

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

Floor Debate
February 22, 2011

[LB12 LB24 LB25 LB26 LB43 LB66 LB70 LB77 LB78 LB94 LB98 LB108 LB146 LB159
LB164 LB178A LB178 LB179 LB181A LB191 LB202 LB210 LB215 LB230 LB237
LB249 LB257 LB264 LB278 LB281 LB303 LB311 LB314 LB326 LB331 LB332 LB334
LB337 LB338 LB343 LB347 LB368 LB383 LB396 LB399 LB404 LB410 LB410A LB462
LB471 LB474 LB499 LB524 LB556 LB628 LR72 LR74 LR75 LR78 LR79]

PRESIDENT SHEEHY PRESIDING

PRESIDENT SHEEHY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the thirty-second day of the One Hundred Second Legislature, First Session. Our chaplain for today is Reverend Jimmy Shelbourn from the First Presbyterian Church in Beatrice, Nebraska, Senator Wallman's district. Would you all please rise.

REVEREND SHELBOURN: (Prayer offered.)

PRESIDENT SHEEHY: Thank you, Reverend Shelbourn. I now call to order the thirty-second day of the One Hundred Second Legislature, First Session. Senators, please record your presence. Record, Mr. Clerk.

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

PRESIDENT SHEEHY: Are there corrections for the Journal?

CLERK: I have no corrections.

PRESIDENT SHEEHY: Messages, report, or announcements?

CLERK: Your Committee on Enrollment and Review reports LB12, LB25, LB26, LB77, LB78, LB146, LB264, LB303, LB326, LB331, LB332, and LB334 as correctly engrossed. That's all that I have, Mr. President. (Legislative Journal page 601.) [LB12 LB25 LB26 LB77 LB78 LB146 LB264 LB303 LB326 LB331 LB332 LB334]

PRESIDENT SHEEHY: We will now move to the first item under legislative confirmation reports.

CLERK: Senator Fischer, as Chair of Transportation, reports on four appointments to the Nebraska Railway Council. (Legislative Journal page 579.)

PRESIDENT SHEEHY: (Gavel) Senator Fischer, you're recognized to open on your confirmation report from Transportation and Telecommunications Committee.

SENATOR FISCHER: Good morning, Mr. President and members. I hope everyone

Floor Debate
February 22, 2011

enjoyed our four-day recess that we just finished. I know I certainly enjoyed getting back home. The Transportation and Telecommunications Committee held confirmation hearings on Tuesday, February 15, for the reappointment of four members to the Nebraska Railway Council. The four appointees are Frank Landis, Ralph Holzfaster, John Rebensdorf, and Gary Rasmussen. The Nebraska Railway Council administers programs and funds for the acquisition, rehabilitation, and operation of light-density rail lines pursuant to state law and the federal Rail Revitalization Act. All planning functions for participation in the federal act must be performed by a state agency designated by the Governor. Although the council is an independent body, the Department of Roads provides planning functions and staff support. Frank Landis' appointment fills the Public Service Commission position of the council. Mr. Landis is on the Public Service Commission and is an attorney from Lincoln. Ralph Holzfaster is appointed to fill the general public finance position of the council. His family farms and he is from Paxton, Nebraska. John Rebensdorf is appointed to fill the railroad management slot on the council. He is employed by Union Pacific and lives in Omaha. And Gary Rasmussen's appointment fills the general public marketing position of the council. He farms and he is from Elba, Nebraska. All four appointees submitted letters to the committee asking for their confirmation. The Transportation and Telecommunications Committee recommends this confirmation with seven members in favor and one member present but not voting. Thank you, Mr. President.

PRESIDENT SHEEHY: Thank you, Senator Fischer. You've heard the opening on the legislative confirmation report from Transportation and Telecommunications Committee. Seeing no requests to speak, Senator Fischer, you're recognized to close. Senator Fischer waives closing. The question before the body is on the adoption of the legislative confirmation report. All those in favor vote yea; opposed, nay. Record, Mr. Clerk.

CLERK: (Record vote, Legislative Journal page 602.) 38 ayes, 0 nays, Mr. President, on adoption of the confirmation report.

PRESIDENT SHEEHY: The confirmation report is adopted. Speaker Flood, you're recognized for an announcement.

SPEAKER FLOOD: Good morning, members. Welcome back after our break. You're being handed at this time a letter from me regarding committee, senator, and Speaker priority bills. This memo outlines the process and the deadlines for designating a bill as a priority or requesting that a Speaker priority be attached to your bill. The memo is being handed out at this time and it is self-explanatory. A copy will also be posted on my Web site. Another note I want to make this morning is we will be passing over LB66 on today's agenda. We will be passing over LB66 on today's agenda. The final comment I want to make, it relates to consent calendar. I do envision a consent calendar approaching sometime after the hearings end in the afternoon. So committee members,

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

Floor Debate
February 22, 2011

if you are interested in bills reaching consent calendar, certainly review the rules in the rule book as it relates to how they become eligible. It will also be further discussed in another memo to be sent out the beginning of next week. Thank you, Mr. President, and good morning.

PRESIDENT SHEEHY: Thank you, Speaker Flood. While the Legislature in session and capable of transacting business, I propose to sign and do hereby sign LR72, LR74, and LR75. (Doctor of the day and visitors introduced.) Mr. Clerk, we will now move to the first item under General File, 2011 senator priority bills. [LR72 LR74 LR75]

CLERK: Mr. President, the first bill this morning, LB237. It's a bill by Senator Howard. (Read title.) The bill was introduced on January 11, at that time referred to the Health and Human Services Committee for public hearing. The bill was advanced to General File. At this time I have no amendments to the bill, Mr. President. [LB237]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Howard, you're recognized to open on LB237. [LB237]

SENATOR HOWARD: Thank you, Mr. President and members of the body. Prescription drug abuse is the fastest growing drug problem in the country. Over the last two decades, abuse of these drugs has increased 500 percent. In 2009 alone, seven million Americans abused prescription medications. In 16 states more people die from prescription drug abuse than from traffic fatalities. In the rest of the country the only thing that kills more people is car accidents. The two largest groups abusing these drugs are kids and young adults. Eighteen to 24-year-olds have the highest rate of abuse followed by children ages 12 to 17. Nationally, 2,500 kids start abusing these drugs each and every day. Sixty-five percent of adolescents begin abusing prescription medication before the age of 15. This bill is known as the Medication Alert System and this is my priority bill. The most effective way for drug abusers to get pills to feed their addiction is to visit multiple doctors, pharmacies, and even dentists to receive as many prescriptions as possible. Drug abusers are often well organized. They have maps and appointment logs so that they do not alert practitioners to their behaviors. These are smart people. Without any means to notify one another or track prescriptions, doctors and pharmacies are often unaware that a patient may be getting prescriptions from five, six or ten doctors in filling the scrips in as many pharmacies. LB237 will address this problem by allowing doctors, nurse practitioners, and other prescribers, as well as pharmacies, to monitor their patient's care via electronic medical record and medication alert system. During the past two years the Division of Public Health, the Attorney General's Office, hospitals, physicians, pharmacies, and industry stakeholders have come together to find the best method for Nebraska to combat prescription drug abuse. The result of this cooperative effort is LB237. My goals for this bill have been simple. Find a mechanism for preventing drug abuse that does not interfere with legitimate use of prescription medication, make it useful and effective, and have no cost to the state.

Floor Debate
February 22, 2011

I've not been alone in this work. Dr. Joann Schaefer has been with me every step of the way, the pharmacist representatives, the Attorney General's Office, as I mentioned before. It has been a long road but I've had wonderful assistance. Here's how LB237 achieves these goals. LB237 allows the Department of Health and Human Services to collaborate with the Nebraska Health Information Initiative, commonly known as NeHII, and to create the necessary rules or regulations to facilitate the establishment of prescription drug monitoring, via what we now call a Medication Alert System. NeHII is Nebraska's electronic medical record system. It links practitioners and hospitals together by allowing them to share patient information in real time at the point of care. Right now the participating physicians and hospitals are able to request patient medical histories from the system and have this information in less than two seconds. LB237 will create a public-private partnership, a true partnership to further enhance the NeHII program. The system will be upgraded to provide an alert screen for prescribers and dispensers when a patient has multiple prescriptions. NeHII is working to bring the system online for pharmacies and this bill will assist in pursuing grants and other sources of funding to make the system fully functional for pharmacists. Moreover, once this bill is passed, the Division of Public Health intends to bring together a group of stakeholders, and this is my intention that stakeholders work together. This would include the doctors, the pharmacists, the prescribers, to further the use of the NeHII system to combat prescription drug abuse. This system is the wave of the future. During the hearing, we heard the testimony of the administrator of Kansas Prescription Drug Monitoring Program and he indicated that they hoped to merge their prescription drug monitoring program with electronic medical records when the system comes on-line, possibly somewhere within the next ten years. NeHII is operational now and already serving over half of Nebraska's population and continuing to grow. By utilizing the existing system and enhancing it to provide this important function, we are years ahead of our neighboring states, and for something we can truly appreciate while others have spent millions to create and maintain their prescription drug monitoring systems, LB237 will have no financial impact. NeHII will continue to roll out operations to the state but the medical alert system enhancements likely will not come to fruition without LB237. There is much at stake and Nebraska is among a handful of states who have not taken action to monitor and curb prescription drug abuse. The only other state in the Midwest that has yet to tackle this issue is Missouri, and Missouri is in the process of creating a program; if we do not address this problem, we won't just be failing to protect our own citizens but we will become a magnet for individuals from other states who seek to abuse these drugs. Florida provides a prime example of what can happen when a state does nothing. The number one prescribed drug in America is hydrocodone, a drug that is also the most popular among prescription drug abusers. It is so easy to get a prescription pain killer in Florida that a cheap flight from Kentucky to Florida is called the OxyContin Express. They literally have pill mill clinics in strip malls. We cannot become Florida in the Midwest. In LB237 we have the opportunity to give medical practitioners a tool that will assist them not only in identifying drug seekers, but also to help those addicted to prescription drugs to effect treatment. For these reasons I ask you to

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

Floor Debate
February 22, 2011

advance LB237. Thank you. [LB237]

PRESIDENT SHEEHY: Thank you, Senator Howard. You've heard the opening to LB237. Members requesting to speak are Senator Fulton, followed by Senator Pirsch. Senator Fulton. [LB237]

SENATOR FULTON: Thank you, Mr. President. Would Senator Howard yield to a question. [LB237]

PRESIDENT SHEEHY: Senator Howard, would you yield to Senator Fulton? [LB237]

SENATOR HOWARD: Yes. [LB237]

SENATOR FULTON: Thank you, Senator. Had a couple of constituents e-mail me with some concerns about this, one of which I think is legitimate, and I'd like to at least have it out here on the record. What...this is giving the department the authority to create a program of monitoring. Is that a correct...am I correct in that regard? [LB237]

SENATOR HOWARD: I would not say that is correct. What this is doing is giving the department, under the leadership, under the guidance of Dr. Schaefer, the ability to work closely with our existing program, which is NeHII. [LB237]

SENATOR FULTON: Okay. Why...I guess, what is the...what's the necessity? Help me understand. I think I understand that by allowing the department to work collaboratively, then we will be allowing government to have a single source repository where we have access to what's going on with respect to prescription drugs. Is that correct? Or maybe you could...why is it necessary? [LB237]

SENATOR HOWARD: What this will do is, this will utilize the system that we already have in place. We're not going to rediscover the wheel. We're not going to come out...we went down that road when we were looking at this issue. We weighed the options. And keeping in mind that one of our biggest concerns was cost in this. We have NeHII in place. NeHII is expanding, NeHII is growing. There are 44 pages of physicians who are already on board with NeHII. This is a program that can provide the information and can provide it in real time. [LB237]

SENATOR FULTON: So is it...I guess, why, if it already exists, then why are we giving permission to the...why are we putting in statutes this...why, if it already exists, what are we doing? [LB237]

SENATOR HOWARD: NeHII exists. Prescription drug monitoring, or as we're calling it, Medication Alert Systems does not. [LB237]

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

Floor Debate
February 22, 2011

SENATOR FULTON: Okay. The concern that was raised is that, I guess, what kind of guarantees do we have that personal information with respect to prescriptions is protected? That was the concern that was being raised in one of the e-mails, and I don't know how to answer that. It's a legitimate concern, so I pose that question to you. Do we have any mechanism or any methods or guarantees of...that personal information will be kept safely? [LB237]

SENATOR HOWARD: Senator, NeHII is well aware of the restrictions, the HIPAA regulations, and they're HIPAA compliant. This program will be also. [LB237]

SENATOR FULTON: Okay. Okay. I'll stop there. Thank you, Mr. President. [LB237]

PRESIDENT SHEEHY: Thank you, Senator Fulton. (Visitors introduced.) Continuing with floor discussion of LB237, members requesting to speak, Senator Wallman, followed by Senator Gloor. Senator Wallman. [LB237]

SENATOR WALLMAN: Thank you, Mr. President and members of the body. I think watching these videos from Florida and things where this is out of control, I think anything we can do to slow this down, and I know security is an issue, privacy is an issue, but Senator Howard, I think, has a very good bill here, and I urge your support. Thank you, Mr. President. [LB237]

PRESIDENT SHEEHY: Thank you, Senator Wallman. Senator Gloor. [LB237]

SENATOR GLOOR: Thank you, Mr. President. I've risen to voice my support for LB237. But I'll use my time to try and very briefly address a good point that Senator Fulton has brought up and that has to do with privacy. NeHII is an attempt to create, and this is a gross generalization, but an electronic medical record, and all of the wonderful things related with healthcare that go along with that. But one of the overriding concerns behind any electronic medical record, whether it's in this state or other states or an effort underway to try and make a national medical record, is patient confidentiality. The full weight of the law that currently exists, both federal law as well as any appropriate state laws, is to maintain patient privacy. And the same will hold true to this component and this expansion of the use of NeHII for drug monitoring. Consider it to be the same as the medical record in a hospital. People lose their jobs, there are suits when somebody inappropriately accesses information. It is possible but it is extremely difficult for people to access that information. And that same degree of difficulty and that same monitoring and protection under the law exists under this particular bill as exists under other components of NeHII and that electronic medical record. Hopefully, that will assure folks when it comes to concerns that rampant amounts of information will be spread around on somebody's use of prescription medications. Efforts have been made to make sure that that doesn't happen anymore than it currently happens with NeHII already in place in a number of locales around the state. Thank you, Mr. President. [LB237]

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

Floor Debate
February 22, 2011

PRESIDENT SHEEHY: Thank you, Senator Gloor. Senator Campbell, you're recognized. [LB237]

SENATOR CAMPBELL: Thank you, Mr. President and good morning, colleagues. I want to draw your attention to the number of people who testified in favor of this bill. Not only has this been a priority for Senator Howard, but it certainly has been a priority for the Health and Human Services Committee because we know how important it is to Senator Howard. Also, we received a letter of support from the Attorney General. And we don't often receive letters from the Attorney General supporting a particular program. Usually he's trying to help us out in other ways, but I did want to draw your attention to that. We're very proud of Senator Howard and the work that she has put in to make this bill a reality and we would ask for your support on LB237. Thank you, colleagues. [LB237]

PRESIDENT SHEEHY: Thank you, Senator Campbell. Seeing no additional requests to speak, Senator Howard, you're recognized to close on LB237. [LB237]

SENATOR HOWARD: Thank you, Mr. President and thank you members of the body. Thank you to those who spoke. LB237 is an effective cost neutral answer to the serious and growing issue of prescription drug abuse. It creates mechanisms for public-private partnership on the cutting-edge of the health information technology. By facilitating a medication alert system, LB237 gives doctors and pharmacists the tools they need to help prevent prescription misuse and to guide addictive patients toward treatment. This bill will launch Nebraska from our place as one of the handful of states behind everyone else into a position this great state as a leader deserves in effective prescription monitoring. And on a personal note, I would say I wish this bill had been in place two years ago. I urge you to vote green on LB237. Thank you. [LB237]

PRESIDENT SHEEHY: Thank you, Senator Howard. You have heard the closing. The question before the body is on the advancement of LB237. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB237]

CLERK: 37 ayes, 0 nays, Mr. President, on the advance of LB237. [LB237]

PRESIDENT SHEEHY: LB237 advances. Next item, Mr. Clerk. [LB237]

CLERK: Mr. President, LB164, is a bill by Senator Loudon. (Read title.) The bill was introduced on January 7, referred to Transportation and Telecommunications Committee, advanced to General File. There are committee amendments pending, Mr. President. (AM286, Legislative Journal page 495.) [LB164]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Loudon, you're recognized to

Floor Debate
February 22, 2011

open on LB164. [LB164]

SENATOR LOUDEN: Thank you and good morning, Lieutenant Governor, and good morning members of the Legislature. Today I bring before you LB164 to address a situation that arises sometime on rural roads. In statutes now if an object is over fifteen and a half feet tall and moved on a state highway, a permit is needed from the Department of Roads. This is so a route and time can be mapped and to make sure there are clearances under power lines, telephone lines, bridges, and any other obstacles. LB164 allows for a simple notification so the local authority or electric utility company may establish that travel is safe or to determine if assistance is needed to raise a power line or move signage that may create a safety hazard for the individual moving the oversized load. There is no intent to add an additional burden of a permit or fee. In Nebraska, a majority of power lines provide a minimum of 18 foot clearance unless greater clearance is required. Nebraska statute does not define a width for roadways. The concern for width is when an object might interfere with signage or bridge width. The generic phrase, wider than the roadway, allows for varying widths based on the road traveled; if there's no utility infrastructure in place along the chosen route, notification is not required or if a county requires a permit, it would accommodate the notification requirement if the permit is applied for at least ten days prior to the move. Failure to provide notification and contact with a power line is made with a utility line, that could result in a Class III misdemeanor. The individual is still responsible for notifying the electric utility if the object is over fifteen and a half feet high and electric utility infrastructure is present. Individuals must still comply with any existing federal, state or local authority permit or notification requirements. No charge or fee is associated with providing notification. There may be a cost involved if an electric utility needs to have a crew lift or shut down a power line to accommodate safe travel; if there is a federal, state or county permit requirement already in place, the individual must still acquire the permit and notify the local utility companies in addition to providing notification of power companies. LB164 addresses the issue of the movement of tall objects or objects that are wider than the county or township road. At the present time, there aren't any provisions in statute to require notification to anyone to move an oversized object on county roads. The amendment, AM286, is a clarification of the language that describes the height of the object to include the transporting vehicle. I would ask for your approval of AM286 and to advance LB164 to Select File. Thank you, Mr. President. [LB164]

PRESIDENT SHEEHY: Thank you, Senator Louden. You've heard the opening to LB164. As was noted, there is a Transportation and Telecommunications amendment, AM286. Senator Fischer, you're recognized to open. [LB164]

SENATOR FISCHER: Thank you, Mr. President and members. As Senator Louden stated, this amendment clarifies that a building or object being moved in combination with the transporting vehicle can be no higher than fifteen and a half feet before

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

Floor Debate
February 22, 2011

notification is required. Thank you, Mr. President. [LB164]

PRESIDENT SHEEHY: Thank you, Senator Fischer. You've heard the opening to AM286. Seeing no requests to speak, Senator Fischer, you're recognized to close. Senator Fischer waives closing. The question before the body is on the adoption of AM286 to LB164. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB164]

CLERK: 28 ayes, 0 nays, Mr. President, on adoption of committee amendments. [LB164]

PRESIDENT SHEEHY: AM286 is adopted. We now resume floor discussion on LB164. Member requesting to speak Senator Carlson. [LB164]

SENATOR CARLSON: Mr. President and members of the Legislature, I'd like to direct a couple of questions to Senator Louden, if he would yield. [LB164]

PRESIDENT SHEEHY: Senator Louden, would you yield to Senator Carlson? [LB164]

SENATOR LOUDEN: Yes, I would. [LB164]

SENATOR CARLSON: Senator Louden, you've got in the bill, governing authority, so that would either be the county or the city; if it were within city limits, would those be the two authorities? [LB164]

SENATOR LOUDEN: Yeah, yes, that would be the county commissioners or whoever is in authority where they're going to go with that particular load. [LB164]

SENATOR CARLSON: Now I think it says, notification required ten days prior to moving? [LB164]

SENATOR LOUDEN: That's what's in the bill, yes. [LB164]

SENATOR CARLSON: What's...I can see all kinds of circumstances that come up where somebody, all of a sudden, wants to move something and they've got the...they've got the equipment and they've got the people there in order to do it, and then try and coordinate ten days. But if they don't do that, there's a penalty in there, and it's a misdemeanor, is that correct? [LB164]

SENATOR LOUDEN: Well, that depends on if there's a line there; if there isn't any line there they don't have to notify anybody; if there's a line there, the reason for the ten days it gives the utility crews a chance to plan to have people out there in order to raise those power lines. And that...and anytime within that ten days, they can be moved. I mean, they just want to have that much time out there ahead of time so that they can

Floor Debate
February 22, 2011

know that something like that is going to happen or that there's an object going to be moved. Now if they're moving into towns or something like that, I'm sure you got to have notification with the city, probably. That would probably be a different situation than just going down a country road from one farm to the next. [LB164]

SENATOR CARLSON: Well, I can see inside city limits there could be a number of wires that might be in a position they need to be careful of. But what about out in the country if I want to move something and there's a line, and I go measure and that line is well over fifteen and a half feet and that's...and what I'm wanting to move is no higher than that, do I still need permission? [LB164]

SENATOR LOUDEN: You would probably be best to...I'd be amazed, Senator Carlson, if you go out there yourself and measure one of them power lines. You got more, more...you're braver than I am because a fellow can get a deadly shock out of that. But I suppose if, as it says, if there are no obstructions, then you don't have to have a notification. But to be on the safe side, if there was a line out there, I would think someone would want to notify the power company if it's a power line or the telephone company if it's a telephone line, because if you break them down, you can pull into a telephone line and break it down but they'll charge you to fix it back up; if you pull into a power line and break it down, why, there's all kinds of issues that can happen with that. So, I mean, it's probably true, but I think you would be wise to have the notification. [LB164]

SENATOR CARLSON: Do you think there's a possibility...and I would not use my steel measure to go out and measure that. [LB164]

SENATOR LOUDEN: Pardon? [LB164]

SENATOR CARLSON: I wouldn't use my steel tape to go out and measure that. [LB164]

SENATOR LOUDEN: Well, I would hope not. [LB164]

SENATOR CARLSON: I would probably put something in the back of that truck and eye it, and if I'm positive it's not going to be a problem...if I call in and I tell them the height, is it possible they would tell me, don't worry about it, go ahead? [LB164]

SENATOR LOUDEN: Well, I would think so because this is something that, like I said, there isn't any...we wanted to make it onerous for anyone to move something. It's just the fact that if you do have a large height and you think there's obstructions out there, then you probably need to notify the people. [LB164]

SENATOR CARLSON: Okay. Thank you, Senator Louden. I will support the bill. Thank

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

Floor Debate
February 22, 2011

you. [LB164]

PRESIDENT SHEEHY: Thank you, Senator Carlson. Other members requesting to speak on LB164: Senator Harms, followed by Senator Dubas and Senator Price. Senator Harms. [LB164]

SENATOR HARMS: Thank you, Mr. President and colleagues. I rise in support of LB164. It's not unusual at all in rural Nebraska to be driving down a country road and see a house moving down the road. And a lot of times they haven't bothered to get clarification or to get permission to do that or a lot of times you'll see a corn bin stacked up on a truck and moving down the country road. I think it's really important to do this. We've been fortunate, we haven't had many deaths, but when you hit those power lines it's a pretty good shock. And so I appreciate Senator Louden for bringing this bill forward and I do support LB164. Thank you, Mr. President. [LB164]

PRESIDENT SHEEHY: Thank you, Senator Harms. Senator Dubas. [LB164]

SENATOR DUBAS: Thank you very much, Mr. Lieutenant Governor. Would Senator Louden yield to a question, please. [LB164]

PRESIDENT SHEEHY: Senator Louden, would you yield to Senator Dubas? [LB164]

SENATOR LOUDEN: Yes, I would. [LB164]

SENATOR DUBAS: Thank you, Senator Louden. Just for a point of clarification in the bill it talks about nothing wider than the road. So if we have a combine with a large grain head or a corn head attached, those can be pretty wide, they can take up most of the road. But as long as it doesn't go past the road into the road ditches, are they still needing to call in and get this permission? [LB164]

SENATOR LOUDEN: Well, I think where that comes in is if there were like your phone companies have boxes over along the right of way fence line and if it isn't...if it doesn't run into anything, why, it shouldn't be any problem. Yeah, these 40-some foot wide combines and move them down the roads, there can be problems. But if there's a bridge there, they also will have a problem and that wouldn't have anything to do with the power companies, you know. So I think most generally when, if there's any common sense and where these people move up and down these roads anyway, there shouldn't be any problem if they don't knock over any utility boxes or something like that. [LB164]

SENATOR DUBAS: Okay. So again, as long as it's not reaching fence to fence across the road, they should be okay. [LB164]

SENATOR LOUDEN: Well, I think so. Just like anything else, if you're moving too wide

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

Floor Debate
February 22, 2011

and you knock over a phone company's box out there, why, yeah, you're going to be in trouble, so. [LB164]

SENATOR DUBAS: All right. Thank you, Senator Louden. [LB164]

PRESIDENT SHEEHY: Thank you, Senator Dubas. Senator Price. [LB164]

SENATOR PRICE: Thank you, Mr. President and members of the body. While listening to this bill in the committee, some of the things that were brought up that I'm not sure have been covered. One of the concerns there with these power lines is not only just actually physically contacting them and tearing them down, but particularly with a high-power line if you're within ten feet of that high-power line there is a chance that you could have an arc that will cover the distance so it's important to know. And also to note, in extremely warm temperatures those lines will have a tendency to sag a lot. And it's important that they check because just because it was cleared, you know, in February, doesn't mean it would be cleared in August so that's why this concern was brought forward. So I just wanted the body to know that those who are actually able to hear and understand this, that it's more about the safety, and there's an air gap there that we have to take into account. Thank you, Mr. President. [LB164]

PRESIDENT SHEEHY: Thank you, Senator Price. Seeing no additional requests to speak, Senator Louden you're recognized to close on LB164. [LB164]

SENATOR LOUDEN: Thank you, Lieutenant Governor. And I appreciate the dialogue and the clarification on this and I would ask that we advance LB164 to Select File. Thank you. [LB164]

PRESIDENT SHEEHY: Thank you, Senator Louden. You've heard the closing. The question before the body is on the advancement of LB164. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB164]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB164. [LB164]

PRESIDENT SHEEHY: LB164 advances. Next item, Mr. Clerk. [LB164]

CLERK: Mr. President, LB257 is a bill by Senator Fischer. (Read title.) Introduced on January 11, referred to the Transportation and Telecommunications Committee, advanced to General File. There are committee amendments pending, Mr. President. (AM58, Legislative Journal page 495.) [LB257]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Fischer, you're recognized to open on LB257. [LB257]

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

Floor Debate
February 22, 2011

SENATOR FISCHER: Thank you, Mr. President and members. LB257 makes a small change to the telecommunications rate regulation provisions to remove a Public Service Commission filing requirement with regard to business service by a telecommunications company. Currently, 86-143 requires the telecommunications company to file rate lists with the commission for each service provided when the commission has declared local competition to exist in an exchange. The bill amends the statute to exclude filing rate lists, tariffs or contracts for business services. The telecommunications company may remove any business service rate list, tariff or contract filed with the commission if written notice is provided to the commission, and the company posts the rates, terms and conditions of business service on its Web site. Customers rarely look to the tariff list at the commission and even do so less when it is for business purposes. Over 30 states have removed this requirement. The bill does not affect filing requirements for residential rates or the commission's authority over quality of service. Thank you, Mr. President. [LB257]

PRESIDENT SHEEHY: Thank you, Senator Fischer. You've heard the opening to LB257. As was stated, there is a Transportation and Telecommunications Committee amendment, AM58. Senator Fischer, you're recognized to open. [LB257]

SENATOR FISCHER: Thank you, Mr. President. The committee amendment, AM58, adds a new section to include similar language in 86-144 regarding exchanges where no local competition has been determined to exist by the commission. To date no exchange has been determined to have competition. The amendment ensures that rate lists, tariffs or contracts for business services will be excluded from filing requirements in all exchanges, regardless of whether local competition has been determined to exist. Thank you, Mr. President. [LB257]

PRESIDENT SHEEHY: Thank you, Senator Fischer. You've heard the opening of the committee amendment, AM58. Seeing no requests to speak, Senator Fischer, you're recognized to close. Senator Fischer waives closing. The question before the body is on the adoption of AM58 to LB257. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB257]

CLERK: 33 ayes, 0 nays, Mr. President, on adoption of committee amendments. [LB257]

PRESIDENT SHEEHY: AM58 is adopted. [LB257]

CLERK: I have nothing further, Mr. President. [LB257]

PRESIDENT SHEEHY: We will now return to floor discussion on LB257. Seeing no requests to speak, Senator Fischer, you're recognized to close. [LB257]

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

Floor Debate
February 22, 2011

SENATOR FISCHER: Thank you, Mr. President and members. Thank you for your support of the amendment and I would ask that you advance the bill as amended. Thank you, Mr. President. [LB257]

PRESIDENT SHEEHY: Thank you, Senator Fischer. You've heard the closing. The question before the body is on the advancement of LB257. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB257]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB257. [LB257]

PRESIDENT SHEEHY: LB257 advances. Mr. Clerk, do you have items for the record? [LB257]

CLERK: I do, Mr. President, thank you. Enrollment and Review reports LB24, LB94, LB98, LB311, LB347, LB396, LB462, and LB474 as correctly engrossed. I have amendments to be printed by Senator Council to LB383; Senator Krist with an amendment to LB179. Hearing notices from Judiciary Committee, those offered by Senator Ashford as Chair. And General Affairs, chaired by Senator Karpisek, reports LB249 and LB524 to General File with amendments. Judiciary Committee, chaired by Senator Ashford, reports LB202 to General File with amendments. And finally, Senator Krist offers a new resolution, LR78. That will be laid over, Mr. President. That's all that I have. (Legislative Journal pages 603-614.) [LB24 LB94 LB98 LB311 LB347 LB396 LB462 LB474 LB383 LB179 LB249 LB524 LB202 LR78]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We will continue now to next item under General File. []

CLERK: LB210, is a bill by Senator Cornett. (Read title.) Introduced on January 10 of this year, referred to the Revenue Committee. The bill was advanced to General File. At this time I have no amendments to the bill, Mr. President. [LB210]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Cornett, you're recognized to open on LB210. [LB210]

SENATOR CORNETT: Thank you, Mr. Lieutenant Governor and members of the body. I introduced LB210 on behalf of the Nebraska Department of Revenue. LB210 is the department's annual omnibus tax administration enforcement bill. Many of the bill's provisions are technical in nature so I will tell you about the main thrust of the bill. LB210 changes the due date for sales and use tax returns from the 25th to the 20th of the month following the prior reporting period, and also provides that the due date for paying the waste reduction and recycling fee for new tires will be the 25th day of the month following the prior reporting period. It eliminates unnecessary requirements for the extraneous reporting requirements of the property tax administrator, including

Floor Debate
February 22, 2011

exempting the property tax administrator from having to meet certain educational requirements applicable to members of TERC and who are attorneys at law. It requires the county assessors to electronically report information to the property tax administrator, including reporting data on the assessed valuation and other features of property assessment process. And it requires the property tax administrator to collect and analyze data for extra county comparisons for the political subdivisions, besides school districts. It grants additional time for the department to send notices of demand to collect or pay taxes owed by a corporation to a responsible corporate officer when the corporate tax liability is the subject of a federal bankruptcy proceeding. It extends the length of time a common or contract carrier sales tax exemption certificate expires from five years to three years under current law. It places the State Athletic Commission under the general supervision of the administration of the Charitable Gaming Division of the Department of Revenue, and finally, it eliminates the Greenbelt Advisory Committee. I urge the body to support the omnibus bill, and thank you for your time and attention. [LB210]

PRESIDENT SHEEHY: Thank you, Senator Cornett. You've heard the opening to LB210. Senator Pahls, you're recognized. [LB210]

SENATOR PAHLS: Thank you, Mr. President and members of the body. When I heard the number from three to five you sort of caught my attention because I had been looking at the fiscal notes. Senator Cornett, I just would like to just have you, if at all possible, address one of my questions. [LB210]

PRESIDENT SHEEHY: Senator Cornett, would you yield to Senator Pahls? [LB210]

SENATOR CORNETT: Yes. [LB210]

SENATOR PAHLS: I'm looking on the fiscal note about one, two, four, five, six, seven lines down, dealing with LB210. I'm in Section 77-2704, to allow a common carrier to follow the renewal applications for sales exemptions from five years instead of the current three years. And again, anytime I see sales tax exemptions, you know, it does catch my attention. It looks like we want to move it from three to five. After taking a look at the application form that they have to fill out, it is very detailed and I can see that may be one reason why they may not want to do that. But did they give you any...in the discussion, did they...the Department of Revenue indicate why they wanted to move from three to five? [LB210]

SENATOR CORNETT: They just said for ease of administration. [LB210]

SENATOR PAHLS: Okay. Okay. Like I say, I did review, and this is not a catch you type thing. That's not the intent. From three to five, I was curious on that. By looking at that form, like I say, it is quite detailed and I was just...because I'm reviewing how they do

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

Floor Debate
February 22, 2011

other sales tax exemptions on the...how they obtain that information. And I'm just curious. That's the only reason why, it brought my curiosity up. I thank you. [LB210]

SENATOR CORNETT: You're welcome. [LB210]

PRESIDENT SHEEHY: Thank you, Senator Pahls. Seeing no additional requests to speak, Senator Cornett, you're recognized to close. [LB210]

SENATOR CORNETT: Thank you, Lieutenant Governor. I just urge the body to advance this bill. It is the annual cleanup bill. Thank you. [LB210]

PRESIDENT SHEEHY: Thank you, Senator Cornett. You've heard the closing. The question before the body is on the advancement of LB210. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB210]

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB210. [LB210]

PRESIDENT SHEEHY: LB210 advances. Next item, Mr. Clerk. [LB210]

CLERK: LB471, a bill introduced by Senator Karpisek. (Read title.) Introduced on January 14, at that time referred to the Urban Affairs Committee. The bill was advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB471]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Karpisek, you're recognized to open on LB471. [LB471]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. LB471 is the enabling legislation to Amendment 1 which was on the ballot this last November and also passed. I'll read you just a little bit of what it says. "Local sources of revenue means the city's property tax, the city's local option sales tax," and now this is the new part, "or any other general tax levied by the city or generated from municipally owned utilities or grants, donations or state and federal funds received by the city subject to any restrictions of the grantor, donor or state or federal law." Funds "generated from municipally owned utilities shall be used for utility-related purposes or activities associated with the economic development program as determined by the city council, including, but not limited to, load management, energy efficiency, energy conservation, incentives for load growth, line extensions, land purchase, site development, and demand side management measures." This pertains to LB840 funds that cities have right now, not all do but a good share do. And it goes to the economic development of the city. Previously, the only things that could be used for these LB840 funds were the city property tax or the city's local option sales tax. LB471 increases that pool to any other general tax levied or grants, donations of the state or federal bodies. So this makes it bigger what they can use in their LB840 fund for economic development.

Floor Debate
February 22, 2011

Again, it is very close to what was on the ballot in November with a little bit more that has been added for clarification on what it can be used for and the municipally owned part of it. It was approved by the voters, Amendment 1, in November. It was narrow but it did pass. I think there was a little bit of confusion on what it did because, in my opinion anyway, people thought that it was putting the city property tax and local option sales tax into place. That was already in place. This just opens it up to also include donations and other types of tax that may be levied. With that, Mr. President, I will see what the body has to say. Thank you. [LB471]

PRESIDENT SHEEHY: Thank you, Senator Karpisek. You've heard the opening to LB471. Members requesting to speak: Senator Schilz followed by Senator Schumacher. Senator Schilz. [LB471]

SENATOR SCHILZ: Thank you, Mr. President, members of the body. Would Senator Karpisek yield to a question? [LB471]

PRESIDENT SHEEHY: Senator Karpisek, would you yield? [LB471]

SENATOR KARPISEK: Yes, I will. [LB471]

SENATOR SCHILZ: Senator Karpisek, thank you very much for bringing this bill. I want to ask you, in your opening statement you said there have been things...some things added to this bill that weren't specifically spelled out in Amendment 1. Can you tell me exactly what those are. [LB471]

SENATOR KARPISEK: It just talks about that the funds generated from the municipally owned utilities shall be used for utility-related purposes or activities. So if it is a tax that is levied on the municipally owned utilities, it has to be used back for load management, energy efficiency, conservation, load growth, line extensions and that sort of thing. So if it were to...if they would use the money from electricity, they would not be able to use that just to entice a business to come in but rather to use that money to help the load growth or line extension. [LB471]

SENATOR SCHILZ: I understand. Thank you, Senator Karpisek. I think that as I look at this and having dealt with some of the LB840 issues in the past, a little bit more flexibility would be nice. But I think it's very, very important that all of us here keep in mind if you're going to use something like these funds or whatever it would be to put into these types of things that we make sure that we don't overextend ourselves as municipalities or anything, to make sure that we're, quote, unquote, living within our means. (Laugh) I do have some reservations about this. I understand why Senator Karpisek brought it. And I'll be listening to the debate to make sure that I can go forward and vote for this. So thank you, Mr. President. [LB471]

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

Floor Debate
February 22, 2011

PRESIDENT SHEEHY: Thank you, Senator Schilz. Senator Schumacher, you're recognized. [LB471]

SENATOR SCHUMACHER: Thank you, Lieutenant Governor, members of the body. Would Senator Karpisek yield to some questions? [LB471]

PRESIDENT SHEEHY: Senator Karpisek, would you yield? [LB471]

SENATOR KARPISEK: Yes, I will. [LB471]

SENATOR SCHUMACHER: Senator Karpisek, can you explain in general terms how the LB840 system works? [LB471]

SENATOR KARPISEK: The LB840 system is a vote of the local governing board, in fact, I'll check but I'm pretty sure that it has to be a vote of the people of the community. Those funds then, once it's started, those funds are set aside for economic development. Now for this to go on they would have to have another vote for this to be included; if they already had an LB840 plan, they would have to have another vote to include these. [LB471]

SENATOR SCHUMACHER: And then once this fund is established, how is it distributed and who gets the money from the fund? [LB471]

SENATOR KARPISEK: It is distributed by...the local government decides who gets it and how much and...it's a local control issue. [LB471]

SENATOR SCHUMACHER: Does the business that gets this money have to be a Nebraska-based business or can they give it to anybody? [LB471]

SENATOR KARPISEK: I don't think they have to be Nebraska-based, but I will find that out for you, Senator. [LB471]

SENATOR SCHUMACHER: Is there any requirement as to how long a business who gets this money has to stay in the state and what involvement they have to have? [LB471]

SENATOR KARPISEK: Again, that is all current. Current statute now, Senator, I can read through it real quick and find more out for you if you want to know more about the LB840 plans. This bill just pertains to expanding that. [LB471]

SENATOR SCHUMACHER: Thank you, Senator. I opposed this bill in committee because I think we need to have a general discussion over the term "economic development." It's a pretty loosely applied term and it seems to be the kind of thing that

Floor Debate
February 22, 2011

everybody wants to have but nobody is really sure what it means. As my understanding the way these things work is that the voters initially had to approve an additional sales tax levy. And that money went into a kitty or I guess up to this point, some property tax money also could have gone into the kitty. And then a generalized nebulous plan is approved by a local governing body and then there's some local recommendations that are made by some other board that's approved by the city. Eventually, the bottom line is this pool of money is put out and made available in a competitive way, supposedly, to bid against other cities in this state and in other states to bring in business under the guise that, well, it's going to mean more jobs. And what we've done here is we've basically authorized the taking of tax money and put it toward programs in which we try to give it away to a business to come here for a short period of time, maybe a longer period of time. All that philosophically is not economic development, it's economic relocation. And the money often, in fact I think if we had a statistical analysis, most often goes to some out of state outfit to come in here and... [LB471]

PRESIDENT SHEEHY: One minute. [LB471]

SENATOR SCHUMACHER: ...we'll see if we can over give them more so than the next guy. What this does is it says, okay, not only can we throw in that money this limited 1 percent sales or part of a percent sales tax that the voters might approve, but we can go into anything. We can go into general tax revenues, we can go into grants, we can rob from our utilities to throw into this fund to get into a mad feeding frenzy as to try to attract a business to our community rather than the community down the street or across the state line. That's not necessarily good economics. It's not economic development. And what it does is it forces the local taxpayer to invest in a remote business and not have a piece of the action, except for what derivative things that it can come off by that business being there for one or two or three years or, maybe if you're really lucky, longer. So I think putting more at risk than basically the sales tax appropriation is not a wise move for the state. And we... [LB471]

PRESIDENT SHEEHY: Time, Senator. [LB471]

SENATOR SCHUMACHER: Thank you. [LB471]

PRESIDENT SHEEHY: Thank you, Senator Schumacher. Members requesting to speak on LB471: Senator Harms followed by Senator Schilz and Senator Wightman. Senator Harms. [LB471]

SENATOR HARMS: Thank you, Mr. President. Thank you, colleagues. I rise in support of LB471. I disagree with Senator Schumacher. Without LB840 funds, folks, we'd be nowhere. It's an important part of economic development. You can play with the definition of economic development however you would like. But it does bring other people in here, it does bring companies in here. How do you think other states deal with

Floor Debate
February 22, 2011

this? It's important for us to have economic development. It's important for us to be able to provide assistance to bring companies and other people here. Is it for job improvement or better jobs or more jobs? Yes, it is, there's no question about it. That's what economic development is about is creating jobs for people to stay here and to go to work. LB840 dollars have been critical to Nebraska's economy. And I would urge you to support this. I would urge you not to get sidelined in regard to this issue because I think the focus of it is to improve our state. The focus of this is to bring people here, the focus of it is to bring companies here so we can have more people working. The focus here is to help young people stay here. To me that's economic development. Whether we compete with somebody from Missouri or California or wherever it might be is critical to what we do in this state. Why do you think we are growing in this state? Why do you think Lincoln and Omaha have done so well? It's because of the Advantage Program, because of our ability to react, to provide the kinds of competition funding that we need to bring companies here. I'd urge you to do this. This just gives us more flexibility and I think it's important to have a state that has flexibility because our future lies upon economic development. Define it however you want, but I can tell you it does make a difference. Thank you, Mr. President. [LB471]

PRESIDENT SHEEHY: Thank you, Senator Harms. Senator Schilz. [LB471]

SENATOR SCHILZ: Thank you, Mr. President. I can't disagree with Senator Harms. He's exactly right, especially for our areas out west, rural Nebraska, we have to find tools, we have to find ways to increase growth, increase the activities and the economies that are going on out there. So we need tools. And quite honestly for our sake in rural Nebraska we need local tools because it becomes increasingly harder...becomes increasingly harder to bring on board state dollars and things like that to do some of these things. So it is important. And I think that the members of the community as they explore this and get to vote on this, I mean, in the end, in the end I trust the voters to do the right thing. I trust the voters to make the decisions that they need to make for their own communities. And I think that it's important that we allow these types of activities to be a little more flexible. Is this bill the one that gets us there? I'm not exactly sure. But I do agree that we need to move forward on that. And with that, I would...if Senator Karpisek would like the rest of my time, I would yield him the time. [LB471]

PRESIDENT SHEEHY: Senator Karpisek, you're yielded 3 minutes 30 seconds. [LB471]

SENATOR KARPISEK: Thank you, Mr. President. Thank you, Senator Schilz. I agree with Senator Schilz that we do need to expand it. And maybe this is not the be-all, end-all that we need to do it but I think that this is a good start. Alluding to a couple of the questions that were asked, we do not see anything in the LB840 plans that say that they have to be Nebraska-based or how long they have to stay. However, I think that

Floor Debate
February 22, 2011

this is a local control issue, it's a vote of the people. There is a separate committee that is set up to look over the applications for the grants or loans. And so it's up to that city to decide who they want to use the money on or where and how long. Again, anyone that has an LB840 plan today has already had a vote of the people. And if they want to implement these new ways to fund it they would have to have another vote of the people. This has gone to a vote of the people in Amendment 1 and it did pass. So I agree with Senator Schilz. I think it goes to local control, it goes to the vote of the people, if they don't want to have it, any LB840 funds, they don't have to. Currently, there are roughly 60 communities that have LB840 funds. And I think we...I know we need to do something. We see our rural communities every day, it's getting tougher and tougher to be out there to try to entice people to come. We need businesses to have people. And we need people to have businesses. As things go spiral downward it just keeps spiraling. Again, these are already LB840 plans that are in place that would be amending this in and a new community, if someone that doesn't have an LB840 plan would vote on this whole...the old part and the new part together. Thank you, Mr. President. [LB471]

PRESIDENT SHEEHY: Thank you, Senator Karpisek. Members requesting to speak on LB471 we have Senator Wightman followed by Senator Dubas, Senator Lautenbaugh, Senator Schumacher, and Senator Pirsch. Senator Wightman. [LB471]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the body. I do rise in support of LB471. I do think it is another tool in the tool chest of outstate communities. And it's important that we have those. We do have a hard time competing with larger cities, the Lincoln's and the Omaha's, as far as attracting industry to our communities. So I think the voters approved this in Amendment 1. I know that Senator Schumacher has indicated that sometimes this is a economic relocation, not an economic growth. But for the community itself I think there's no question it's economic growth because some of these may be taken from other Nebraska communities or they may be competing with other Nebraska communities, they may also be competing with outstate industries or outstate communities to get an outstate industry to move there. So I do think that it is important. I do have a question of Senator Karpisek, if he would yield. [LB471]

PRESIDENT SHEEHY: Senator Karpisek, would you yield to Senator Wightman? [LB471]

SENATOR KARPISEK: Yes, I will. [LB471]

SENATOR WIGHTMAN: And, Senator Karpisek, I'm looking at the sentence beginning on line 8 of page 2, it says, "Funds generated from municipally owned utilities shall be used for utility-related purposes or activities associated with the economic development program." Now is this an attempt to limit the use of those funds, because I know some

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

Floor Debate
February 22, 2011

of the communities have been using them to offset General Fund requests as far as the city is concerned, use of sales tax, I mean, they are used as a supplement to sales tax dollars and property tax dollars. You aren't reading "solely" into that, are you? [LB471]

SENATOR KARPISEK: Well, as I read it they shouldn't have been doing that now. The only thing that they could have used was city property tax or local option sales tax. This bill puts in the use of a tax levied on municipally owned utilities. And then that will...it will limit that portion to go back to limit the...or to be used for economic development only on the energy side. [LB471]

SENATOR WIGHTMAN: Okay. Right now is there anything that says that those funds should all be used for utility-related purposes if there's an occupation tax charged? [LB471]

SENATOR KARPISEK: No, no. You could, but you had to...right now you have to use property tax or local option sales tax. [LB471]

SENATOR WIGHTMAN: So it's really to expand the economic development use of these funds? [LB471]

SENATOR KARPISEK: Yes, it is. [LB471]

SENATOR WIGHTMAN: Thank you, Senator Karpisek. Thank you, Mr. President. [LB471]

PRESIDENT SHEEHY: Thank you, Senator Wightman. Senator Dubas, you're recognized. [LB471]

SENATOR DUBAS: Thank you, Mr. Lieutenant Governor. Would Senator Karpisek yield to a question, please? [LB471]

PRESIDENT SHEEHY: Senator Karpisek, would you yield? [LB471]

SENATOR KARPISEK: Yes, I will. [LB471]

SENATOR DUBAS: Thank you, Senator Karpisek. I'm going to kind of pick up where Senator Wightman left off. So what we're doing with this legislation is we're bringing municipally owned utilities into the funding mix. Is that correct? [LB471]

SENATOR KARPISEK: That is correct, along with donation, grants...donations and grants. [LB471]

SENATOR DUBAS: Okay. So the...do you know off the top of your head how many

Floor Debate
February 22, 2011

municipal utilities we have in the state? [LB471]

SENATOR KARPISEK: I do not. You mean, how many municipalities own their own? [LB471]

SENATOR DUBAS: Correct, correct. [LB471]

SENATOR KARPISEK: I do not know that. [LB471]

SENATOR DUBAS: I'm sure I can find that out easily. I'm sure someone out in the lobby is already... [LB471]

SENATOR KARPISEK: I'm sure we will find out quickly. [LB471]

SENATOR DUBAS: ...scrambling to find that answer for me. And, I guess, I would ask your opinion as a former mayor of a small community, you know, we're looking at really helping...these funds could be used to help improve and modernize the infrastructure, the energy infrastructure in our communities. Would that be a correct assumption? [LB471]

SENATOR KARPISEK: That is correct. You're stealing a little bit of my closing. (Laugh) [LB471]

SENATOR DUBAS: So I'll give you a chance to elaborate a little bit more. So as a former mayor of a small town, you probably didn't have these types of dollars available to you before which makes it very challenging in our small communities to update infrastructure. Is that correct? [LB471]

SENATOR KARPISEK: That is correct. We...in Wilber we had no LB840 plan in place. And, Senator, there are about 125 that own or lease their municipally owned utilities. [LB471]

SENATOR DUBAS: Okay, thanks for that information. So this again is just giving especially our more rural communities another avenue in trying to keep their communities viable and strong. And again, it's a vote of the people, that's correct, before this money is diverted in any way it's a vote of the people? [LB471]

SENATOR KARPISEK: That is correct. [LB471]

SENATOR DUBAS: Okay. So, you know, I've always felt that the closer you keep government to the people the more able they are to engage in the process and understand what's going on. So I think, you know, by virtue of the fact that we've just taken some aid dollars away from our local governments we need to at least allow them

Floor Debate
February 22, 2011

that opportunity to continue to keep their communities strong and viable. And if this is something that the local communities would have to vote on, I think it's a good process. And I especially support bringing the municipal owned utilities into this because our infrastructure across the state is in need of some updating. And I know our public power districts are doing a great job. But for our local communities I think this would really give them a leg up in recruiting other businesses; if they can say that we have a good energy infrastructure in place that's something that any size of business is going to look at. I think this is a, as we like to say, another good tool in the toolbox. And I will be supporting LB471. [LB471]

PRESIDENT SHEEHY: Thank you, Senator Dubas. Senator Lautenbaugh, you're recognized. [LB471]

SENATOR LAUTENBAUGH: Thank you, Mr. President, members of the body. I rise in support of LB66 and careful observers might notice that this is LB471. I'm sure it's a very fine bill also. But here's the problem I have. We're not going to get to talk about LB66 today because there's a fiscal note on it. What this bill deals with is who's going to swab the inside of a cheek of someone who's been sentenced, convicted of a crime and collect the DNA. This was Senator Avery's bill of a year or two ago. It was a good bill and it passed, but we weren't clear enough on who was actually responsible for doing the swabbing. This bill provided a division of labor between jailhouse employees, probation officers and sheriffs, depending on what the person was sentenced to and where they found themselves. But we're not going to get to talk about that today. It had to be passed over because in the fiscal note probation said they need \$25,000 to train their officers to kind of swab something on the inside of their cheek and put it in an envelope and mail it back, \$25,000. Then another \$20,000 to modify the probation case management system to track the DNA collection as if that's going to be their job. Then another \$50,000 for something, then another \$107,000 to hire additional staff. And as you probably picked up, I'm pretty ticked off about this because this is utter nonsense. And we're supposed to go forward in this body with good faith. You're not supposed to pass a bill unless you're prepared to vote for the A bill. But sometimes the A bill is just a dishonest attempt to kill a bill. And I know this isn't the first time it's happened, but it might be the first time we're talking about it this year. And if you want to play games like this, we can be vindictive too; if you try to kill a bill by A bill, we can find it another way. We have a way of working our will in this body. And this is a good bill and it needs to pass. And I'm furious that it had to be pulled today because we're playing these games. It will be back. And I promise you, it will go forward. We'll find the money one way or another. And I would urge those in charge of probation to think a little bit harder about this and ask yourselves if this is a road you want to go down because we're in tough times and if you're not being a team player, I think we know what to do with you. And if that sounds vindictive, well, too bad because this is an outrage and it's wrong and it's an important bill and it's an important thing that we're asking them to do and they need to pitch in and pull their weight and do it. And I hope that's clear enough. So please vote

Floor Debate
February 22, 2011

for LB471. [LB471 LB66]

PRESIDENT SHEEHY: Thank you, Senator Lautenbaugh. Senator Schumacher.
[LB471]

SENATOR SCHUMACHER: Thank you, Mr. Lieutenant Governor. I rise to continue the discussion on the philosophy of economic development as it is posed by LB471. There are two general approaches to economic development. Economic development is a union between capital, population and know-how. Meaningful economic development looks at our capital resources and says, how can we organize them and how can we unite them with our population and our know-how to produce something of value that we can export and that we can consume? That is a hard road to economic development and it addresses a need for something that we have to have in this state if we're to do meaningful economic development internally. We have to have a way in which all the wealth out there, and there is considerable wealth out there, can organize and deploy itself internally within the state. Right now folks with money are forced in a position where they have to bid up farmland because there's no other place to put it or put it in a bank at near 0 percent interest or gamble it on the stockmarket. The hard mechanism and what we need to address over the next year or two, three, four years while I might have a chance at this microphone is, how do we organize that money? The quick and dirty way to economic development, and it is not development at all but relocation, is mechanisms where we simply assemble money from our taxpayers or our ratepayers and go out and take it and run across the country trying to find somebody who is...organize some capital and give them more money to come to our town instead of the next guy's town. That can't work. It is not a creation of new wealth for this country or for this state but just a relocation of it. And it creates a feeding frenzy in which he who can give more of his people's tax money or utility money wins. But that's not a win at all. It is a...at best, a holding action against the next guy doing it. So while I'm going to vote for this proposition, I want to plant the seeds of a future debate, a debate which I hope will be heard over and over again, and that is that we need to find a way to organize our capital in this state, our tremendous wealth in our bank accounts, our savings accounts, in a way that we can reinvest it and at a good rate of return secure from inflation for our savers in Nebraska. Without that type of capital organization to unite with our talents and our know-how and our population we will never have true economic growth and we will just be fighting a holding action, losing on some fronts, winning on other fronts, but basically not developing ourselves to the potential that this great state has. Thank you.
[LB471]

PRESIDENT SHEEHY: Thank you, Senator Schumacher. Senator Pirsch, you're recognized. [LB471]

SENATOR PIRSCH: Thank you, Mr. President, members of the body. I rise, hopefully, engaging the body in both a discussion here today about the substance of LB471 but

Floor Debate
February 22, 2011

also about the process, procedure with respect to economic development issues in general, I think. Senator Schumacher, I thank you for raising that kind of overall general process idea as a whole. And, I guess, I'll start off with respect to the substance of this particular bill, and if Senator Karpisek would yield to a question or two. [LB471]

PRESIDENT SHEEHY: Senator Karpisek, would you yield to Senator Pirsch? [LB471]

SENATOR KARPISEK: Yes, I will. [LB471]

SENATOR PIRSCH: Thank you, Senator. And could you just...what...tell me if I have a good understanding of what this bill seeks to do. But currently there are only two sources of funds that are available under this program that was created in 1991 to allow localities more flexibility in funding economic development projects in their community. And this bill seeks to expand the permitted types of funds so that it exceeds those first two. Is that right? [LB471]

SENATOR KARPISEK: You got it exactly, Senator Pirsch. [LB471]

SENATOR PIRSCH: Okay. So to a certain extent I would be interested, have you...has there been any systematic review of LB840? I think Senator Schumacher raises that question as to whether that expanding the concept makes sense. But it has been in existence now for 20 years. Have...can you make any, either anecdotal or empirical, comments with respect to the success of that program? [LB471]

SENATOR KARPISEK: Well, I think that it has been a success. Obviously, people don't think that it's done as much as it could have because of the limitation of the sources because, as we know, property taxes in this state are an issue. So nobody wants to raise that. And also sales tax can only go to a certain amount. So I do know that Nebraska City has used this to incentivize a business and also Blair. And I can find more probably smaller examples, but I know those are a couple of the bigger ones right now. [LB471]

SENATOR PIRSCH: Thank you, Senator. I do appreciate it. And I would be...I think that's a good idea to have kind of the overall understanding of the success of that LB840 plan. I think it's in 55 cities right now. So I think we should have some good feedback about how it's working, and not just working in the abstract but vis-a-vis other economic development programs. And that brings me to my second point which deals with process. And I wonder if Senator Schumacher might yield to a question or two? [LB471]

PRESIDENT SHEEHY: Senator Schumacher, would you yield to Senator Pirsch? [LB471]

Floor Debate
February 22, 2011

SENATOR SCHUMACHER: Yes. [LB471]

SENATOR PIRSCH: Senator Schumacher, it seems as though what you're...the point that you're raising is just an overall scheme or plan of the state in terms of deciding which economic development programs are more successful and therefore to fund as opposed to others. Is that your point? [LB471]

SENATOR SCHUMACHER: Somewhat, but the point I'm raising is that there are two routes to economic development--one is pretty well utilized, reutilized and it basically is you assess the public in some mechanism and go find a business, usually out of state, and give them some money to come here for awhile and in hopes of creating some jobs, jobs that are probably low-paying jobs but nevertheless, we go out and we try to hunt down that. That's one side of economic development. [LB471]

SENATOR PIRSCH: And are you talking about the specific program or economic development policies in general? [LB471]

SENATOR SCHUMACHER: This specific program is part of a larger scheme of economic... [LB471]

SENATOR GLOOR PRESIDING

SENATOR GLOOR: One minute, Senator. [LB471]

SENATOR SCHUMACHER: ...development programs that the state is engaged in because, basically, everybody else is engaging in and we're trying to outdo each other. [LB471]

SENATOR PIRSCH: Very good. Are you concerned about the idea, you know, this bill happened to go through the Urban Affairs Committee? Some economic development ideas go through two or three or four other committees. Is it...would it be helpful to have these all under one roof, under one house when we're looking at having a comprehensive but unified economic development policy? Would that help address yours, do you think? [LB471]

SENATOR SCHUMACHER: Yes, I think it would. We need to have a more comprehensive vision of a lot of things and how they integrate together. [LB471]

SENATOR PIRSCH: Thank you for your comments. [LB471]

SENATOR SCHUMACHER: Thank you. [LB471]

SENATOR GLOOR: Thank you, Senator Pirsch and Schumacher. Senator Schilz, you

Floor Debate
February 22, 2011

are recognized. Senator, this is your third time. [LB471]

SENATOR SCHILZ: Thank you, Mr. President. And then usually I try not to be too windy on issues. But I will say and I do have to agree also with Senator Schumacher that he's exactly right. You know, racing to be the one that can spend the most money to get a business to come in is not your best bang for the buck when it comes to economic development. There's a very, very small percentage of companies that are actually wooed to come to your community because of incentives or for any other reason. And that's why it's so important that we make sure and that we are looking to grow from within. But on the other side, so many communities and so many economic development groups think that the only way to show that you're having any economic development in your community is to go out and attract a business to come in. So I would hope that as we're sitting here and we're talking about this that we're talking about what Senator Schumacher is talking about, true economic development where we're taking Nebraska resources and looking at communities and saying, okay, what best works here and then going out and being able to find that capital, because even with a program like this, you're going to have to find capital, and hopefully it's local capital, to be able to do this. And if it's not local capital, you know, that's fine too. But it becomes increasingly difficult to be able to move forward and find this kind of money in our smaller communities. And so I think we're talking about an issue here that makes...that is going to be a pivotal point in moving rural Nebraska forward and turning around the population decline that we see going on there as we speak. It will be very important to find these dollars. It will be very important to find Nebraska resources. And it will be very important to find those businesses that have the best chance of success. And the best chance of success in rural Nebraska is businesses that are owned by Nebraskans and that's what is important. So if these funds can be used to help bolster that, to help build processes and programs that help to implement that kind of behaviors and those kind of actions and those kinds of processes, then that's what I'm in favor of. And I agree with Senator Schumacher there. We don't want to have that race to the bottom, basically, or that race to see who can spend the most to get a company to come here. I don't think that's the proper way to use these funds. But on the other hand if the community votes for it and that's what they want to do I do trust the voters of local communities to do the best things with their local tax dollars much better than I trust the state or the federal government to take those dollars and point them in a certain direction. Thank you, Mr. President. [LB471]

SENATOR GLOOR: Thank you, Senator Schilz. Seeing no further senators wishing to be recognized, Senator Karpisek, you are recognized to close on the advancement of LB471. [LB471]

SENATOR KARPISEK: Thank you, Mr. President. Thank you, members of the body. I think we've had a good discussion on economic development in general. And one thing that I have said since I got here has been that I think that we all do a little too much of

Floor Debate
February 22, 2011

trying to bring in the big 1,000-job big manufacturer and don't look at what we have that we can expand on our own. Now I realize we have to go after those big companies, try to get them in here. But I think if we focus on our local businesses that are already here and established and try to help them expand, I guess, I always think about the Vise-Grip that started in my district in DeWitt, one person, Mr. Petersen making a Vise-Grip. It expanded to be a huge, huge operation that unfortunately now is gone to China, which is a whole nother issue that we could talk for hours on. But it employed a lot of people and it was a homegrown business. And I think that's what we need to focus on. And I think that our locals will be able to focus on that better. They know the people that are there. They know what kind of business they run. And they know if it is a good idea to try to help them expand and what they're going to do with it. LB840 funds are mainly used for job creation and retention, grants and loans. They have been used to hire economic development directors. And there are roughly 60 cities that use it right now. Lincoln and Omaha have not done that because of some of the dollar figures that are put in place on different sizes of cities that probably wouldn't make it real feasible for them to do. I like the part of this going to the municipalities because much of our infrastructure, as Senator Dubas brought up, is getting old and is getting out of date. And if you have a new business come in or a decent size business, you may have to redo your whole electric plant or at least parts of it, which is very expensive. Going back to the DeWitt scenario, they put in a new water tower for the Vise-Grip plant so they could do a better job making Vise-Grips. Now they have a new water tower and no plant, very expensive and that's a bad situation. But this could have helped that. I don't know when a lot of infrastructure was put in, I would guess fifties, sixties. We're looking at those things getting to be 50, 60 years old now and it is very expensive to try to do any of those things. Again, this goes to a vote of the people, if they already have LB840 plans in place they would have to have another vote of the people to expand it in the way that LB471 will do. So the city can't just decide, hey, that's a great idea, we're going to get some federal grants. They will have to go out for a vote of the people on that. Again, this is enabling legislation for Amendment 1 which was on the statewide ballot in November and did pass. I would appreciate a vote, a green vote on LB471. I think it gives cities another tool to put in their tool chest if they want it, if their people want it, if not they don't have to do it. Thank you, Mr. President. [LB471]

SENATOR GLOOR: Thank you, Senator Karpisek. The question is the advancement of LB471 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB471]

CLERK: 38 ayes, 0 nays on the advancement of LB471, Mr. President. [LB471]

SENATOR GLOOR: The bill advances. Continuing with General File, Mr. Clerk. [LB471]

CLERK: LB159, by the Urban Affairs Committee. (Read title.) The bill was introduced on January 7 of this year, referred to the Urban Affairs Committee, advanced to General

Floor Debate
February 22, 2011

File. There are committee amendments pending, Mr. President. (AM244, Legislative Journal page 517.) [LB159]

SENATOR GLOOR: Senator McGill, you're recognized to open on LB159. [LB159]

SENATOR MCGILL: Mr. President and members of the body, LB159 is designed to implement the provisions of Amendment 1 from the primary of last year, not to be confused with the last bill, which was the general election and this authorized the use of bonds issued by municipalities and counties to assist in the development of property for use by nonprofit enterprises. LB159 amends provisions of the Nebraska Industrial Development Act to permit municipalities and counties to participate in the financing and development of projects for nonprofit enterprises throughout the state through the issuance of revenue bonds and the execution of related leases, loan agreements, and other documents relating to the project and the associated bonds. Under our current law, counties and municipalities are authorized to issue bonds and lend the proceeds from those bonds to private enterprises for manufacturing projects and other enterprises located in designated blighted areas. LB159 extends a similar concept for the benefit of nonprofit enterprises, but they are not restricted to blighted or substandard areas. LB159, as required by the constitutional amendment, also excludes any portion of a nonprofit enterprise project to the extent used for religious instruction or study or devotional activities or religious worship. The revenue bonds authorized by LB159 do not obligate public tax dollars. They're revenue bonds that are the obligation of the private contracting party and can only be repaid from the revenues of the project itself. Taxpayers are not at risk in any respect by the issuance of these bonds by a county or municipality. Thank you, Mr. President. [LB159]

SENATOR GLOOR: Thank you, Senator McGill. As the Clerk stated, there are amendments from the Urban Affairs Committee. Senator McGill, as Chair of the committee, you're recognized to open on the amendments. [LB159]

SENATOR MCGILL: Thank you, Mr. President. I'd like to thank Senator Schumacher for helping us along with some of these amendments. He had some great questions in committee that led to some cleanup language. This committee amendment is to protect cities, counties or governing bodies from liability under the Nebraska Securities Act for untrue statements or omissions with respect to any revenue bonds issued for nonprofit groups. And it also states that the nonprofit...must be a nonprofit incorporated or authorized to do business in the state of Nebraska. I think this just tightens up the language of the bill and the constitutional amendment a little better to protect our taxpayers and the use of their money. So thank you, Mr. President. [LB159]

SENATOR GLOOR: Thank you, Senator McGill. Moving to discussion, are there senators wishing to be recognized? Seeing none, Senator McGill. Senator McGill waives. The question is, shall the committee amendments to LB159 be adopted? All

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

Floor Debate
February 22, 2011

those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB159]

CLERK: 38 ayes, 0 nays, on adoption of committee amendments, Mr. President. [LB159]

SENATOR GLOOR: The amendment is adopted. [LB159]

CLERK: I have nothing further on the bill, Mr. President. [LB159]

SENATOR GLOOR: Discussion continues on the advancement of LB159. Senator Schumacher, you are recognized. [LB159]

SENATOR SCHUMACHER: Thank you, Mr. President. There will be an amendment offered on Select File, assuming this moves to Select File, that defines the relationship between the borrower and the city. Right now, the present language suggests that a borrower can...there doesn't have to be within the city, can go find a city to sponsor them that he has nothing to do with, can...doesn't have to be a nexus. And the language that will be offered on Select File will require that there be some nexus between the borrower and the city, basically to prevent city shopping or shopping for the best deal by a borrower going around to any little town and trying to get them to sponsor its bonds. I do have some concern and it has been reflected so far in committee that what we don't want to do is create a bunch of junk charity bonds out there carrying what amounts to city trademarks. So by at least requiring a nexus, we limit that possibility somewhat, and so we can get some accountability at least to the local governments rather than have some forum shopping for bonds. So this was passed by the voters. We need to implement their will. But this is a problematic area because what we're doing basically is allowing charities to use the trademarks of our cities in doing public financing. And we probably are going to need to learn over the next few years what type of regulatory mechanism, if any, we need to put into position so that we don't get a bunch of low-grade securities circulating out there. Thank you, Mr. President. [LB159]

SENATOR GLOOR: Thank you, Senator Schumacher. Senator Lautenbaugh, you are recognized. Senator Lautenbaugh waives. Seeing no senators wishing to be recognized, Senator McGill, you're recognized to close on the advancement of LB159. [LB159]

SENATOR MCGILL: Thank you, Mr. President. We do plan on working with Senator Schumacher to continue to address some of his concerns. I know our amendment addressed many of them but we still have that final one that, I think we all agree, could be another good cleanup amendment. You know our 501(c)(3)s do a great job out there providing a function that government would otherwise have to pay for. And so I'm glad that we have this to help support them and to support their growth. With that, I urge the

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

Floor Debate
February 22, 2011

advancement of LB159. Thank you, Mr. President. [LB159]

SENATOR GLOOR: Thank you, Senator McGill. The question is the advancement of LB159 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB159]

CLERK: 34 ayes, 0 nays, Mr. President, on the advancement of LB159. [LB159]

SENATOR GLOOR: LB159 advances. Mr. Clerk. [LB159]

CLERK: Mr. President, LB191 is by Senator Council. (Read title.) The bill was introduced on January 7, referred to the Judiciary Committee, advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB191]

SENATOR GLOOR: Senator Council, you're recognized to open on LB191. [LB191]

SENATOR COUNCIL: Yes, thank you, Mr. President. I rise to urge this body's advancement of LB191. LB191 reflects one of the recommended reductions considered by the Judiciary Committee during the LR542 process and I introduced LB191 on behalf of the Department of Corrections. LB191 provides the opportunity for Corrections Department inmates to earn additional good time and for parolees to further reduce their parole terms. Under current law, an inmate receives one day of good time for each day of his or her sentence. By way of example, an individual sentenced to a term of four years is eligible for parole after two years. Under LB191, that inmate would have the opportunity to earn an additional 36 days of good time. LB191 provides that after an inmate has completed one year of his or her sentence, they can then earn three additional days of good time for each month that he or she is not found guilty of committing a Class I or Class II or more than three Class III offenses under the Department of Correction's disciplinary policy. LB191 serves to improve safety and security at our correctional facilities by providing an incentive for inmates to conduct themselves in accordance with correctional department disciplinary policy. Additionally, and most significantly, LB191 will reduce Corrections Department expenditures by \$108,185 in fiscal year '12-13 and provide additional savings in subsequent years. The reduction in expenditures is based on the estimate that 25 percent of the inmate population is expected to be incarcerated for more than one year and that that 25 percent will meet the conduct requirements of the bill. Twenty-five percent is the equivalent of 7,020 days of incarceration. At the current per diem rate of \$15.41 per day, the department would achieve the savings of \$108,000. It is to be noted that the savings is only based on the daily per diem which does not include all of the cost of incarcerating an individual on a daily basis. So if we were to consider the additional costs of incarceration, LB191 results in even more savings to the Department of Corrections. In addition to the savings associated with the reduction in the inmate population, LB191 also provides the opportunity to increase the number of parolees

Floor Debate
February 22, 2011

without having to increase the number of parole officers. Under current law, a parolee can reduce his or her parole term by two days for each month that they conduct themselves in conformity with the conditions of their parole. Under LB191, parolees would have an opportunity to reduce their terms by ten days a month based upon their conduct during each month. And what the result would be is that we could increase the number of parolees through LB191 by granting more good time, and we could have more individuals on parole under supervision without having to increase the number of parole officers. There was no opposition to LB191, and the Judiciary Committee unanimously voted to advance LB191 to General File. And I again urge this body to vote to advance LB191 to Select File. Thank you, Mr. President. [LB191]

SENATOR GLOOR: Thank you, Senator Council. (Visitor introduced.) We move to floor discussion. Senator Lautenbaugh, you're recognized. [LB191]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. I do rise in support of LB191, and I applaud Senator Council for bringing it. This bill will help us with some cost savings without putting public safety at risk. I think Senator Council's opening was very comprehensive and complete. She did notice it came out of committee 8-0 with no opposition testifiers. The Department of Corrections came in, in favor of it. It's a good bill and I would urge your support, and I'll yield the rest of my time to Senator Ashford. [LB191]

SENATOR GLOOR: Senator Ashford, 4 minutes 25 seconds. [LB191]

SENATOR ASHFORD: Yes, thank you, Mr. President. And I'd also like to thank Senator Council for bringing this bill, and for the support of the Department of Corrections throughout the process of finding innovative ways to address public safety and efficiencies within the Department of Corrections. This bill clearly does it, as does the Department of Corrections' overall approach to the expedited parole process or managing through the parole process that they are engaged in right now. This is good work by the department. Thank you, Senator Council, and I would concur with Senator Lautenbaugh. Thank you. [LB191]

SENATOR GLOOR: Senator Ashford, you are the next speaker in the queue. Senator Ashford waives. Senator Louden. [LB191]

SENATOR LOUDEN: Thank you, Mr. President and members of the body. As I look at this bill I think it's a very good idea that we have something like that because there are people in there that haven't committed that heinous a crime, I guess, to best describe it, and should have a reason, if they behave themselves in there, to get out earlier. One thing I am concerned about is, is this for everyone? Would Senator Council yield for a question? [LB191]

Floor Debate
February 22, 2011

SENATOR GLOOR: Senator Council, will you yield? [LB191]

SENATOR COUNCIL: Yes. [LB191]

SENATOR LOUDEN: Senator Council, as I look at the bill, is this for anyone that's incarcerated? I mean, can this be someone that's in there for bank robbery and some of the more serious crimes, that if they went in there and behaved themselves they could get out sooner or how does that work with those kind of people? [LB191]

SENATOR COUNCIL: Yes, Senator Louden, and I guess I would start by again directing your attention to the current law. Under current law for every day served in a sentence, an individual earns a day of good time. So let's use, for example, someone who was convicted and sentenced to 20 years for bank robbery. Under the current good time law in Nebraska, that person earns a day of good time for every day of their sentence. So they're eligible for parole after ten years based on a 20 year sentence. [LB191]

SENATOR LOUDEN: I see. Then all this bill does is make it, they get a few more...increases the days that they're eligible if they have good time in there and that's... [LB191]

SENATOR COUNCIL: Yes. It provides an opportunity for them to earn an additional 36 days per year of good time. So it's three days for each month that they remain discipline free. [LB191]

SENATOR LOUDEN: Yeah. Okay. Thank you, Senator Council. Thank you, Mr. President. [LB191]

SENATOR GLOOR: Thank you, Senator Louden. Seeing no further senators wishing to be recognized, Senator Council, you are recognized to close on the advancement of LB191. [LB191]

SENATOR COUNCIL: Thank you again, Mr. President. I want to thank my colleagues on the Judiciary Committee for their support of LB191. And as Senator Lautenbaugh stated, this provides an opportunity for the Department of Corrections to reduce its inmate population without placing the department or its operations at risk. We have been considering a variety of options for reducing our inmate populations, because if we don't, we could face the necessity in the future of building additional correctional facilities. And when we weigh the cost of building additional correctional facilities to the cost-savings associated with providing opportunities for those who have conducted themselves in conformity with disciplinary policies of the department while incarcerated, and in addition, providing encouragement for those on parole to comply with all of the conditions of their parole by providing them with additional opportunities to reduce their

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

Floor Debate
February 22, 2011

parole, I think everyone in the state benefits from the savings in terms of costs as well as the societal savings associated with providing opportunities to individuals to successfully reenter their respective communities. And with that, I would again urge the advancement of LB191. [LB191]

SENATOR GLOOR: Thank you, Senator Council. The question is the advancement of LB191 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB191]

CLERK: 31 ayes, 0 nays, Mr. President, on the advancement of LB191. [LB191]

SENATOR GLOOR: The bill advances. Mr. Clerk. [LB191]

CLERK: Mr. President, items. Legislative...or Enrollment and Review reports LB278, LB368, LB399, LB556, LB281, and LB314 to Select File, some of which have Enrollment and Review amendments. Banking Committee reports LB404 to General File, LB70 to General File, those signed by Senator Pahls. Government reports LB343 to General File, LB628 General File, LB230 General File with amendments, LB337 General File with amendments, likewise with LB499, and LB338 indefinitely postponed; those signed by Senator Avery. Enrollment and Review also reports LB43, LB108, LB178, LB178A, LB215, LB410, and LB410A as correctly engrossed. A series of hearing notices from the Natural Resources Committee; those signed by Senator Langemeier as Chair. A new A bill, LB181A, by Senator Hansen. (Read by title for the first time.) And Senator Hadley has a new resolution, LR79. That will be laid over, Mr. President. (Legislative Journal pages 615-620.) [LB278 LB368 LB399 LB556 LB281 LB314 LB404 LB70 LB343 LB628 LB230 LB337 LB499 LB338 LB43 LB108 LB178 LB178A LB215 LB410 LB410A LB181A LR79]

A priority motion. Senator Utter would move to adjourn the body until Wednesday morning, February 23, at 9:00 a.m.

SENATOR GLOOR: You have heard the motion to adjourn until 9:00 a.m. Wednesday. All in favor say aye. All opposed say nay. We are adjourned.