I don't believe this is...this bill is one of controversy, and if you look at the committee statement, you'll see as much. So I ask that we can move this bill forward, and thank you, Madam President. [LB68]

SENATOR SULLIVAN: Thank you, Senator Fulton. The Chair now recognizes Senator Gloor. [LB68]

SENATOR GLOOR: Good morning, Madam President and members of the body. I rise in support of LB68 for those who have been paying attention to Senator Fulton on this issue. I serve on the committee that heard this bill, voted to advance this bill, and as I said, am in support of this bill. I would again echo Senator Fulton that folks not read overly into what's being accomplished here. The reality is, I think, making a statement that along with physicians, doctors of osteopathy, dentists, podiatrists, other people who have already been included in statute, it makes sense to codify the fact that midwives can also be part of a team providing care to patients in a hospital, and at the same time it puts no requirement or onus on hospitals to do anything more other than say, thank you for your application, we will consider it along with other applications we happen to have this month, as opposed to dismissing it out of hand. I am in support and, as the body knows, have some experience in looking at credentials and privileging individuals.

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I think this is a good bill. I think it is a reasonable bill and I have, as I said again, I am in support, will continue to be in support. Thank you, Mr. President, Madam President. [LB68]

SENATOR SULLIVAN: Thank you, Senator Gloor. The Chair now recognizes Senator Harms. [LB68]

SENATOR HARMS: Thank you, Madam President, colleagues. Senator, would you please...would you yield just for a second, please. [LB68]

SENATOR SULLIVAN: Senator Fulton, would you yield for a question? [LB68]

SENATOR FULTON: Yes, I will. [LB68]

SENATOR HARMS: Senator Fulton, I just have a couple of questions that I'd like to ask. I noticed on the committee statement that the Nebraska Medical Association were neutral. What does that mean? What did they actually testify on? [LB68]

SENATOR FULTON: Yeah, that was...let's see if I can recall. There are...well, I don't know. I'm in a sense, I'm speaking for them here. I'd rather have...perhaps, you could ask Senator Campbell this question also so you can get other perspectives. But as I recall, there was just some caution put forward. There are other bills that have been introduced. Other bills that have been introduced in the past that I believe the association would...they opposed, and I believe they have some problems with other bills. And so I think they were striking a cautionary note in testifying neutral. That's how I took it. Again, I'm not trying to speak for them, but that is what I took from the testimony. [LB68]

SENATOR HARMS: Okay. When we talk about hospital privileges, what does that all include? I mean, what kind of privileges do they actually have and what lines of authority do they have? How does that actually work in regard to hospital...since we're giving them the privileges, I'd like a little more clarification on what that is. [LB68]

SENATOR FULTON: Well, to be clear, Senator, we're not...we're not, in this bill, requiring a hospital to grant privileges, and yeah, we're saying it would be the negative of that. We are saying that one can't disallow privileges simply because one is a certified nurse midwife. [LB68]

SENATOR HARMS: So they can't deny it, so then can they give it? [LB68]

SENATOR FULTON: They can and they can today. As it exists today, a hospital can grant this privilege. We are saying that one can't deny a privilege solely because one is a certified nurse midwife. [LB68]

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SENATOR HARMS: Okay. [LB68]

SENATOR FULTON: Now I would like to add, the hospital could deny privileges for any other reason, but under this bill we're just saying that they shall not deny clinical privileges to certified nurse midwives solely by reason of the credential held by that practitioner. [LB68]

SENATOR HARMS: Okay. I have one other question, Senator. Could you tell me how many midwives, certified midwives, nurse midwives do we have? [LB68]

SENATOR FULTON: I cannot tell you the answer to that question because I do not know and I'll find out for you, though. [LB68]

SENATOR HARMS: Okay. Well, would you repeat one more time, just for me, because I'm a slow learner here, what are their credentials? [LB68]

SENATOR FULTON: What are the credentials? This is...yeah, I don't know that I can be too technical about it, but in Nebraska one...a certified nurse midwife in order to perform her trade or his trade, would have to operate under a practice agreement that is signed with a supervisory physician. And so that, which can be accomplished in a midwife's trade is subject to this practice agreement. [LB68]

SENATOR HARMS: Okay, Senator. What are their educational requirements here? That's what I'm trying to get to. [LB68]

SENATOR FULTON: Yeah, that I would need to get answers to that. I can't answer that right now, Senator. [LB68]

SENATOR HARMS: Okay, I'm sorry. Well, thank you. I didn't mean to put you in that kind of a position but I just have curious thoughts. I wonder if Senator Gloor would yield just a second. [LB68]

SENATOR SULLIVAN: Senator Gloor, would you yield? [LB68]

SENATOR GLOOR: Of course. [LB68]

SENATOR HARMS: Senator Gloor, you probably could help me a little bit. When we give...we're not going to deny them the privileges but we're going...the hospitals are going to give this midwife, certified midwife, privileges. I don't...what are privileges? [LB68]

SENATOR SULLIVAN: One minute. [LB68]

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SENATOR HARMS: Thank you very much, Madam President. What are they? I guess, I would just like to know. [LB68]

SENATOR GLOOR: Certainly. And I do understand the...a bit of confusion about it, but I would say first of all, there are credentials. Credentials would be resumes, educational background, those might be the credentials, your license. You would present your credentials to an organization, a hospital, specifically in this case and they would grant you privileges. And within those privileges they will say, you appear to be an internal medicine physician and as an internal medicine physician you can do these things and order these tests and provide care to these types of patients. It would clearly spell out what you could do. That way you would not gravitate to surgery and do brain surgery, as an example, because those aren't privileges that you would have been granted. So the privilege is defined within the organization what you're capable of doing. As Senator Fulton says, this does not require hospitals to grant privileges... [LB68]

SENATOR SULLIVAN: Time, Senators. [LB68]

SENATOR GLOOR: Thank you. [LB68]

SENATOR HARMS: Thank you. [LB68]

SENATOR SULLIVAN: Those senators wishing to speak: Senators Ken Haar, Howard, Harms, and Fulton. Senator Haar, you're recognized. [LB68]

SENATOR HAAR: Madam Chair, members of the body, Senator Gloor, I would like to ask you to finish answering your question, if you would, and then I have a few comments. [LB68]

SENATOR SULLIVAN: Senator Gloor, would you wish to continue? [LB68]

SENATOR GLOOR: Certainly. How it might transpire now with a nurse midwife who would now make a request for privileges, she would present her credentials and the institution would decide, with the help of a committee made up of healthcare providers, what this midwife could do and how she could do it. And it may well be that they would decide this midwife can, in fact, deliver, but will need to do so with the assistance of a physician who is already privileged to deliver children in that facility. Any number of variations on that theme that it could decide. Once again, the issue here isn't to dictate the privileging. The issue here is that they cannot, out of course, say sorry, don't hand us your credentials, we're not considering granting privileges to you because you're a midwife. In this case, they would at least need to accept those credentials and make decisions accordingly. [LB68]

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SENATOR HAAR: Thank you very much for clarifying that. I rise in support of LB68 and my support is pretty simple. We're talking here about certified midwives, and so they are certified by national organization and so on, have the training, and some women choose certified midwives for their prenatal care and for their birthing. And I think this is...it's worked well for centuries and centuries, time out of mind, and it's working well in many states around this country and all around the world that women are choosing certified midwives and they have very...they're very pleased with the outcomes. It's a choice that I believe women should have. So I rise in strong support of this bill, Senator Fulton. Thank you. [LB68]

SENATOR SULLIVAN: Thank you, Senator Haar. The Chair recognizes the Clerk for an announcement. [LB68]

ASSISTANT CLERK: Madam President, the Agriculture Committee will hold an Executive Session under the south balcony at 10:30. [LB68]

SENATOR SULLIVAN: Thank you. Senator Howard, you're recognized. [LB68]

SENATOR HOWARD: Thank you, Madam Chairwoman. I think it would be helpful if we kind of reflect on this bill a little bit. I have seen this bill come in for the past few years in different forms and different variations. And if Senator Fulton would yield to a question. [LB68]

SENATOR SULLIVAN: Senator Fulton, will you yield for a question? [LB68]

SENATOR FULTON: Yes. [LB68]

SENATOR HOWARD: Thank you, Senator. Could you...would you mind giving us a little background on how this bill has reached this point? Kind of how it's evolved, because as I've said, I've seen this bill come in, in a number of different forms with different requests, but basically the same intent. And I think it would be helpful to the body if they had a little bit more information on where this has come from. [LB68]

SENATOR FULTON: Yes, this...there have been a number of bills contemplated by the Health and Human Services Committee in years past. This particular bill is one that I have introduced. This is the second time, I believe, I introduced it. As I recall, the committee last year...I don't recall. I think the committee last year okayed or moved this bill forward. However, we did not have ample time to bring it to the floor. This particular bill is, it's pretty straightforward. It disallow...one, a hospital cannot disallow privileges solely based on the credential. There are other bills that would, you know, change, I think it's Section 38-613 to the statute regarding a permit to practice under the auspices of a doctor. That's not this bill. The way that I went about introducing this legislation, I believe this is reasonable. There shouldn't be controversy. And so I chose to focus on

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this bill because I think this is something that we can get done for the practice of midwifery and really for the whole public policy of Nebraska. [LB68]

SENATOR HOWARD: Thank you, Senator Fulton. And this bill, as you've explained it, solely addresses the issue of the midwives serving in a hospital. It has nothing to do with home births, it has nothing to do with any other practice regarding midwifery, if I understand it correctly. [LB68]

SENATOR FULTON: That is correct, Senator. [LB68]

SENATOR HOWARD: Thank you, Senator Fulton. I offer the remainder of my time to Senator Harms. [LB68]

SENATOR SULLIVAN: Thank you. Senator Harms, you're recognized. [LB68]

SENATOR HARMS: Thank you, Senator Howard. Senator Fulton, would you yield? [LB68]

SENATOR SULLIVAN: Senator Fulton, will you yield? [LB68]

SENATOR FULTON: Yes. [LB68]

SENATOR HARMS: I'm sorry, did you want to swallow and then....(laughter) [LB68]

SENATOR FULTON: We're good now. [LB68]

SENATOR HARMS: Okay, we're good, all right. Senator Fulton, I think you now have the answers in regard to the credentials and that sort of thing. [LB68]

SENATOR FULTON: Yes. [LB68]

SENATOR HARMS: Could you help me out with that, please? [LB68]

SENATOR FULTON: Yes, it's Section 38-613 of existing statute. The specific medical functions to be performed by a certified nurse midwife within the scope of permitted practice prescribed by Section 38-611, which I'll touch on in a little bit, shall be described in the practice agreement, which shall be reviewed and approved by the board. So there's a practice agreement that is signed between the certified nurse midwife and for lack of...with the doctor. And so her scope of practice is defined within the scope of permitted practice prescribed by Section 38-611 and described in the practice agreement. Now 38-611 talks more specifically about the technical items that one...that a certified nurse midwife can perform under the scope of her training. A certified nurse midwife may under the provisions of a practice agreement: number one,

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attend cases of normal childbirth; number two, provide prenatal intrapartum and postpartum care; number three, provide normal obstetrical and gynecological services for women; and number four, provide care for the newborn immediately following birth. So those are the elements spelled out specifically. That's in 38-611. It's in 38-613 where the particularities of a given practice are spelled out in a practice agreement. [LB68]

SENATOR HARMS: Thank you very much, Senator Fulton. I have one more question I'd like to ask, if I might. When we give a certified midwife a privilege, we're not going to deny them, but...for that reason, but if a hospital gives them a privilege, I hate to use this word, but where does the liability lie in regard to this issue with the midwife coming in, being certified, how does that work, and where is the liability question here? [LB68]

SENATOR FULTON: I can offer my understanding of it, recognizing that this is not an area where I...this is not my profession. My own understanding, and I would ask any senators who do have some expertise in this area, perhaps Senator Gloor, to correct me if I'm wrong, but that... [LB68]

SENATOR SULLIVAN: Senator Harms, you're on your own time now. [LB68]

SENATOR HARMS: Oh, thank you very much, Madam President. I'm on my own time, go ahead. [LB68]

SENATOR FULTON: Okay. Well, I'm on your time too now, Senator. [LB68]

SENATOR HARMS: Okay. [LB68]

SENATOR FULTON: That's between...there would be some liability, I would expect, by the hospital as well as a certified nurse midwife, and it would be between the two of them to work that out. And that, incidentally, is something that could enter the thought process of the hospital deciding whether or not to provide...to allow for this practice. So nothing in this bill would assign liability nor would it, you know, detract from the ability of a hospital to consider liability. So hopefully, that answers the question. [LB68]

SENATOR HARMS: Thank you very much. Senator Campbell, would you yield? [LB68]

SENATOR SULLIVAN: Senator Campbell, would you yield for a question? [LB68]

SENATOR CAMPBELL: Yes, certainly. [LB68]

SENATOR HARMS: Could you, maybe, shed a little light for us in regard to the Nebraska Medical Association position on neutral? I still would like to have a little more information about what they were thinking about. [LB68]

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SENATOR CAMPBELL: Generally, their comments had to do and provide for the committee a cautionary note. And that cautionary note we have already been discussing and that is that each hospital, obviously, has the right to set up the credentialing process and the okay that would be given to any physician, or in the bill, podiatrist, surgeon, so forth, that would come forward and wanted to remind the committee that that still is the purview of each hospital. Many hospitals in the state of Nebraska, credentialing goes all the way to the board of trustees who can review those credentials and the recommendation of the medical technical team that reviews them. And so I think the association was just trying to say, be aware that that is still very much in place. One of the questions that I was asked off mike that I just want to answer, are there hospitals across the state that do have midwives on the staff, and the answer is, yes. [LB68]

SENATOR HARMS: Thank you, Senator Campbell, and Senator Fulton, thank you very much. Madam Chair, thank you. I do support LB68. These are just questions I had, so thank you very much for that. [LB68]

SENATOR SULLIVAN: Thank you, Senator Harms. The Chair now recognizes Senator Fulton. [LB68]

SENATOR FULTON: Thank you, Madam Chair. There was a question asked earlier by Senator Harms and I believe I have the answer to it. The number of certified nurse midwives in Nebraska, the number is 29, as I understand it. That's my understanding. So, yeah, I appreciate these questions. It's very important that we clarify this because I've studied the issue of certified nurse midwives within the context of our nation and a broader healthcare policy. And what I've learned is that a number of states utilize the services of certified nurse midwives and they do it as a means of alleviating...I should say it in a different way, to provide greater access for persons, for women who are having children into the healthcare system. Now going forward, Nebraska has a shortage of qualified healthcare workers, and so as part of our policy, it seems to me important that we adopt this measure. And for my part, I am looking at other measures, but at least for this measure, if we have a shortage of healthcare workers, part of our policy ought to broaden those who can operate within their given profession, within their given educational...within the scope of their given educational expertise. We have this existing in statute now for certified nurse midwives. We ought to allow them to practice their trade, particularly given the course of healthcare going forward. So that's the public policy reason as to why I believe we should advance LB68. But I ask others to take a look at what's going on in other states. Certified nurse midwives, I was told yesterday by a nurse that I had lunch with, that in California, she had her child in California, and it was considered a higher level of care or, oh, the way that she said it was that most women would like to have certified nurse midwives in California. The culture is different in Nebraska, understood. But given what's going on in other states, we should at least be careful to craft a policy that makes sense going forward as it regards healthcare. And

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that's another reason why I've advocated for LB68 and hopefully we can move it forward. Thank you, Madam President. [LB68]

SENATOR SULLIVAN: Thank you, Senator Fulton. Those senators wishing to speak are Senators Ken Haar, Brasch, and Campbell. Senator Haar, you're recognized. [LB68]

SENATOR HAAR: Madam Chair, it's easy to get the H's mixed up this year so that's fine. Again, in speaking to LB68, I mentioned earlier the whole thing of women would like more choice in how they get their prenatal care and also help with birthing, and so I think that's one value that this addresses. But the other one, I totally agree with Senator Fulton on this one, that in Nebraska where we have problems providing healthcare in certain parts of the state, in particular, I believe that this bill will help bring more healthcare to women in Nebraska. Many certified nurse midwives, by the way, came to this through being a registered nurse and I believe that's another indication of how qualified, how well-qualified these people are by the time they get that certification as a midwife. Thank you very much. [LB68]

SENATOR SULLIVAN: Thank you, Senator Haar. The Chair recognizes Senator Brasch. [LB68]

SENATOR BRASCH: Thank you, Madam Chairman, and good morning, colleagues. I rise in support of LB68 as it stands. I am a grandmother of three and two of my beautiful grandchildren were delivered by the assistance of midwives in hospitals. The two out of three were born out of state, one in Montana and one in South Dakota. I listened to my daughter with great interest of the midwife experience because it was not an option when my children were born, and she was saddened to learn that at the hospital in rural Nebraska, where my third grandchild was born, that was not an option. The experience for a new mother was very calming. There was a lot of interaction. I've also talked with a lot of other young mothers and midwives since this topic came up and I do rise in support of it. Thank you. [LB68]

SENATOR SULLIVAN: Thank you, Senator Brasch. The Chair recognizes Senator Campbell. [LB68]

SENATOR CAMPBELL: Thank you, Madam President. And, colleagues, I just want to answer a quick question that was asked, and that is, what might be the degrees or background, educational background of a certified midwife? Most of those would have advanced nursing degrees or be a nurse practitioner. So we are talking about highly educated nursing professionals coming forward to be certified as midwives, and I wanted to make sure that we answered that question. Thank you, Madam President. [LB68]

SENATOR SULLIVAN: Thank you, Senator Campbell. Seeing no other senators

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wishing to speak, Senator Fulton, you are recognized to close on the advancement of LB68. [LB68]

SENATOR FULTON: Thank you, Madam President. There was another question and I'll take this opportunity in my closing to address that question. The liability, where liability will fall, again, that still will remain between the hospital and the certified nurse midwife, but I wanted to point out that the certified nurse midwives do carry malpractice insurance and I've learned that from the Friends of Midwives, in the course of our conversation. LB68 is a measured bill. It is, I believe, a noncontroversial bill. It is something, I believe, that will broaden our public policy and broaden a means by which individuals, particularly mothers, can enter the healthcare system. Given what's going on in healthcare in Nebraska, the shortages that we experience, I believe this is a prudent step forward and so hopefully we can move LB68 forward. I ask for your green vote on General File. Thank you, Madam President. [LB68]

SENATOR SULLIVAN: Thank you, Senator Fulton. The question is the advancement of LB68 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk. [LB68]

CLERK: 40 ayes, 0 nays, Madam President, on the advancement of LB68. [LB68]

SENATOR SULLIVAN: The bill advances. Items for the record? [LB68]

CLERK: Thank you, Madam President. Bills read on Final Reading this morning were presented to the Governor at 9:49 a.m. (re LB1, LB2, LB3, LB4, LB5, LB6, LB7, LB8, LB9, LB10, LB11, LB18, LB67, and LB158.) Hearing notices from Health and Human Services. Senator Coash, an amendment to LB157 and LB157A to be printed. And your Committee on Health and Human Services, chaired by Senator Campbell, reports LB36, LB225, LB274, LB401 to General File, and LB179 to General File with amendments; those signed by Senator Campbell. Enrollment and Review reports LB20 to Select File. And I have an explanation of vote from Senator Cook. (re LB18 and LB67.) That's all that I had, Madam President. (Legislative Journal pages 457-461.) [LB1 LB2 LB3 LB4 LB5 LB6 LB7 LB8 LB9 LB10 LB11 LB18 LB67 LB158 LB157 LB157A LB36 LB225 LB274 LB401 LB179 LB20 LB67]

SENATOR SULLIVAN: Thank you, Mr. Clerk. We'll now proceed to General File. LB111. [LB111]

CLERK: LB111 is a bill by Senator Gloor relating to mental health boards. (Read title.) Introduced on January 6, referred to the Health and Human Services Committee, the bill was advanced to General File. There are Health Committee amendments pending, Madam President. (AM98, Legislative Journal page 363.) [LB111]

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SENATOR SULLIVAN: Senator Gloor, you're recognized to open on LB111. [LB111]

SENATOR GLOOR: Thank you, Madam President, and good morning again, members. LB111 makes a small change in the membership of the county mental health boards. That term will be better recognized by some of you as commitment boards. These boards are appointed by the presiding judge in each district court. The boards review facts pertaining to the mental status of the person who has been taken into emergency protective custody due to an affidavit by a mental health professional or through law enforcement. After reviewing the facts and holding a hearing, the board determines whether the person should be ordered into treatment immediately or released for voluntarily outpatient treatment. Because of the number of mental health professionals is low and scarce in most of Nebraska, as we well know, we need to be able to use every possible resource. Making the changes requested in LB111 will broaden the pool of mental health professionals available for membership on this board while maintaining the integrity of the board and its underlying purpose. Currently, currently, statute requires each three-member board to have an attorney and two other members from any of the following but not more than one from each category: a physician, so that would be an attorney and/or a physician; psychologist; a psychiatric social worker; a psychiatric nurse; a clinical social worker; and/or a layperson with a demonstrated interest in mental health. LB111 takes out psychiatric social worker and adds licensed independent mental health practitioner. These changes are mostly due to changes in licensure language since the original statute was put together. For instance, the phrase psychiatric social worker is antiquated and we are removing it. The licensure category of licensed independent mental health practitioner is new as of four years ago. There have also been changes in the social work licensure language. Due to that change, that is clarified under the committee amendment part of this. There's no fiscal impact. The bill was advanced on unanimous vote. I ask for your support. Thank you, Madam President. [LB111]

SENATOR SULLIVAN: Thank you, Senator Gloor. As the Clerk stated, there are amendments from the Health and Human Services Committee. Senator Campbell, as Chair of the committee, you are recognized to open on the amendment. [LB111]

SENATOR CAMPBELL: Thank you, Madam President. I will open on AM98 to LB111. The amendment, as Senator Gloor has described to you, removes the archaic language of "a psychiatric social worker" from the statute. It includes the option to choose a "licensed independent mental health practitioner." The committee amendment further updates the category of social worker to clarify that a licensed clinical social worker or a licensed independent clinical social worker may be options. And what's important, colleagues, on this amendment is that during the hearing Mr. Terry Werner, who represents social workers, testified in support of the bill and the amendment as a means to increase the pool of qualified professionals who can serve on the county mental health boards. The bill with the amendment updates clarifies and expands

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professionals, and is extremely important as we look across the entire state to ensure that our mental health boards have good, professional representation. And I would urge your support of both the amendment and LB111. [LB111]

SENATOR SULLIVAN: Thank you, Senator Campbell. There are no senators wishing to speak. Senator Campbell, would you like to close on the amendment? She waives closing. The question is, shall the committee amendment to LB111 be adopted? All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Record, Mr. Clerk. [LB111]

CLERK: 39 ayes, 0 nays on adoption of committee amendments. [LB111]

SENATOR SULLIVAN: The amendment passes. Is there any more floor discussion on LB111 as amended? Seeing none, Senator Gloor, you're recognized to close. [LB111]

SENATOR GLOOR: Thank you, Madam President. I will be extremely brief. Once again, we are reminded of the lack of enough behavioral health professionals in the state of Nebraska. LB111 is a recognition and an accommodation of that to make sure that commitment boards can operate and operate effectively and with quality. Thank you, Madam President, and I urge my colleagues to vote for LB111. [LB111]

SENATOR SULLIVAN: Thank you, Senator Gloor. The question is the advancement of LB111 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who want to? Record, Mr. Clerk. [LB111]

CLERK: 40 ayes, 0 nays, Madam President, on the advancement of LB111. [LB111]

SENATOR SULLIVAN: The bill advances. Mr. Clerk, we will proceed to General File, LB163. [LB111 LB163]

CLERK: LB163, Madam President, introduced by Senator Fischer. (Read title.) Bill was introduced on January 7 of this year, referred to the Transportation and Telecommunications Committee, advanced to General File. At this time I have no amendments to the bill. [LB163]

SENATOR SULLIVAN: Senator Fischer, you are recognized to open on LB163. [LB163]

SENATOR FISCHER: Thank you, Madam President and members of the body. LB163 is an attempt to streamline the application process for a handicapped or disabled parking permit and make that process more convenient for handicapped and disabled individuals. This is the first major change to the issuance process for handicapped permits since they were first authorized in 1977. First, the bill extends the renewal period for permanent issue handicapped parking permits from three to six years. The

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proposed six-year period mirrors a recertification period that now applies to handicapped license plates. Federal law requires the renewal period for permanent-issue permits but it does not specify the length of that renewal period. Most notably, LB163 authorizes the Department of Motor Vehicles to develop and implement an electronic application process completed at a doctor's office or on-line by the applicants. Currently, an individual is required to obtain an application form from a local office or the DMV, then takes it to his or her physician for verification, and then returns the completed application to the DMV. The new system will mitigate the number of trips made by an applicant, time spent shuffling paper between offices, and time spent in data entry. Ultimately, the electronic process allows the application to begin and end at the medical provider's office or at the convenience of the applicant. The bill also tries to accommodate the needs and convenience of handicapped and disabled individuals by authorizing the issuance of two permits per applicant. The DMV receives many requests from permitholders for extra tags, something that is currently prohibited by statute. Travel is the most common reason people request a second tag. Two tags would allow the permitholder to leave one tag in the vehicle parked at an airport and have another to use with a rental vehicle while on vacation. LB163 allows an individual up to two replacement permits within a six-year period before triggering the requirements to reapply, and it allows the renewal application to be submitted up to 180 days before expiration of the current permit. Current law only allows a renewal application up to 30 days before expiration of the current permit. Finally, LB163 recodifies the statutes dealing with issuance of handicapped parking permits and moves them into the DMV statutes with the updated language. The statutes will be in the same chapter of law as the handicapped parking license plates. Statutes dealing with enforcement of handicapped parking laws will remain in Chapter 18 of the statutes that provide authority to local governments. Combined, these changes will make the handicapped parking permit application process much easier for the individual and streamline the process internally at the DMV, resulting in cost savings to the state and more efficient use of state resources. Thank you, Madam President. [LB163]

SENATOR SULLIVAN: Thank you, Senator Fischer. Those wishing to speak are Senators Ken Haar and Hansen. Senator Haar. [LB163]

SENATOR HAAR: Madam Chair, members of the body, I have a question for Senator Fischer. [LB163]

SENATOR SULLIVAN: Senator Fischer, will you yield? [LB163]

SENATOR FISCHER: Yes. [LB163]

SENATOR HAAR: There's been talk of a bill that would raise the fine from \$100 to \$1,000, but that's not part of this bill. Is that correct? [LB163]

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SENATOR FISCHER: That is not a part of this bill. [LB163]

SENATOR HAAR: Okay. Thank you very much. [LB163]

SENATOR SULLIVAN: Thank you, Senator Haar. Senator Hansen. [LB163]

SENATOR HANSEN: Thank you, Madam President and members of the Legislature. I appreciate Senator Fischer bringing this bill. I was going to come up with some type of legislation this year to address the same problem and I think it's the streamlining part of it that's extremely important to our permanently disabled folks in Nebraska where they had to go to the DMV to give one piece of paper for the application, to their doctor, back to the DMV to get that, and the streamline part of it is really good. As Senator Haar said...asked if this had anything to do with the penalties, I think that's coming up later in the session maybe, but it doesn't address that. I got an e-mail this week from a retired couple from North Platte that were in another state taking care of their middle-aged son that is having some problems and he didn't have a handicapped sticker and so they would go to a megamart or whatever and walk a considerable distance to get that, and they were very concerned about people jumping out of their cars and running into the store, coming back, jumping into that car that was parked in a handicapped slot, even though they had a handicapped sticker. So there are some other issues on the handicapped parking, but this one I think really does some good to those who are postpolio or permanently disabled. It's streamlining the process and I appreciate Senator Fischer bringing the bill. Thank you, Madam President. [LB163]

SENATOR SULLIVAN: Thank you, Senator Hansen. Those senators wishing to speak are McGill, Howard, Nelson, and Pahls. Senator McGill, you're recognized. [LB163]

SENATOR MCGILL: Madam President, members of the body, I rise in support of LB163. I am, of course, the Chairman of the Urban Affairs Committee, where we heard Senator Howard's bill and it sounds like she's up next to talk about her issue with handicapped parking and fees or fines. But since we sometimes handle handicapped parking issues in our committee, I have gotten a lot of e-mails from constituents and others about this issue of having to come in every three years when they have a permanent handicapped permit and how silly that is for them and how difficult it is for them to travel down just to get that. So I think this is a great bill. Like Senator Hansen said, I think our biggest problem in terms of offenders of handicapped parking spaces are people who are misusing the handicapped signs of friends and family members. That's something that Senator Howard has brought an amendment to her original bill to address. It's not just random people parking in spots. It's people who seem to have a legitimate pass but are misusing it. And with that, I'll yield the rest of my time so Senator Howard can talk about that. Thank you. [LB163]

SENATOR SULLIVAN: Thank you, Senator McGill. Senator Howard. [LB163]

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SENATOR HOWARD: Thank you. Thank you, Senator McGill. My concerns really echo Senator McGill's and Senator Hansen. I appreciate Senator Fischer bringing this bill forward and I'm hoping we can work on mine here in the near future. I have, in looking at this issue, I have really been astounded at the things that I've learned. In contacting a prosecutor in Omaha who deals with this on a daily basis with individuals that come in that have violated this, I found out that they usually don't do more than one prosecution. If you have violated this one time, they don't really go after you the second time, and I was astonished. I said why don't...why in the world would you not follow up on this, and apparently people don't come in for any...to address this. So I think we have...there are many parts of this that we need to be diligent about and really need to provide the handicapped parking for those that it's intended to be used by. I will further add that in driving back to Omaha on Tuesday evening during the terrible weather, I had turned on the radio hoping to catch the weather and the highway conditions and there was a radio announcer on there, a commentator, talk show host I think they call him, and on the radio he blatantly said, sure, sure, I've parked in those spots, I was in a hurry, I had something to do; I knew it was wrong but I parked in those spots. Again, I find this astonishing that people would feel that whatever their need is or their urgency would be that they can simply park in these parking spots and there isn't recourse. They are not held accountable in a way that really makes them stop and think, is this what I want to do. I support Senator Fischer's bill. I appreciate her bringing it in. I do have a question for Senator Fischer, if she would yield. [LB163]

SENATOR SULLIVAN: Senator Fischer, would you yield for a question? [LB163]

SENATOR FISCHER: Yes, I will. [LB163]

SENATOR HOWARD: Thank you. Senator Fischer, just a question for a little clarification regarding the renewal process. I see that the time frame that people would have to follow through and renew that is extended. Are they also required to get a new doctor's statement to accompany the renewal? [LB163]

SENATOR FISCHER: We're extending that to six years that they would have to apply with their doctor's statement. [LB163]

SENATOR HOWARD: Well,... [LB163]

SENATOR FISCHER: Instead of the three years, it goes to six years, and that corresponds to the license plate that they receive for handicapped parking also. [LB163]

SENATOR HOWARD: Well, I understand that, but at the end of the six-year period, if they are...if it's such that they need to renew this and have this continue, at that point do they need to have an additional doctor's statement to go with that to verify the condition

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continues? [LB163]

SENATOR FISCHER: At the end of that six-year period, yes, they do have to have another statement from their medical provider. [LB163]

SENATOR HOWARD: Thank you. That's very helpful. I appreciate the opportunity to address this and I support the bill. I think we should move this forward. Thank you. [LB163]

SENATOR SULLIVAN: Thank you, Senator Howard. The Chair now recognizes Senator Nelson. [LB163]

SENATOR NELSON: Thank you, Madam President and members of the body. I'd like to address a question or two to Senator Fischer, if she will yield. [LB163]

SENATOR GLOOR PRESIDING

SENATOR GLOOR: Senator Fischer, will you yield? [LB163]

SENATOR FISCHER: Yes. [LB163]

SENATOR NELSON: Thank you, Mr. President. Senator Fischer, I am in support of this bill but I've been reading through it rather quickly and I do have just a couple questions that perhaps you might be able to answer. I see now that it's possible to issue two permits instead of one at the same time. Is that to accommodate more than one vehicle? Is that the reason for that? [LB163]

SENATOR FISCHER: The two permits instead of one, Senator Nelson, as we discussed in committee, was primarily for travel for the people so they can park at an airport and use their handicapped permit there and then they can also take it with them on a plane, and if they rent a car then at their destination they would have a handicapped permit available to them there. Those were concerns that we heard about. [LB163]

SENATOR NELSON: Right. That's this permit that will hang on the rearview mirror or something of that sort. They can just carry that with them and then use it. [LB163]

SENATOR FISCHER: Right. Right. And they can also use it, if they have another vehicle that they use often, they could leave it in both of their vehicles too. [LB163]

SENATOR NELSON: Uh-huh. At the present time, now since we're streamlining this, but at the present time it's the local official, the city official or the village, they are the ones that issue the permit, is that correct, or at least see if the person is qualified?

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[LB163]

SENATOR FISCHER: They can apply to the local entities but the DMV, the Department of Motor Vehicles, they are the ones that issue the permits. [LB163]

SENATOR NELSON: So that's still...that's done by the state, the issuance of the... [LB163]

SENATOR FISCHER: Yes, the state issues the permits and the handicapped license plates. [LB163]

SENATOR NELSON: On...I'll have to see where I noticed this here but I think it's on page 26. At the bottom of the page, starting with line 3, it describes what...identifies a handicapped or disabled person, "severe visual or physical impairment," goes into quite a bit of detail. This all rests with the doctor or physician then or whoever certifies that this is the case. [LB163]

SENATOR FISCHER: The medical provider has to certify and that information is then sent to the Department of Motor Vehicles. [LB163]

SENATOR NELSON: All right. So then the only difference in this bill, it's being transmitted electronically? [LB163]

SENATOR FISCHER: It can be transmitted electronically from the medical provider's office, Senator, instead of... [LB163]

SENATOR NELSON: Okay. [LB163]

SENATOR FISCHER: ...the applicant having to go to the doctor, get the form signed, and then go to the DMV or their local office and turn it in. [LB163]

SENATOR NELSON: Uh-huh. [LB163]

SENATOR FISCHER: It eases not just the time on it but also the back and forth and the shuffling of papers. [LB163]

SENATOR NELSON: How does it work with someone who's temporarily disabled with a temporary permit? [LB163]

SENATOR FISCHER: It would be the same way. [LB163]

SENATOR NELSON: It's only issued for a specific period of time that... [LB163]

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SENATOR FISCHER: Correct, but the medical provider has to be the one that certifies that it's needed. [LB163]

SENATOR NELSON: Is there any follow-up if a temporary permit is being used for up to six years? [LB163]

SENATOR FISCHER: I believe that they're only valid for six months and so, of course, then after that six-month period, if the physical condition still exists for the individual, they would have to reapply then. [LB163]

SENATOR NELSON: Uh-huh. Uh-huh. There in several portions here it provides about entering and exiting the vehicle and I suppose that's just to make it a little more difficult for someone who really isn't disabled to be using the vehicle once in a while when the person being transported, the disabled person being transported, is not present. So that's prohibited, as I see that in the statute. [LB163]

SENATOR FISCHER: Where specifically do you see that, Senator? [LB163]

SENATOR NELSON: Oh, I see it and it talks about shall be used only when a handicapped... [LB163]

SENATOR GLOOR: One minute, Senator. [LB163]

SENATOR NELSON: ...or disabled person, you know... [LB163]

SENATOR FISCHER: Yes. That's so, Senator, when you have a handicapped permit in your car and the individual that needs that permit is not in the vehicle, you shouldn't be parking in a handicapped place. [LB163]

SENATOR NELSON: Absolutely. Absolutely. I, as I said, I'm in support of this and I have one final question here. Who determines the number of disabled parking spots and access lanes in a given area? [LB163]

SENATOR FISCHER: I have no idea, Senator. [LB163]

SENATOR NELSON: Well,... [LB163]

SENATOR FISCHER: I...we could try and check into that. The DMV might know or it might be through city ordinance. I don't know. [LB163]

SENATOR NELSON: Yeah. I don't know. I should...that's probably an unfair question. But I will tell you it bothers me a great deal. For instance, I'm in an office building in Omaha that probably accommodates 300 people and on either side of the building I

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think there are eight or ten spaces for disabled persons, and rarely... [LB163]

SENATOR GLOOR: Time, Senator. [LB163]

SENATOR NELSON: ...do I see more than one car. Excuse me? [LB163]

SENATOR GLOOR: Time, Senator. [LB163]

SENATOR NELSON: All right. Thank you, Mr. President. [LB163]

SENATOR GLOOR: Thank you, Senator Nelson. Chair recognizes Senator Council. [LB163]

SENATOR COUNCIL: Yes, thank you, Mr. Chairman. Would Senator Fischer yield to a couple of questions? [LB163]

SENATOR GLOOR: Senator Fischer, will you yield? [LB163]

SENATOR FISCHER: Yes. [LB163]

SENATOR COUNCIL: And it was brought to my memory that a question was posed to me on this subject by a constituent and perhaps you can answer. There is a distinction in the statute between a temporary handicap and a permanent handicap, is that correct? [LB163]

SENATOR FISCHER: Correct. [LB163]

SENATOR COUNCIL: And that if you have a temporary handicap, it's a six-month renewal period? [LB163]

SENATOR FISCHER: I believe that's correct, Senator. They last for six months and if your physical condition would warrant that you need the handicapped permit to be extended, you would have to go through the process then and visit your medical provider. [LB163]

SENATOR COUNCIL: Okay. Now the bill does change the term of a permit for someone who does not have a temporary disability, correct? [LB163]

SENATOR FISCHER: It extends it from three to six years, and that's so it can correspond with the handicapped license plates. [LB163]

SENATOR COUNCIL: Okay. And the question that the constituent posed to me and it was kind of brought to my memory on the question about resubmission of evidence

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from your physician, this constituent was determined to be permanently disabled and the doctor issued a finding to that effect and that individual was permanently disabled, and the inquiry to me was, if I'm permanently disabled, why do I have to renew my handicapped placard every three years. And it was my understanding that the reason for that renewal requirement is to be sure that that person, that permanently disabled person, is the person who's in fact utilizing the handicapped placard. Am I correct in my understanding? [LB163]

SENATOR FISCHER: Senator Council, federal law requires that each state have a renewal period; it just does not specify the length of time, so it's up to the states. Currently, we have that three-year renewal period. We're extending it to six years. But a renewal period is required by federal law so that's why we have it. [LB163]

SENATOR COUNCIL: Okay. So...and then my question is does the federal law require that at the time of renewal you must produce a new statement from your physician that you are...continue to be permanently disabled? [LB163]

SENATOR FISCHER: I don't know if federal law requires it, we would have to check on that, but state law, we require it. [LB163]

SENATOR COUNCIL: Okay. And I guess that's the question I have. Do we...does state law need to require a new statement of permanent disability as opposed to having that person appear, because, like I said, I understood that the reason for the renewal, whether it's at the federal level or the state level, is to make sure that you don't issue these permanent handicapped placards and that person may since be deceased and then someone else uses their permit? [LB163]

SENATOR FISCHER: Senator Council, the applicant has to have a doctor's statement. They have to have a medical provider's statement. Under this law, it can be done on-line now so the applicant does not physically have to appear at the DMV in order to get their permit. It can be done through the doctor's office with this bill. [LB163]

SENATOR GLOOR: One minute. [LB163]

SENATOR COUNCIL: Okay. [LB163]

SENATOR FISCHER: But they do have to go every six years and have a medical provider file that application for them, and this bill would allow that to happen at the physician's office. [LB163]

SENATOR COUNCIL: Thank you. [LB163]

SENATOR FISCHER: Uh-huh. [LB163]

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SENATOR GLOOR: Thank you, Senator Council. Seeing no other senators wishing to speak, Senator Fischer, you're recognized to close on LB163. Senator Fischer waives. Question is the advancement of LB163 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB163]

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB163. [LB163]

SENATOR GLOOR: The bill advances. Mr. Clerk. [LB163]

CLERK: LB163A, a bill by Senator Fischer. (Read title.) [LB163A]

SENATOR GLOOR: Senator Fischer, you're recognized to open on LB163A. [LB163A]

SENATOR FISCHER: Thank you, Mr. President and members. You will see that there is an A bill with this piece of legislation, but I would like to point out that these are cash funds, not General Funds, from the Department of Motor Vehicles. There will be a one-time cost of \$38,000 by the DMV and that's to design and implement this on-line application process. However, if you look at your fiscal note you will see that after that system is implemented in 2012-13 that the Department of Motor Vehicles, they will see an ongoing savings then with this electronic process and that will be \$44,704 of cash funds. Again, this is cash funds with the Department of Motor Vehicles, it is not General Fund money, so I would ask you to advance LB163A. [LB163A]

SENATOR GLOOR: Thank you, Senator Fischer. There are no senators wishing to be recognized. Senator Fischer, you are recognized to close on LB163A. Senator Fischer waives. The question is the advancement of LB163A to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Mr. Clerk, record. [LB163A]

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB163A. [LB163A]

SENATOR GLOOR: The bill advances. Mr. Clerk. [LB163A]

CLERK: LB241, a bill by Senator Hadley. (Read title.) Introduced on January 11, referred to the Transportation and Telecommunications Committee, the bill was advanced to General File. I do have an amendment to the bill from Senator Hadley, Mr. President. [LB241]

SENATOR GLOOR: Senator Hadley, you're recognized to open on LB241. [LB241]

SENATOR HADLEY: Mr. President, members of the body, it's with pleasure I bring you LB241. LB241 creates a new definition of parts vehicle and establishes a process for transferring ownership of such vehicle. It seeks to remedy a gap in the law regarding the

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sale of a wrecked or salvaged vehicle to a salvage dealer for scrap and parts only. Nebraska law requires that no person shall sell or otherwise dispose of a vehicle without a title or/and...I'm sorry, and a VIN number affixed to the vehicle. If a Nebraska car is wrecked in Nebraska, typically a claim is made to an insurance company. The company settles the claim by buying the wrecked vehicle from the owner. The company obtains the vehicle and a vehicle title, and surrenders the title to the Department of Motor Vehicles. The company then receives a salvage title to the vehicle from DMV. The company then resells the salvage titled vehicle to a dealer who disposes of it by scrapping the vehicle or by selling it for parts. There are two situations in which the insurance company may not be able to comply with the law when selling salvage in this state. The first is when the company does not have title to the wrecked vehicle. This could occur because the vehicle is from another state and the company is required to surrender the title to that state. The second is when the VIN plate on the car is no longer attached or marred because of damage. When these instances arise, LB241 allows for the insurance company or anyone else to sell the damaged vehicle to a salvage dealer with a bill of sale for a parts vehicle. The bill of sale would basically state that it is the intention of the insurance company to sell the salvaged motor vehicle with an understanding it will either be dismantled or used for parts or recycled for scrap metal value. I would appreciate that you advance LB241 to correct this error in the...or this problem in the statutes. I would also add that there is nothing in the statute that would make it difficult for a collector car person to have a parts vehicle. In fact, it makes it easier for that person to transfer or sell that parts vehicle because it could be sold on a bill of sale. Thank you, Mr. President. [LB241]

SENATOR GLOOR: Thank you, Senator Hadley. Mr. Clerk. [LB241]

CLERK: Senator Hadley would move to amend his bill with AM226, Mr. President. (Legislative Journal page 431.) [LB241]

SENATOR GLOOR: Senator Hadley, you're recognized to open on your amendment. [LB241]

SENATOR HADLEY: My amendment just adds the emergency clause to it because there is truly an emergency because the situations I described, the insurance company cannot legally act now in these cases. And so an emergency clause, as soon as it is passed and signed by the Governor, this would take the problems out for the insurance companies, salvage and collector car people. Thank you, Mr. President. [LB241]

SENATOR GLOOR: Seeing no senators wishing to speak, Senator Hadley, you're recognized to close on your amendment. Senator Hadley waives. The question is, shall the amendment to LB241 be adopted? All those in favor vote aye; all those opposed, nay. Senator Hadley, for what purpose do you rise? [LB241]

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SENATOR HADLEY: I would like to have a call of the house. [LB241]

SENATOR GLOOR: There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Senator Lathrop and Senator Christensen, please return to the Chamber. The house is under call. Senator Hadley, for what purpose do you rise? [LB241]

SENATOR HADLEY: We can proceed. [LB241]

SENATOR GLOOR: How do you choose to proceed? Would you accept call-ins or roll call? [LB241]

SENATOR HADLEY: Yes, I will accept call-ins and a board vote. [LB241]

CLERK: Senator Heidemann voting yes. Senator Ashford voting yes. Senator Adams voting yes. Senator Janssen voting yes. Senator Larson voting yes. [LB241]

SENATOR GLOOR: Mr. Clerk, please record. [LB241]

CLERK: 27 ayes, 0 nays on adoption of Senator Hadley's amendment. [LB241]

SENATOR GLOOR: The amendment is adopted. The call is raised. [LB241]

CLERK: I have nothing further on the bill, Mr. President. [LB241]

SENATOR GLOOR: Seeing no senators wishing to speak further on LB241, Senator Hadley, you're recognized to close. Senator Hadley waives. The question is the advancement of LB241 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB241]

CLERK: 46 ayes, 0 nays, Mr. President, on the advancement of LB241. [LB241]

SENATOR GLOOR: The bill advances. Moving forward on General File, Mr. Clerk. [LB241]

CLERK: Mr. President, LB47 is a bill originally introduced by Senator Fischer. (Read title.) Introduced on January 6 of this year, at that time referred to the Transportation, Telecommunications Committee. The bill was advanced to General File. There are committee amendments, Mr. President. (AM109, Legislative Journal page 375.) [LB47]

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SENATOR GLOOR: Senator Fischer, you're recognized to open on LB47. [LB47]

SENATOR FISCHER: Thank you, Mr. President and members of the body. LB47 makes a small change to a new complaint process at the Public Service Commission that we passed last session. To give a little refresher for you, LB181 was introduced in 2009 and passed last year that established a process at the Public Service Commission to deal with wire line crossing agreements between telecommunication carriers and railroads. The committee became involved in the summer of 2008, due to some difficulties that various telecommunications companies were experiencing when trying to get a telecommunications line across a railroad right of way. LB181 was introduced to authorize the Public Service Commission to resolve wire-crossing disputes between railroads and telecommunications carriers. Telecommunication carriers of last resort are required to provide telephone service to every resident in this state. The Legislature felt an oversight process was warranted in this case when the state is mandating that a private company provide service and circumstances out of its control are preventing it from doing so. The bill required a telecommunications carrier who wants to place a wire, line, or cable across a railroad right of way to request permission from the railroad through a written application. If the carrier and the railroad are unable to reach an agreement within 60 days after receipt of the application, either party can petition the Public Service Commission for a hearing on the disputed terms and conditions. The bill also required the telecommunications carrier to pay a one-time standard crossing fee of \$1,250 to the railroad. This fee is in lieu of any direct expenses incurred as a result of the placement of that wire. LB47, which we have before us today, expands upon the process by clarifying that a railroad's owner, manager, agent, or representative is subject to this process. Some railroads contract with a third party with regard to these crossing agreements. There was some confusion during last year's construction season whether these third parties were subject to the Public Service Commission's jurisdiction with respect to this process. LB47 clarifies that they are included within the process and that they are subject to the commission's jurisdiction. Thank you, Mr. President. [LB47]

SENATOR GLOOR: Thank you, Senator Fischer. Seeing no senators wishing to be recognized, Senator Fischer, you are recognized to close on the advancement of LB47. We have committee amendments. Senator Fischer. [LB47]

SENATOR FISCHER: Thank you, Mr. President and members. We do have a committee amendment. AM109 adds the emergency clause to the bill. At the public hearing, the Public Service Commission requested that the emergency clause be attached so that clarification to the complaint process could be finalized as soon as possible. The commission right now is in the middle of implementing rules and regulations in response to the bill that we passed last year, but they have postponed their actions until this bill is resolved. Thank you, Mr. President. [LB47]

SENATOR GLOOR: Thank you, Senator Fischer. Senator Fulton, you are recognized.

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[LB47]

SENATOR FULTON: Thank you, Mr. President. Briefly, would Senator Fischer yield to a question? [LB47]

SENATOR GLOOR: Senator Fischer, will you yield? [LB47]

SENATOR FISCHER: Briefly, yes. [LB47]

SENATOR FULTON: The neutral testimony, you may have already covered this, I might have missed it. If that's the case, then I apologize. What was the neutral testimony? I guess I don't fully understand this and so I'm curious if you could put that... [LB47]

SENATOR FISCHER: Senator Fulton, last year when...or last year when we passed LB181, there seemed to be some confusion by certain entities, and I refer to them as third-party entities. In Nebraska, Union Pacific, they handle all of their own crossings and there was no problem in the telecommunications carriers working with Union Pacific. With Burlington Northern Santa Fe, they sell these agreements that they have for their crossings to a third party and we were seeing some misunderstandings as a result of that if those third parties were also subject to LB181. Burlington came and testified in the neutral capacity because they are not opposed to the bill but they came in the neutral capacity just to explain that situation to the committee on how they contract those agreements with certain third parties, and it was in a neutral capacity, as I said, just as an explanation to the committee. [LB47]

SENATOR FULTON: Yeah. Okay. Thank you, Senator Fischer. Thank you, Mr. President. [LB47]

SENATOR GLOOR: Thank you, Senator Fulton. Senator Wallman, you are recognized. [LB47]

SENATOR WALLMAN: Thank you, Mr. President. Would Senator Fischer yield to a question? [LB47]

SENATOR GLOOR: Senator Fischer, will you yield? [LB47]

SENATOR FISCHER: Yes. [LB47]

SENATOR WALLMAN: Thank you, Senator Fischer. Yes, I noticed, I read this, I read it over a few times. Does this have anything to do with pipeline crossings or just wire? [LB47]

SENATOR FISCHER: No, this is wire and cable and it only deals with the

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telecommunications side and, as I said, the Public Service Commission then is the agency that deals with it, with any disputes on it, and they set the rules and regulations. [LB47]

SENATOR WALLMAN: So the railroad isn't held liable if anything happens to the wire underneath there then. Is that right? [LB47]

SENATOR FISCHER: I can't answer that, Senator. I don't know. I don't know how that would work with the liability on it with the railroad. My guess is that they would not be liable for the telecommunications companies. [LB47]

SENATOR WALLMAN: Thank you, Senator Fischer. [LB47]

SENATOR GLOOR: Thank you, Senator Wallman. Seeing no further senators wishing to be recognized, Senator Fischer, you are recognized to close on the committee amendment. Senator Fischer waives. The question is, shall the committee amendments to LB47 be adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB47]

ASSISTANT CLERK: 35 ayes, 0 nays on the adoption of committee amendments, Mr. President. [LB47]

SENATOR GLOOR: The amendment is adopted. Discussion continues on the advancement of LB47. Seeing no senator wishing to speak, Senator Fischer, you're recognized to close. Senator Fischer waives. The question is the advancement of LB47 to E&R Initial. All those in favor vote aye; all those opposed, nay. Have you all voted? Record, Mr. Clerk. [LB47]

ASSISTANT CLERK: 36 ayes, 0 nays on the motion to advance the bill. [LB47]

SENATOR GLOOR: The bill advances. Mr. Clerk. [LB47]

ASSISTANT CLERK: Mr. President, the next bill, LB212 offered by the Transportation Committee. (Read title.) Bill was read for the first time on January 10 of this year, referred to the Transportation Committee. That committee placed the bill on General File with committee amendments attached. (AM2, Legislative Journal page 375.) [LB212]

SENATOR GLOOR: Senator Fischer, you are recognized to open on LB212. [LB212]

SENATOR FISCHER: Thank you, Mr. President and members of the body. LB212 is our required annual updating of dates that reference federal law in the motor vehicle statutes. These updates are necessary for Nebraska to remain in compliance with

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federal law. Failure to do so could result in the loss of federal highway funds. LB212 adopts the most recent version of the International Registration Plan, or IRP. Nebraska has been an IRP member jurisdiction since 1975. Membership in IRP allows trucking companies in Nebraska to pay registration fees in this state for all the jurisdictions through which the company operates. The DMV then distributes the collected registration fees to other jurisdictions based on a pro rata share of mileage that the carrier travels in each jurisdiction. The bill allows Nebraska to follow IRP agreement changes through January 1, 2011. LB212 also updates the references to federal regulations governing commercial motor vehicles and the issuance of commercial driver's licenses. The changes allow the DMV and State Patrol to follow the federal regulations as they existed on January 1, 2011. It is important for Nebraska to remain in compliance with federal laws in this area. If Nebraska fails to comply, the Federal Motor Carrier Safety Administration has the authority to withhold funding for Nebraska's motor carrier safety assistance program and federal highway funds. LB212 updates the references to federal regulations governing handicapped parking tags. LB212 also includes a statutory cleanup regarding minitrucks. The Legislature passed LB650 last year authorizing the use of minitrucks on certain highways and roads. LB212 corrects an oversight on the legal towing of trailers by these vehicles. The bill authorizes the towing of certain types of trailers that do not require the pulling unit to carry registered weight and can be towed by a passenger vehicle. Thank you, Mr. President. [LB212]

SENATOR GLOOR: Thank you, Senator Fischer. Mr. Clerk. [LB212]

ASSISTANT CLERK: Mr. President, there are amendments from the Transportation Committee. [LB212]

SENATOR GLOOR: As the Clerk stated, there are amendments from the Transportation Committee. Senator Fischer, as Chair, you're recognized to open on the amendment. [LB212]

SENATOR FISCHER: Thank you, Mr. President. The committee amendment, AM2, adopts another oversight from a recent bill passed by the Legislature. The DMV recently implemented the Electronic Lien and Titling System, or ELT, authorized by LB202 passed in 2009. The ELT allows the DMV to communicate electronically with lending institutions regarding noting and releasing motor vehicle liens. The certificate of title with a lien is held in the DMV database. A paper title is not mailed to the lienholders anymore. LB202 missed a statute that requires the mailing of titles for apportioned vehicles. AM2 eliminates the mailing requirement for apportioned vehicle titles so that they will be issued using our current ELT process. Thank you, Mr. President. [LB212]

SENATOR GLOOR: Thank you, Senator Fischer. Seeing no members wishing to speak, Senator Fischer, you're recognized to close on the committee amendment. Senator Fischer waives. The question is, shall the committee amendments to LB212 be

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adopted? All those in favor vote aye; all those opposed vote nay. Have you all voted?  
Record, Mr. Clerk. [LB212]

ASSISTANT CLERK: 34 ayes, 0 nays on the adoption of committee amendments.  
[LB212]

SENATOR GLOOR: The amendment is adopted. Discussion continues on the advancement of LB212 to E&R Initial. Seeing no senators wishing to speak, Senator Fischer, you are recognized to close. Senator Fischer waives. The question is the advancement of LB212 to E&R Initial. All those in favor vote aye; all those opposed, nay. Have you all voted? Record, Mr. Clerk. [LB212]

ASSISTANT CLERK: 34 ayes, 0 nays on the motion to advance the bill, Mr. President.  
[LB212]

SENATOR GLOOR: LB212 advances. Mr. Clerk. [LB212]

ASSISTANT CLERK: Next bill, Mr. President, is LB23, which is introduced by Senator Langemeier. (Read title.) Bill was read for the first time on January 6, referred to the Banking Committee. That committee placed the bill on General File with no committee amendments. [LB23]

SENATOR GLOOR: Senator Langemeier, you're recognized to open on LB23. [LB23]

SENATOR LANGEMEIER: Mr. President and members of the body, the Clerk's opening there was pretty much mine. This bill was brought to me on behalf of the Nebraska Real Estate Commission. It's in line to help them get a little more streamlined. Does three things. First of all, all real estate agents in Nebraska have to collect hours on a two-year basis and we have them renew every year, so we're asking to change it that we would allow them the option that if they want to renew with their hours and their license every two years, save some paperwork. Second thing it does is it eliminates the need to print a pocket card. Years and years ago, we printed a pocket card so agents could carry them in their pocket in case somebody ever asks them, are you really an agent. Well, you had to provide the card. A number of years ago, we required that those pocket cards no longer have to be carried by agents, so we spend a lot of money printing them, sending them to agents; they put them in their files in their office and they never see the light of day again. So we're asking to discontinue the printing of those cards. The third thing is we currently, if you are going to be a licensed agent in Nebraska, we have an application fee. Once you passed your test, then you get a licensing fee. But we prohibit the ability for someone out of state that comes in to get a reciprocal license, we prohibit the Real Estate Commission from charging them an application fee. They have a licensing fee but we prohibit the ability to charge them an application fee. This would take that prohibition out. So if the Real Estate Commission thought there was a need to

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apply an application fee as you come to Nebraska, as we are a reciprocal state, if you have a broker's license in another state, Nebraska will honor that education and that license and allow you to get a similar license in the state of Nebraska. So it does those three things. I would ask for your adoption of LB23. Thank you, Mr. President. [LB23]

SENATOR GLOOR: Thank you, Senator Langemeier. (Visitors introduced.) We now move to discussion. Seeing no senators wishing to be recognized, Senator Langemeier, you are recognized to close on LB23. Senator Langemeier waives. The question is the advancement of LB23 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB23]

CLERK: 33 ayes, 0 nays, Mr. President, on the advancement of LB23. [LB23]

SENATOR GLOOR: LB23 advances. Mr. Clerk. [LB23]

CLERK: LB74 is a bill by Senator Pahls. (Read title.) Bill was introduced on January 6 of this year, referred to the Banking, Commerce and Insurance Committee. Bill was advanced to General File. I have no amendments at this time, Mr. President. [LB74]

SENATOR GLOOR: Senator Pahls, you are recognized to open on LB74. [LB74]

SENATOR PAHLS: Thank you, Mr. President and members of the body. LB74 was introduced at the request of the director of Banking and Finance. The bill is the annual update of our laws relating to depository financial institutions under the jurisdiction of this department. Sections 1, 2, and 5 of the bill would enact the wildcard statutes for banks, savings and loan associations, and credit unions. These sections provide parity between Nebraska state-chartered depository financial institutions and their federal counterparts, but they must be reenacted on an annual basis due to the Nebraska Constitution's restriction on delegation of legislative authority. LB74...under LB74, parity will exist as of January 1, 2011, for our 177 state-chartered banks, 19 state-chartered credit unions, and the 1 state-chartered savings and loan. Section 3 proposes an amendment to Section 8-602, which is the general fee statute for the financial institute applications. The amendment is to subdivision (8) which sets the application fees for charters and certificates of approval, including credit card charters, bank charters. This amendment would add a cross-reference to clarify the applicants for credit card bank charters. They are responsible for the examination, investigation, and hearing costs which may be incurred by the department in its evaluation of an application. All other charters and certificate applicants listed in this subsection are currently responsible for those costs. This amendment would simply add an unintentionally omitted internal reference. Section 4 of the bill would amend Section 8-1510 which provides requirements for cross-industry mergers and acquisition applications. These are applications in which one of the institutions seeks to acquire an institution that has a different form of charter, such as a bank acquiring a credit union. The law requires that

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the department send their first-class mail or electronic notice of these applications to all financial institutions' offices in the county or counties where the institution which is being acquired has offices. LB74 would change this notice requirement to allow financial institutions which have more than one office to designate one office where the notices can be sent. Section 8-1510, which LB74 would amend, was inadvertently omitted from the legislation enacted last year, which has the same changes and other similar notice requirements. The bill would correct that oversight. Finally, LB74 would outright repeal Section 8-132.01 of the Nebraska Banking Act. This statute was enacted in 1986 and provides that a bank that has a capital deficiency due to capital impairing loan losses may be allowed to amortize such loan losses over seven years if it has a return to profitability plan approved by the department. In the last 25 years since this statute was enacted, significant changes to accounting standards and federal reporting requirements for banks have been adopted, rendering this law obsolete. This concludes this year's amendments...cleanup amendments in the statutes governing depository institutions as brought to us by the Department of Banking and Finance. I urge you to advance this bill. [LB74]

SENATOR GLOOR: Thank you, Senator Pahls. Are there senators wishing to be recognized? Seeing none, Senator Pahls, you are recognized to close on LB74. Senator Pahls waives. The question is the advancement of LB74 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB74]

CLERK: 31 ayes, 0 nays, Mr. President, on the advancement of LB74. [LB74]

SENATOR GLOOR: LB74 advances. Mr. Clerk. [LB74]

CLERK: LB75 is a bill by Senator Pahls. (Read title.) Introduced on January 6 of this year, at that time referred to the Banking, Commerce and Insurance Committee, advanced to General File. I have no amendments to the bill, Mr. President. [LB75]

SENATOR GLOOR: Senator Pahls, you're recognized to open on LB75. [LB75]

SENATOR PAHLS: Thank you, Mr. President and members of the body. LB75 was introduced at the request of the director of the Nebraska Department of Banking and Finance. Sections 1 and 4 of the bill proposes changes to laws affecting residential mortgage loan originators. There have been significant changes to state and federal laws over the last three years relating to licensing and registration of persons and firms engaged in the business of soliciting and making loans on residential real estate. Licensing is required at the state level for mortgage loan originators employed by nonfinancial institutions, while regulation at the federal level is required for mortgage loan originators employed by financial institutions. The nationwide electronic licensing system, the Nationwide Mortgage Licensing System and Registry, commonly called

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NMLSR, has been operational since July 31, 2010, for individual mortgage loan originators employed by nonfinancial institutions and, to this date, the department has processed over 1,000 applications. One of the last components to be implemented under the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008, which is known as the SAFE Act, is the federal regulation process for mortgage loan originators employed by financial institutions. Registrations will also be processed through the NMLSR and handled entirely at the federal level, although the individual states need to enact legislation requiring the registration. Nebraska's initial legislation relating to mortgage loan originators employed by financial institutions required registration by July 1, 2010. In 2010 that deadline was extended to within 60 days past the date that the NMLSR becomes capable of accepting such registration, because the system was not expected to be functional for the registration by July 1, 2010. Now in the mid-2010, the federal banking agency adopted final rules for registration that became effective October 1, 2010. Included in these rules is a requirement that financial institution's loan originators must complete an initial registration within 180 days from the date that the federal agencies issued a public notice that the system is accepting registration. As a result, Section 1 of LB75 changes the 60-day window of registration to 180 days so that those persons employed by Nebraska financial institutions are not at a disadvantage. The director told the committee that he has been informed that the federal registration portion of the system will be functional by the end of this month. With this in mind, the bill carries the emergency clause. Now I'm going to ask us to shift gears and leave the topic of federal registration of mortgage loan originators who work for depository financial institutions and move to Section 4 of the bill which deals with our state process in licensing mortgage loan originators who work for nondepository mortgage companies. Section 4 of the bill would revise Section 45-742 of the Residential Mortgage Licensing Act to clarify that the department may issue a notice of expiration of a mortgage loan originator license if the licensee does not submit a request to renew his or her license rather than commencing revocation procedures. These procedures can be costly and time consuming but, most importantly and to the SAFE Act and corresponding laws, loss of a mortgage loan originator's license by any state makes that person ineligible for licenses in other states. This would be a very heavy sanction for simply failing to submit a renewal form. This amendment would address that. Sections 2 and 3 of the bill would amend the loan broker statutes. Section 2 of the bill would simply change an occurrence of "advanced fee" to "advance fee" in order to correctly define that term. Section 3 of the bill would amend the definition of loan broker to provide that a person who, for consideration than for advance fee, arrange or attempt to arrange loan for borrowers or assist borrowers in making loan application are loan brokers for purpose of these statutes. The amendment would plug an unintended loophole in the department's regulatory framework for loan brokers. The change would eliminate the basis for some entities to contend that they are not technically charging advance fees, which are prohibited by loan broker statutes. They do not have to comply with any requirements because of those statutes then. Because the loan broker statutes goes beyond the advance fee prohibition by requiring a filing of information with the

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department that would safeguard borrowers, that part of the statute has been unintentionally compromised and will remain so until this bill is passed. Again, these are the cleanup amendments to the statutes governing nondepository financial institutions and businesses. These have been brought to us by the Department of Banking and Finance. I urge you to advance this bill. [LB75]

SENATOR GLOOR: Thank you, Senator Pahls. Seeing no senators who wish to be recognized, Senator Pahls, you are recognized to close. Senator Pahls waives closure. The question is the advancement of LB75 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB75]

CLERK: 35 ayes, 0 nays, Mr. President, on the advancement of LB75. [LB75]

SENATOR GLOOR: The bill advances. Moving forward in General File, Mr. Clerk. [LB75]

CLERK: LB76 by Senator Pahls. (Read title.) Introduced on January 6, referred to the Banking Committee, advanced to General File. I do have committee amendments, Mr. President. (AM40, Legislative Journal page 381.) [LB76]

SENATOR GLOOR: Senator Pahls, you are recognized to open on LB76. [LB76]

SENATOR PAHLS: Again, this is a technical bill but it is shorter. LB76 was introduced at the request of the director of the Department of Banking and Finance. The Nebraska Security Bureau is a division of the Department of Banking and Finance. It is responsible for the enforcement of the Securities Act of Nebraska, the Commodity Code, and the Consumer Rental Agreement Act. In LB76, as introduced, would provide a uniformity amendment for these three state acts by updating existing date references to federal laws, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Investment Advisors Act of 1940, the Investment Company Act of 1940, and the Commodity Exchange Act. LB76 would change all existing dates to these federal acts, which currently range from 1993 to 2002, to January 1, 2011, and therefore would take into account revisions adopted by the federal Dodd-Frank Wall Street Reform and Consumer Protection Act signed into law in July 2010. Thank you. [LB76]

SENATOR GLOOR: Thank you, Senator Pahls. As the Clerk stated, there are amendments from the Banking, Commerce and Insurance Committee. Senator Pahls, as Chair of the committee, you're recognized to open on the amendments. [LB76]

SENATOR PAHLS: Thank you, Mr. President, members of the body. Again, these are really very technical. The committee amendments to LB76 are technical and cleanup in nature. After LB76 was introduced, the Department of Banking and Finance determined

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that it would not be necessary to update references to the Federal Public Utility Holding Company Act of 1935 for the simple fact that the act has been repealed. Therefore, the committee amendments would simply remove the obsolete reference to the Federal Public Utility Holding Company Act of 1935 from the Securities Act of Nebraska. I urge the adoption of the committee amendments to LB76. Thank you. [LB76]

SENATOR GLOOR: Thank you, Senator Pahls. Are there senators wishing to be recognized? Seeing none, Senator Pahls, you're recognized to close on your committee amendments. Senator Pahls waives. The question is, shall the amendments to LB76 be approved? All in favor signify by aye; all those vote nay. Have you all voted? Record, Mr. Clerk. [LB76]

CLERK: 34 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB76]

SENATOR GLOOR: The amendment is approved. [LB76]

CLERK: I have nothing further on the bill, Mr. President. [LB76]

SENATOR GLOOR: Seeing no senators wishing to be recognized, Senator Pahls, you're recognized to close on LB76. Senator Pahls waives. The question is the advancement of LB76 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB76]

CLERK: 35 ayes, 0 nays, Mr. President, on the advancement of LB76. [LB76]

SENATOR GLOOR: The bill advances. Mr. Clerk. [LB76]

CLERK: Mr. President, your Committee on Judiciary, chaired by Senator Ashford, reports LB197 to General File and LB61, General File with amendments. Urban Affairs Committee, chaired by Senator McGill, reports LB308 and LB335 to General File. I have a notice of hearing from the Government, Military and Veterans Affairs Committee signed by Senator Avery. Name adds: Senator Haar would like to add his name to LB68, Senator Coash to LB284. (Legislative Journal pages 463-467.) [LB197 LB61 LB308 LB335 LB68 LB284]

And a priority motion: Senator Hansen would move to adjourn the body until Monday morning, February 7, at 10:00 a.m.

SENATOR GLOOR: You've heard the motion to adjourn until 10:00 a.m. on Monday morning. All in favor say aye. Those opposed say nay. We are adjourned. (Gavel)